

Honolulu, Hawaii

FEB 15 2013

RE: S.B. No. 1384

S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committees on Higher Education and Judiciary and Labor,
to which was referred S.B. No. 1384 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Limit the Board of Regents of the University of Hawaii (Board) to appointing one General Counsel;
- (2) Require the Board to have direct oversight over the General Counsel and prohibit the Board from delegating this responsibility to the University of Hawaii President;
- (3) Require the General Counsel to report directly to the Board;
- (4) Allow the Board to contract with independent attorneys only where the General Counsel and Attorney General each acknowledge a lack of sufficient expertise; and
- (5) Require contracted attorneys to consult with and work in conjunction with the Attorney General.

Your Committees received testimony in opposition to this measure from the Board of Regents and University of Hawai'i System.



Your Committees received comments on this measure from the University of Hawaii Professional Assembly.

Your Committees find that concerns have been raised about the amount of money that the University of Hawaii has spent on contracts with outside legal counsel. Your Committees find that outside counsel should be reserved for cases where the General Counsel and the Attorney General lack the expertise necessary to represent the University of Hawaii.

As this measure moves forward, your Committees request your Committee on Ways and Means to consider:

- (1) Removing all line items in the University of Hawaii budget for attorneys within the Office of the General Counsel, except for the General Counsel position; and
- (2) Transferring any attorneys currently serving within the Office of the General Counsel to the Department of the Attorney General on the effective date of this measure.

In considering the transfer of any attorney currently serving within the Office of General Counsel to the Department of the Attorney General, your Committees clarify that this transfer is not intended to be a lateral transfer of the employee but rather a transfer of responsibilities of the attorneys within the Office of the General Counsel to the Department of the Attorney General.

Your Committees also note that the General Counsel oversees seven attorneys and is paid an annual salary of \$235,248. In comparison, the Attorney General, who oversees approximately 185 attorneys within the Department of the Attorney General, is paid an annual salary of \$120,442.

Accordingly, your Committees have amended this measure by:

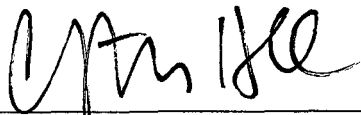
- (1) Clarifying that the Board is authorized to fix the compensation of the one attorney serving as General Counsel at a salary not exceeding the salary of the Attorney General;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and



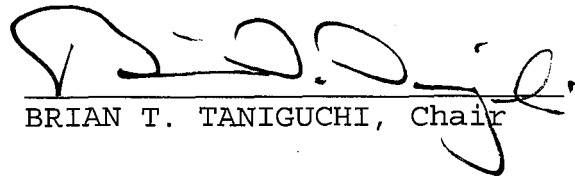
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1384, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1384, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Higher Education
and Judiciary and Labor,



CLAYTON HEE, Chair



BRIAN T. TANIGUCHI, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* SB 1384	Committee Referral: HRE / JDL, WAM	Date: 02-14-2013		
<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
HEE, Clayton (C)	✓			
SHIMABUKURO, Maile S.L. (VC)	✓			
GABBARD, Mike				✓
IHARA, Jr., Les				✓
SLOM, Sam	✓			
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes