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# A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

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

1           SECTION 1. Section 304A-2603, Hawaii Revised Statutes, is  
2 repealed.

3           ~~["§304A-2603] Revenue bonds. The board of regents is~~  
4 ~~authorized to issue sufficient amounts of revenue bonds pursuant~~  
5 ~~to [subpart D] for the purpose of providing adequate parking~~  
6 ~~structures or other facilities."]~~

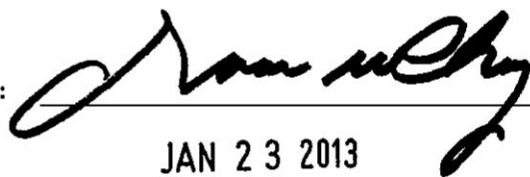
7           SECTION 2. Chapter 304A, part VI, subpart D, Hawaii  
8 Revised Statutes, is repealed.

9           SECTION 3. Statutory material to be repealed is bracketed  
10 and stricken.

11           SECTION 4. This Act shall take effect on July 1, 2013.

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INTRODUCED BY:

  
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JAN 23 2013



# H.B. NO. 1069 .

**Report Title:**

University of Hawaii; Revenue Bonds

**Description:**

Repeals the authority of the University of Hawaii to issue revenue bonds.

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



WRITTEN TESTIMONY

TESTIMONY BY KALBERT K. YOUNG  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON HIGHER EDUCATION  
ON  
HOUSE BILL NO. 1069

February 5, 2013

RELATING TO THE UNIVERSITY OF HAWAII

House Bill No. 1069 repeals the authority for the University of Hawaii (UH) to issue revenue bonds.

The Department has a comment. The UH currently has an established revenue bond program through which capital projects and improvements are funded by revenue bonds supported by revenues generated by UH. If the intent of this bill is to have the UH cash fund their capital improvements through revenues generated, the Department would not have a concern with this bill other than capital improvements being implemented over a longer period of time as cash becomes available. However, if the result of this bill would be to have the State fund UH's capital improvement projects through increased general obligation bond (GO) funding, this would create additional funding pressure upon the limited GO bond funding resource.

Thank you for the opportunity to provide testimony on this measure.



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

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Testimony Presented Before the  
House Committee on Higher Education  
February 5, 2013 at 2:00pm

by

Mr. Howard Todo  
Vice President of Budget and Finance and Chief Financial Officer  
University of Hawai'i – System

HB 1069 – RELATING TO THE UNIVERSITY OF HAWAII

Chair Choy, Vice Chair Ichiyama, and Members of the Committee:

Thank you for the opportunity to provide testimony on HB 1069 – Relating to the University of Hawaii. We respectfully oppose the repeal of Section 304A-2603 of the Hawai'i Revised Statutes and Chapter 304A, part VI, subpart D of the Hawai'i Revised Statutes. These statutes establish the structure under which the University is able to issue revenue bonds which are authorized by the Legislature to finance capital improvement projects.

Without these statutes, the University would be unable to issue revenue bonds as authorized and appropriated by the Legislature to be funded by revenue bonds. Recent University of Hawai'i projects funded by revenue bonds include the Cancer Research Center, the UH West O'ahu Kapolei campus, energy conservation projects at the Community Colleges and Maui College, Hilo Student Housing and College of Pharmacy projects, Mānoa Student Housing renovations, the Information Technology Building, and the Center for Microbial Oceanography: Research and Education (C-More) at UH Mānoa.

The ability to issue revenue bonds to fund projects authorized by the legislature to be funded by that source of financing is critical to the University. Accordingly, we respectfully request that this bill be held.