

Honolulu, Hawaii

April 4, 2014

RE: S.B. No. 2905
S.D. 1
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2905, S.D. 1, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Ensure greater fiscal transparency by the University of Hawaii by:
 - (A) Expanding the Department of Budget and Finance's authority to review the operations plan of the University of Hawaii;
 - (B) Expanding the Department of Budget and Finance's authority to modify or withhold the University of Hawaii's planned expenditures; and
 - (C) Requiring the University of Hawaii to obtain legislative authorization prior to any appropriation transfers or changes between programs or agencies;
- (2) Help ensure the fiscal sustainability of the University of Hawaii-West Oahu by prohibiting the sale or gift of land currently being used for the permanent campus of



the University of Hawaii at West Oahu without the prior approval of the Legislature by at least a two-thirds majority vote of both houses;

- (3) Address the underrepresentation of Asian Americans and Pacific Islanders in institutions of higher education by:
 - (A) Appropriating funds for 5 part-time graduate student assistant and student employee positions in the Office of Student Equity, Excellence, and Diversity at the University of Hawaii at Manoa to collect and disseminate research relating to Asian American and Pacific Islander students in higher education; and
 - (B) Appropriating funds to provide direct services to undergraduate and graduate students interested in diversity careers relating to student affairs and higher education; and
- (4) Promote greater fiscal accountability by the University of Hawaii by:
 - (A) Repealing the authority of the University of Hawaii Board of Regents to issue revenue bonds to provide adequate parking structures or other facilities; and
 - (B) Repealing subpart D of part VI of Chapter 304A, Hawaii Revised Statutes, pertaining to University of Hawaii projects and purposes.

An individual provided testimony in support of this measure. The University of Hawaii provided testimony in opposition to this measure. The Department of the Attorney General; Department of Budget and Finance; University of Hawaii Office of Student Equity, Excellence, and Diversity; and Hawaii Operating Engineers Industry Stabilization Fund provided comments on this measure.

Your Committee has amended this measure by:

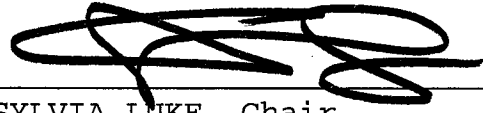
- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and



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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2905, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2905, S.D. 1, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



