

ACT 158

H.B. NO. 3676

A Bill for an Act Relating to Special Purpose Revenue Bonds.

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 the sum of \$200,000,000, in one or more series, for the purpose of assisting The Queen's Health Systems and its not-for-profit subsidiaries. The legislature finds and determines that the activities and facilities of The Queen's Health Systems and its not-for-profit subsidiaries constitute a project as defined in part II, chapter 39A, Hawaii Revised Statutes, and that the financing thereof is assistance to a health care facility.

SECTION 3. The department of budget and finance shall not issue special purpose revenue bonds authorized in section 2 until such time as the organization has obtained a certificate of need approval from the state health planning and development agency, if necessary, and is otherwise in compliance with laws, rules, and ordinances of the State or any political subdivision thereof, or any departments or boards thereof with respect to the construction, operation, and maintenance of projects, including:

- (1) Health care planning laws and rules;
- (2) Zoning laws and rules;
- (3) Building permit requirements;
- (4) Building and health codes; and
- (5) Other laws, rules, and ordinances of similar nature pertaining to the project.

SECTION 4. The department of budget and finance is further authorized to terminate the authorization of all unexpended amounts for projects authorized by Act 303, Session Laws of Hawaii 1991, as such Act relates to The Queen's Health Systems and the not-for-profit subsidiary project parties therein referenced, and such termination is with the consent of such project parties.

SECTION 5. The department of budget and finance is further authorized to issue from time to time refunding special purpose revenue bonds in such principal amounts as the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2. In making such 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 special purpose revenue bonds and refunding special purpose revenue bonds issued under this Act shall be issued pursuant to chapter 39A, part II, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist not-for-profit corporations that provide health care facilities to the general public.

SECTION 7. This Act shall take effect upon its approval.

(Approved June 9, 1994.)