

JAN 24 2019

A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST E OLA MAU NA LEO O KEKAHA.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that E Ola Mau Na Leo O
2 Kekaha proposes to obtain, remediate, and develop the old Kekaha
3 Sugar Mill from Kekaha MS, LLC, in Kekaha, Kauai, Hawaii, to
4 create, among other things, a smart farming enterprise, tourist
5 and cultural center, community sunshine market, community
6 greenhouse, and community manufacturing and incubator facility.
7 Acquiring, remediating, and developing the property to provide
8 various services will address community and island-wide issues
9 relating to the preservation of a historic cultural site,
10 preservation of important agricultural endeavors, and
11 development and creation of diverse economic drivers on the west
12 side of Kauai that have significantly diminished in recent years
13 due to the closing of the Kekaha Sugar Mill.

14 The legislature additionally finds and declares that the
15 proposed acquisition, remediation, and development of the Kekaha
16 Sugar Mill through the issuance of special purpose revenue bonds



1 under this Act is in the public interest and will further public
2 health, safety, and general welfare.

3 SECTION 2. Pursuant to part III, IV, or V, or a
4 combination thereof as the progress of the project may
5 determine, of chapter 39A, Hawaii Revised Statutes, the
6 department of budget and finance, with the approval of the
7 governor, is authorized to issue special purpose revenue bonds
8 in a total amount not to exceed \$10,000, in one or more series,
9 for the purpose of assisting E Ola Mau Na Leo O Kekaha, a Hawaii
10 domestic 501(c)(3) entity, in acquiring, remediating, and
11 developing the aforementioned project. The legislature hereby
12 finds and determines that E Ola Mau Na Leo O Kekaha's financing,
13 acquisition, remediation, construction, and development of this
14 project constitutes projects as defined in part III, IV, or V,
15 or a combination thereof as the progress of the project may
16 determine, of chapter 39A, Hawaii Revised Statutes, and the
17 financing thereof will provide assistance to a manufacturing,
18 processing, or industrial enterprise, or a combination thereof
19 as the progress of the project may determine.

20 SECTION 3. The special purpose revenue bonds and the
21 refunding special purpose revenue bonds issued under this Act



1 shall be issued pursuant to part III, IV, or V, or a combination
2 thereof as the progress of the project may determine, of chapter
3 39A, Hawaii Revised Statutes, relating to the power to issue
4 special purpose revenue bonds to assist manufacturing,
5 processing, or industrial enterprises, or a combination thereof
6 as the progress of the project may determine.

7 SECTION 4. The department of budget and finance is
8 authorized, from time to time, including times subsequent to
9 June 30, 2024, to issue special purpose revenue bonds in
10 whatever principal amounts the department shall determine to be
11 necessary to refund the special purpose revenue bonds authorized
12 in section 2 and to refund special purpose revenue bonds
13 authorized in this section, regardless of whether the
14 outstanding special purpose revenue bonds or refunding special
15 purpose revenue bonds have matured or are the subject of
16 redemption or whether the refunding special purpose revenue
17 bonds shall be bonds for the multi-project programs described in
18 section 2. In making this determination, the department shall
19 comply with federal law relating to the exemption from federal
20 income taxation of the interest on bonds of the nature
21 authorized by this section.



S.B. NO. 1456

1 SECTION 5. The authorization to issue special purpose
2 revenue bonds under this Act shall lapse on June 30, 2024.

3 SECTION 6. This Act shall take effect on July 1, 2019.

4

INTRODUCED BY: *Michael D. Williams*

By Request



S.B. NO. 1456

Report Title:

Special Purpose Revenue Bonds; E Ola Mau Na Leo O Kekaha; Kekaha Sugar Mill

Description:

Authorizes the issuance of special purpose revenue bonds (SPRB) to assist E Ola Mau Na Leo O Kekaha with the acquisition, remediation, and development of the old Kekaha Sugar Mill in Kekaha, Kauai, Hawaii.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

