

---

---

# A BILL FOR AN ACT

RELATING TO UNIVERSITY OF HAWAII REVENUE BONDS.

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

1           SECTION 1. Allowing the University of Hawaii to issue  
2 revenue bonds helps to address the university's deferred  
3 maintenance and capital modernization of its aging facilities.  
4 University revenue bonds have been used to finance the  
5 construction of new projects as well as the renovation and major  
6 repair of existing facilities. University projects have  
7 included faculty and student housing; additional classroom,  
8 laboratory, and office space; research facilities, utility  
9 facilities, and other infrastructure requirements; libraries;  
10 student support facilities; parking structures; and athletic  
11 facilities.

12           State financing support of university facilities is the  
13 primary method of funding Hawaii's public university. The State  
14 and the university have always considered general obligation  
15 bonds as the first approach and means to finance the  
16 modernization of the university's campuses. The availability of  
17 revenue bonds authority would be a strategic revenue source and



1 supplement to limited general obligation bond funding and only  
2 used for financing projects that are revenue-generating or  
3 financially appropriate for the university.

4 The purpose of this Act is to authorize the University of  
5 Hawaii to issue revenue bonds to complete as many of its  
6 priority capital facility construction, renovation,  
7 modernization, and repair projects as possible.

8 SECTION 2. The board of regents of the University of  
9 Hawaii, with the approval of the governor and the legislature,  
10 through concurrent resolution, is authorized to issue revenue  
11 bonds from time to time to finance, in whole or in part, the  
12 costs of construction or the costs of maintenance of any  
13 university project, including funding reserves therefor as the  
14 board of regents may direct. The total principal amount of the  
15 revenue bonds authorized by this Act shall not exceed \$ ;  
16 provided that neither revenue bonds issued to refund revenue  
17 bonds heretofore issued, to the extent that such refunding  
18 revenue bonds do not exceed the principal amount of the revenue  
19 bonds being refunded, nor revenue bonds of the board outstanding  
20 at the effective date of this Act shall cause the amount of the  
21 above authorization to be decreased. The revenue bonds shall be



1 issued pursuant to the provisions of part VI of chapter 304A,  
 2 Hawaii Revised Statutes. The principal and interest on the  
 3 revenue bonds, to the extent not paid from the proceeds of such  
 4 bonds, shall be paid solely from and secured solely by the  
 5 revenue of the university as defined in section 304A-2671,  
 6 Hawaii Revised Statutes.

7 SECTION 3. There is appropriated out of the revenue bond  
 8 proceeds and interest earned thereon authorized by this Act the  
 9 sum of \$ or so much thereof as may be necessary for  
 10 fiscal year 2018-2019 to carry out the purposes of section 2 of  
 11 this Act; provided that any unexpended and unencumbered balance  
 12 of the appropriation shall not lapse at the end of fiscal year  
 13 2018-2019 and shall lapse instead on June 30, 2021.

14 The sums appropriated shall be expended by the board of  
 15 regents of the University of Hawaii.

16 SECTION 4. The University of Hawaii shall notify the  
 17 legislature upon issue of the revenue bonds authorized by  
 18 section 2 of this Act, including a detailed listing and  
 19 description of all projects to be funded through the revenue  
 20 bonds authorized pursuant to this Act.



**1** SECTION 5. This Act shall take effect on July 1, 2112.



**Report Title:**

University of Hawaii; Authorization of Revenue Bonds

**Description:**

Authorizes the University of Hawaii to issue revenue bonds for the purpose of financing the construction and maintenance of qualifying capital improvement projects. (HB2005 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

