

STAND. COM. REP. NO.

414

Honolulu, Hawaii

FEB 15 2013

RE: S.B. No. 563  
S.D. 1

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

Madam:

Your Committee on Higher Education, to which was referred  
S.B. No. 563 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 amend the form  
and function of the Candidate Advisory Council for the Board of  
Regents of the University of Hawaii (Candidate Advisory Council).

Your Committee received testimony in support of this measure  
from the Office of the Governor. Your Committee received  
testimony in opposition to this measure from the Candidate  
Advisory Council, University of Hawaii Professional Assembly, and  
Graduate Student Organization of the University of Hawai'i at  
Mānoa.

Since the passage of Act 56, Session Laws of Hawaii 2007, to  
implement the amendments to article X, section 6 of the Hawaii  
State Constitution, your Committee finds that while the Candidate  
Advisory Council has nominated several outstanding appointees to  
the Board of Regents, a number of issues have arisen from the  
method of Regent selection that has hampered the work of the  
Candidate Advisory Council and led to questions regarding the  
final selection of appointees during the Senate confirmation  
process. The most recent example is the Senate's rejection of two  
of the Governor's nominees to the Board of Regents during the  
Regular Session of 2011.



Your Committee further finds that on August 29, 2012, pursuant to Senate Rule 20, the Senate President appointed a Senate Special Committee on Accountability (Special Committee) to conduct informational briefings to review the oversight, accountability, and transparency of the operational and financial management of the University of Hawaii System.

During the informational briefings, the Special Committee focused on, among other things, the oversight and transparency of the University's fiscal and operational administration, including the role of the Board of Regents. The informational briefings reaffirmed the importance of granting the Governor the authority to select and appoint Regents on the basis of how each Regent's individual strengths will add to and complement the overall quality of the Board of Regents. It has become clear that the Governor will not be able to adequately select nominees to the Board of Regents unless the Governor has more control and involvement in the recruitment and selection process.

As such, the form and function of the Candidate Advisory Council needs to be reconstituted to increase the Governor's ability to appoint qualified individuals to serve as Regents and effectively lead the University of Hawaii System.

Lastly, your Committee notes that this measure temporarily places the Candidate Advisory Council within the Office of the Governor but does not specify how long it is to remain there. As this measure moves forward, consideration should be given to providing a specified time limit for which the Candidate Advisory Council shall remain in the Office of the Governor. In addition, the possibility of permanently placing the Candidate Advisory Council within the University of Hawaii should be examined.

Your Committee has amended this measure by:

- (1) Removing language in the purpose section relating to the Special Committee;
- (2) Increasing the membership of the Candidate Advisory Council from five to seven members and making conforming amendments;
- (3) Requiring that one member of the Candidate Advisory Council be a student who has been enrolled in the



University of Hawaii System as a full-time student for at least three consecutive semesters;

- (4) Adding language to encourage the Governor to appoint members of the University's faculty and staff to the Candidate Advisory Council; and
- (5) 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. 563, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 563, 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,

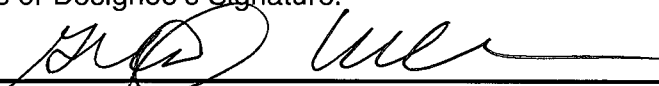


BRIAN T. TANIGUCHI, Chair



The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Higher Education**  
**HRE**

Bill / Resolution No.:*	Committee Referral:	Date:		
<b>SB 563</b>	<b>HRE, WAM</b>	<b>Feb 5-2013</b>		
<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
TANIGUCHI, Brian T. (C)	✓			
KAHELE, Gilbert (VC)	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
IGE, David Y.	✓			
KIDANI, Michelle N.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	<b>7</b>			
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