

STAND. COM. REP. NO. 2288

Honolulu, Hawaii

FEB 12 2014

RE: S.B. No. 2555
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam:

Your Committee on Higher Education, to which was referred
S.B. No. 2555 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to repeal the
University of Hawaii's authority to issue revenue bonds.

Your Committee received testimony in opposition to this
measure from the University of Hawai'i System. Your Committee
received comments on this measure from the Department of Budget
and Finance.

Your Committee finds that the University of Hawaii currently
uses monies in the tuition and fees special fund as a revenue
source for capital improvement projects that do not generate their
own revenues. Your Committee disagrees with the use of these
monies for that purpose.

Your Committee has amended this measure by:

- (1) Removing language repealing the University of Hawaii's
authority to issue revenue bonds;
- (2) Inserting language prohibiting the University of Hawaii
from using monies in the tuition and fees special fund
for purposes related to university projects, university
systems, or networks or any combination thereof,



constructed or maintained through revenue bonds issued by the University of Hawaii; and

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

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. 2555, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2555, S.D. 1, and be referred to the Committee on Ways and Means.

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



BRIAN T. TANIGUCHI, Chair



