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# A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF REVENUE BONDS TO ASSIST HAWAII  
HEALTH SYSTEMS CORPORATION OR ANY OF ITS REGIONAL  
SUBSIDIARY CORPORATIONS.

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

1           SECTION 1. The legislature finds that significant public  
2 benefit will be realized through the planning, construction,  
3 improvement of, and purchase and replacement of equipment for  
4 the facilities of the Hawaii health systems corporation or any  
5 of its regional subsidiary corporations who provide healthcare  
6 services and facilities for all residents. The legislature  
7 further finds that the issuance of revenue bonds under this Act  
8 is in the public interest and for the benefit of public health,  
9 safety, and welfare.

10           SECTION 2. Pursuant to part III, chapter 39, Hawaii  
11 Revised Statutes, the Hawaii health systems corporation, with  
12 the approval of the governor, is authorized to issue revenue  
13 bonds in a total amount not to exceed \$100,000,000, in one or  
14 more series, for the purpose of assisting the Hawaii health  
15 systems corporation, or any of its regional subsidiary  
16 corporations to finance the construction and improvement of and



1 purchase of new and replacement equipment for its healthcare  
2 facilities, including the construction of a new heart, brain,  
3 and spine center on Maui, which will offer the following:

4 (1) Cardiovascular services, including:

5 (A) Interventional cardiology;

6 (B) Electrophysiology;

7 (C) Vascular/endovascular;

8 (D) Heart surgery;

9 (E) Cardiac rehab; and

10 (F) Disease management;

11 (2) Brain services, including interventional neuro  
12 radiology; and

13 (3) Neurosurgery.

14 SECTION 3. Bond terms. (a) The principal of and interest  
15 on the revenue bonds issued pursuant to section 2 shall be  
16 payable solely from and secured solely by the revenues produced  
17 by the heart, brain, and spine center financed by the bonds.

18 (b) The revenue bonds may also be used to finance  
19 capitalized interest on the bonds and any other expenses  
20 incidental thereto or connected therewith, including planning,  
21 design, engineering, inspection, legal, and fiscal agent fees  
22 and costs of the issuance of the revenue bonds.



1 (c) The bonds shall be special, limited obligations of the  
2 Hawaii health systems corporation, payable exclusively from and  
3 secured by a lien on the revenues of the heart, brain, and spine  
4 center financed by the bonds.

5 (d) The revenue bonds shall not be secured by the taxing  
6 power of the State. The principal on the bonds and any premiums  
7 upon the redemption thereof shall not constitute or evidence a  
8 debt of the State, nor a legal or equitable pledge, charge,  
9 lien, or encumbrance upon any of its property, or upon any of  
10 its income, receipts, or revenues, except the revenues of the  
11 heart, brain, and spine center financed by the bonds.

12 SECTION 4. The authorization to issue revenue bonds under  
13 this Act shall lapse on June 30, 2012.

14 SECTION 5. This Act shall take effect on July 1, 2007.



**Report Title:**

Hawaii Health Systems Corporation; Revenue Bonds

**Description:**

Authorizes the issuance of revenue bonds to assist the Hawaii Health Systems Corporation in the construction, improvement, and equipment of its healthcare facilities. (SD1)

