

**ACT 303**

H.B. NO. 1685

A Bill for an Act Authorizing the Issuance of Special Purpose Revenue Bonds for Not-for-profit Corporations that Provide Health Care Facilities.

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

SECTION 1. 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.

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SECTION 2. The department of budget and finance is authorized to issue special purpose revenue bonds in the sum of \$39,000,000, or so much thereof as may be necessary, to assist not-for-profit corporations that provide health care facilities to the general public to be used for financing or refinancing as follows:

The Queen's health systems and its not-for-profit subsidiary	
For 160-bed skilled nursing facility	\$15,000,000
For Halawa laundry and storage facility	10,000,000
For other long-term care facilities	14,000,000

SECTION 3. The department of budget and finance is authorized to issue special purpose revenue bonds in a total amount not to exceed \$9,500,000, in one or more series, for the purpose of assisting G.N. Wilcox memorial hospital or G.N. Wilcox health center properties to accomplish the following:

Refinancing short-term bond equipment purchases	2,500,000
Construction of a parking facility and expansion of ancillary and support space	3,000,000
Renovations to emergency room and the purchase of imaging and diagnostic equipment	4,000,000

SECTION 4. The department of budget and finance is authorized to issue special purpose revenue bonds in a total amount not to exceed \$135,000,000, in one or more series, for the purpose of assisting the Episcopal Homes of Hawaii, Inc., a Hawaii nonprofit corporation, for the planning, design, and construction of a senior citizens lifecare retirement community.

SECTION 5. The department of budget and finance shall not issue special purpose revenue bonds authorized in Sections 2, 3, and 4, until such time that the respective organizations have obtained a certificate of need approval from the state health planning and development agency and is otherwise in compliance with laws, ordinances, and rules and regulations of the State or any political subdivision thereof, or any departments or boards thereof with respect to the construction, operation, and maintenance of projects, compliance with health care planning laws or regulations, or zoning laws or regulations, obtaining of building permits, compliance with building and health codes and other laws, ordinances, or rules of similar nature pertaining to the project.

SECTION 6. The department of budget and finance is further authorized to issue from time to time 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 sections 2, 3, and 4. In making such 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 7. The special purpose revenue bonds and refunding special purpose revenue bonds issued under this Act shall be issued pursuant to chapter 39A, part II, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist not-for-profit corporations that provide health care facilities to the general public.

**SECTION 8.** This Act shall take effect upon its approval.

(Approved June 26, 1991.)