

ACT 156

H.B. NO. 1168

A Bill for an Act Relating to the University of Hawaii Revenue Bonds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that it is necessary to allow the university of Hawaii to issue revenue bonds to help address the university's capital facility needs. The construction of new projects and the renovation, modernization, and major repair of existing facilities have included, and will continue to include, faculty and student housing, additional classrooms, laboratories, offices, research facilities, utility facilities, libraries, student support facilities, athletic facilities, and other infrastructure requirements.

The purpose of this Act is to authorize the board of regents of the university of Hawaii to issue revenue bonds to complete its priority capital facility construction, renovation, modernization, and repair projects.

SECTION 2. The board of regents of the university of Hawaii, with the approval of the governor, is authorized to issue revenue bonds from time to time to finance, in whole or in part, the costs of construction or the costs of maintenance and modernization, or both, of any university project, any university system, or any network or combination thereof, including reserves therefor as the board of regents may direct. The total principal amount of the revenue bonds authorized by this Act shall not exceed \$30,750,000; provided that neither revenue bonds issued to refund revenue bonds heretofore issued, to the extent that the refunding revenue bonds do not exceed the principal amount of the revenue bonds being refunded, nor revenue bonds of the board outstanding at the effective date of this Act shall cause the amount of the above authorization to be decreased. The revenue bonds shall be issued pursuant to part VI of chapter 304A, Hawaii Revised Statutes. The principal and interest on the revenue bonds, to the extent not paid from the proceeds of the bonds, shall be paid solely from and secured solely by the revenue of the university as defined in section 304A-2671, Hawaii Revised Statutes.

SECTION 3. There is appropriated out of the revenue bond proceeds and interest earned thereon authorized by this Act the sum of \$30,750,000 or so much thereof as may be necessary for fiscal year 2025-2026 to carry out the purposes of section 2 of this Act; provided that students residing in the university of Hawaii student housing services program with a demonstrated financial need, as determined by the university of Hawaii, who qualify for the resident tuition fee pursuant to section 304A-402, Hawaii Revised Statutes, are assisted with a housing allowance, stipend, or similar financial aid to help offset a portion of an increase in room and board costs that are due to increased debt service from said revenue bonds; provided further that any unexpended and unencumbered balance of the appropriation shall not lapse at the end of fiscal year 2026-2027 and shall lapse instead on June 30, 2030.

The sum appropriated shall be expended by the board of regents of the university of Hawaii.

SECTION 4. The university of Hawaii shall notify the legislature upon the issuance of the revenue bonds authorized by section 2 of this Act, including a detailed list and description of all projects to be funded through the revenue bonds authorized by this Act.

SECTION 5. This Act shall take effect on July 1, 2025.

(Approved June 3, 2025.)