#### THE SENATE TWENTY-SEVENTH LEGISLATURE, 2014 STATE OF HAWAII

S.B. NO. <sup>2905</sup> S.D. 1 H.D. 2

## A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

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

1		PART I
2	SECTION	1. Section 37-74, Hawaii Revised Statutes, is
3	amended by am	ending subsections (c) to (d) to read as follows:
4	"(c) Th	e department of budget and finance shall:
5	(1) Rev	iew each operations plan to determine:
6	(A)	That it is consistent with the policy decisions
7		of the governor and appropriations by the
8		legislature;
9	(B)	That it reflects proper planning and efficient
10		management methods; and
11	(C)	That appropriations have been made for the
12		planned purpose and will not be exhausted before
13		the end of the fiscal year;
14	[ <del>pr</del>	ovided that the department of budget and finance
15	sha	ll review the operations plan submitted by the
16	Uni	versity of Hawaii solely for consistency with the
17	all	otment ceilings established by the governor under
18	sec	tion 37-34, appropriations by the legislature, the
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1		requirements of chapter 37D, and the status of
2		revenues to support operations plans for all state
3		programs;]
4	(2)	Approve the operations plan if satisfied that it meets
5		the requirements under paragraph (1). Otherwise, the
6		department of budget and finance shall require
7		revision of the operations plan in whole or in part;
8		and
9	(3)	Modify or withhold the planned expenditures at any
10		time during the appropriation period if the department
11		of budget and finance finds that the expenditures are
12		greater than those necessary to execute the programs
13		at the level authorized by the governor and the
14		legislature, or that state receipts and surpluses will
15		be insufficient to meet the authorized expenditure
16		levels[ <del>; provided that the planned expenditures for</del>
17		the University of Hawaii may be modified or withheld
18		only in accordance with sections 37-36 and 37-37].
19	(d)	No appropriation transfers or changes between programs
20	or agencies shall be made without legislative authorization;	
21	provided that:	



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1 Authorized transfers or changes, when made, shall be (1)reported to the legislature; 2 3 (2)Except [with respect to appropriations to fund financing agreements under chapter 37D, the University 4 5 of Hawaii shall have the flexibility to transfer 6 appropriated funds and positions for the operating 7 cost category among programs, among cost elements in a 8 program, and between quarters, as applicable; except] 9 with respect to appropriations to fund financing 10 agreements under chapter 37D, the department of 11 education shall have the flexibility to transfer 12 appropriated funds and positions for the operating 13 cost category among programs and among cost elements 14 in a program, and between quarters, as applicable; and 15 the Hawaii health systems corporation and its regional 16 system boards shall have the flexibility to transfer 17 special fund appropriations among regional system 18 hospital facilities as applicable and as mutually 19 agreed to by the corporation and the respective 20 regional system board; provided that the Hawaii health 21 systems corporation and the regional system boards 22 shall maintain the integrity and services of each



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1 individual regional system and shall not transfer
2 appropriations out of any regional system that would
3 result in a reduction of services offered by the
4 regional system, with due regard for statutory
5 requirements, changing conditions, the needs of the
6 programs, and the effective utilization of resources;
7 and

(3) The [university and the] department of education shall 8 9 account for each transfer implemented under this 10 subsection in quarterly reports to the governor and 11 annual reports at the end of each fiscal year to the 12 legislature and the governor, which shall be prepared in the form and manner prescribed by the governor and 13 14 shall include information on the sources and uses of 15 the transfer."

#### 16

#### PART II

SECTION 2. The University of Hawaii acquired lands for the
University of Hawaii at West Oahu through a land exchange
approved in Act 294, Session Laws of Hawaii 1996. Subsequently,
the University of Hawaii at West Oahu campus has grown and
continues to grow according to the university's long-range
development plans. However, the legislature finds that there
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1 remains significant acreage that could be used for revenue-2 generating purposes to support the University of Hawaii at West 3 Oahu. As such, the legislature further finds that the disposition of such lands is an issue of statewide concern. 4 5 Accordingly, the purpose of this part is to prohibit the sale or gift of the University of Hawaii at West Oahu land 6 acquired pursuant to Act 294, Session Laws of Hawaii 1996, 7 8 without the prior consent of the legislature. 9 SECTION 3. Section 304A-2166, Hawaii Revised Statutes, is 10 amended by amending subsection (b) to read as follows: 11 "(b) The following shall be deposited into the special 12 fund: 13 Appropriations by the legislature to the special fund; (1) 14 All net proceeds from the sale of public lands, all (2) 15 net rents from leases, licenses, and permits, or all 16 net proceeds derived from development rights for 17 public lands: 18 (A) Proposed for large lot subdivision as a five 19 hundred acre parcel and designated as Lot 10077 20 in Land Court Application 1069; and 21 Obtained from the Campbell Estate in the land (B) 22 exchange described in section 2 of Act 294,



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1		Session Laws of Hawaii 1996, located mauka of the
2		H-1 Freeway and consisting of nine hundred forty-
3		one acres, more or less; [and]
4		provided that notwithstanding section 304A-105 to the
5		contrary, no sale of fee simple lands that are
6		described in this paragraph, including land sold for
7		roads and streets, or gift of fee simple lands that
8		are described in this paragraph, to the extent the
9		gift is otherwise permitted by law, shall occur
10		without the prior approval of the sale or gift by the
11		legislature by concurrent resolution to be adopted by
12		at least a two-thirds majority vote of both houses;
13		and
14	(3)	Interest earned or accrued on moneys in the special
15		fund."
16	SECTION 4. Section 304A-2274, Hawaii Revised Statutes, is	
17	amended by	y amending subsection (a) to read as follows:
18	"(a)	There is established the University of Hawaii real
19	property a	and facilities use revolving fund into which shall be
20	deposited all revenues collected by the university for the use	
21	of university real property and facilities, except as otherwise	
22	provided 1	by law. The board of regents may establish prices,
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1 fees, and charges, including those for the sale, lease, or use 2 of university real property and facilities, which include land, 3 buildings, grounds, furnishings, and equipment; provided that the university shall comply with all statutory and common law 4 5 requirements in the disposition of ceded lands[-,] and those 6 lands described in section 304A-2166(b)(2). The board of 7 regents shall be exempt from the public notice and public 8 hearing requirements of chapter 91 in establishing and amending 9 the fees and charges. The university may establish separate 10 accounts within the revolving fund for major program activities. 11 Funds deposited into the revolving fund accounts shall be 12 expended to pay the costs of operating university facilities, 13 including maintenance, administrative expenses, salaries, wages, 14 and benefits of employees, contractor services, supplies, 15 security, furnishings, equipment, janitorial services, 16 insurance, utilities, and other operational expenses. Revenues 17 not expended as provided in this section may be transferred to 18 other university funds to be invested or expended for the 19 administrative or overhead costs of the university. All 20 expenditures from this revolving fund shall be subject to 21 legislative appropriation."



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1	PART III		
2	SECTION 5. The legislature finds that the National		
3	Association of Student Personnel Administrators' book, Asian		
4	Americans and Pacific Islanders in Higher Education: Research		
5	and Perspectives on Identity, Leadership, and Success, published		
6	in 2012, documents the growth, diversity, and		
7	underrepresentation in various levels of education among Asian		
8	Americans and Pacific Islanders. The book has received local		
9	and national recognition for identifying issues and policies		
10	that must be addressed by researchers, universities, and state		
11	and federal policy makers. In particular, there is a need for		
12	research to address the underrepresentation of Asian Americans		
13	and Pacific Islanders in institutions of higher education.		
14	The purpose of this part is to:		
15	(1) Fund five part-time graduate assistant and student		
16	employee (2.5 FTE) positions in the office of student		
17	equity, excellence, and diversity at the University of		
18	Hawaii at Manoa to conduct and disseminate research		
19	relating to Asian American and Pacific Islander		
20	students in higher education; and		



1	(2) Provide direct services to undergraduate and graduate		
2	students interested in diversity careers in student		
3	affairs and higher education.		
4	SECTION 6. There is appropriated out of the general		
5	revenues of the State of Hawaii the sum of \$ or so much		
6	thereof as may be necessary for fiscal year 2014-2015 to:		
7	(1) Fund five part-time graduate student assistant and		
8	student employee (2.5 FTE) positions in the office of		
9	student equity, excellence, and diversity at the		
10	University of Hawaii at Manoa to conduct and		
11	disseminate research relating to Asian American and		
12	Pacific Islander students in higher education; and		
13	(2) Provide direct services to undergraduate and graduate		
14	students interested in diversity careers relating to		
15	student affairs and higher education.		
16	The sum appropriated shall be expended by the University of		
17	Hawaii for the purposes of this part.		
18	PART IV		
19	SECTION 7. Section 304A-2603, Hawaii Revised Statutes, is		
20	repealed.		
21	[" <b>[§304A-2603] Revenue bonds.</b> The board of regents is		
22	authorized to issue sufficient amounts of revenue bonds pursuant		
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1	to [subpart D] for the purpose of providing adequate parking
2	structures or other facilities."]
3	SECTION 8. Chapter 304A, part VI, subpart D, Hawaii
4	Revised Statutes, is repealed.
5	PART V
6	SECTION 9. Statutory material to be repealed is bracketed
7	and stricken. New statutory material is underscored.
8	SECTION 10. This Act shall take effect on July 1, 2030.

#### Report Title:

UH; Budget; Program Execution; UH-West Oahu; Sale or Gift of Land; Asian Americans and Pacific Islanders; Appropriation; Revenue Bonds

#### Description:

Removes program execution exceptions provisions that are specific to the UH. Prohibits the sale or gift of land currently being used for the permanent campus of the UH-West Oahu without the prior consent of the Legislature. Appropriates moneys to fund positions in SEED, and to provide direct services relating to student affairs and higher education. Repeals the authority of UH to issue revenue bonds. (SB2905 HD2)

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

