

JAN 28 2009

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# A BILL FOR AN ACT

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RELATING TO THE UNIVERSITY OF HAWAII.

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

1       SECTION 1. The University of Hawaii has been in the  
2 process of addressing its capital facility needs through the  
3 construction of new projects and the renovation and major repair  
4 of existing facilities. These capital facility needs include  
5 faculty and student housing; additional classroom, laboratory,  
6 and office space; research facilities, utility facilities, and  
7 other infrastructure requirements; libraries; student support  
8 facilities; and athletic facilities. Through Act 161, Session  
9 Laws of Hawaii 2007, the University of Hawaii was granted the  
10 authority to issue \$100,000,000 in revenue bonds to help address  
11 the university's capital facility needs. Since that time, the  
12 University of Hawaii has been identifying and prioritizing the  
13 capital facility needs throughout the university system. The  
14 university plans to use this authority to construct, renovate,  
15 and repair one or more of the following listed projects or other  
16 projects deemed necessary by the University of Hawaii depending



1 on real estate opportunities that may arise, market and economic  
2 conditions, and changes in the university's priorities:

- 3 (1) Identification and acquisition of existing structures  
4 on Oahu for conversion to faculty housing;
- 5 (2) Development of new faculty housing units on Oahu;
- 6 (3) Acquisition and conversion of apartments in Hilo for  
7 student housing;
- 8 (4) Renovations to student housing at Hale Aloha;
- 9 (5) Development of the University of Hawaii - West Oahu  
10 Kapolei campus;
- 11 (6) Acquisition of the Waianae education center;
- 12 (7) Refinancing of Kauiokahaloa Nui faculty housing;
- 13 (8) Addition to the University of Hawaii at Manoa  
14 biomedical science building; and
- 15 (9) Addition to the University of Hawaii at Hilo bookstore  
16 campus center.

17 The university desires to extend the expiration date of the  
18 university's authority to use the initial \$100,000,000 under Act  
19 161. Moreover, the university seeks an additional \$50,000,000  
20 to complete as many of its priority capital facility  
21 construction, renovation, and repair projects as possible.



1       SECTION 2. Act 161, Session Laws of Hawaii 2007, is  
2 amended by amending sections 6 and 7 to read as follows:

3       "SECTION 6. The board of regents of the University of  
4 Hawaii, with the approval of the governor, is authorized to  
5 issue revenue bonds from time to time to finance, in whole or in  
6 part, the costs of construction or the costs of maintenance of  
7 any university project, including reserves therefor as the board  
8 of regents may direct. The total principal amount of the  
9 revenue bonds authorized by this Act shall not exceed  
10 [~~\$100,000,000,~~] \$150,000,000; provided that neither revenue  
11 bonds issued to refund revenue bonds heretofore issued, to the  
12 extent that such refunding revenue bonds do not exceed the  
13 principal amount of the revenue bonds being refunded, nor  
14 revenue bonds of the board outstanding at the effective date of  
15 this Act shall cause the amount of the above authorization to be  
16 decreased. The revenue bonds shall be issued pursuant to the  
17 provisions of part VI of chapter 304A, Hawaii Revised Statutes.  
18 The principal and interest on the revenue bonds, to the extent  
19 not paid from the proceeds of such bonds, shall be paid solely  
20 from and secured solely by the revenue of the university as  
21 defined in section [~~304A-A,~~] 304A-2671, Hawaii Revised Statutes.



1       SECTION 7. There is appropriated out of the revenue bond  
2 proceeds authorized by this Act the sum of \$100,000,000 or so  
3 much thereof as may be necessary [~~for fiscal year 2007-2008 and~~  
4 ~~the same sum or so much thereof as may be necessary~~] for fiscal  
5 year 2008-2009 to carry out the purposes of section 6[~~-~~] of this  
6 Act; provided that any unexpended and unencumbered balance of  
7 the appropriation shall not lapse at the end of fiscal year  
8 2008-2009 and shall lapse instead on June 30, 2013 into the  
9 general fund.

10       There is also appropriated out of the revenue bond proceeds  
11 authorized by this Act, the sum of \$50,000,000 or so much  
12 thereof as may be necessary for fiscal year 2009-2010 to carry  
13 out the purposes of section 6 of this Act; provided that any  
14 unexpended and unencumbered balance of the appropriation shall  
15 not lapse at the end of fiscal year 2009-2010 and shall lapse  
16 instead on June 30, 2015 into the general fund.

17       The sums appropriated shall be expended by the board of  
18 regents of the University of Hawaii."

19       SECTION 3. The University of Hawaii shall notify the  
20 legislature upon issue of the additional revenue bond authorized  
21 by section 2 of this Act.



1 SECTION 4. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect on July 1, 2009.  
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**Report Title:**

University of Hawaii; Revenue Bonds; Appropriation

**Description:**

Authorizes the University of Hawaii board of regents to issue revenue bonds to finance the costs of construction or maintenance of capital improvement projects; appropriates moneys from the revenue bond proceeds for fiscal year 2008-09 and fiscal year 2009-10, with unexpended and unencumbered balances to lapse to the general fund on June 30, 2013 and June 30, 2015, respectively.

