

**ACT 279**

S.B NO. 2873

A Bill for an Act Relating to Hawaii Health Systems Corporation.

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

SECTION 1. Hawaii health systems corporation is authorized to issue \$38,000,000 in revenue bonds under the Supplemental Appropriations Act of 2000. The legislature finds that Hawaii health systems corporation is unable to issue the revenue bonds without those bonds being secured by a guaranty from the State.

The legislature finds and declares that the issuance of bond guarantees under this Act is in the public interest and for the public health, safety, and general welfare of the State.

SECTION 2. Bonds guaranteed by the department. (a) The department of budget and finance, through its director, may guaranty payment of principal of and interest on bonds issued by Hawaii health systems corporation under section 323F-7, Hawaii Revised Statutes, by guaranteeing payment of principal of and interest on the bonds or by guaranteeing the provider of any credit facility securing the bonds to reimburse any amounts drawn on such credit facility to pay principal of or interest

on the bonds. The amount of liability under the guaranty shall not exceed \$47,500,000.

(b) The terms for the guaranty shall include a requirement that the Hawaii health systems corporation deposit and maintain, in a trust fund to be established and held by the department or by a bank trustee on behalf of the department an amount equal to the lesser of maximum annual debt service on, or one hundred twenty-five per cent of average annual debt service on, or ten per cent of the principal amount at issuance of, the bonds guaranteed. If the interest rate on the bonds is variable, an assumed interest rate or formula determined by the department shall be used in calculating the balance required to be maintained in the trust fund. This deposit may be made from proceeds of the bonds or any other available funds of Hawaii health systems corporation. Amounts in the trust fund shall be invested by the department in any securities in which proceeds of the bonds may be invested and shall be held in trust for the benefit of the State and pledged to payment of principal of and interest on the bonds prior to any payment under the guaranty. In the event of default by Hawaii health systems corporation in payment of any amount in respect of debt service on guaranteed bonds, the trustee for the guaranteed bonds shall notify the department of the default and shall be entitled to any amounts in the trust fund necessary to cure the default and, to the extent such amounts are not sufficient, to take all steps necessary or appropriate to collect the amounts necessary to cure the default pursuant to the guaranty or any applicable credit facility (in which case the credit provider shall be entitled to reimbursement pursuant to the guaranty). In the event of any transfer of amounts in the trust fund to the trustee for the guaranteed bonds (or to the credit facility provider) due to any deficiency in payment from Hawaii health systems corporation, the department shall seek an appropriation or appropriations from the legislature in such amounts and at such times as the department determines to be necessary or agrees pursuant to its guaranty in order to fund the guaranty or the trust fund.

Amounts remaining in the trust fund may be used for final payment of the bonds on maturity or early redemption or acceleration and to the extent not so used shall be returned to Hawaii health systems corporation after all guaranteed bonds have been paid. Amounts in the trust fund in excess of the required balance, from time to time, shall be returned to the Hawaii health systems corporation subject to any other agreement with bondholders, credit providers, or the department. Appropriations received by the department pursuant to this section may be added to the trust fund or held by or on behalf of the department in a supplemental trust fund in order to maintain the aggregate balance in the trust fund or funds at the required amount. To the extent not used to make payments under the guaranty, such appropriations (including any earnings thereon) shall be returned to the State when the Hawaii health systems corporation returns the trust fund to the required balance with its own funds or after all guaranteed bonds have been paid in full.

(c) The department may set additional terms and conditions on the granting of the guaranty, which may include requiring the Hawaii health systems corporation (and in such event, notwithstanding any other provision of law, the Hawaii health systems corporation is authorized) to pledge, mortgage, or grant a security interest in, sell, assign, lease, or otherwise dispose of any or all property, whether real, personal or mixed, tangible or intangible, and of any interest therein, to secure payment of the principal of any interest on the bonds or reimbursement to the provider of any credit facility securing the bonds or reimbursement to the State, of any payments made pursuant to the credit facility or the State guaranty, as the case may be.

SECTION 3. Pursuant to Article VII, section 13, clause 8, of the State Constitution that states: "Bonds constituting instruments of indebtedness under

which the State or any political subdivision incurs a contingent liability as a guarantor, but only to the extent the principal amount of such bonds does not exceed seven percent of the principal amount of outstanding general obligation bonds not otherwise excluded under this section; provided that the State or political subdivision shall establish and maintain a reserve in an amount in reasonable proportion to the outstanding loans guaranteed by the State or political subdivision as provided by law”, the legislature finds and declares that the moneys deposited into the trust fund or funds, pursuant to section 2(c) of this Act, satisfies the reasonable reserve requirement of the State Constitution.

SECTION 4. Declaration of findings with respect to the general obligation bonds authorized by this Act. Pursuant to the clause in Article VII, Section 13, of the State Constitution which states: “Effective July 1, 1980, the legislature shall include a declaration of findings in every general law authorizing the issuance of general obligation bonds that the total amount of principal and interest, estimated for such bonds and for all bonds authorized and unissued and calculated for all bonds issued and outstanding, will not cause the debt limit to be exceeded at the time of issuance,” the legislature finds and declares as follows:

(1) Limitation on general obligation debt. The debt limit of the state is set forth in Article VII, Section 13, of the State Constitution, which states in part: “General obligation bonds may be issued by the State; provided that such bonds at the time of issuance would not cause the total amount of principal and interest payable in the current or any future fiscal year, whichever is higher, on such bonds and on all outstanding general obligation bonds to exceed: a sum equal to twenty percent of the average of the general fund revenues of the State in the three fiscal years immediately preceding such issuance until June 30, 1982; and thereafter, a sum equal to eighteen and one-half percent of the average of the general fund revenues of the State in the three fiscal years immediately preceding such issuance.” Article VII, Section 13, also provides that in determining the power of the State to issue general obligation bonds, certain bonds are excludable, including “reimbursable general obligation bonds issued for a public undertaking, improvement, or system but only to the extent that reimbursements to the general fund are in fact made from the net revenue, or net user tax receipts, or combination of both, as determined for the immediately preceding fiscal year” and bonds constituting instruments of indebtedness under which the State incurs a contingent liability as a guarantor, but only to the extent the principal amount of such bonds does not exceed seven per cent of the principal amount of outstanding general obligation bonds not otherwise excluded under said Article VII, Section 13.

(2) Actual and estimated debt limits. The limit on principal and interest of general obligation bonds issued by the State, actual for fiscal year 1999-2000 and estimated for each fiscal year from 2000-2001 to 2002-2003, is as follows:

Fiscal Year	Net General Fund Revenues	Debt Limit
1996-1997	3,115,264,737	
1997-1998	3,195,967,036	
1998-1999	3,254,256,686	
1999-2000	3,141,743,000	\$589,871,788
2000-2001	3,228,232,000	591,504,615
2001-2002	3,285,586,000	593,494,287
2002-2003	(Not Applicable)	595,426,262

For fiscal years 1999-2000, 2000-2001, 2001-2002 and 2002-2003 respectively, the debt limit is derived by multiplying the average of the net general fund revenues for

the three preceding fiscal years by eighteen and one-half per cent. The net general fund revenues for fiscal years 1996-1997, 1997-1998, and 1998-1999 are actual, as certified by the director of finance in the Statement of the Debt Limit of the State of Hawaii as of July 1, 1999, dated November 24, 1999. The net general fund revenues for fiscal years 1999-2000 to 2001-2002 are estimates, based on general fund revenue estimates made as of March 10, 2000, by the council on revenues, the body assigned by Article VII, Section 7, of the State Constitution to make such estimates, and based on estimates made by the department of budget and finance of those receipts which cannot be included as general fund revenues for the purpose of calculating the debt limit, all of which estimates the legislature finds to be reasonable.

(3) Principal and interest on outstanding bonds applicable to the debt limit.

(A) According to the department of budget and finance, the total amount of principal and interest on outstanding general obligation bonds, after the exclusions permitted by Article VII, Section 13, of the State Constitution, for determining the power of the State to issue general obligation bonds within the debt limit as of December 1, 1999 is as follows for fiscal year 2000-2001 to fiscal year 2006-2007:

Fiscal Year	Principal and Interest
2000-2001	\$352,508,780
2001-2002	367,994,493
2002-2003	411,701,970
2003-2004	378,223,219
2004-2005	373,053,164
2005-2006	347,383,328
2006-2007	344,154,560

The department of budget and finance further reports that the amount of principal and interest on outstanding bonds applicable to the debt limit generally continues to decline each year from fiscal year 2007-2008 to fiscal year 2019-2020 when the final installment of \$27,612,984 shall be due and payable. (B) The department of budget and finance further reports that the outstanding principal amount of bonds constituting instruments of indebtedness under which the State may incur a contingent liability as a guarantor is \$191,000,000, all or part of which is excludable in determining the power of the State to issue general obligation bonds, pursuant to Article VII, Section 13, of the State Constitution.

(4) Amount of authorized and unissued general obligation bonds and guaranties and proposed bonds and guaranties. (A) As calculated from the state comptroller's bond fund report as of February 29, 2000, adjusted for (i) appropriations to be funded by general obligation bonds and reimbursable general obligation bonds as provided in Act 99, Session Laws of Hawaii 1999 (General Appropriations Act of 1999), to be expended in the fiscal year 2000-2001; (ii) appropriation to be funded by reimbursable general obligation bonds as provided in Act 151, Session Laws of Hawaii 1999 (Relating to Hawaii Hurricane Relief Fund Bonds), to be expended in the fiscal year 2000-2001; and Act 156, Session Laws of Hawaii 1999 (Judiciary Appropriations Act of 1999), to be expended in the fiscal year 2000-2001, the total amount of authorized but unissued general obligation bonds is \$1,390,315,020. (B) As reported by the department of budget and finance the outstanding principal amount of bonds constituting instruments of indebtedness under which the State may incur a contingent liability as a guarantor is \$191,000,000, all or part of which is excludable in determining the power of the State to issue general obligation bonds, pursuant to Article VII, Section 13, of the State Constitution. The total amount of guaranties authorized by this Act is \$47,500,000 and are herein validated. The total

amount of guaranties previously authorized and validated by this Act is \$238,500,000.

(5) Proposed general obligation bond issuance. As reported therein for the fiscal years 1998-1999, 1999-2000, 2000-2001, 2001-2002 and 2002-2003, the State proposed to issue \$200,000,000 in general obligation bonds during the remainder of fiscal year 1999-2000, \$350,000,000 during the first half of fiscal year 2000-2001, \$150,000,000 during the second half of fiscal year 2000-2001, \$150,000,000 during the first half of fiscal year 2001-2002, \$150,000,000 during the second half of fiscal year 2001-2002, \$100,000,000 during the first half of fiscal year 2002-2003, and \$300,000,000 during the second half of fiscal year 2002-2003. It has been the practice of the State to issue twenty-year serial bonds with principal repayments beginning the third year, the bonds payable in substantially equal annual installments of principal and interest payment with interest payments commencing six months from the date of issuance and being paid semi-annually thereafter. It is assumed that this practice will continue to be applied to the bonds which are proposed to be issued except that principal repayments will begin in the fourth year.

(6) Sufficiency of proposed general obligation bond issuance to meet the requirements of authorized and unissued bonds, as adjusted, and bonds authorized by this Act. From the schedule reported in paragraph (5), the total amount of general obligation bonds which the State proposes to issue during the fiscal years 1999-2000 to 2001-2002 is \$1,000,000,000. An additional \$400,000,000 is proposed to be issued in fiscal year 2002-2003. The total amount of \$1,000,000,000 which is proposed to be issued through fiscal year 2001-2002 is sufficient to meet the requirements of the authorized and unissued bonds, as adjusted, the total amount of which is \$1,390,315,020, as reported in paragraph (4), except for \$390,315,020. It is assumed that the appropriations to which an additional \$390,315,020 in bond issuance needs to be applied will have been encumbered as of June 30, 2002. The \$400,000,000 which is proposed to be issued in fiscal year 2002-2003 will be sufficient to meet the requirements of the June 30, 2002, encumbrances in the amount of \$390,315,020. The amount of assumed encumbrances as of June 30, 2002, is reasonable and conservative, based upon an inspection of June 30 encumbrances of the general obligation bond fund as reported by the state comptroller. Thus, taking into account the amount of authorized and unissued bonds, as adjusted, and the bonds authorized by this Act versus the amount of bonds which is proposed to be issued by June 30, 2002, and the amount of June 30, 2002, encumbrances versus the amount of bonds which is proposed to be issued in fiscal year 2002-2003, the legislature finds that in the aggregate, the amount of bonds which is proposed to be issued is sufficient to meet the requirements of all authorized and unissued bonds and the bonds authorized by this Act.

(7) Bonds excludable in determining the power of the State to issue bonds. As noted in paragraph (1), certain bonds are excludable in determining the power of the State to issue general obligation bonds. (A) General obligation reimbursable bonds can be excluded under certain conditions.

It is not possible to make a conclusive determination as to the amount of reimbursable bonds which are excludable from the amount of each proposed bond issued because:

(i) It is not known exactly when projects for which reimbursable bonds have been authorized in prior acts and in this Act will be implemented and will require the application of proceeds from a particular bond issue; and

(ii) Not all reimbursable general obligation bonds may qualify for exclusion.

However, the legislature notes that with respect to the principal and interest on outstanding general obligation bonds, according to the department of budget and finance, the average proportion of principal and interest which is excludable each year from the calculation against the debt limit is 6.97 per cent for the ten years from

fiscal year 2000-2001 to fiscal year 2009-2010. For the purpose of this declaration, the assumption is made that five per cent of each bond issue will be excludable from the debt limit, an assumption which the legislature finds to be reasonable and conservative. (B) Bonds constituting instruments of indebtedness under which the State incurs a contingent liability as a guarantor can be excluded but only to the extent the principal amount of such guaranties does not exceed seven per cent of the principal amount of outstanding general obligation bonds not otherwise excluded under subparagraph (A) of this paragraph (7) and provided that the State shall establish and maintain a reserve in an amount in reasonable proportion to the outstanding loans guaranteed by the State as provided by law. According to the department of budget and finance and the assumptions presented herein, the total principal amount of outstanding general obligation bonds and general obligation bonds proposed to be issued, which are not otherwise excluded under Article VII, Section 13, of the State Constitution for the fiscal years 1999-2000, 2000-2001, 2001-2002 and 2002-2003 are as follows:

<u>Fiscal year</u>	<u>Total Amount of General Obligation Bonds not otherwise excluded by Article VII, Section 13, of the State Constitution</u>
1999-2000	3,309,433,537
2000-2001	3,600,550,972
2001-2002	3,677,655,955
2002-2003	3,843,443,582

Based on the foregoing and based on the assumption that the full amount of a guaranty is immediately due and payable when such guaranty changes from a contingent liability to an actual liability, the aggregate principal amount of the portion of the outstanding guaranties and the guaranties proposed to be incurred, which does not exceed seven per cent of the average amount set forth in the last column of the above table and for which reserve funds have been or will have been established as heretofore provided, can be excluded in determining the power of the State to issue general obligation bonds. As it is not possible to predict with a reasonable degree of certainty when a guaranty will change from a contingent liability to an actual liability, it is assumed in conformity with fiscal conservatism and prudence, that all guaranties not otherwise excluded pursuant to Article VII, Section 13, of the State Constitution will become due and payable in the same fiscal year in which the greatest amount of principal and interest on general obligation bonds, after exclusions, occurs. Thus, based on such assumptions and on the determination in paragraph (8), all of the outstanding guaranties can be excluded.

(8) Determination whether the debt limit will be exceeded at the time of issuance. From the foregoing and on the assumption that all of the bonds identified in paragraph (5) will be issued at an interest rate of 6.0 per cent, it can be determined from the following schedule that the bonds which are proposed to be issued, which include all authorized and unissued bonds previously authorized, as adjusted, general obligation bonds and instruments of indebtedness under which the State incurs a contingent liability as a guarantor authorized in this Act, will not cause the debt limit to be exceeded at the time of such issuance:

Time of Issuance and Amount to be Counted Against Debt Limit	Debt Limit at Time of Issuance	Greatest Amount and Year of Highest Principal and Interest on Bonds and Guaranties
Remainder FY 1999-2000		
\$190,000,000	589,871,788	423,101,970 (2002-2003)
1st half FY 2000-2001		
\$332,500,000	591,504,615	443,051,970 (2002-2003)
2nd half FY 2000-2001		
\$142,500,000	591,504,615	451,601,970 (2002-2003)
1st half FY 2001-2002		
\$142,500,000	593,494,287	455,876,970 (2002-2003)
2nd half FY 2001-2002		
\$142,500,000	593,494,287	464,426,970 (2002-2003)
1st half FY 2002-2003		
\$95,000,000	595,426,262	549,374,614 (2004-2005)
2nd half FY 2002-2003		
\$285,000,000	595,426,262	479,324,614 (2004-2005)

(9) Overall and concluding finding. From the facts, estimates, and assumptions stated in this declaration of findings, the conclusion is reached that the total amount of principal and interest estimated for the general obligation bonds authorized in this Act, and for all bonds authorized and unissued, and calculated for all bonds issued and outstanding, and all guaranties, will not cause the debt limit to be exceeded at the time of issuance.

SECTION 5. The legislature finds the bases for the declaration of findings set forth in this Act reasonable. The assumptions set forth in this Act with respect to the principal amount of general obligation bonds which will be issued, the amount of principal and interest on reimbursable general obligation bonds which are assumed to be excludable, and the assumed maturity structure shall not be deemed to be binding, it being the understanding of the legislature that such matters must remain subject to substantial flexibility.

SECTION 6. Section 323F-7, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Notwithstanding any other law to the contrary, the corporation shall have and exercise the following duties and powers:

- (1) Developing its own policies, procedures, and rules necessary or appropriate to plan, operate, manage, and control the system of public health facilities and services without regard to chapter 91;
- (2) Evaluating the need for health facilities and services;
- (3) Entering into and performing any contracts, leases, cooperative agreements, or other transactions whatsoever that may be necessary or appropriate in the performance of its purposes and responsibilities, and on terms it may deem appropriate, with either:
  - (A) Any agency or instrumentality of the United States, or with any state, territory, or possession, or with any subdivision thereof; or
  - (B) Any person, firm, association, or corporation, whether operated on a for-profit or not-for-profit basis;
 provided that the transaction furthers the public interest;

- (4) Conducting activities and entering into business relationships as the corporation board deems necessary or appropriate, including but not limited to:
  - (A) Creating nonprofit corporations, including but not limited to charitable fund-raising foundations, to be controlled wholly by the corporation or jointly with others;
  - (B) Establishing, subscribing to, and owning stock in business corporations individually or jointly with others; and
  - (C) Entering into partnerships and other joint venture arrangements, or participating in alliances, purchasing consortia, health insurance pools, or other cooperative arrangements, with any public or private entity; provided that any corporation, venture, or relationship entered into under this section furthers the public interest; provided further that this paragraph shall not be construed to authorize the corporation to abrogate any responsibility or obligation under paragraph (15);
- (5) Participating in and developing prepaid health care service and insurance programs and other alternative health care delivery programs, including programs involving the acceptance of capitated payments or premiums that include the assumption of financial and actuarial risk;
- (6) Executing, in accordance with all applicable bylaws, rules, and laws, all instruments necessary or appropriate in the exercise of any of the corporation's powers;
- (7) Preparing and executing all corporation budgets, policies, and procedures;
- (8) Setting rates and charges for all services provided by the corporation without regard to chapter 91;
- (9) Developing a corporation-wide hospital personnel system that is subject to chapters 76, 77, and 89;
- (10) Developing the corporation's capital and strategic plans;
- (11) Suing and being sued; provided that the corporation shall enjoy the same sovereign immunity available to the State;
- (12) Making and altering corporation board bylaws for its organization and management without regard to chapter 91;
- (13) Adopting rules, without regard to chapter 91, governing the exercise of its powers and the fulfillment of its purpose under this chapter;
- (14) Entering into any contract or agreement whatsoever, not inconsistent with this chapter or the laws of this State, and authorizing the corporation chief executive officer to enter into all contracts, execute all instruments, and do all things necessary or appropriate in the exercise of the powers granted in this chapter, including securing the payment of bonds;
- (15) Issuing revenue bonds subject to the approval of the legislature; provided that all revenue bonds shall be issued pursuant to part III, chapter 39;
- (16) Reimbursing the state general fund for debt service on general obligation bonds or reimbursable general obligation bonds issued by the State for the purposes of the corporation;
- (17) Pledging or assigning all or any part of the receipts and revenues of the corporation for purposes of meeting bond or health systems liabilities;
- (18) Owning, purchasing, leasing, exchanging, or otherwise acquiring property, whether real, personal or mixed, tangible or intangible, and of any interest therein, in the name of the corporation, which property is not



- owned or controlled by the State but is owned or controlled by the corporation;
- (19) Maintaining, improving, pledging, mortgaging, selling, or otherwise holding or disposing of property, whether real, personal or mixed, tangible or intangible, and of any interest therein, at any time and manner, in furtherance of the purposes and mission of the corporation; provided that the a<sup>1</sup> corporation legally holds or controls the property in its own name; and provided further that the corporation shall not sell, assign, lease, hypothecate, mortgage, pledge, give, or dispose of [a substantial portion] all or substantially all of its property [of any nature];
  - (20) Purchasing insurance and creating captive insurers in any arrangement deemed in the best interest of the corporation, including but not limited to funding and payment of deductibles and purchase of reinsurance;
  - (21) Acquiring by condemnation, pursuant to chapter 101, any real property required by the corporation to carry out the powers granted by this chapter;
  - (22) Depositing any moneys of the corporation in any banking institution within or without the State, and appointing, for the purpose of making deposits, one or more persons to act as custodians of the moneys of the corporation;
  - (23) Contracting for and accepting any gifts, grants, and loans of funds, property, or any other aid in any form from the federal government, the State, any state agency, or any other source, or any combination thereof, and complying, subject to this chapter, with the terms and conditions thereof;
  - (24) Providing health and medical services for the public directly or by agreement or lease with any person, firm, or private or public corporation or association through or in the health facilities of the corporation or otherwise;
  - (25) Approving medical staff bylaws, rules, and medical staff appointments and reappointments for all public health facilities, including without limitation, determining the conditions under which a health professional may be extended the privilege of practicing within a health facility, and adopting and implementing reasonable rules, without regard to chapter 91, for the credentialing and peer review of all persons and health professionals within the facility;
  - (26) (A) Investing any funds not required for immediate disbursement in property or in securities that meet the standard for investments established in chapter 88 as provided by the corporation board; provided the investment assists the corporation in carrying out its public purposes; selling from time to time securities thus purchased and held, and depositing any securities in any bank or financial institution within or without the State. Any funds deposited in a banking institution or in any depository authorized in this section shall be secured in a manner and subject to terms and conditions as the corporation board may determine, with or without payment of any interest on the deposit, including, without limitation, time deposits evidenced by certificates of deposit. Any bank or financial institution incorporated under the laws of this State may act as depository of any funds of the corporation and may issue indemnity bonds or may pledge securities as may be required by the corporation board.

- (B) Notwithstanding subparagraph (A), contracting with the holders of any of its notes or bonds as to the custody, collection, securing, investment, and payment of any moneys of the corporation and of any moneys held in trust or otherwise for the payment of notes or bonds and carrying out the contract. Moneys held in trust or otherwise for the payment of notes or bonds or in any way to secure notes or bonds, and deposits of such moneys, may be secured in the same manner as moneys of the corporation, and all banks and trust companies are authorized to give security for the deposits;
- (27) Entering into any agreement with the State including but not limited to contracts for the provision of goods, services, and facilities in support of the corporation's programs, and contracting for the provision of services to or on behalf of the State;
- (28) Having a seal and altering the same at pleasure;
- (29) Waiving, by means that the corporation deems appropriate, the exemption from federal income taxation of interest on the corporation's bonds, notes, or other obligations provided by the Internal Revenue Code of 1986, as amended, or any other federal statute providing a similar exemption;
- (30) Developing internal policies and procedures for the procurement of goods and services, consistent with the goals of public accountability and public procurement practices, but not subject to chapter 103D. However, where possible, the corporation is encouraged to use the provisions of chapter 103D; provided that the use of one or more provisions of chapter 103D shall not constitute a waiver of the exemption from chapter 103D and shall not subject the corporation to any other provision of chapter 103D;
- (31) Authorizing and establishing positions;
- (32) Calling upon the attorney general for such legal services as the corporation may require; and
- (33) Having and exercising all rights and powers necessary or incidental to or implied from the specific powers granted in this chapter, which specific powers shall not be considered as a limitation upon any power necessary or appropriate to carry out the purposes and intent of this chapter."

SECTION 7. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 8. The provisions of this Act are declared to be severable and if any portion thereof is held to be invalid for any reason, the validity of the remainder of this Act shall not be affected.

SECTION 9. This Act shall take effect upon its approval.

(Approved June 22, 2000.)

**Note**

- 1. So in original.