

ACT 173

H.B. NO. 1111

A Bill for an Act Relating to Special Purpose Revenue Bonds for an Intergenerational Care Center at Ewa Villages.

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

SECTION 1. The purpose of this Act is to supplement the special purpose revenue bonds previously issued under Act 289, Session Laws of Hawaii 1999, which authorized the issuance of special purpose revenue bonds in a total amount not to exceed \$15,000,000 for the purpose of assisting the EV Community Development Corporation (EVCDC) in financing and refinancing costs related to the acquisition, development, and construction of an intergenerational care center, Kulana Malama.

As a result of community collaboration, EVCDC has made program expansions and facility modifications to respond to the growing needs of medically fragile children and finds that the cost of the development has increased beyond the original bond authorization.

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 \$25,000,000 in one or more series for the purpose of assisting the EVCDC in financing and refinancing costs related to the acquisition, development, and construction of an intergenerational care center, Kulana Malama, that intends to provide health care services to frail elderly and medically fragile infants and children.

The legislature finds and determines that the activities and facilities of the EVCDC at Kulana Malama constitute projects as defined in part II, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to a health care facility provided to the general public by a nonprofit corporation.

The legislature further 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 of the State.

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 power 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 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 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. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2004.

SECTION 6. This Act shall take effect upon its approval.

(Approved May 29, 2001.)