Honolulu, Hawaii

February 16, 2018

RE: H.B. No. 2005 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Higher Education, to which was referred H.B. No. 2005 entitled:

"A BILL FOR AN ACT RELATING TO UNIVERSITY OF HAWAII REVENUE BONDS,"

begs leave to report as follows:

The purpose of this measure is to help address the University of Hawaii's deferred maintenance and capital modernization of its aging facilities by authorizing the Board of Regents to issue \$100,000,000 in revenue bonds.

The University of Hawaii supported the measure with amendments.

Your Committee appreciates the concerns raised that the authority to issue revenue bonds may have an impact on student tuition costs. However, your Committee also notes there was strong support from many for the need to finance the multitude of small repair and maintenance improvements necessary at all the campuses of the University of Hawaii that will benefit students, teachers, and the administration alike. In response to the concerns of fiscal oversight, your Committee notes that there are safeguards contained within this measure as the Board of Regents may only issue revenue bonds with the approval of both the Governor and the Legislature.

Your Committee has amended this measure by:

- (1) Authorizing the issuance of an unspecified sum of revenue bonds;
- (2) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2005, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2005, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Higher Education,

ANGUS L.K. McKELVEY, Chair

## State of Hawaii House of Representatives The Twenty-ninth Legislature

HSCR 62D-18

## **Record of Votes of the Committee on Higher Education**

HB 2005	Committee Referral: HED, FIN	Date:	2/1/2	2018
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is) Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)				
<b>HED Members</b>	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)				**
2. HASHEM, Mark J. (VC)				
3. CREAGAN, Richard P.				
4. ING, Kaniela				
5. KONG, Sam Satoru				
6. LEARMONT, Lei R.				
7. OHNO, Takashi				
8. ONISHI, Richard H.K.				
9. QUINLAN, Sean			****	
10. WOODSON, Justin H.				-
11. MATSUMOTO, Lauren Kealoh	ilani 🗸			
<b>TOTAL</b> (11)	8	0	0	3
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				