

JAN 24 2007

A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII AT MANOA.

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

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PART I.

SECTION 1. The University of Hawaii at Manoa campus center is in desperate need of renovations and expansion. The current building is outdated and unattractive. An expanded and renovated building will enhance student life. Expansion plans include the creation of an intramural recreation center and late night facilities. With overwhelming student support, the University of Hawaii board of regents has approved an increase in student fees to cover the debt service of revenue bonds issued to support the project.

The University of Hawaii at Manoa proposes to finance the project by a combination of general obligation bonds, revenue bonds, and revolving funds, with the university sharing in the cost of the project.

The purpose of this Act is to authorize the issuance of general obligation and revenue bonds and to appropriate



1 revolving funds to expand and renovate the existing campus
2 center at the University of Hawaii at Manoa.

3 **PART II. General Obligation Bonds**

4 SECTION 2. The director of finance is authorized to issue
5 general obligation bonds in the sum of \$14,400,000, or so much
6 thereof as may be necessary, and the same sum, or so much
7 thereof as may be necessary, is appropriated for fiscal biennium
8 2007-2009, for the purpose of plans, design, and construction of
9 the renovation and expansion of the University of Hawaii at
10 Manoa campus center.

11 SECTION 3. The appropriation made for the capital
12 improvement project authorized by this Act shall not lapse at
13 the end of the fiscal biennium for which the appropriation is
14 made; provided that all moneys from the appropriation
15 unencumbered as of June 30, 2010, shall lapse as of that date.

16 **PART III. Revenue Bonds**

17 SECTION 4. Pursuant to chapter 39, part III, the
18 department of budget and finance, with the approval of the
19 governor, may issue in one or more series revenue bonds in a
20 total amount not to exceed \$14,400,000, for the purpose of
21 financing the plans, design, and construction of the renovation



1 and expansion of the University of Hawaii at Manoa campus center
2 in accordance with this Act.

3 SECTION 5. (a) The principal of and interest on the
4 revenue bonds issued pursuant to section 4 shall be payable
5 solely from and secured solely by the revenues collected from
6 the fees charged by the University of Hawaii at Manoa for the
7 campus center.

8 (b) The proposed financing by the revenue bonds shall
9 constitute a single, unified, integrated enterprise, and only
10 the revenue produced shall be pledged to the repayment of the
11 revenue bonds.

12 (c) The revenue bonds may also be used to finance
13 capitalized interest on the bonds and any other expenses
14 incidental thereto or connected therewith, including
15 engineering, inspection, legal, and fiscal agent fees and costs
16 of the issuance of the revenue bonds.

17 (d) The rate of interest on the bonds shall not exceed
18 twelve per cent a year, may be fixed or variable, and shall be
19 payable at such times and in such manner as the department shall
20 hereafter determine.

21 (e) The bonds shall be special, limited obligations of the
22 State, payable exclusively from and secured by a lien on the



1 revenues of the fees collected by the University of Hawaii at
2 Manoa for the campus center.

3 (f) The revenue bonds shall not be secured by the taxing
4 power of the State. The principal of and interest on the bonds
5 and any premiums upon the redemption thereof shall not
6 constitute or evidence a debt of the State, nor a legal or
7 equitable pledge, charge, lien, or encumbrance upon any of its
8 property, or upon any of its income, receipts, or revenues,
9 except the revenues of the energy efficiency and renewable
10 energy systems and equipment financed by the bonds and such
11 other funds as may be legally available and pledged for that
12 purpose.

13 SECTION 6. The authorization to issue revenue bonds under
14 this Act shall lapse on June 30, 2010.

15 **PART IV. Revolving Funds**

16 SECTION 7. There is appropriated out of the University of
17 Hawaii commercial enterprises revolving fund the sum of
18 \$1,500,000, or so much thereof as may be necessary for fiscal
19 biennium 2007-2009, for financing the design of the renovation
20 and expansion of the campus center building.

21 SECTION 8. The appropriation made in section 7 for the
22 capital improvement project authorized by this Act shall not



1 lapse at the end of the fiscal biennium for which the
2 appropriation is made; provided that all moneys from the
3 appropriation unencumbered as of June 30, 2010, shall lapse as
4 of that date.

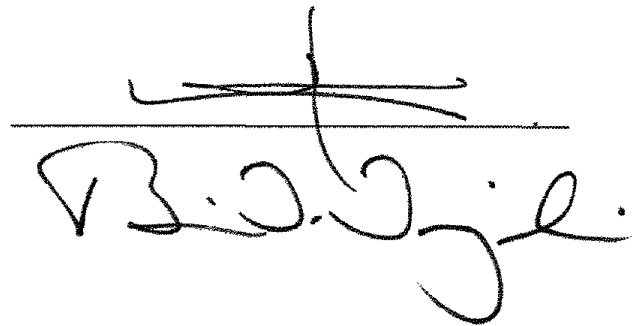
5 PART V.

6 SECTION 9. The sums appropriated under this Act shall be
7 expended by the University of Hawaii at Manoa for the purposes
8 of this Act.

9 SECTION 10. This Act shall take effect on July 1, 2007.

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INTRODUCED BY:





Report Title:

CIP; Revenue Bonds; UH Manoa

Description:

Makes an appropriation for a capital improvement project for the campus center building at the University of Hawaii at Manoa.

