

STAND. COM. REP. NO. 1060

Honolulu, Hawaii

March 23, 2011

RE: S.B. No. 238
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Higher Education, to which was referred
S.B. No. 238, S.D. 2, 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 provide the University of
Hawaii (UH) with increased financial flexibility by allowing UH to
carry over an unspecified percentage of general funds
appropriated, with certain exceptions, at the close of a fiscal
year.

UH supported this bill. A concerned individual opposed this
measure.

Your Committee has amended this bill by:

- (1) Specifying that UH may carry over up to five percent of
general funds appropriated;
- (2) Specifying that the retention of funds shall not be used
as a basis, rather than as the sole basis, for reducing
UH's future budget requirements;

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- (3) Amending the reporting requirements to include a report to the Director of Finance within 90 days after the close of each fiscal year that identifies the total amount of funds to be carried over, and requiring that a copy of this report be submitted to the Legislature;
- (4) Changing its effective date to upon approval; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 238, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 238, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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



SCOTT NISHIMOTO, Chair



