

ACT 227

S.B. NO. 2939

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist St. Francis Healthcare System of Hawaii.

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.

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 \$80,000,000, in one or more series, for the purpose of assisting St. Francis Healthcare System of Hawaii, a Hawaii nonprofit corporation, to finance the construction, improvement, and equipment of the facilities formerly known as Hawaii Medical Center East that are devoted solely to assisted living services, hospice care, adult day care, or other outpatient services; provided that the issuance of special purpose revenue bonds pursuant to this section shall not be for the purpose of improving or constructing facilities for long-term care or skilled nursing services.

The legislature hereby finds and determines that the activities and facilities of St. Francis Healthcare System of Hawaii constitute a project as defined

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in part II, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to a not-for-profit corporation that provides health care facilities to the general public.

SECTION 3. 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 a not-for-profit corporation that provides health care facilities to the general public.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2017, 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 2 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 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.

Such refunding special purpose revenue bonds may be issued in one or more series for the refunding of the special purpose revenue bonds authorized in section 2 of this Act or this section and may be combined into a single issue of refunding special purpose revenue bonds, in one or more series, with refunding special purpose revenue bonds to be issued by the department to refund any other special purpose revenue bonds authorized by any one or more other separate acts of the legislature pursuant to part II, chapter 39A, Hawaii Revised Statutes.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2017.

SECTION 6. This Act shall take effect on July 1, 2012.

(Approved July 5, 2012.)