



GOV. MSG. NO. 717

EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE
GOVERNOR

May 15, 2008

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fourth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

This is to inform you that on May 15, 2008, the following bill was signed into law:

HB2271 HD1 SD2

A BILL FOR AN ACT RELATING TO THE ISSUANCE
OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST
CASTLE MEDICAL CENTER AND ITS AFFILIATES.
(ACT 75)

Sincerely,

JAMES R. AIONA, JR.
Acting Governor

A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST CASTLE MEDICAL CENTER AND ITS AFFILIATES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds and declares that the
2 issuance of special purpose revenue bonds under this Act is in
3 the public interest and for the public health, safety, and
4 general welfare.

5 SECTION 2. Pursuant to part II, chapter 39A, Hawaii
6 Revised Statutes, the department of budget and finance, with the
7 approval of the governor, is authorized to issue special purpose
8 revenue bonds in a total amount not to exceed \$30,000,000, in
9 one or more series, for the purpose of assisting Castle Medical
10 Center, a Hawaii not-for-profit corporation, and one or more of
11 its nonprofit affiliates, to finance and refinance equipment
12 purchases, and for the construction and improvement of health
13 care facilities, including the following:

- 14 (1) Remodeling and rebuilding existing health care
15 facilities;
- 16 (2) Constructing new health care facilities;
- 17 (3) Purchasing new equipment;



- 1 (4) Refinancing debt; and
2 (5) Other related projects for Castle Medical Center and
3 its nonprofit affiliates.

4 The legislature finds and determines that the activities
5 and facilities of Castle Medical Center and its nonprofit
6 affiliates constitute a project as defined in part II, chapter
7 39A, Hawaii Revised Statutes, and the financing thereof is
8 assistance to a not-for-profit corporation that provides health
9 care facilities to the general public.

10 SECTION 3. The special purpose revenue bonds and the
11 refunding special purpose revenue bonds issued under this Act
12 shall be issued pursuant to part II, chapter 39A, Hawaii Revised
13 Statutes, relating to the power to issue special purpose revenue
14 bonds to assist not-for-profit corporations that provide health
15 care facilities to the general public.

16 SECTION 4. The special purpose revenue bonds issued under
17 this Act may be issued in one or more series for a single
18 project, multiple projects, a single-project party, or multiple-
19 project parties pursuant to the authority of this Act or the
20 combined authority of this Act and any one or more other
21 separate acts of the legislature pursuant to part II, chapter
22 39A, Hawaii Revised Statutes, and the department may combine



1 into a single issue of special purpose revenue bonds, in one or
2 more series, two or more proposed issues of special purpose
3 revenue bonds to be issued pursuant to part II, chapter 39A,
4 Hawaii Revised Statutes, separately authorized, in the total
5 amount not to exceed the aggregate of the proposed separate
6 issues of special purpose revenue bonds.

7 SECTION 5. The department of budget and finance is
8 authorized, from time to time, including times subsequent to
9 June 30, 2013, to issue special purpose revenue bonds in
10 whatever principal amounts the department shall determine to be
11 necessary to refund the special purpose revenue bonds authorized
12 in section 2 and to refund special purpose revenue bonds
13 authorized in this section, regardless of whether the
14 outstanding special purpose revenue bonds or refunding special
15 purpose revenue bonds have matured or are the subject of
16 redemption or whether the refunding special purpose revenue
17 bonds shall be bonds for the multi-project programs described in
18 section 2. In making this determination, the department of
19 budget and finance shall comply with federal law relating to the
20 exemption from federal income taxation of the interest on bonds
21 of the nature authorized by section 2.



1 SECTION 6. The authorization to issue special purpose
2 revenue bonds under this Act shall lapse on June 30, 2013.

3 SECTION 7. This Act shall take effect on July 1, 2008.

APPROVED this 15 day of MAY , 2008



JAMES R. AIONA JR

ACTING GOVERNOR

GOVERNOR OF THE STATE OF HAWAII

