

## ACT 137

S.B. NO. 1262

A Bill for an Act Relating to Special Purpose Revenue Bonds.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Act 208, Session Laws of Hawaii 2000, is amended by amending sections 3, 4, 5, and 6 to read as follows:

“SECTION 3. Pursuant to part V, chapter 39A, Hawaii Revised Statutes, the department of budget and finance is hereby authorized, with the approval of the governor, to issue special purpose revenue bonds in a total amount not to exceed [~~\$19,000,000~~] \$38,000,000 in one or more series, for the purpose of assisting Rickmar Properties, Inc. (or a partnership in which Rickmar Properties, Inc. is a general partner, or the successor in interest or assignee of Rickmar Properties, Inc.), with one or more of the following:

- (1) The establishment of a distribution system through which chilled water produced at a water cooling facility will be moved to buildings wishing to be connected to the cooling facility; and
- (2) The financing, refinancing, or both, of the costs related to the planning, design, and construction of the distribution system, including costs of construction, renovation, equipping, and purchasing tangible assets (including land and easements for such distribution system and pipelines and other improvements) comprising such distribution system.

SECTION 4. The department of budget and finance shall process applications for special purpose revenue bonds under this Act in accordance with the requirements of its “Formal Application for Financing of an Industrial Enterprise.” The department shall report to the legislature twenty days before the convening of the regular sessions of [~~2001 and~~] 2002 and 2003 regarding any status with respect to the issuance of the special purpose revenue bonds authorized by this Act.

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SECTION 5. The department of budget and finance is authorized, with the approval of the governor, to issue from time to time (including times subsequent to June 30, [2003,] 2005.) refunding special purpose revenue bonds in such principal amounts as the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 3 and any refunding special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption, and any such refunding special purpose revenue bonds shall be bonds for the projects and purposes described in section 3. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized under this section.

SECTION 6. Any unused portion of the authorization to issue new special purpose revenue bonds under this Act shall lapse as of the close of business on June 30, [2003,] 2005.’’

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved May 22, 2001.)