

---

---

# A BILL FOR AN ACT

RELATING TO CERTAIN FUNDS OF THE UNIVERSITY OF HAWAII.

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

1           SECTION 1. Chapter 304A, Hawaii Revised Statutes, is  
2 amended by adding six new sections to subpart C of part V to be  
3 appropriately designated and to read as follows:  
4           "§304A-A Child care programs special fund. There is  
5 established a child care programs special fund for the operation  
6 of child care programs established under section 304A-116 and  
7 the construction and renovation of child care centers  
8 established by the University of Hawaii. Fees charged for child  
9 care at child care programs, proceeds from donations to the  
10 university for child care programs, and proceeds from loans or  
11 other instruments of indebtedness for the construction or  
12 renovation of child care centers shall be deposited into the  
13 special fund. Expenditures from the special fund shall be made  
14 for the operation of child care programs and payment of  
15 principal and interest on obligations incurred for the  
16 construction or renovation of child care centers.



1        **§304A-B Discoveries and inventions special fund.** There is  
2 established a discoveries and inventions special fund into which  
3 shall be deposited a portion of the total indirect overhead  
4 funds generated by the university for research and training  
5 purposes in the prior fiscal year, as determined by the board of  
6 regents. Appropriations by the legislature subject to the  
7 approval of the governor, proceeds from the commercial  
8 exploitation of inventions and intellectual property developed  
9 at the university, gifts, donations, fees collected, and grants  
10 from public agencies and private persons may also be deposited  
11 into the special fund for the purposes of supporting innovation  
12 and research commercialization and the patenting, copyrighting,  
13 licensing, and marketing of discoveries, inventions, and  
14 technologies developed at the university. The special fund  
15 shall be used to develop technologies that have potential  
16 commercial value, support the administration of technology  
17 transfer activities, and facilitate economic development through  
18 education and research undertaken at the university.

19        **§304A-C University of Hawaii alumni special fund.** There  
20 is established the University of Hawaii alumni special fund into  
21 which shall be deposited funds and proceeds received by the  
22 university from alumni activities and donations from alumni.



1 Funds deposited into this special fund may be expended by the  
 2 university for all costs associated with conducting alumni  
 3 affairs, activities, and programs for the university system,  
 4 including expenses for honoraria, hotel and room rentals, food  
 5 and refreshment, printing and mailing, banners and signs,  
 6 plaques and awards, airfare and per diem, leis, rental of  
 7 audiovisual, musical, and stage equipment, and activity supplies  
 8 and materials, without regard to statutory competitive bidding  
 9 requirements.

10 **§304A-D University of Hawaii at Manoa intercollegiate**  
 11 **athletics special fund and University of Hawaii at Hilo**  
 12 **intercollegiate athletics special fund.** Notwithstanding any  
 13 other law to the contrary, there are established the University  
 14 of Hawaii at Manoa intercollegiate athletics special fund and  
 15 the University of Hawaii at Hilo intercollegiate athletics  
 16 special fund for the intercollegiate athletic programs of the  
 17 University of Hawaii at Manoa and the University of Hawaii at  
 18 Hilo, which shall be used to receive, deposit, disburse, and  
 19 account for funds from the activities of the intercollegiate  
 20 athletic programs. The university may establish appropriate  
 21 charges for activities related to its athletic programs and the



1 use of its athletic facilities, the proceeds from which shall be  
2 deposited into these special funds.

3 The university shall maintain the financial integrity and  
4 viability of these special funds, including the maintenance of  
5 an adequate reserve to cope with the various factors that impact  
6 the revenue structure of an intercollegiate athletic program.

7 **§304A-E Animal research farm, Waialeale, Oahu special fund.**

8 There is established the animal research farm, Waialeale, Oahu  
9 special fund for the animal research farm, Waialeale, Oahu,  
10 operated by the college of tropical agriculture and human  
11 resources of the University of Hawaii, into which shall be  
12 deposited the receipts from fees realized from the sale of  
13 livestock, services, and supplies. Funds deposited into this  
14 special fund shall be expended for animal research, and services  
15 and supplies related thereto.

16 **§304A-F University of Hawaii-Hilo theatre special fund.**

17 There is established the University of Hawaii-Hilo theatre  
18 special fund, which shall consist of admissions, advertising  
19 sales, corporate sponsorships, marketing, merchandising,  
20 donations, fund-raising, fees, charges, and other moneys  
21 collected in conjunction with the University of Hawaii-Hilo  
22 theatre program. The special fund shall be administered by the



1 office of administrative affairs of the University of Hawaii at  
2 Hilo. Funds may be expended for all costs associated with the  
3 theatre program, including artists' fees, production costs,  
4 personnel costs, honoraria, per diem, hotel and room rentals,  
5 food and refreshments, printing and mailing, advertising,  
6 airfare, lei, rental or purchase of equipment, and theater  
7 supplies and materials."

8 SECTION 2. Section 304A-116, Hawaii Revised Statutes, is  
9 amended by amending subsection (b) to read as follows:

10 "(b) The provision of child care services may be supported  
11 with proceeds from the child care programs [~~revolving~~] special  
12 fund established under section [~~304A-2252~~], 304A-A, public  
13 funds, and private grants and gifts to pay for the expenses of  
14 operation, including payment of principal and interest on any  
15 obligations incurred."

16 SECTION 3. Section 304A-2253, Hawaii Revised Statutes, is  
17 amended as follows:

18 1. By amending subsection (a) to read:

19 "(a) There is established a University of Hawaii research  
20 and training revolving fund into which shall be deposited one  
21 hundred per cent of the total amount of indirect overhead  
22 revenues generated by the university from research and training



1 programs. The board of regents is authorized to expend one  
2 hundred per cent of the revenues deposited in the fund for:

- 3 (1) Research and training purposes that may result in  
4 additional research and training grants and contracts;  
5 (2) Facilitating research and training at the university;  
6 and  
7 (3) Further deposit into the discoveries and inventions  
8 [~~revolving fund and the University of Hawaii housing~~  
9 ~~assistance revolving~~] special fund."

10 2. By amending subsection (c) to read:

11 "(c) Notwithstanding sections 304A-107[7] and  
12 [~~+~~]304A-2254[~~+~~], and [~~304A-2258~~] to the contrary, the board of  
13 regents or its designee, may establish a separate account within  
14 the research and training revolving fund for the purpose of  
15 providing advance funding to meet reimbursable costs incurred in  
16 connection with federally financed research and training  
17 projects. Any reimbursement received as a result of providing  
18 advance funding shall be deposited into the research and  
19 training revolving fund to be used for the purpose of meeting  
20 reimbursable costs incurred in connection with federally  
21 financed projects."



1 SECTION 4. Section 304A-2158, Hawaii Revised Statutes, is  
2 repealed.

3 ~~["**[§304A-2158]** Western Governors University special fund.~~  
4 ~~There is established a Western Governors University special fund~~  
5 ~~into which shall be deposited all revenues derived from the~~  
6 ~~State's participation in the Western Governors University,~~  
7 ~~except University of Hawaii income from tuition and fees charged~~  
8 ~~for regular courses of instruction and tuition related course~~  
9 ~~and fee charges to students. The fund shall be administered by~~  
10 ~~the board of regents of the University of Hawaii and shall be~~  
11 ~~used for the State's membership and participation in the Western~~  
12 ~~Governors University." ]~~

13 SECTION 5. Section 304A-2252, Hawaii Revised Statutes, is  
14 repealed.

15 ~~["**[§304A-2252]** Child care programs revolving fund. There~~  
16 ~~is established a child care programs revolving fund for the~~  
17 ~~operation of child care programs established under section~~  
18 ~~304A-116 and the construction and renovation of child care~~  
19 ~~centers established by the University of Hawaii. Fees charged~~  
20 ~~for child care at child care programs, proceeds from donations~~  
21 ~~to the university for child care programs, and proceeds from~~  
22 ~~loans or other instruments of indebtedness for the construction~~



1 ~~or renovation of child care centers shall be deposited into the~~  
2 ~~revolving fund. Expenditures from the revolving fund shall be~~  
3 ~~made for the operation of child care programs and payment of~~  
4 ~~principal and interest on obligations incurred for the~~  
5 ~~construction or renovation of child care centers." ]~~

6 SECTION 6. Section 304A-2254, Hawaii Revised Statutes, is  
7 repealed.

8 ~~[ "~~§304A-2254~~ Discoveries and inventions revolving fund.~~

9 ~~There is established a discoveries and inventions revolving fund~~  
10 ~~into which shall be deposited a portion of the total indirect~~  
11 ~~overhead funds generated by the university for research and~~  
12 ~~training purposes in the prior fiscal year, as determined by the~~  
13 ~~board of regents. Appropriations by the legislature subject to~~  
14 ~~the approval of the governor, proceeds from the commercial~~  
15 ~~exploitation of inventions and intellectual property developed~~  
16 ~~at the university, gifts, donations, fees collected, and grants~~  
17 ~~from public agencies and private persons may also be deposited~~  
18 ~~into the fund for the purposes of supporting innovation and~~  
19 ~~research commercialization and the patenting, copyrighting,~~  
20 ~~licensing, and marketing of discoveries, inventions, and~~  
21 ~~technologies developed at the university. The fund shall be~~  
22 ~~used to develop technologies that have potential commercial~~





1 ~~value, support the administration of technology transfer~~  
2 ~~activities, and facilitate economic development through~~  
3 ~~education and research undertaken at the university." ]~~

4 SECTION 7. Section 304A-2258, Hawaii Revised Statutes, is  
5 repealed.

6 [ "~~§304A-2258~~ ~~University of Hawaii housing assistance~~  
7 ~~revolving fund.~~ There is established the University of Hawaii  
8 ~~housing assistance revolving fund into which shall be deposited~~  
9 ~~a portion of the total indirect overhead funds generated by the~~  
10 ~~university for research and training purposes in the prior~~  
11 ~~fiscal year as determined by the board of regents. The fund~~  
12 ~~shall be used to:~~

- 13 (1) ~~Implement the university housing assistance master~~  
14 ~~plan, in accordance with policies adopted by the board~~  
15 ~~of regents; and~~
- 16 (2) ~~Account for all transactions of the university housing~~  
17 ~~assistance program, including but not limited to~~  
18 ~~revenues, expenditures, loans, and transfers." ]~~

19 SECTION 8. Section 304A-2259, Hawaii Revised Statutes, is  
20 repealed.

21 [ "~~§304A-2259~~ ~~University of Hawaii alumni revolving~~  
22 ~~fund.~~ There is established the University of Hawaii alumni



1 ~~revolving fund into which shall be deposited funds and proceeds~~  
 2 ~~received by the university from alumni activities and donations~~  
 3 ~~from alumni. Funds deposited into this revolving fund may be~~  
 4 ~~expended by the university for all costs associated with~~  
 5 ~~conducting alumni affairs, activities, and programs for the~~  
 6 ~~university system, including but not limited to expenses for~~  
 7 ~~honoraria, hotel and room rentals, food and refreshment,~~  
 8 ~~printing and mailing, banners and signs, plaques and awards,~~  
 9 ~~airfare and per diem, leis, rental of audiovisual, musical, and~~  
 10 ~~stage equipment, and activity supplies and materials, without~~  
 11 ~~regard to statutory competitive bidding requirements." ]~~

12 SECTION 9. Section 304A-2261, Hawaii Revised Statutes, is  
 13 repealed.

14 ~~[ "~~§304A-2261~~ University of Hawaii at Manoa~~  
 15 ~~intercollegiate athletics revolving fund and University of~~  
 16 ~~Hawaii at Hilo intercollegiate athletics revolving fund.~~  
 17 Notwithstanding any other law to the contrary, there are  
 18 established the University of Hawaii at Manoa intercollegiate  
 19 athletics revolving fund and the University of Hawaii at Hilo  
 20 intercollegiate athletics revolving fund for the intercollegiate  
 21 athletic programs of the University of Hawaii at Manoa and the  
 22 University of Hawaii at Hilo, which shall be used to receive,



1 ~~deposit, disburse, and account for funds from the activities of~~  
2 ~~the intercollegiate athletic programs. The university may~~  
3 ~~establish appropriate charges for activities related to its~~  
4 ~~athletic programs and the use of its athletic facilities, the~~  
5 ~~proceeds from which shall be deposited into these revolving~~  
6 ~~funds.~~

7 ~~The university shall maintain the financial integrity and~~  
8 ~~viability of these revolving funds, including the maintenance of~~  
9 ~~an adequate reserve to cope with the various factors that impact~~  
10 ~~the revenue structure of an intercollegiate athletic program." ]~~

11 SECTION 10. Section 304A-2262, Hawaii Revised Statutes, is  
12 repealed.

13 [~~["§304A-2262] Animal research farm, Waialeale, Oahu~~  
14 ~~revolving fund. There is established the animal research farm,~~  
15 ~~Waialeale, Oahu revolving fund for the animal research farm,~~  
16 ~~Waialeale, Oahu, operated by the college of tropical agriculture~~  
17 ~~and human resources of the University of Hawaii, into which~~  
18 ~~shall be deposited the receipts from fees realized from the sale~~  
19 ~~of livestock, services, and supplies. Funds deposited into this~~  
20 ~~revolving fund shall be expended for animal research, and~~  
21 ~~services and supplies related thereto." ]~~



1 SECTION 11. Section 304A-2264, Hawaii Revised Statutes, is  
2 repealed.

3 [~~"§304A-2264 Conference center revolving fund,  
4 University of Hawaii at Manoa. There is established the  
5 conference center revolving fund for the conference center  
6 program in the college of continuing education and community  
7 service of the University of Hawaii at Manoa. All fees,  
8 charges, and other moneys collected in conjunction with the  
9 conference center program shall be deposited in the revolving  
10 fund. The dean of the college of continuing education and  
11 community service is authorized to expend funds from the  
12 revolving fund for all costs associated with conducting  
13 conferences, seminars, and courses by the conference center  
14 program, including but not limited to expenses for honoraria,  
15 hotel and room rentals, food and refreshment, printing and  
16 mailing, airfare and per diem, leis, rental of audiovisual  
17 equipment, and conference supplies and materials."~~]

18 SECTION 12. Section 304A-2265, Hawaii Revised Statutes, is  
19 repealed.

20 [~~"§304A-2265 International exchange healthcare tourism  
21 revolving fund. (a) There is established the international  
22 exchange healthcare tourism revolving fund for the international~~



1 ~~exchange of healthcare tourism program into which shall be~~  
2 ~~deposited all donations, gifts, contributions, legislative~~  
3 ~~appropriations, and moneys generated by the program through~~  
4 ~~education, training, and research contracts and grants. Moneys~~  
5 ~~deposited into this fund for the school of medicine and the~~  
6 ~~school of nursing and dental hygiene shall be divided into~~  
7 ~~separate accounts for each school, provided that moneys not~~  
8 ~~designated for use by a particular school shall be divided~~  
9 ~~equally. Moneys shall be expended from each account by the~~  
10 ~~school of medicine and the school of nursing and dental hygiene,~~  
11 ~~for student aid, training projects, teaching, supplies,~~  
12 ~~services, and activities related to the development and~~  
13 ~~promotion of the health related tourism education program.~~

14 ~~(b) All unexpended and unencumbered moneys appropriated by~~  
15 ~~the legislature remaining in the fund at the close of each~~  
16 ~~fiscal year that are deemed, by the director of finance, to be~~  
17 ~~in excess of the moneys necessary to carry out the purposes of~~  
18 ~~this section over the next following fiscal year shall lapse to~~  
19 ~~the credit of the state general fund." ]~~

20 SECTION 13. Section 304A-2269, Hawaii Revised Statutes, is  
21 repealed.



1           ~~["§304A-2269] Community college and University of Hawaii~~  
2 ~~at Hilo bookstore revolving fund. There is established the~~  
3 ~~community college and University of Hawaii at Hilo bookstore~~  
4 ~~revolving fund for the community college and University of~~  
5 ~~Hawaii at Hilo bookstores, from which shall be paid the cost of~~  
6 ~~goods or services rendered or furnished to the bookstores and~~  
7 ~~which shall be replenished through charges made for goods and~~  
8 ~~services or through transfers from other accounts or funds." ]~~

9           SECTION 14. Section 304A-2271, Hawaii Revised Statutes, is  
10 repealed.

11           ~~["§304A-2271] University of Hawaii Hilo theatre revolving~~  
12 ~~fund. There is established the University of Hawaii Hilo~~  
13 ~~theatre revolving fund, which shall consist of admissions,~~  
14 ~~advertising sales, corporate sponsorships, marketing,~~  
15 ~~merchandising, donations, fund raising, fees, charges, and other~~  
16 ~~moneys collected in conjunction with the University of Hawaii-~~  
17 ~~Hilo theatre program. The revolving fund shall be administered~~  
18 ~~by the office of administrative affairs of the University of~~  
19 ~~Hawaii at Hilo. Funds may be expended for all costs associated~~  
20 ~~with the theatre program, including artists' fees, production~~  
21 ~~costs, personnel costs, honoraria, per diem, hotel and room~~  
22 ~~rentals, food and refreshments, printing and mailing,~~



1 ~~advertising, airfare, leis, rental or purchase of equipment, and~~  
2 ~~theater supplies and materials." ]~~

3 SECTION 15. Section 304A-2353, Hawaii Revised Statutes, is  
4 repealed.

5 [~~§304A-2353~~] ~~The Senator Hiram L. Fong scholarship~~  
6 ~~program; endowment trust.~~ (a) ~~There is established the Senator~~  
7 ~~Hiram L. Fong scholarship program to be administered by the~~  
8 ~~university with proceeds from an endowment trust that shall~~  
9 ~~receive its initial funding by an appropriation out of the~~  
10 ~~general revenues of the State. The program shall provide~~  
11 ~~financial support to students enrolled at any campus of the~~  
12 ~~university.~~

13 (b) ~~Awards shall be granted annually to one female student~~  
14 ~~and one male student who:~~

- 15 (1) ~~Are graduates of a public high school in the State;~~
- 16 (2) ~~Are upperclassmen at the university;~~
- 17 (3) ~~Submit winning essays to the board of regents on the~~  
18 ~~senator's contributions to Hawaii;~~
- 19 (4) ~~Have a demonstrated commitment to local community~~  
20 ~~issues, as shown by volunteer work and participation~~  
21 ~~in community organizations; and~~



1       ~~(5) Have a demonstrated interest and knowledge of the~~  
2           ~~history of immigration to Hawaii.~~

3       ~~(c) The amount to be awarded to a student shall be~~  
4       ~~determined by the board of regents with due regard to the total~~  
5       ~~amount of funds available for the program. The award that a~~  
6       ~~student receives under this program may be used to:~~

7       ~~(1) Pay for the costs of tuition and fees for a single~~  
8           ~~academic year;~~

9       ~~(2) Pay for the costs of textbooks and other instructional~~  
10       ~~materials for a single academic year;~~

11       ~~(3) Pay for the costs of room and board at a dormitory or~~  
12       ~~apartment maintained by the university for a single~~  
13       ~~academic year; or~~

14       ~~(4) Defray the difference between student need, as~~  
15       ~~determined by the Free Application for Federal Student~~  
16       ~~Aid, and the total cost of attendance for a single~~  
17       ~~academic year.~~

18       ~~(d) The board of regents shall adopt rules to implement~~  
19       ~~the Senator Hiram L. Fong scholarship program. The rules shall~~  
20       ~~be adopted pursuant to chapter 91 but shall be exempt from the~~  
21       ~~public notice and public hearing requirements.~~





1       ~~(c) The scholarship program shall be funded with proceeds~~  
2 ~~from an endowment trust established with initial funding by an~~  
3 ~~appropriation out of the general revenues of the State and shall~~  
4 ~~be administered by the board of regents for the purposes of~~  
5 ~~supporting the Senator Hiram L. Fong scholarship program." ]~~

6       SECTION 16. Section 304A-2354, Hawaii Revised Statutes, is  
7 repealed.

8       ~~"[§304A-2354] The Senator Oren E. Long scholarship~~  
9 ~~program; endowment trust. (a) There is established the Senator~~  
10 ~~Oren E. Long scholarship program to be administered by the~~  
11 ~~university with proceeds from an endowment trust that shall~~  
12 ~~receive its initial funding by an appropriation out of the~~  
13 ~~general revenues of the State. The program shall provide~~  
14 ~~financial support to students enrolled at any campus of the~~  
15 ~~university.~~

16       ~~(b) Awards shall be granted annually to one female student~~  
17 ~~and one male student who:~~

- 18       ~~(1) Are graduates of a public high school in the State;~~  
19       ~~(2) Are upperclassmen at the university; and~~  
20       ~~(3) Submit winning essays to the board of regents on the~~  
21       ~~senator's contributions to Hawaii.~~



1       ~~(c) The amount to be awarded to a student shall be~~  
2 ~~determined by the board of regents with due regard to the total~~  
3 ~~amount of funds available for the program. The award that a~~  
4 ~~student receives under this program may be used to:~~

5       ~~(1) Pay for the costs of tuition and fees for a single~~  
6 ~~academic year;~~

7       ~~(2) Pay for the costs of textbooks and other instructional~~  
8 ~~materials for a single academic year;~~

9       ~~(3) Pay for the costs of room and board at a dormitory or~~  
10 ~~apartment maintained by the university for a single~~  
11 ~~academic year; or~~

12       ~~(4) Defray the difference between student need, as~~  
13 ~~determined by the Free Application for Federal Student~~  
14 ~~Aid, and the total cost of attendance for a single~~  
15 ~~academic year.~~

16       ~~(d) The board of regents shall adopt rules to implement~~  
17 ~~the Senator Oren E. Long scholarship program. The rules shall~~  
18 ~~be adopted pursuant to chapter 91 but shall be exempt from the~~  
19 ~~public notice and public hearing requirements.~~

20       ~~(e) The scholarship program shall be funded with proceeds~~  
21 ~~from an endowment trust established with initial funding by an~~  
22 ~~appropriation out of the general revenues of the State and shall~~



1 ~~be administered by the board of regents for the purposes of~~  
2 ~~supporting the Senator Oren E. Long scholarship program." ]~~

3 SECTION 17. All fund balances remaining unencumbered and  
4 unexpended as of June 30, 2011, in the University of Hawaii  
5 housing assistance revolving fund shall be transferred to the  
6 credit of the Manoa faculty housing program under the University  
7 of Hawaii auxiliary enterprises special fund established under  
8 section 304A-2157, Hawaii Revised Statutes.

9 All fund balances remaining unencumbered and unexpended as  
10 of June 30, 2011, in the conference center revolving fund shall  
11 be transferred to the credit of the University of Hawaii  
12 commercial enterprises revolving fund established under section  
13 304A-2251, Hawaii Revised Statutes.

14 All fund balances remaining unencumbered and unexpended as  
15 of June 30, 2011, in any other fund repealed by this Act shall  
16 lapse to the credit of the general fund of the State.

17 SECTION 18. The conversion of revolving funds to special  
18 funds by repealing language in sections 5, 6, 8, 9, 10, and 14  
19 of this Act and inserting new language in section 1 of this Act  
20 shall in no way be construed as an authorization to remove,  
21 alter, or amend any moneys from any revolving fund other than



1 for the purposes of this Act and for the allowable uses under  
2 relevant law.

3 SECTION 19. In codifying the new sections added by section  
4 1 of this Act, the revisor of statutes shall substitute  
5 appropriate section numbers for the letters used in designating  
6 the new sections in this Act.

7 SECTION 20. Statutory material to be repealed is bracketed  
8 and stricken. New statutory material is underscored.

9 SECTION 21. This Act shall take effect on July 1, 2030.



**Report Title:**

University of Hawaii; Special Funds

**Description:**

Converts certain revolving funds of the University of Hawaii into special funds; repeals or amends certain funds of the University of Hawaii and transfers the remaining balances of other specified funds. Effective July 1, 2030. (SB814 HD1)

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

