

**ACT 153****H.B. NO. 1907**

**A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist 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 that it is in the public interest to encourage development of senior housing communities in the State of Hawaii. The legislature finds that the Craigsides Retirement Residence, a not-for-profit Hawaii corporation, is engaged in the development of a senior housing community, with a continuum of healthcare, in Honolulu on the island of Oahu and thereby serves the public.

The legislature finds that Craigsides Retirement Residence may be assisted through the issuance of special purpose revenue bonds because its senior housing community in Honolulu is a health care project as defined in part II, chapter 39A, Hawaii Revised Statutes.

**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.

**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 not to exceed \$120,000,000, in one or more series, for the purpose of assisting Craigsides Retirement Residence, a Hawaii not-for-profit corporation, for the purchase of land, and for the planning, design, and construction of a senior housing community. The legislature hereby finds and determines that the Craigsides Retirement Residence constitutes a healthcare facility as defined in part II, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to a healthcare facility.

**SECTION 4.** The special purpose revenue bonds and the refunding 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 Craigsides Retirement Residence enterprises.

**SECTION 5.** The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2012, 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 to refund 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, 2012.

**SECTION 7.** This Act shall take effect on July 1, 2007.

(Approved June 7, 2007.)