

## ACT 128

H.B. NO. 1388

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist a Processing Enterprise.

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

SECTION 1. The legislature finds that shoreline erosion is threatening Sunrise Capital, Inc.'s shrimp hatchery facility in Kekaha, Kauai. Sunrise Capital, Inc.'s shrimp hatchery facility is a specific pathogen free facility, meaning any live shrimp from this facility are certified to be free of certain shrimp diseases. Accordingly, the facility produces some of the most in-demand breeding shrimp for hatcheries all over the world. Sunrise Capital, Inc., is the second largest supplier of disease-free shrimp breeding stock in the State.

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

SECTION 2. Pursuant to part IV, 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 \$1,300,000 in one or more series, for the purpose of assisting Sunrise Capital Inc., a Hawaii corporation, in the planning, design, and construction of a two-phase project that will protect its shrimp hatchery facility. The first phase involves the protection of its current packing facility, and the second phase involves the relocation of its packing facility and salt water well further inland. The legislature hereby finds and determines that the activities and facilities of Sunrise Capital, Inc., constitute a project as defined in part IV, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance for a processing 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 IV, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist a processing enterprise.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2018, 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, 2018.

SECTION 6. This Act shall take effect on July 1, 2013.

(Approved June 14, 2013.)