
A BILL FOR AN ACT

RELATING TO HIGHER EDUCATION.

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

1 PART I

2 SECTION 1. The legislature finds that the University of
3 Hawaii currently has a backlog of deferred repair and
4 maintenance projects totaling over \$484,000,000. Simply
5 complying with building code and health and safety requirements
6 across all campuses of the University of Hawaii will cost over
7 \$38,000,000 in fiscal year 2013-2014 and an additional
8 \$38,000,000 in fiscal year 2014-2015. These costs do not
9 include the additional \$50,000,000 to \$60,000,000 in repair and
10 maintenance costs necessary to maintain all of the university
11 campuses yearly.

12 The legislature further finds that eighty-five thousand
13 students use facilities at university campuses systemwide. It
14 is essential to the future of the University of Hawaii and its
15 students and faculty that a safe and proper learning environment
16 be provided and maintained.

17 The legislature declares that the backlog of deferred
18 repair and maintenance projects of the University of Hawaii



1 system is a matter of statewide concern and therefore subject to
2 the purview of the legislature pursuant to article X, section 6,
3 of the Hawaii state constitution. Accordingly, the purpose of
4 this Act is to establish a means to fund necessary repair and
5 maintenance projects at University of Hawaii campuses statewide.

6 PART II

7 SECTION 2. Chapter 304A, Hawaii Revised Statutes, is
8 amended as follows:

9 1. By adding a new subpart to part VI, to be appropriately
10 designated and to read:

11 " . CAMPUS PLANNING FACILITY BOARD

12 **§304A-A Campus planning facility board; established.** (a)

13 There is established within the University of Hawaii a campus
14 planning facility board that shall consist of the chancellors
15 from each campus of the university or the chancellor's designee.

16 (b) The campus planning facility board shall evaluate,
17 identify, prioritize, and allocate moneys from the major repairs
18 and replacement special fund established under section 304A-B to
19 fund repair and maintenance projects of the university.

20 (c) The campus planning facility board shall submit to the
21 legislature no later than twenty days prior to the convening of
22 each regular legislative session a report that includes:



1 (1) A schedule showing all sources of funds of the major
2 repairs and replacement special fund established under
3 section 304A-B, all amounts deposited into the special
4 fund, and the dates such amounts were deposited;

5 (2) A schedule showing all repair and maintenance project
6 expenses by project, including all work in progress as
7 applicable;

8 (3) A schedule showing all projects completed in the
9 previous year, including the final cost for each
10 completed project; and

11 (4) An updated list detailing all remaining repair and
12 maintenance projects on all university campuses
13 statewide.

14 (d) The campus planning facility board shall adopt rules
15 without regard to chapter 91 to effectuate this section and to
16 administer the major repairs and replacement special fund."

17 2. By adding a new section to part V, subpart C, to be
18 appropriately designated and to read:

19 "§304A-B Major repairs and replacement special fund; major
20 repairs and replacement fee; established. (a) There is
21 established the major repairs and replacement special fund, into
22 which shall be deposited:



1 (1) Beginning July 1, 2017, moneys collected from the
2 major repairs and replacement fee, which shall consist
3 of five per cent of all gross revenues received by the
4 University of Hawaii, except as provided by law;
5 provided that for the purposes of the major repairs
6 and replacement fee, revenues shall be considered
7 received immediately upon receipt, whether
8 constructive or actual, of such revenues by the
9 university; provided further that no amounts from
10 special funds from which repair and maintenance costs
11 are already funded shall be included in the total
12 gross revenue amount;

13 (2) Appropriations by the legislature to the special fund;
14 and

15 (3) Gifts, donations, and grants from public agencies and
16 private persons.

17 (b) The major repairs and replacement fee shall be
18 deducted from gross revenues and deposited into the major
19 repairs and replacement special fund on June 30 of each year.

20 (c) The major repairs and replacement special fund shall
21 be used solely to fund repair and maintenance projects on the
22 university's backlog list that have been approved for funding by



1 the campus planning facility board and that have an estimated
2 useful life of no less than two years.

3 (d) The major repairs and replacement special fund shall
4 be administered by the campus planning facility board
5 established pursuant to section 304A-A."

6 PART III

7 SECTION 3. Notwithstanding any law to the contrary, the
8 director of finance shall deduct the following amounts from all
9 special funds of the University of Hawaii:

10 (1) Ten per cent of the balances of all special funds for
11 fiscal year 2014-2015; and

12 (2) Ten per cent of the balances of all special funds for
13 fiscal year 2015-2016,

14 which deductions shall be transferred and deposited into the
15 major repairs and replacement special fund established under
16 section 304A-B, Hawaii Revised Statutes; provided that no funds
17 shall be deducted from special funds from which repair and
18 maintenance costs are already funded; provided further that this
19 transfer of funds shall not apply to any trust, special, or
20 revolving fund of the University of Hawaii for which federal or
21 state law prohibits such a transfer. All officers of the State
22 and other persons having power to allocate or disburse any



1 special funds shall cooperate with the director of finance in
2 effectuating these transfers.

3 PART IV

4 SECTION 4. The director of finance is authorized to issue
5 general obligation bonds in the sum of \$ or so much
6 thereof as may be necessary and the same sum or so much thereof
7 as may be necessary is appropriated for fiscal year 2013-2014,
8 the revenues of which shall be deposited into the major repairs
9 and replacement special fund established under section 304A-B,
10 Hawaii Revised Statutes; provided that proceeds from the
11 issuance of such bonds shall be expended only upon projects that
12 serve a public purpose.

13 SECTION 5. The director of finance is authorized to issue
14 general obligation bonds in the sum of \$ or so much
15 thereof as may be necessary and the same sum or so much thereof
16 as may be necessary is appropriated for fiscal year 2014-2015,
17 the revenues of which shall be deposited into the major repairs
18 and replacement special fund established under section 304A-B,
19 Hawaii Revised Statutes; provided that proceeds from the
20 issuance of such bonds shall be expended only upon projects that
21 serve a public purpose.



1 SECTION 6. There is appropriated out of the major repairs
2 and replacement special fund the sum of \$ or so much
3 thereof as may be necessary for fiscal year 2013-2014 and the
4 same sum or so much thereof as may be necessary for fiscal year
5 2014-2015 for the purpose of funding repair and maintenance
6 projects of the University of Hawaii pursuant to sections 304A-A
7 and 304A-B, Hawaii Revised Statutes.

8 The sums appropriated shall be expended by the University
9 of Hawaii for the purposes of this Act.

10 PART V

11 SECTION 7. In codifying the new sections added by section
12 2 of this Act, the revisor of statutes shall substitute
13 appropriate section numbers for the letters used in designating
14 the new sections in this Act.

15 SECTION 8. New statutory material is underscored.

16 SECTION 9. This Act shall take effect on July 1, 2013.



Report Title:

University of Hawaii; Repair and Maintenance; Bonds

Description:

Establishes the Campus Planning Facility Board and the Major Repairs and Replacement Special Fund to address University repairs and maintenance. Transfers special fund moneys to the new special fund. Authorizes the issuance of general obligation bonds. Effective July 1, 2013. (HB115 HD3)

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

