

ACT 100

S.B. NO. 2052

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 Section 39A-52, Hawaii Revised Statutes, is repealed.

SECTION 2. The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and is for the public health, safety, and general welfare.

SECTION 3. 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 \$80,000,000 in one or more series for the purpose of assisting Hawaii Pacific Health, a Hawaii corporation, and one or more of its not-for-profit affiliates with financing, refinancing, and reimbursing costs related to the acquisition or construction of health care facilities including, without limitation:

- (1) Costs related to the acquisition of Straub Hospital pursuant to the affiliation of Hawaii Pacific Health and Straub Clinic and Hospital;
- (2) Renovation of existing health care facilities;
- (3) Acquisition of equipment;
- (4) Purchase of tangible assets including land and improvements;
- (5) Acquisition and installation of information technology; and
- (6) Other capital-related projects for Hawaii Pacific Health and any one or more of its not-for-profit affiliates.

The legislature hereby finds and determines that the activities and facilities of Hawaii Pacific Health and its affiliates constitutes a “project” as defined in part II of chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to health care facilities.

SECTION 4. The special purpose revenue bonds and the 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 department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2007, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 3, and any refunding of special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 3. 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, 2007.

SECTION 7. Statutory material to be repealed is bracketed and stricken.¹

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

(Approved May 31, 2002.)

Note

1. Edited pursuant to HRS §23G-16.5.