

ACT 133

S.B. NO. 716

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist Not-For-Profit Corporations that Provide Health Care Facilities.

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 senior housing communities in the State of Hawaii. The legislature further finds that Kahala Senior Living Community, Inc., a not-for-profit Hawaii corporation, is engaged in the development of a senior housing community in Honolulu on the island of Oahu and thereby services the public.

The legislature further finds that Kahala Senior Living Community, Inc., may be assisted through the issuance of special purpose revenue bonds because its senior housing community in Honolulu is a health care project 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 \$142,000,000 for the purpose of assisting Kahala Senior Living Community, Inc., a Hawaii not-for-profit corporation in the leasing of land for, and the planning, design, construction, and operation of a senior housing community.

The legislature finds and determines that the activity of Kahala Senior Living Community, Inc., constitutes a health care facility as defined in part II, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to a health care facility.

SECTION 3. The special purpose revenue bonds issued under this Act shall be issued pursuant to part II, chapter 39A, Hawaii Revised Statutes, relating to the authority to issue special purpose revenue bonds to assist nonprofit corporations that provide health care facilities to the general public.

SECTION 4. The department of budget and finance is authorized, with the approval of the governor, to issue from time to time (including times subsequent to June 30, 2006), refunding special purpose revenue bonds in such principle amounts as the department shall determine to be authorized in section 2 and any refunding 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, and any such refunding special purpose revenue bonds 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 under this section.

SECTION 5. Any unused portion of the authorization to issue new special purpose revenue bonds under this Act shall lapse as of the close of business on June 30, 2006.

SECTION 6. Section 4 of Act 303, Session Laws of Hawaii 1991, is repealed.

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

(Approved May 22, 2001.)