

**CHAPTER 1****( HB 7 )**

AN ACT authorizing bonds for postsecondary education capital projects, making an appropriation therefor, and declaring an emergency.

***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

→Section 1. There is hereby appropriated to Morehead State University from Restricted Funds \$797,000 in fiscal year 2013-2014 for debt service to support Agency Bonds as set forth in this section. There is hereby authorized and appropriated \$9,268,000 in Agency Bonds in fiscal year 2012-2013 for renovation of Mignon Residence Hall at Morehead State University.

→Section 2. There is hereby appropriated to Murray State University from Restricted Funds \$851,000 in fiscal year 2013-2014 for debt service to support Agency Bonds as set forth in this section. There is hereby authorized and appropriated \$9,900,000 in Agency Bonds in fiscal year 2012-2013 for renovation of Hester Hall at Murray State University.

→Section 3. There is hereby appropriated to Murray State University from Restricted Funds \$427,000 in fiscal year 2013-2014 for debt service to support Agency Bonds as set forth in this section. There is hereby authorized and appropriated \$4,940,000 in Agency Bonds in fiscal year 2012-2013 for the capital renewal of housing and dining facilities projects under \$600,000 pool at Murray State University.

→Section 4. There is hereby appropriated to Murray State University from Restricted Funds \$56,000 in fiscal year 2013-2014 for debt service to support Agency Bonds as set forth in this section. There is hereby authorized and appropriated \$590,000 in Agency Bonds in fiscal year 2012-2013 for upgrading the sprinkler system at College Courts at Murray State University.

→Section 5. There is hereby appropriated to Northern Kentucky University from Restricted Funds \$3,866,000 in fiscal year 2013-2014 for debt service to support Agency Bonds as set forth in this section. In addition to existing appropriations as provided in 2012 Ky. Acts ch. 144, sec. 1, Part II Capital Projects Budget, J. Postsecondary Education, 7. Northern Kentucky University, 001., there is hereby authorized and appropriated \$45,000,000 in Agency Bonds in fiscal year 2012-2013 for renovation and expansion of Albright Health Center at Northern Kentucky University.

→Section 6. There is hereby appropriated to Northern Kentucky University from Restricted Funds \$1,031,000 in fiscal year 2013-2014 for debt service to support Agency Bonds as set forth in this section. There is hereby authorized and appropriated \$12,000,000 in Agency Bonds in fiscal year 2012-2013 for the acquisition and renovation of a new residence hall at Northern Kentucky University.

→Section 7. There is hereby appropriated to the University of Kentucky from Restricted Funds \$9,449,000 in fiscal year 2013-2014 for debt service to support Agency Bonds as set forth in this section. There is hereby authorized and appropriated \$110,000,000 in Agency Bonds in fiscal year 2012-2013 for renovation and expansion of Commonwealth Stadium and Nutter Training Center at the University of Kentucky.

→Section 8. There is hereby appropriated to the University of Kentucky from Restricted Funds \$8,590,000 in fiscal year 2013-2014 for debt service to support Agency Bonds as set forth in this section. There is hereby authorized and appropriated \$100,000,000 in Agency Bonds in fiscal year 2012-2013 for construction of the Academic Science Building at the University of Kentucky.

→Section 9. There is hereby appropriated to the University of Kentucky from Restricted Funds \$25,000,000 in fiscal year 2012-2013 for the expansion of the Gatton College of Business and Economics. There is hereby appropriated to the University of Kentucky \$3,437,000 in fiscal year 2013-2014 for debt service to support Agency Bonds as set forth in this section. There is hereby authorized and appropriated \$40,000,000 in Agency Bonds in fiscal year 2012-2013 for the expansion of the Gatton College of Business and Economics at the University of Kentucky.

→Section 10. There is hereby appropriated to the University of Louisville from Restricted Funds \$826,000 in fiscal year 2013-2014 for debt service to support Agency Bonds as set forth in this section. There is hereby authorized and appropriated \$9,600,000 in Agency Bonds in fiscal year 2012-2013 for expansion of the Student Activities Center at the University of Louisville.

→Section 11. There is hereby appropriated to Western Kentucky University from Restricted Funds \$1,890,000 in fiscal year 2013-2014 for debt service to support Agency Bonds as set forth in this section. There is hereby authorized and appropriated \$22,000,000 in Agency Bonds in fiscal year 2012-2013 for construction of the Honors College facility at Western Kentucky University.

➔Section 12. It is the intent of the 2013 General Assembly that postsecondary education institutions should not base any decision to proceed with any capital project authorized in this Act on an expectation of receiving General Fund moneys for the operation and maintenance of that facility in future biennia.

➔Section 13. All appropriations and authorizations to capital projects in this Act shall expire on June 30, 2014, unless reauthorized, with the following exceptions: (a) A construction or purchase contract for the project shall have been awarded by June 30, 2014; (b) Permanent financing or a short-term line of credit sufficient to cover the total authorized project scope shall have been obtained in the case of projects authorized for bonds, if the authorized project completes an initial draw on the line of credit within the fiscal biennium immediately subsequent to the original authorization; or (c) Grant or loan agreements, if applicable, shall have been finalized and properly signed by all necessary parties by June 30, 2014.

➔Section 14. The governing board of a public postsecondary institution shall certify in writing prior to issuance of Agency Bonds as set forth in this Act that the project: (a) Will generate sufficient funds to retire the bonded indebtedness and pay for ongoing operating expenses; or (b) Will not result in an increase in tuition. The governing board shall submit a copy of the certification to the President of the Council on Postsecondary Education, the Secretary of the Finance and Administration Cabinet, and the Capital Projects and Bond Oversight Committee.

➔Section 15. Whereas it is imperative that the commencement of these capital projects begin in fiscal year 2012-2013, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon it otherwise becoming law.

**Signed by Governor February 21, 2013.**