

ACT 86

H.B. NO. 869

A Bill for an Act Relating to Special Purpose Revenue Bonds to Assist Luana Kai A Life Plan Community.

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

SECTION 1. The legislature finds and declares that it is in the public interest to encourage development of continuing care retirement communities in the State. The legislature further finds that Luana Kai A Life Plan Community, a Hawaii nonprofit corporation, is engaged in the development of a continuing care retirement community in Honolulu, Oahu.

The legislature further finds that Luana Kai A Life Plan Community may be assisted through the issuance of special purpose revenue bonds because its continuing care retirement community in Honolulu is a health care facility as defined in part II, chapter 39A, Hawaii Revised Statutes.

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 in one or more series special purpose revenue bonds in a total amount not to exceed the sum of \$500,000,000 for the purpose of assist-

ing Luana Kai A Life Plan Community, a Hawaii nonprofit corporation in the development and operation of a continuing care retirement community.

The legislature finds and determines that the activity of Luana Kai A Life Plan Community, constitutes a health care facility as defined in part II, chapter 39A, Hawaii Revised Statutes, and the financing thereof constitutes assistance to a not-for-profit corporation that provides health care facilities to the general public.

SECTION 3. The special purpose revenue bonds shall be issued pursuant to part II, chapter 39A, Hawaii Revised Statutes, relating to the authority to issue special purpose revenue bonds to assist not-for-profit corporations that provide 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, 2026, 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 shall be bonds for the projects and purposes 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.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2026.

SECTION 6. This Act shall take effect on July 1, 2021.

(Approved June 24, 2021.)