

JAN 24 2013

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# A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

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

1           SECTION 1. The legislature declares that the University of  
2 Hawaii's prudent fiscal management of public funds from all  
3 revenue sources is a matter of statewide concern and, therefore,  
4 subject to the legislature's jurisdiction pursuant to Article X,  
5 section 6 of the Constitution of the State of Hawaii.

6           SECTION 2. Section 304A-2003, Hawaii Revised Statutes, is  
7 amended to read as follows:

8           "~~§~~304A-2003~~§~~ **Appropriations; accounts; depositories.**  
9 Moneys appropriated by the legislature for the university shall  
10 be payable by the director of finance, upon vouchers approved by  
11 the board of regents or by any officer elected or appointed by  
12 the board under section 304A-105 and authorized by the board to  
13 approve such vouchers on behalf of the board. All moneys  
14 received by or on behalf of the board or the university shall be  
15 deposited with the director of finance; except that any moneys  
16 received from the federal government or from private  
17 contributions shall be deposited and accounted for in accordance  
18 with conditions established by the agencies or persons from whom



1 the moneys are received and except that, with the concurrence of  
2 the director of finance, moneys received from the federal  
3 government for research, training, and other related purposes of  
4 a transitory nature and moneys in trust, special, or revolving  
5 funds administered by the university may be deposited in  
6 depositories other than the state treasury; provided that the  
7 university informs the director of finance of the depositories  
8 in which moneys from the funds have been deposited and submits  
9 copies of annual statements from each of the depositories in  
10 which the moneys from the funds are deposited. All income from  
11 tuition and fees charged for regular courses of instruction and  
12 tuition related course and fee charges against students shall be  
13 deposited to the ~~[credit of the University of Hawaii tuition and~~  
14 ~~fees special fund pursuant to section [304A-2153].] general~~  
15 fund. Income from university projects as defined and described  
16 in section [+]304A-2167.5[+] and sections [+]304A-2671[+] to  
17 [+]304A-2684[+], may be credited to special or other funds."

18 SECTION 3. Section 304A-2101, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 " [+]§304A-2101[+] **General fund budget appropriations;**  
21 **formulation.** (a) The general fund budget appropriations for  
22 the university shall be an amount not less than three times and



1 not greater than five times the amount of regular tuition and  
2 related fee revenues estimated for that fiscal year.

3 (b) Any general fund budget appropriation for the  
4 university for operating purposes for any fiscal year shall  
5 include the consideration of:

6 (1) The fiscal condition of the State;

7 (2) Enrollment;

8 (3) Access to educational opportunity;

9 (4) The mix of resident and nonresident students; and

10 (5) Community service and noninstruction programs.

11 ~~[(c) No revenue received by the university pursuant to the~~  
12 ~~University of Hawaii tuition and fees special fund established~~  
13 ~~under section [304A-2153] may be used by the governor or the~~  
14 ~~director of finance as a justification for reducing any budget~~  
15 ~~request or allotment to the university unless the university~~  
16 ~~requests such a reduction.]"~~

17 SECTION 4. Section 304A-2159, Hawaii Revised Statutes, is  
18 amended by amending subsection (b) to read as follows:

19 "(b) Revenues deposited into this fund shall include, but  
20 not be limited to, state, federal, and private funds, [funds  
21 transferred by the university from the tuition and fees special  
22 fund pursuant to section [304A-2153],] and appropriations for



1 the state scholars program; provided that state funds  
2 appropriated for any scholarship program, including but not  
3 limited to the B Plus scholarship program, the Hawaii state  
4 scholars program, and the workforce development scholarship  
5 program, shall be kept in a separate and distinct account."

6 SECTION 5. Section 304A-2162, Hawaii Revised Statutes, is  
7 amended by amending subsection (b) to read as follows:

8 "(b) The special fund may include deposits from:

9 (1) [~~The University of Hawaii tuition and fees special~~  
10 ~~fund established in section [304A-2153];~~

11 ~~(2)] Tuition, fees, and charges for affiliated~~

12 instructional, training, and public service courses

13 and programs; and

14 [~~(3)] (2) Fees, fines, and other money collected for:~~

15 (A) Student health;

16 (B) Transcript and diploma;

17 (C) Library;

18 (D) Facility use;

19 (E) Child care;

20 (F) Auxiliary enterprises;

21 (G) Alumni; and

22 (H) Other related activities."



1 SECTION 6. Section 304A-2251, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "§304A-2251 **University of Hawaii commercial enterprises**  
4 **revolving fund.** There is established the University of Hawaii  
5 commercial enterprises revolving fund into which shall be  
6 deposited all revenues derived from the operation of commercial  
7 enterprises by university programs. Revenues deposited into  
8 this fund may be expended by the university for all costs and  
9 expenses associated with the operation of the enterprises,  
10 including hiring personnel, renovating commercial space, and  
11 purchasing merchandise, supplies, and equipment, without regard  
12 to chapters 76, 78, 89, 103, and 103D. Any law to the contrary  
13 notwithstanding, the university may transfer all funds at its  
14 disposal, with the exception of general funds [~~and University of~~  
15 ~~Hawaii tuition and fees special fund moneys~~], into the revolving  
16 fund to finance the establishment of new commercial enterprises;  
17 except that no more than ten per cent of the tuition and fees  
18 special fund moneys may be loaned to the revolving fund to  
19 finance the establishment of new commercial enterprises.  
20 Revenues not expended as provided in this section may be  
21 transferred to other university funds to be expended for the  
22 general benefit of the university."



1 SECTION 7. Section 304A-2153, Hawaii Revised Statutes, is  
2 repealed.

3 [~~["§304A-2153] University of Hawaii tuition and fees~~  
4 ~~special fund.~~ (a) ~~There is established the University of~~  
5 ~~Hawaii tuition and fees special fund into which shall be~~  
6 ~~deposited all revenue collected by the university for regular,~~  
7 ~~summer, and continuing education credit tuition, tuition-related~~  
8 ~~course and fee charges, and any other charges to students,~~  
9 ~~except as provided by law. Moneys deposited into the fund shall~~  
10 ~~be expended to maintain or improve the university's programs and~~  
11 ~~operations and shall not be:~~

12 (1) ~~Used as a justification for reducing any budget~~  
13 ~~request or allotment to the university unless the~~  
14 ~~university requests such a reduction;~~

15 (2) ~~Transferred unless otherwise authorized by the~~  
16 ~~legislature; and~~

17 (3) ~~Restricted by the governor or the director of finance~~  
18 ~~without the prior approval of the legislature.~~

19 Any rule, policy, or action of any agency or individual in  
20 contravention of this subsection shall be void as against public  
21 policy.



1       ~~(b) Any law to the contrary notwithstanding, the board of~~  
2 ~~regents may authorize expenditures of up to \$3,000,000 annually,~~  
3 ~~excluding in-kind services, from this fund for the purposes of~~  
4 ~~promoting alumni relations and generating private donations for~~  
5 ~~deposit into the University of Hawaii Foundation for the~~  
6 ~~purposes of the university. Any expenditure authorized pursuant~~  
7 ~~to this subsection shall be for a public purpose and shall not~~  
8 ~~be subject to chapters 42F, 103, 103D, and 103F. The university~~  
9 ~~shall submit a comprehensive report to the legislature detailing~~  
10 ~~the use of any funds authorized by the board under this~~  
11 ~~subsection no later than twenty days prior to the convening of~~  
12 ~~each regular session.~~

13       ~~The report shall:~~

14       ~~(1) Identify each department of the University of Hawaii~~  
15       ~~Foundation supported by moneys from the fund;~~

16       ~~(2) Describe the purposes and activities of each~~  
17       ~~department identified in paragraph (1) and how it~~  
18       ~~participates in fundraising activities and benefits~~  
19       ~~the university;~~

20       ~~(3) Provide the total expenditures of each department~~  
21       ~~identified in paragraph (1) by primary expense~~  
22       ~~categories;~~



1       ~~(4) Identify all moneys from the fund transferred to any~~  
2           ~~fund of the university and provide a justification of~~  
3           ~~how these moneys are used to benefit the university;~~

4       ~~(5) Provide a financial summary of the operating~~  
5           ~~activities of the University of Hawaii Foundation,~~  
6           ~~including revenues and expenditures by major reporting~~  
7           ~~categories; and~~

8       ~~(6) Identify amounts and purposes of all expenditures from~~  
9           ~~the University of Hawaii support fund.~~

10       ~~(c) Any law to the contrary notwithstanding, the~~  
11       ~~university may transfer funds from the University of Hawaii~~  
12       ~~tuition and fees special fund into the scholarship and~~  
13       ~~assistance special fund established pursuant to section [304A-~~  
14       ~~2159]."]~~

15       SECTION 8. There is appropriated out of the general  
16       revenues of the State of Hawaii the sum of \$                    or so much  
17       thereof as may be necessary for fiscal year 2013-2014 and the  
18       same sum or so much thereof as may be necessary for fiscal year  
19       2014-2015 to maintain or improve the university's programs and  
20       operations, promote alumni relations, and generate private  
21       donations for the general benefit of the University of Hawaii.





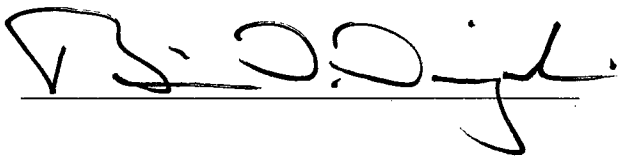
1           The sums appropriated shall be expended by the University  
2 of Hawaii for the purposes of this Act.

3           SECTION 9. Moneys unencumbered and on balance in the  
4 University of Hawaii tuition and fees special fund on the  
5 effective date of this Act shall lapse to the credit of the  
6 general fund.

7           SECTION 10. Statutory material to be repealed is bracketed  
8 and stricken. New statutory material is underscored.

9           SECTION 11. This Act shall take effect on July 1, 2013.

10

INTRODUCED BY: 



**Report Title:**

University of Hawaii; Tuition and Fees Special Fund; Repeal

**Description:**

Repeals the UH tuition and fees special fund. Lapses moneys to the general fund. Appropriates moneys to UH.

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

