
A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST HAWAII MEDICAL CENTER.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds and declares that the
2 issuance of special purpose revenue bonds under this Act is in
3 the public interest and for the public health, safety, and
4 general welfare.

5 SECTION 2. Pursuant to part II, chapter 39A, Hawaii
6 Revised Statutes, the department of budget and finance, with the
7 approval of the governor, is authorized to issue special purpose
8 revenue bonds in a total amount not to exceed \$40,000,000, in
9 one or more series, for the purpose of assisting Hawaii Medical
10 Center, a Hawaii limited liability company, and one or more of
11 its not-for-profit affiliates, to finance or refinance equipment
12 purchases, and for the construction and improvement of health
13 care facilities, including:

- 14 (1) Remodeling and rebuilding existing health care
15 facilities;
16 (2) Constructing new health care facilities;
17 (3) Purchasing new equipment;



- 1 (4) Refinancing debt; and
- 2 (5) Other related projects for Hawaii Medical Center and
- 3 its not-for-profit affiliates.

4 The legislature hereby finds and determines that Hawaii Medical

5 Center and its not-for-profit affiliates constitute a project as

6 defined in part II, chapter 39A, Hawaii Revised Statutes, and

7 the financing thereof is assistance to a corporation that

8 provides health care facilities to the general public.

9 SECTION 3. The special purpose revenue bonds and the

10 refunding special purpose revenue bonds issued under this Act

11 shall be issued pursuant to part II, chapter 39A, Hawaii Revised

12 Statutes, relating to the power to issue special purpose revenue

13 bonds to assist not-for-profit corporations that provide health

14 care facilities to the general public.

15 SECTION 4. The department of budget and finance is

16 authorized, from time to time, including times subsequent to

17 June 30, 2014, to issue special purpose revenue bonds in

18 whatever principal amounts the department shall determine to be

19 necessary to refund the special purpose revenue bonds authorized

20 in section 2 and to refund special purpose revenue bonds

21 authorized in this section, regardless of whether the

22 outstanding special purpose revenue bonds or refunding special



1 purpose revenue bonds have matured or are the subject of
2 redemption or whether the refunding special purpose revenue
3 bonds shall be bonds for the multi-project programs described in
4 section 2. In making this determination, the department shall
5 comply with federal law relating to the exemption from federal
6 income taxation of the interest on bonds of the nature
7 authorized by this section.

8 SECTION 5. The authorization to issue special purpose
9 revenue bonds under this Act shall lapse on June 30, 2014.

10 SECTION 6. This Act shall take effect upon its approval;
11 provided that the authorization to issue special purpose revenue
12 bonds pursuant to section 2 of this Act shall be contingent upon
13 Hawaii Medical Center obtaining not-for-profit status prior to
14 the effective date of this Act.



Report Title:

Hawaii Medical Center, Special Purpose Revenue Bonds

Description:

Authorizes the issuance of special purpose revenue bonds to assist Hawaii Medical Center provided that it obtains not-for-profit status prior to this Act taking effect. (HB1813 HD1)

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