

ACT 220

S.B. NO. 3248

A Bill for an Act Relating to Special Purpose Revenue Bonds.

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

SECTION 1. Section 39A-52, Hawaii Revised Statutes, is amended to read as follows:

“§39A-52 Sunset provision. After [June 30, 2000,] June 30, 2003, no new special purpose revenue bonds shall be issued under this part.”

SECTION 2. 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.

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 the sum of \$150,000,000, in one or more series, for the purpose of assisting the Queen’s Health Systems and its subsidiaries to finance the costs of construction of, improvements to, and equipping of hospital facilities and other capital-related projects. The authorization is in addition to any special purpose revenue bonds authorized under any other Act for the purpose of assisting the Queen’s Health Systems and its subsidiaries. The legislature finds and determines that the activities and facilities of the Queen’s Health Systems and its subsidiaries constitute a project as defined in part II, chapter 39A, Hawaii Revised Statutes, and that the financing thereof is assistance to a health care facility.

SECTION 3. 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 section 2. 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 4. 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 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2003.

SECTION 6.¹ This Act shall take effect upon its approval.

(Approved July 17, 1998.)

Note

1. No Ramseyer clause.