

ACT 107

S.B. NO. 2790

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds for Haleakala Waldorf School.

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

SECTION 1. Haleakala Waldorf School is excited about the potential opportunity to better serve the young people of Maui through a program that may include land acquisition, building, and debt retirement made possible by the issuance of special purpose revenue bonds. The school's current 2.4 acre site, beginning about one hundred years ago, was the home of Kealahou Public School. It has nine contiguous neighbors, privately owned lots occupied by cottages and houses. Purchase of one or more of these parcels would provide the school with additional parking, enhanced access to campus, enhanced early childhood programs, and an athletic field.

The Waldorf philosophy of education provides for a special process that recognizes that the developmental focus in the high school years shifts to advanced thinking, reliance on abstractions, and critical judgment. A building program would enable Haleakala Waldorf School to continue past the eighth grade into high school, to more fully nurture this developmental shift. The school anticipates phasing in the building program to correspond with one new grade added each year over the course of four years. A modest amount of debt, arising from the mortgage on three units of faculty housing on an adjoining lot, may also be retired under this issuance.

The purpose of this Act is to authorize the issuance of special purpose revenue bonds and appropriate funding for Haleakala Waldorf School to finance or refinance the planning, acquisition, construction, or improvement of its educational facilities.

SECTION 2. 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 welfare.

SECTION 3. Pursuant to part VIII, 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 \$9,450,000, in one or more series, for the purpose of assisting Haleakala Waldorf School, a Hawaii corporation, to finance or refinance the planning, acquisition, construction, or improvement of its educational facilities. The legislature finds and determines that the planning, acquisition, construction, or improvement constitutes a project as defined in part VIII, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to not-for-profit private nonsectarian and sectarian elementary schools and secondary schools.

SECTION 4. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part VIII, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist not-for-profit private nonsectarian and sectarian elementary schools, secondary schools, colleges, and universities that serve the general public.

SECTION 5. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2009, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 3 and to refund 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 or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 3. 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 by this section.

SECTION 6. The special purpose revenue bonds issued under this Act may be issued in one or more series for a single project, multiple projects, a single-project party, or multiple-project parties pursuant to the authority of this Act or the combined authority of this Act and any one or more other separate acts of the legislature pursuant to part VIII, chapter 39A, Hawaii Revised Statutes, and the department may combine into a single issue of special purpose revenue bonds, in one or more series, two or more proposed issues of special purpose revenue bonds to be issued pursuant to part VIII, chapter 39A, Hawaii Revised Statutes, separately

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authorized, in the total amount not to exceed the aggregate of the proposed separate issues of special purpose revenue bonds.

SECTION 7. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2009.

SECTION 8. This Act shall take effect upon approval.

(Approved June 9, 2004.)