

ACT 6

H.B. NO. 1-S

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist Kapiolani Health Care Systems.

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 of the State.

SECTION 2. Pursuant to part II, 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 \$45,000,000, in one or more series, for the purpose of assisting Kapiolani Health Care System and its not-for-profit subsidiaries in financing the capital costs related to new construction, renovation, and equipment purchase for Kapiolani Health Care System's health care facility subsidiaries. The legislature finds and determines that the activities and facilities of Kapiolani Health Care System's health care facility subsidiaries constitute projects as defined in part II, chapter 39A, Hawaii Revised Statutes, and that the financing thereof is assistance to health care facilities.

SECTION 3. The special purpose revenue bonds issued under this Act shall be issued pursuant to part II, chapter 39A, 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 4. The department of budget and finance shall not issue the special purpose revenue bonds authorized in section 2 until such time as the organization has obtained a certificate of need approval from the state health planning and development agency, if necessary, and is otherwise in compliance with the laws, ordinances, and rules of the State and counties, or any departments or boards thereof, with respect to the construction, operation, and maintenance of projects; compliance with health care planning laws or rules, or zoning laws or ordinances; obtaining of building permits; and compliance with building and health codes and other laws, ordinances, or rules of a similar nature pertaining to the foregoing projects.

SECTION 5. The department of budget and finance is further authorized to issue from time to time refunding special purpose revenue bonds authorized in such principal amounts as the department shall determine to be necessary to refund the special purpose revenue bonds authorized 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 6. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 1999.

SECTION 7. This Act shall take effect upon its approval.

(Approved June 29, 1995.)