

Honolulu, Hawaii

March 16, 2010

RE: S.B. No. 2385
S.D. 1

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
S.B. No. 2385, S.D. 1, 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, by:

- (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; and
- (4) Allowing UH's chief financial officer, instead of the Comptroller, to approve the assignment of debt by UH's creditors.



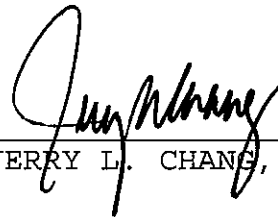
This bill also, on a permanent basis, gives the Comptroller access to certain UH fiscal matters by:

- (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 no later than 15 days after the end of each quarter, all transactions relating to moneys held by UH outside of the State treasury.

The UH 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 S.B. No. 2385, S.D. 1, 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



