

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist Industrial Enterprises.

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

SECTION 1. The legislature finds that the cessation of sugar operations in Hawaii has resulted in the loss of jobs and revenues to the State, the counties, and the citizens of Hawaii. The land formerly devoted to the growing of sugar cane is now available for commercial growing of a diverse number of crops, including macadamia seedlings, macadamia trees, and their kernel crop. The establishment of new facilities in the State to process macadamia nuts and to manufacture and produce macadamia products would support the development of macadamia nursery and farming operations and the marketing and sale of macadamia nuts locally and for export. These facilities would create an estimated one hundred new jobs directly in the processing and production operations, as well as additional new jobs in related nursery, farming, marketing, and sales operations. Due to economic conditions in the State, and the loss of many agricultural jobs, the creation of new jobs is imperative at this time.

The legislature also finds that it is particularly in the public interest to encourage and promote the development of new agriculture-related enterprises where and when that opportunity presents itself. Facilities such as those proposed by Hawaii Macadamia Tree, Incorporated, in the county of Hawaii, that can process macadamia nuts and manufacture and produce macadamia products for use locally and for export are the type of enterprises that will provide such an opportunity for our State.

The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest.

SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed \$10,000,000, in one or more series, for the purpose of assisting Hawaii Macadamia Tree, Incorporated, a Hawaii corporation, to finance the establishment of facilities in the county of Hawaii to process macadamia nuts and to manufacture and produce macadamia products. The legislature hereby finds and determines that the planning, design, construction, and equipping of facilities to process macadamia nuts and to manufacture and produce macadamia products constitute an industrial project as defined in part V, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to a industrial enterprise.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part V, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist industrial enterprises.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2005, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund 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 or whether the

refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. 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 by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2005.

SECTION 6. This Act shall take effect upon¹ July 1, 2002.

(Approved May 31, 2002.)

Note

1. So in original.