

WRITTEN ONLY

TESTIMONY BY KALBERT K. YOUNG  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON HEALTH  
ON  
SENATE BILL NO. 2383, S.D. 1  
MARCH 16, 2012

**LATE**

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO  
ASSIST NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE  
FACILITIES TO THE GENERAL PUBLIC

Senate Bill No. 2383, S.D. 1, extends the authorization to issue special purpose revenue bonds until 6/30/2018 to assist The Queen's Health Systems contained in Act 176, Session Laws of Hawaii (SLH) 2003, and as amended by Act 86, SLH 2007.

The Department has a technical comment on this bill. Section 39A-37, Hawaii Revised Statutes (HRS), requires, among other things, "...that no authorization shall be made for a period exceeding five years of its enactment." The Department recommends that Section 3 of the bill be amended to reflect an effective date of July 1, 2013 and maintain the lapse date of June 30, 2018 to make this authorization consistent with Section 39A-37, HRS.

Thank you for the opportunity to provide testimony on this measure.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION  
AFSCME Local 152, AFL-CIO

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LATE

The Twenty-Sixth Legislature, State of Hawaii  
House of Representatives  
Committee on Health

Testimony by  
Hawaii Government Employees Association  
March 16, 2012

S.B. 2383, S.D. 1 – RELATING TO THE ISSUANCE  
OF SPECIAL PURPOSE REVENUE BONDS TO  
ASSIST NOT-FOR-PROFIT  
CORPORATIONS THAT PROVIDE HEALTH  
CARE FACILITIES TO THE GENERAL PUBLIC

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of S.B. 2383, S.D. 1, which extends the lapse date of the Special Purpose Revenue Bonds authorized to assist the Queen's Health Systems through Act 176, SLH 2003 and Act 86, SLH 2007 from June 30, 2013 to June 30, 2018.

The original bill in 2003 authorized the issuance of up to \$200 million in special purpose revenue bonds. The bond revenue is being used by the Queen's Medical Center, a nonprofit Queen's Health Systems affiliate, for purposes that include renovation of existing health care facilities, construction of new health care facilities, and acquisition of equipment, land and information technology.

Extending the lapse date of the special purpose revenue bonds will enable the Queen's Medical Center to provide an improved level of vital health care services to the community.

Thank you for the opportunity to testify in support of S.B. 2383, S.D. 1.

Respectfully submitted,  
  
Randy Perreira  
Executive Director