
A BILL FOR AN ACT

RELATING TO SPECIAL PURPOSE REVENUE BONDS.

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

1 SECTION 1. The legislature finds that the west Maui
2 community critically needs a hospital. Currently, even with
3 additional funding and improvements, ambulance access on Maui is
4 stretched thin. The portion of west Maui that would be served
5 by the proposed West Maui Hospital and Medical Center is
6 connected to the rest of the island only by a small airport
7 having limited services and a two-lane highway that is
8 constantly under threat of being blocked due to an accident,
9 fire, or other natural disaster. The legislature further finds
10 that a hospital in this region would integrate well with the
11 island's existing health care system.

12 The legislature also finds that the west Maui area
13 continues to grow, with the development of new affordable
14 housing projects, a projected new development by the department
15 of Hawaiian home lands, and ever-increasing visitor numbers. As
16 a result, the need for a new health care facility to serve the
17 region will also continue to grow.



1 The legislature additionally finds that the State recently
2 remedied a similar situation when it granted Queen's North
3 Hawaii Community Hospital a certificate of need, which allowed
4 for the construction of a facility comparable to the proposed
5 West Maui Hospital and Medical Center.

6 Accordingly, the legislature finds that establishing the
7 proposed West Maui Hospital and Medical Center would help meet
8 the community's emergency medical needs and provide crucial bed
9 capacity, with the possibility of providing access to specialty
10 and long-term care for the ever-growing but isolated west Maui
11 community.

12 The legislature further finds that special purpose revenue
13 bonds are an important tool that may be used to financially
14 support the development of health care facilities. Therefore
15 issuing special purpose revenue bonds for the construction of
16 West Maui Hospital and Medical Center will help build the
17 capital required to realize the construction and operation of
18 this long-overdue medical facility.

19 Accordingly, the purpose of this Act is to authorize the
20 issuance of special purpose revenue bonds to assist West Maui
21 Hospital Foundation, Inc., in the construction of West Maui



1 Hospital and Medical Center, including any necessary
2 infrastructure.

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

7 SECTION 3. Pursuant to part II, chapter 39A, Hawaii
8 Revised Statutes, the department of budget and finance, with the
9 approval of the governor, is authorized to issue special purpose
10 revenue bonds in a total amount not to exceed \$20,000,000, in
11 one or more series, for the purpose of assisting West Maui
12 Hospital Foundation, Inc., a Hawaii nonprofit corporation, with
13 financing of costs related to the design and construction of and
14 equipment for West Maui Hospital and Medical Center in the
15 county of Maui, including any necessary infrastructure
16 improvements. The legislature hereby finds and determines that
17 the construction of West Maui Hospital and Medical Center
18 constitutes a project as defined in part II, chapter 39A, Hawaii
19 Revised Statutes, and the financing thereof is assistance to a
20 not-for-profit corporation that provides health care facilities
21 to the general public.



1 SECTION 4. The special purpose revenue bonds and the
2 refunding special purpose revenue bonds issued under this Act
3 shall be issued pursuant to part II, chapter 39A, Hawaii Revised
4 Statutes, relating to the power to issue special purpose revenue
5 bonds to assist not-for-profit corporations that provide health
6 care facilities to the general public.

7 SECTION 5. The department of budget and finance is
8 authorized, from time to time, including times subsequent to
9 June 30, 2028, 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 3 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 3. In making this determination, the department shall
19 comply with federal law relating to the exemption from federal
20 income taxation of the interest on bonds of the nature
21 authorized by this section.



1 SECTION 6. The authorization to issue special purpose
2 revenue bonds under this Act shall lapse on June 30, 2028.

3 SECTION 7. The authorization of special purpose revenue
4 bonds pursuant to this Act shall be made notwithstanding any
5 limitation in Act 182, Session Laws of Hawaii 2022.

6 SECTION 8. This Act shall take effect on July 1, 2023.



H.B. NO. 1255
H.D. 1
S.D. 1
C.D. 1

Report Title:

SPRBs; West Maui Hospital Foundation; West Maui Hospital and Medical Center; County of Maui

Description:

Authorizes the issuance of special purpose revenue bonds to assist West Maui Hospital Foundation, Inc. in the construction of West Maui Hospital and Medical Center in the county of Maui, including any necessary infrastructure. (CD1)

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2023-3385 HB1255 CD1 HMSO

