

Honolulu, Hawaii
July 28, 2010
RE: H.B. No. 2054

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Higher Education, to which was referred
H.B. No. 2054 entitled:

"A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII,"

begs leave to report as follows:

The purpose of this bill is to give the University of Hawaii
(UH) the following forms of fiscal autonomy from the Comptroller
beyond June 30, 2011:

- (1) Denying the Comptroller the authorization to have
complete supervision over all of UH's accounts;
- (2) Allowing UH to install an accounting system designed for
colleges and universities, instead of the system used by other
state agencies;
- (3) Allowing UH to develop new and change existing business
and accounting forms, without the prior approval of the
Comptroller, except forms of statewide use in the State's
accounting system;
- (4) Allowing UH's chief financial officer, instead of the
Comptroller, to approve the assignment of debt by UH's creditors;

The bill also, on a permanent basis, gives the Comptroller
access to certain UH fiscal matters by:



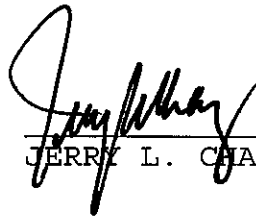
(1) Authorizing the Comptroller to require UH to provide information necessary for the Comptroller to prepare required financial statements; and

(2) Requiring UH to report to the Comptroller at least 15 days after each quarter, all transactions relating to moneys held outside of the state treasury.

The University of Hawaii System testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2054 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Higher Education,



JERRY L. CHANG, Chair



