

JAN 24 2024

A BILL FOR AN ACT

RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR ELECTRIC PUBLIC UTILITIES.

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

1 SECTION 1. The legislature finds and declares that the
2 issuance of special purpose revenue bonds under this Act is in
3 the public interest and for the public health, safety, and
4 general welfare.

5 SECTION 2. Pursuant to part VI, chapter 39A, Hawaii
6 Revised Statutes, the department of budget and finance, with the
7 approval of the governor, is authorized to issue special purpose
8 revenue bonds in a total amount not to exceed \$700,000,000, in
9 one or more series, for the purpose of assisting Hawaiian
10 Electric Company, Inc., and including its subsidiaries Maui
11 Electric Company, Limited, and Hawaii Electric Light Company,
12 Inc., Hawaii corporations, for multi-project capital improvement
13 programs, including costs to cover the acquisition of land or
14 the construction or acquisition of facilities used or related to
15 the production, transmission, or distribution of electricity, or
16 any combination thereof; provided that the approval of the



1 public utilities commission shall be required for any project
2 financed by the issuance of special purpose revenue bonds under
3 this Act. The special purpose revenue bonds shall be issued for
4 the aforementioned purposes in the following distribution:

- 5 (1) Up to \$400,000,000 for Hawaiian Electric Company,
6 Inc.;
- 7 (2) Up to \$150,000,000 for Maui Electric Company, Limited;
8 and
- 9 (3) Up to \$150,000,000 for Hawaii Electric Light Company,
10 Inc.;

11 provided that any benefits or savings realized due to the
12 issuance of these special purpose revenue bonds shall be
13 apportioned to ratepayers.

14 The legislature hereby finds and determines that the
15 capital improvement projects and programs of Hawaiian Electric
16 Company, Inc., Maui Electric Company, Limited, and Hawaii
17 Electric Light Company, Inc., constitute a project as defined in
18 part VI, chapter 39A, Hawaii Revised Statutes, and the financing
19 thereof is assistance to utilities serving the general public in
20 providing electric energy.



1 SECTION 3. The special purpose revenue bonds and the
2 refunding special purpose revenue bonds issued under this Act
3 shall be issued pursuant to part VI, chapter 39A, Hawaii Revised
4 Statutes, relating to the power to issue special purpose revenue
5 bonds to assist utilities serving the general public in
6 providing electric energy.

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. 3015

1 SECTION 5. The authorization to issue special purpose
2 revenue bonds under this Act shall lapse on June 30, 2029.

3 SECTION 6. This Act shall take effect on July 1, 2024.

4

INTRODUCED BY: *Francis X. Swage*



S.B. NO. 3015

Report Title:

Special Purpose Revenue Bonds; HECO; MECO; HELCO; CIP; Capital Improvement Programs

Description:

Authorizes the issuance of special purpose revenue bonds for Hawaiian Electric Company, Inc. and its subsidiaries Maui Electric Company and Hawaii Electric Light Company for multi-project capital improvement programs.

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

