

STAND. COM. REP. NO.

920

Honolulu, Hawaii

MAR 24 2011

RE: H.B. No. 1322  
H.D. 2  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Education, to which was referred H.B. No. 1322, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Convert certain revolving funds of the University of Hawai'i into special funds by repealing the revolving funds and establishing new special funds;
- (2) Repeal certain funds of the University of Hawai'i; and
- (3) Transfer the remaining balances of certain repealed funds either to specific alternative funds or require the balances to lapse to the General Fund.

Your Committee received comments on this measure from the University of Hawai'i System.

Your Committee finds that this measure will provide the University of Hawai'i System with greater flexibility and increased efficiency in the use and management of certain funds. Your Committee further finds that the repeal and reclassification of the funds indentified in this measure are in accordance with the



findings and recommendations of a December 2009 report of the Auditor of the State of Hawaii.

Your Committee recognizes the concerns of the University of Hawai'i System that this measure as currently drafted may be interpreted by some to mean that all repealed funds, including those which are re-established as special funds, shall lapse to the General Fund as of June 30, 2011.

Accordingly, your Committee has amended this measure by deleting its contents and replacing them with the contents of S.B. No. 814, S.D. 2 and further amending the measure by:

- (1) Repealing section 304A-2264, Hawaii Revised Statutes, which establishes the University of Hawaii Conference Center Revolving Fund; and
- (2) Clarifying that all balances unencumbered and unexpended as of June 30, 2011, in the University of Hawaii Conference Center Revolving Fund shall be transferred to the University of Hawaii Commercial Enterprises Revolving Fund established under section 304A-2251, Hawaii Revised Statutes, rather than to the University of Hawaii Auxiliary Enterprises Special Fund.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1322, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1322, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

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

  
\_\_\_\_\_  
JILL TOKUDA, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Education**  
**EDU**

Bill / Resolution No.:* <b>HB 1322, HD2</b>	Committee Referral: <b>EDU, WAM</b>	Date: <b>3-21-11</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
NISHIHARA, Clarence K.	✓			
TANIGUCHI, Brian T.				✓
SLOM, Sam			✓	
<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes