



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Education
March 14, 2008 at 2:00 pm

by
Sam Callejo
Vice President for Administration, University of Hawai'i

HB 2521, HD 2 - Relating to Education

Chair Sakamoto, Vice Chair Tokuda and Members of the Committee:

The University of Hawai'i supports HB 2521, HD2, that would create a University of Hawai'i repair and maintenance special account.

This dedicated account for the repair and maintenance of our ten campus system would go a long way in addressing our \$257 million backlog of deferred maintenance. Knowing we will have a definite stream of revenues for repair and maintenance will allow us to be proactive in our planning and more efficient in implementing our repair and maintenance programs. And by providing the University the discretion to identify the projects will allow the chancellors to have the flexibility for their respective campuses.

Thank you for this opportunity to testify and for your support of the University of Hawai'i.

LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR



KURT KAWAFUCHI
DIRECTOR OF TAXATION

SANDRA L. YAHIRO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809

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SENATE COMMITTEE ON EDUCATION

TESTIMONY REGARDING HB 2521 HD 2 RELATING TO EDUCATION

TESTIFIER: KURT KAWAFUCHI, DIRECTOR OF TAXATION (OR DESIGNEE)

DATE: MARCH 14, 2008

TIME: 2:00PM

ROOM: 225

This bill, among other things, requires a mandatory deposit of the difference between \$50 million in general excise tax revenues and the amount of general obligation bonds authorized and appropriated for the University of Hawaii facility repair and maintenance costs.

The Department of Taxation ("Department") **opposes the general excise tax funding mechanism** contained in this legislation.

This legislation seeks to create an alternative funding system for the repair and maintenance of the University of Hawaii facilities. The Department recognizes that a proper learning environment is critical to a student's learning ability.

I. THE DEPARTMENT CANNOT SUPPORT GET REVENUE DIVERSIONS.

The Department is always cautious about policy that redirects general excise tax revenue away from the general fund and into specific special funds. The Department routinely opposes funding mechanisms such as this because the general excise tax represents over one-half of the State's overall operating revenue stream. The Department strongly prefers that a direct appropriation be the means for funding this program so that the amount may be budgeted and prioritized just as any other program.

II. REVENUE ESTIMATE.

This bill will result in a revenue loss to the general fund, assuming the general excise tax deposit triggering event occurs.

TESTIMONY BY GEORGINA K. KAWAMURA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEES ON AGRICULTURE AND HAWAIIAN AFFAIRS
AND ENERGY AND ENVIRONMENT
ON
HOUSE BILL NO. 2521, H.D. 2

March 14, 2008

RELATING TO EDUCATION

House Bill No. 2521, H.D. 2, mandates the deposit of one percent of the State's general fund revenues over a six-year period into a new University of Hawaii repair and maintenance special account to fund repair and maintenance projects of the University of Hawaii. The bill also expresses the Legislature's intent to authorize and appropriate a minimum of \$50 million in general obligation bond funds annually from FYs 09 thru 14. The bill establishes the University of Hawaii repair and maintenance special account in the State general fund that will be financed by one percent of the State's general fund revenues accrued from July 1, 2008 thru June 30, 2014, and earned interest. General excise tax revenues will also be deposited into the special account to make up the difference for any shortfall of the annual \$50 million general obligation bond fund commitment. The funds in the account would be expended solely for repairs and maintenance of University of Hawaii facilities.

House Bill No. 2521, H.D. 2, appropriates \$50 million from the special account, and \$50 million in general obligation bond funds in FY 09 to finance the University of Hawaii repair and maintenance projects.

We are opposed to this bill. We believe it to be poor fiscal policy to earmark general fund and general excise tax revenues for specific purposes. While we do support the University of Hawaii facility repairs and maintenance, program funding requirements should be reviewed on a statewide basis and allocated to programs based on statewide priorities within available resources.

TAXBILLSERVICE

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TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: GENERAL EXCISE, Disposition for U.H. repair and maintenance special account

BILL NUMBER: HB 2521, HD-2

INTRODUCED BY: House Committee on Finance

BRIEF SUMMARY: Amends HRS section 237-31 to provide that if the legislature does not fulfill its legislative intent to authorize and appropriate at least \$50 million in G.O. bonds for the fiscal period of July 1, 2008 to June 30, 2014 for the repair and maintenance of University of Hawaii facilities, that an amount of general excise tax revenues that represents the difference between the \$50 million and the amount of G.O. bonds authorized and appropriated shall be deposited into the U.H. repair and maintenance special account.

Adds a new section to HRS chapter 36 to establish the University of Hawaii repair and maintenance special account into which shall be deposited: (1) 1% of general fund revenues that accrue for the fiscal period between July 1, 2008 and June 30, 2014; (2) interest earned on moneys in the special account; and (3) general excise tax revenues that represent the difference between the \$50 million and the amount of G.O. bonds authorized and appropriated for the fiscal period July 1, 2008 to June 30, 2014. No general excise tax revenues that accrue after June 30, 2014 shall be deposited in this special account and this section shall be repealed on the day following the date of the last payment of moneys from the special account.

Appropriates \$50 million out of the U.H. repair and maintenance special account for fiscal 2009 for the maintenance of U.H. facilities. Authorizes the issuance of G.O. bonds of \$50 million for the repair and maintenance of U.H. facilities.

The amendments made to HRS chapter 237-31 shall not be repealed when that section is repealed and reenacted on June 30, 2008 by Act 304, SLH 2006.

EFFECTIVE DATE: June 29, 2020

STAFF COMMENTS: This measure is proposed to address the need to repair and maintain the facilities at the University of Hawaii by diverting 1% of general fund tax revenues for a six-year period beginning on July 1, 2008. It also provides that if the legislature fails to authorize at least \$50 million in G.O. bonds during the fiscal period of July 1, 2008 to June 30, 2014, an amount that represents the difference between \$50 million and the amount appropriated shall be deposited into the newly established U.H. repair and maintenance special account.

While this measure proposes to earmark 1% of all general fund revenues for the repair and maintenance of University of Hawaii facilities, it should be noted that as with any earmarking, the legislature will be giving their stamp of approval for another "automatic funding" mechanism. Funds would be diverted to the special fund without any legislative intervention. Without legislative scrutiny, it would be difficult to

ascertain the effectiveness of the program and whether or not the fund has too little or too much revenue. More importantly, the diversion of general excise tax revenues to this special fund would mean that there would be that much less in general funds for other programs and services. This is reminiscent of the legislature's earlier folly in earmarking \$90 million in general excise tax revenues for the repair and maintenance of the state's educational facilities in 1989. As one senator called it, it was "the legislature's commitment to education." That commitment ran about three years when the fortunes of the general fund starting going south and lawmakers took back the general excise tax revenues and replaced them with bond proceeds. If nothing else, this provision violates the spirit, if not the intent, of the general fund expenditure ceiling as it would allow what has been traditionally a receipt of the general fund to be spent without being counted against the ceiling as the moneys would be spent out of yet another special fund.

In addition, the earmarked funds and the amount that would make up the difference between bond proceeds and \$50 million would result in the repair and maintenance of U.H. facilities with cash rather than G.O. bonds which are the normal financing method. Bonds allow more than the current generation of taxpayers to pay for capital improvements that are intended for several generations to be beneficiaries. This puts a greater burden than is necessary on the current generation of taxpayers and if other spending is not curtailed could mean imposing additional taxes on this generation of taxpayers if other services are to be maintained.

The danger in adopting this measure is that it may spawn additional requests for funding of other "needy" programs through the earmarking of general excise tax revenues.

How soon lawmakers have forgotten how earmarking general fund revenues can get the state into trouble. When the \$90 million in general excise tax revenues was earmarked for school facilities, instead of spurring construction and repair of classrooms, the earmarking merely created apathy as school officials knew they would receive \$90 million off the top and they didn't have to justify a request for funding. Here we are almost 20 years later and there is still a backlog of repairs and maintenance for educational facilities. Instead of proposing measures like these, lawmakers should go back and read a little of their own history and learn from their mistakes.

Rather than perpetuating the earmarking of general funds, lawmakers should repeal all earmarking and utilize the appropriation process which would be more accountable than any earmarking scheme. At least lawmakers will be able to evaluate how the program is working and whether or not the program is being fully utilized. So if lawmakers want to assure that U.H. facilities continue down their deteriorating path, just earmark revenues and hold no one accountable for this embarrassment.

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SCHULER DIVISION

March 14, 2008

Honorable Senator Norman Sakamoto, Chair and Members
COMMITTEE ON EDUCATION
State Capitol, Room 224
Honolulu, Hawaii 96813

Chair Sakamoto, and Members of the Committees:

Subject: H.B 2521 HD 2, SD 1 RELATING TO CREATIVE MEDIA.

I am Dean Uchida, Vice President—Ho'opili, D.R. Horton, Schuler Division. We have been involved in building homes for first time home buyers in Hawaii since the 1980's.

H.B. No. 2521 HD 2, SD 1 proposes to further enhance the growth of the academy for creative media, which is contributing successfully to Hawaii's economic development, as well as providing creative career and business opportunities for students from throughout the State, by establishing the academy for creative media at the University of Hawaii west Oahu campus. We understand that the proposed SD 1 is similar to S.B. No. 3168 which crossed over to the House earlier this session.

Over three decades ago, city planners set out to create a "second" or "new" city in West Oahu to provide residents an alternative to living and working in downtown Honolulu. They wisely foresaw early on that if Oahu was going to thrive and compete at a world-class level, a second major primary employment center and supporting harbor system would be vital to its success.

Efforts are now underway to complete this vision of creating a dense urban core within Ewa. The new University of Hawaii at West Oahu campus is being constructed and will serve as one of the major focal points in the region. Establishing the Creative Media Center at the University's West Oahu campus will provided much needed career opportunities to for the next generation, many of whom live in the region and have shown a propensity to excel in this digital media industry.

Finally, having a strong research/education base will surely create opportunities for commercial users and with it, a growth of quality jobs in the region.

We are in strong support of H.B. No. 2521 HD2, SD1.

Thank you for providing us with the opportunity to testify on this resolution.

**Written Testimony Presented Before the
Senate Committee on Education**

March 14, 2008 at 2:00 p.m.

by

Virginia S. Hinshaw, Chancellor
University of Hawai'i at Mānoa

HB 2521, HD2 Relating to Education

Chair Sakamoto, Vice Chair Tokuda, and Members of the Committee:

Aloha! I'm delighted to have the opportunity to discuss with you all the potential creation of a University of Hawai'i repair and maintenance account for the funding of capital renewal, deferred maintenance, repair, renovation, improvement, and replacement projects.

As you know, maintenance and repair on the University of Hawai'i at Mānoa campus is a mounting concern, and I am very grateful for the growing interest in this problem—and in particular for recent efforts by the Legislature and others to help find creative solutions to the critical state of our campus infrastructure.

It is no secret that restoring the Mānoa campus and making it a destination of choice is my top priority. Since arriving in July, I quickly recognized that facilities deterioration on campus represents our major challenge, and led me to describe our campus as a jewel in many ways—particularly intellectually—but also to note that it is badly tarnished physically. Such deterioration didn't happen overnight, but rather is the result of decades of neglected repairs and maintenance.

In this our Centennial year, we have much to celebrate. We were able to bring Hawai'i to New Orleans for the experience of a lifetime watching our very own Warriors compete in the Sugar Bowl. It was thrilling, and I am so proud of our entire institution, particularly our athletics program, for being able to accomplish that experience and to our community for their unbelievable support.

This experience generated great pride in being affiliated with UH—it was palpable and visible in New Orleans. Through athletics, folks learned a lot about Hawai'i and UH Mānoa; such recognition benefits the State and our sister UH campuses.

Along with pride, however, competition at the national level brought with it the recognition that many of our campus facilities are in need of a major overhaul. This is the case in athletics and across the campus. It will take a tremendous effort by all of our supporters to have facilities that can support our mission.

I appreciate that your job is difficult because the University is not the only institution in the state with deferred maintenance issues—and the needs are great. I'm not looking to you all to solve all of our problems, but rather to join us in leveraging the state's investment in the University and supporting projects where we do not have other revenue or private opportunities for support.

Facilities do clearly play a significant role in making UH Mānoa a destination of choice for students, faculty, staff, and community members. Thankfully our new Assistant VC for Facilities, Dave Hafner, has the expertise to analyze our facilities needs—here are a few facts:

- Our deferred maintenance backlog has been chronically underestimated, our new estimate using business standard analyses indicates upwards of \$400,000,000;
- Our current facilities workforce is only able to react to breakdowns on campus, about 950 work orders a month, with a backlog of 4,607 work orders;
- Less than 5% of our efforts are expended on preventive maintenance, making the future full of more of the same experiences. Twenty-five buildings currently have major system breakdowns, 37 have significant leaks—and that's not surprising since 36 of our buildings are over 60 years old; a top priority is to repairs the roofs to protect the programs from continual water damage;
- Costs are increasing—sewage up 82% in 6 months; construction costs at a 10% inflation rate, which makes delays vastly expensive.

So how do we address these challenges? Certainly resources play a key role but so does having nimbleness and flexibility. My goal is for us to move more rapidly and efficiently to realize the full value of investments you make. To accomplish that, we need to change the way we do business—such as pursuing public/private partnerships, restoration of our state procurement exemption, using debt, assertive licensing and more.

The Mānoa Facilities team is changing to improve and meet our needs—for example, they are participating for the first time in a process which serves as a nation-wide benchmark for campus facilities performance. Due to R&M upgrades on their part, our electricity usage is down by 6 and ½ % from last year—a potential savings of \$1.3 million annually.

We're certainly seeing positive changes due to your investments—our new dormitory Frear Hall is on time, on budget and will open this fall and is sorely needed. Our next target is renovation of the four residential towers. Campus Center is being renovated to meet student needs.

Private investments are moving us ahead as well and are critical to our future—clearly the Shidler gift to the Business School has been transformational, both intellectually and physically—and our entering MBA students are the most highly qualified to date—there is a connection.

Since Mānoa is a large enterprise, there are a number of requests within the budget important to our future and our Mānoa team members and I will seek to answer any questions you may have about those.

In closing, my hope for the future is that we can work together to realize the full potential of UH Mānoa as a beautiful, intellectually stimulating center of activity – in that way, UH Mānoa can best serve the State of Hawai'i and also be a strong partner for our sister UH campuses. I know your investment in the university generates great returns because our alumni, public service, and research advances all contribute positively to the lives of our citizens and I believe we should all be quite proud of those activities. Mahalo.

Personal Testimony Presented Before the
Senate Committee on Education

March 14, 2008, 2:00 pm, Room 225

By

Christine Sorensen
Dean, College of Education
University of Hawai'i at Mānoa

HB 2521 HD2: Relating to Education

Chair Sakamoto, Vice Chair Tokuda, and Members of the
Committee:

I would like to speak in support of HB 2521, HD2, a bill designed to provide resources for repairs and maintenance for the University of Hawai'i. The University is an important resource for the state and I agree with our Chancellor, Virginia Hinshaw, that while we have many jewels among our programs, our facilities are indeed tarnished.

I arrived as the new Dean of Education in August, 2007. I remember, as I took my first tour of the College's facilities, I was stunned to enter the science education classroom. It so clearly needed renovation and repair. That was just before I walked down the hallway in the same building and my foot went through the rotted floor. That particular portion of the floor was later repaired by simply nailing a piece of wood over the hole. There are still portions of that hallway where one can see the ground through the holes and where visitors are warned to be careful where they walk.

I wish I could say that that building is the only one among the College's facilities in need of repair. But such is not the case. We have walls so badly damaged by termites that I fear the windows may fall out, or possibly the wall simply collapse. We have tarps hung in some areas to catch the water leaking through the roof. We have windows that no longer open in un-air conditioned rooms, creating a stifling environment on warm days. We have broken fixtures, damaged doors, inadequate cooling systems, and walls in desperate need of a new coat of paint. Not to mention the fact that we have faculty working from home because we have no offices for them following a fire that destroyed one of our buildings, a building that has yet to be replaced.

While I realize that this state of affairs did not occur over night, nor will it be addressed over night, this bill is at least a step in the direction of providing some resources to begin the process. It is difficult to attract talented new faculty and students with the current state of our classrooms, offices, and laboratories. When I compare our facilities with those of mainland university campuses of the same status as UH-Mānoa, I am frankly embarrassed. We

have wonderful faculty and top-notch students, who deserve to work and learn in facilities that support and promote the teaching and learning process.

Thank you for the opportunity to testify.

**Testimony Presented Before the
Committee on Education**

March 14, 2008
2:00 p.m.
State Capitol, Conference Room 225

by

Peter E. Crouch, Dean
College of Engineering
University of Hawai'i at Mānoa

HB 2521, HD2 – RELATING TO EDUCATION

Chair Norman Sakamoto, Vice Chair Jill Tokuda and Members of the Committee on Education

My name is Peter Crouch, Dean of the University of Hawaii College Of Engineering.

I appreciate the opportunity to provide testimony in support of HB 2521, HD2 which established a UH Repair and Maintenance Special Account as a dedicated funding source for the repair and maintenance of UH facilities and earmarking one percent of general revenues, until June 30, 2014.

I have been Dean at the College for just over a year and a half. It has been a challenging time as we have been collaborating with Hawaii's engineering stakeholders and aggressively working to re-position the State's only school of engineering by developing a viable and relevant focus and corresponding bold strategies.

It has been my underlying vision to facilitate and create a contemporary engineering, science and technology campus. While that continues to be our vision, we understand that there continue to be critical R&M issues for the UH. The College of Engineering is no exception and I will take this opportunity to share impact specific to the College:

- ▶ The roof of Holmes Hall has been leaking for about 5 years despite attempts at repair. The worst leak is into the Physical Electronics Lab where micro/nano electronic circuits are supposed to be fabricated in a clean environment. This technology is the backbone of modern electrical engineering and most devices that the public now enjoy. It is essential to give all our EE students some exposure to this technology.
- ▶ Maintenance and upkeep of Laboratories in general. As new faculty are hired, and technologies change, all laboratories need to be refurbished and maintained. UH engineering has had a long list of faculty leave the College because the University cannot support the upkeep, maintenance and refurbishment of existing

laboratories. The laboratories become unusable and then they become an inefficient usage of space.

- ▶ Energy efficiency of Buildings. The College of Engineering at UHM is situated in Holmes Hall and POST buildings. These are two of the most energy inefficient buildings on the Manoa campus. They have large numbers of laboratories. The technology to light and air condition these two buildings is outdated (Even POST building) and is a prime example of the need for buildings to be retrofitted with modern, energy efficient lighting and air conditioning.
- ▶ Most states are helping their engineering colleges keep abreast of modern technology and the need to educate the next generation of engineers by providing modern buildings where new technologies are most easily accommodated. Engineering at UH is in special need of new building space to help attract new faculty who are increasingly selective in their selection of institutions, based on the availability of facilities suitable for cutting edge research and development.

The College of Engineering at UH today plays a key role in supplying engineers to the construction industry, the naval shipyards, and many state agencies such as the Department of Transportation. It also supplies a number of students to defense contractors that have a presence in Hawaii to supply the military represented in Hawaii. It has established a 100 year old tradition for this function beginning at UH in 1908. The College is integral to the State's work force in critical areas of Hawaii's economy.

Functional engineering facilities and state-of-the-art equipment provide the crucial infrastructure to every school of engineering. Such functionality is imperative for the only accredited school of engineering in the State of Hawaii.

We support the UH system in its efforts to address much of its facilities needs

Thank you very much for the opportunity to provide testimony on HB2521, HD2.

- Committee on Education
- Edward J. Shultz, Interim Dean, School of Pacific and Asian Studies, University of Hawai'i
- March 14, 2008; 2 PM
- House Bill 2521

March 12, 2008

98-1627 Hoolauae Street
Aiea, HI 96701

Dear Senators,

Aloha, aloha mai kakou. I am testifying in favor of HB 2521 to increase the amount of funding allocated to repairs and maintenance for the University of Hawai'i. Currently I am Interim Dean of the School of Pacific and Asian Studies. But even more importantly I am a graduate of the University of Hawai'i at Mānoa having received my masters in 1970 and PhD in 1976.

The conditions in many of our classrooms and offices are unacceptable. The campus was in better shape in terms of its physical structure when I was a student here in the late 60s and early 70s. Just to give you one example, Moore Hall was completed while I was a student here. It was new, clean and well-functioning. I do not deny there have been limited attempts to address some of the more serious problems of Moore Hall, but they have not amounted to much. If you visit, for example, our rest rooms, toilets are frequently broken, sinks are in disrepair, and tile is falling off. These conditions are not caused by vandalism, but rather wear and tear and deteriorating conditions. The elevators are safety hazards. They malfunction over and over again. Doors do not open, or they slam shut. In one elevator, in order to go from the first to the third floor, it takes you first to the fourth floor.

Wheelchair access to Moore is absurdly difficult. Of the four access points to the building, only one is wheelchair accessible, the one closest to the street. The others are steps. Being that most student traffic comes from the other side facing the center of campus, wheelchair-bound students must not only go around Moore, but must also go around neighboring Henke Hall, following a rough and cracked asphalt path, which would be three times the distance for someone who walked. Faculty and staff carting equipment to and from Moore face the same difficulties.

Classrooms fare little better. Last year I was a Fulbright Professor at a Korean university. I was truly surprised to learn that every classroom in this institution was better equipped with the latest technology to enhance instruction than most of our classrooms at Mānoa. We all want quality instruction and a quality environment for the best and brightest minds in our state, our future leaders, but we have short-changed them by allowing instruction to continue in a campus with this decaying infrastructure.

I urge you to approve HB 2521, and give student learning a real boost. Thank you.

Sincerely,

Edward J. Shultz
Interim Dean

testimony

From: Joel Fischer [jfischer@hawaii.edu]
Sent: Wednesday, March 12, 2008 11:46 AM
To: testimony
Cc: musto@uhpa.org
Subject: HB2521; EDU; 3/14; 2PM; Rm 225

Importance: High

Attachments: Card for Joel Fischer <jfischer@hawaii.edu>



jfischer.vcf (343 B)

HB2521, HD2, Relating to the University of Hawai'i EDU; Chair, Sen Sakamoto

BE CAREFUL WHAT YOU WISH FOR.

I am not exactly opposed to the appropriation of funds for UH because we sorely need them. However, an ongoing appropriation of 1% of general funds is particularly worrisome, though it would be far less so with competent administrators and BOR members using it. What I am concerned about is ongoing, automatic appropriations for the UH under the current BOR and President. Both entities have clearly displayed their incompetence at correcting problems at UH, and especially their incompetence at handling large amounts of money. Please review the latest findings of the State Auditor if you need external verification of these points.

Therefore, I am urging the committee to have external, financial watchdogs evaluating all aspects of the use of any large amounts of money appropriated for the UH. In fact, we may have to make this legislation effective in 2010 instead of right away to evaluate whether UH can handle the money from the general obligation bonds BEFORE we release the annual 1%.

We all want the improvements. But we all have to be very careful that these funds are not misused.

Thank you.

Aloha, joel

Dr. Joel Fischer, ACSW
President, 19-3, Democratic Party

Professor
University of Hawai'i, School of Social Work Henke Hall Honolulu, HI 96822

"It is reasonable that everyone who asks justice should DO justice."
Thomas Jefferson

"There comes a time when one must take a position that is neither safe, nor politic, nor popular, but one must take it because one's conscience tells one that it is right."
Dr. Martin Luther King, Jr.

"Never, never, never quit."
Winston Churchill

Testimony sent via e-mail to: testimony@Capitol.hawaii.gov on 3/12/08 at 10:48am HST

Bill title: HB 2521, HD2 (HSCR779-08) "Relating to Education"

To: Senate Committee on Education
Chair, Senator Norman Sakamoto
Vice-Chair, Senator Jili N. Tokuda

From: Garret Okamoto
12581 Carmel Canyon Road
San Diego, CA 92130

Representing: University of Hawaii Warrior Fan

Hearing Date: March 14, 2008
Hearing Time: 2:00 pm
Hearing Location: Conference Room 225 State Capitol

Dear Chair Sakamoto, Vice-Chair Tokuda, and distinguished members of the committee:

I am writing to give my strong support to HB 2521, HD2 (HSCR779-08), which I believe is needed by the University of Hawaii system for critical, necessary facility repairs. Years of neglect and deferred maintenance has resulted in the deterioration of University of Hawaii facilities, which has become an embarrassment across the country after it was picked up by the national media. The University of Hawaii system is a public and invaluable representative of the State of Hawaii to the rest of the world and we cannot allow its reputation and educational mission to decline due to poor maintenance of its facilities.

I am a resident of California now, but I was born and raised in Kaneohe and my parents and sister's family are still living in Kaneohe. I have never stopped being a fan of the University of Hawaii Warriors and would hate for the positive momentum from their historical journey to the Sugar Bowl be ended because the Legislature could not find the funds to take care of the necessary facility maintenance.

I traveled to the Sugar Bowl with my parents, and have attended numerous UH football (and UH basketball/volleyball) games in Las Vegas, San Jose, and Reno. In fact, my family paid for two season tickets to UH football games (next to the 2 that my parents own) for 13 years after I left Hawaii, until we realized that I would not be able to go back to Hawaii for work. While the crowds from Hawaii were bigger this year at the games on the mainland, there were always thousands of passionate UH fans attending each game in the past that were an indication of how UH fans living on the mainland never forget their roots in Hawaii. Many of the people I talked with at those games have become significant sponsors of the UH Foundation, Koa Anuenue, and Na Koa. As is the case from studies taken on other colleges, I believe that donations and student applications for UH in general are significantly affected by the success of its athletic teams, especially football. Whether or not that should be the case, that is the reality of why some high school

students apply to a certain school or why a wealthy alumnus may decide to give back to the University.

The poor maintenance of UH football facilities is notable to me because the football team is a big profit-making machine that helps fund the rest of the Athletic Department. It would seem to make poor economic sense to cut corners with the facility budget that could negatively affect the success of the team, from the poor locker rooms or offices turning off a big recruit to a computer lab that cannot be used that could hurt the player's grades. The entire state saw how having an extremely successful season can result in a \$4.5 million BCS payout (with UH probably netting between \$2 and \$3 million) and hundreds of thousands of dollars to the University from merchandise licensing. Continuing to have success requires an investment by the State, one that could return many times the investment in the future.

The non-football related money is also critical for the University because the entire University of Hawaii system needs an incredible amount of money just to get its facilities to be at an almost acceptable level. We have tens of thousands of students in the University system, the majority from Hawaii families, and they cannot learn to the best of their ability with the state of the facilities.

This issue is one that is very close to my heart because I saw the conditions first-hand while giving a seminar at UH-Manoa and years before that while I was considering becoming a professor at UH-Manoa. When I visited a professor at UH-Manoa, I was shocked to see how his office and those of his Department were in a building that was only partially completed. There was rubble in the entry level of the building because UH ran out of money and could not complete the construction. When several professors told me about the poor state of the facilities (this was a decade ago, before this issue became spotlighted), and how frustrated they were by the lack of resources at the University, that helped cement my decision to take a faculty position at a California University. I just visited with a retired UH professor (who was Chair of his department for at least two stretches of time) who talked about how the roof leaked in his building for years.

Please consider my testimony a strong recommendation for the passage of this bill and I hope that the Legislature and University never let its facilities deteriorate to the point where things are as desperate as they are now.

Sincerely,

Garret Okamoto

testimony

From: Roger Reynolds [simpleroggie@yahoo.com]
Sent: Wednesday, March 12, 2008 10:19 AM
To: testimony; HEDtestimony
Subject: House Bill 2521 Testimony

Hi, my name is Roger Reynolds and I'm sending this email in support of House Bill 2521. I am a former UH student and I remember how bad the facilities were in upper and lower campus. With the University of Hawaii being our flagship university, it is an embarrassment to see how bad things have gotten. This bill needs to get passed so that the funds can get to the Athletic department as well as Upper Campus so we can finally take OUR university to the next level and longer be ashamed of how bad things have gotten there.

Thanks,
Roger

Never miss a thing. Make Yahoo your home page.
<http://www.yahoo.com/r/hs>

testimony

From: Edward Yasuda [yasudae002@hawaii.rr.com]
Sent: Wednesday, March 12, 2008 12:04 PM
To: testimony
Subject: Fw: HB2521 HD2 Testimony

TO: COMMITTEE ON EDUCATION
DATE: Friday, March 14, 2008
TIME: 2:00 p.m.
RE: HB2521 HD2
SUBJ: Testimony

The University of Hawaii (UH) recent fiasco with football coach June Jones leaving was a debacle that could have been avoided if wiser minds were at work. In fact the incident may hint that a *laissez faire* approach needs to be tempered in a collaborative way with legislative quality control to ensure facility improvements are strategically planned and implemented.

Therefore request your consideration to support House Bill 2521 HD2 when it gets Senate consideration. As a taxpayer and UH football program advocate, I support this bill, which represents the state's commitment to sustain the university administration in addressing much of the facility needs for academics and athletics. Further, I place UH's facility upkeep equal to the taxpayers infrastructure obligation to support the state's employees pension and medical benefits program. The passage of this bill shall provide the **MOMENTUM** for positive change for an institution that has been too long neglected and inspire innovative leadership for the university administration to resolve its long neglected upkeep of university facilities.

Sincerely,

Edward Yasuda
1511 Nuuanu Avenue Apt 731
Honolulu, HI 96817
Phone #537-1902

testimony

From: Michael Lum [mlum@mlpacific.com]

Sent: Wednesday, March 12, 2008 1:17 PM

To: testimony

Subject: Testimony for Committee on Education Hearing on March 14, 2008 at 2:00PM regarding HB 2521, HD2

Chairman Norman Sakamoto and members of the Senate Committee on Education:

I **support HB 2521 HD2** which would create a University of Hawaii Repair and Maintenance Special Account to be funded with at least \$50,000,000 per fiscal year from July 1, 2008 to June 30, 2014 for the repair and maintenance of UH facilities. The University of Hawaii is the flagship institution of higher education in the State of Hawaii, but the physical plant has suffered from years of neglect which ultimately affects the quality of the education of our students and the ability to attract and retain high quality faculty. The University's facilities must be brought up to acceptable standards and HB 2521, HD2 will help do this. An important component of the bill should be that deferred maintenance of the athletic department at Manoa be also addressed. The athletic department's facilities must be brought up to par to allow the University's athletic teams to continue to be successful, a source of pride for the community and a strong economic stimulus to the State of Hawaii.

Please contact me if you have any questions.

Michael Y.W. Lum
President, ML Pacific Inc.

testimony

From: Mr thomas KITAGUCHI [tomkitaguchi@yahoo.com]
Sent: Thursday, March 13, 2008 4:37 AM
To: testimony
Subject: Subject: Testimony for Committee on Education Hearing on March 14, 2008 at 2:00 PM regarding HB 2521, HD2

Chairman Norman Sakamoto and members of the Senate Committee on Education:

I support HB 2521 HD2 which would create a University of Hawaii Repair and Maintenance Special Account to be funded with at least \$50,000,000 per fiscal year from July 1, 2008 to June 30, 2014 for the repair and maintenance of UH facilities. The University of Hawaii is the flagship institution of higher education in the State of Hawaii, but the physical plant has suffered from years of neglect which ultimately affects the quality of the education of our students and the ability to attract and retain high quality faculty. The University's facilities must be brought up to acceptable standards and HB 2521, HD2 will help do this. An important component of the bill should be that deferred maintenance of the athletic department at Manoa be also addressed. The athletic department's facilities must be brought up to par to allow the University's athletic teams to continue to be successful, a source of pride for the community and a strong economic stimulus to the State of Hawaii.

Sincerely,

Thomas Kitaguchi

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testimony

From: Marcom Leonillo [mleonillo@hawaii.rr.com]
Sent: Wednesday, March 12, 2008 9:28 PM
To: testimony
Subject: HB 2521, HD2 (HSCR779-08) RELATING TO EDUCATION

To: COMMITTEE ON EDUCATION
 Senator Norman Sakamoto, Chair
 Senator Jill N. Tokuda, Vice Chair

From: Mr. Chuck Leonillo

Subj: HB 2521, HD2 (HSCR779-08) RELATING TO EDUCATION APPROXIMATELY \$50M FOR UH PER YEAR UNTIL 2014

1) As you already know our University of Hawaii Football Warriors have done wonders recently for the entire State of Hawaii. I simply can not remember when our State has had so much pride and UH graduates like me are beaming with school and State pride. To mention a few of the Football's teams accomplishments this year 1) Undefeated 12-0 Regular Season, 2) WAC Championship, 3) 3rd Place Heisman Quarterback, and 4) BCS Game. The reason I'm writing to you is I'm extremely concerned about the University's and the State's ability to properly repair and upgrade existing facilities to sustain our Football Warrior Program excellence in hopes of sustaining excellence for the long-term.

2) There was been many reports that our football facilities require critical facility repairs and improvements long over due. I know this is true because very little has been done between 1980 when I started attending UH School of Engineering and today. I've heard Coach Jones and Coach Mac, Colt and other players, and many more say we need to repair and upgrade our University's facilities so our student athletes are better cared for and better recruits join the Warrior Nation. I believe this is a priority because our University of Hawaii is the most visible State institution that represents our educational values and the Warrior Football Program is the brightest beacon that draws global attention to it. While the Warrior's recent outstanding achievements has brought great pride to our entire state it has enlighten the world that our University's facilities are in shambles leaving a lasting perception that we do not value education and our football program very much. This of course is not true however, for us begin to correct the poor global perception we need to correct the facility problems quickly. I strongly support the full funding of HB 2521, HD2 to begin the repairs that will restore our university and State's pride as well as the worlds belief that we have very strong educational values. I believe our Warriors will continue to be a bright positive beacon drawing global attention to our University and State but this time, the world will also see that we learned from our past mistakes with respect to caring for its facilities and student athletes.

3) The entire State is positively or negatively affected by the Warriors every year. The entire State's morale and pride is affected by their success and how they represent us. The world continues to watch if we have learned from global shame towards proper repairs and upgrades of our athletic facilities. Like any large institution of higher learning our University of Hawaii athletic program deserves a strategy and like any strategy it must have funding to back it or its leadership is simply hallucinating its the future. Your complete support to apply tax payers funding toward HB 2521, HD2 is required. The world is watching us and your time to lead is now by funding HD 2521, HD2.

Very Respectfully,

Chuck Leonillo

testimony

From: David Chin [chin@hawaii.edu]
Sent: Wednesday, March 12, 2008 6:16 PM
To: testimony
Subject: testimony on HB2521 HD2 for the EDU hearing 3/14

Please accept the following written testimony concerning HB2521 HD2, a hearing for which is scheduled for Friday March 14, 2008 in the Committee on Education, Chair: Senator Norman Sakamoto, Vice Chair: Senator Jill N. Tokuka.

The Honorable Norman Sakamoto, Chair of the Committee on Education

Dear Senator Sakamoto,

I would like to testify in favor of HB2521 HD2 relating to funding of repair and maintenance of UH facilities. As the Associate Chair of the Department of Information and Computer Sciences at Manoa, I have to fight every semester to schedule my department's classes in classrooms with necessary equipment like a projector connected to a computer that is connected to the Internet. For us, such equipment is not merely instructional technology for improved delivery, but essential equipment for teaching computer science. It would be even better if our students could have wireless access to the Internet in the classrooms. Unfortunately even our most modern classrooms lack any wireless access. Our students have to go to the few special wireless access areas on campus to connect. Even worse, many of our buildings don't have enough electrical capacity to run computers. In one of my former labs, we had to unplug the copier if we wanted to plug in the printer and vice-versa, or risk blowing a fuse. This was a pain-in-the-neck because we had to find the custodian to unlock the fuse box to reset it. A few buildings have electrical systems that are so old that they are just plain unsafe as the recent electrical fire in Edmondson Hall demonstrated. As the Chair of the Manoa Faculty Senate, I have the opportunity to talk to many of my colleagues across the campus and I find the same story everywhere: the sorry state of facilities is hampering both education and research at Manoa. So I strongly urge you to support HB2521 HD2 to improve funding of UH repairs and maintenance so that UH can properly perform its educational and research mission.

Aloha,
David N. Chin
concerned voter, taxpayer, and educator

To: Hon. Norman Sakamoto, Chair Committee on Education
Hon. Jill Tokuda, Vice Chair

Re: Testimony on HB 2521, HD 2

Dear Sen. Sakamoto and committee members:

Thank you for the opportunity to submit comments on HB 2521, HD 2. I humbly request that this committee consider amending this measure to include funding for a creative media academy at the University of Hawaii-West Oahu (UHWO).

As a member of the Honolulu City Council in the 1980's and a State Senator in the 1990's I have initiated or strongly supported efforts to create a permanent campus for the UH West Oahu. The effort has been a long one, but significant strides were made during my years in the Senate, particularly enacting legislation to secure land from Campbell Estate for a permanent campus in the "Second City" of Kapolei.

I have always believed that good land use planning for the island of Oahu involved the establishment of a "second city" on the Ewa plains. I further believed that a UH West Oahu campus was a critical component to the success of a second city – a campus teeming with students was an anchor institution to attract businesses and jobs to the second city so that it was a place where people not only lived, but worked.

I also believed that having an institution of higher learning on Oahu's Leeward Coast would inspire our young students to go to college and could provide much needed outreach activity to those in need on the Leeward Coast.

A functioning, vibrant, and meaningful UH West Oahu will not arise merely because land has been secured and buildings are built. What is critical are the programs which are offered to students at this "new" campus. For UH West Oahu, an academy for creative media is a perfect fit. As noted in another Senate measure, "Waianae Searider Productions has demonstrated the transformational power of multi-media literacy to engage our most at-risk students." It is my understanding that creative media programs are the "happening" thing in West Oahu high schools. Waianae H.S. is the most notable but I'm told that high schools like Campbell and Kapolei have programs as well.

Obviously, the University of Hawaii's priority mission is to provide excellent post secondary education to our young adults. But I also believe that it has another mission as well - as a member of our community, to contribute to the proper planning and growth in this State. A permanent UH West Oahu campus in Kapolei, and establishing an academy for creative media at the campus fulfills both goals.

Thank you for the opportunity to testify. I ask for your favorable consideration of this request to amend this measure..

Aloha,
RANDY IWASE

testimony

From: Cesar Valeron [valeronjc001@hawaii.rr.com]
Sent: Thursday, March 13, 2008 9:49 PM
To: testimony
Subject: HB 2521 for Friday, March 14, 2:00 p.m. Conference Rm 225

I am in support of House Bill 2521 to fund the repair and maintenance of the UH colleges.

I am particularly requesting the state join me and other Koa Anuenue fans in supporting UH football and provide the money needed to repair their dishevelled sport's facilities. Every year for the last 12 seasons I've donated hundreds of dollars to help our boys produce a winning team to proudly represent Hawaii to the rest of the nation. This last season was a dream come true!

Thank you for your time, and mahalo for your consideration to vote in support of HB 2521.

Mahalo nui loa,

Cesar A. Valeron Jr.
672-6049