
A BILL FOR AN ACT

RELATING TO HIGHER EDUCATION.

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

1 SECTION 1. The legislature finds that the University of
2 Hawaii system currently has a backlog of deferred repair and
3 maintenance projects totaling over \$480,000,000. Simply
4 complying with building code and health and safety requirements
5 across all campuses of the University of Hawaii system will cost
6 over \$38,000,000 in fiscal year 2014-2015. These costs do not
7 include the additional \$50,000,000 to \$60,000,000 in repair and
8 maintenance costs necessary to maintain all of the university
9 campuses yearly.

10 The legislature further finds that eighty-five thousand
11 students use facilities at university campuses system wide. It
12 is essential to the future of the University of Hawaii and its
13 students and faculty that a safe and proper learning environment
14 be provided and maintained.

15 The legislature declares that the backlog of deferred
16 repair and maintenance projects of the University of Hawaii
17 system is a matter of statewide concern and therefore subject to
18 the purview of the legislature pursuant to article X, section 6,



1 of the Hawaii State Constitution. Accordingly, the purpose of
2 this Act is to establish a means to fund necessary repair and
3 maintenance projects at University of Hawaii campuses statewide.

4 SECTION 2. Chapter 304A, Hawaii Revised Statutes, is
5 amended by adding a new section to part VI, to be appropriately
6 designated and to read:

7 "§304A- Campus facility board; established. (a) There
8 is established within the University of Hawaii a campus facility
9 board that shall consist of the chancellors from each campus of
10 the university or the chancellor's designee.

11 (b) The campus facility board shall evaluate, identify,
12 prioritize, and allocate moneys from the amounts appropriated by
13 the legislature to fund repair and maintenance projects of the
14 university statewide.

15 (c) The campus facility board shall submit to the
16 legislature, no later than twenty days prior to the convening of
17 each regular legislative session, a report that includes:

18 (1) A schedule showing all repair and maintenance project
19 expenses by project, including all work in progress,
20 as applicable;



- 1 (2) A schedule showing all projects completed in the
2 previous year, including the final cost for each
3 completed project; and
- 4 (3) An updated list detailing all remaining repair and
5 maintenance projects on all university campuses
6 statewide."

7 SECTION 3. (a) There is established, within the
8 department of accounting and general services for administrative
9 purposes, a University of Hawaii repair and maintenance
10 expenditure oversight commission, to be comprised of five
11 members, as follows:

- 12 (1) The comptroller who shall serve as the chair;
13 (2) The auditor or the auditor's designee;
14 (3) One member of the senate, to be appointed by the
15 president of the senate;
16 (4) One member of the house of representatives to be
17 appointed by the speaker of the house of
18 representatives; and
19 (5) The president of the University of Hawaii or the
20 president's designee.

21 (b) In providing oversight of the expenditure of any
22 appropriation for repair and maintenance, the commission may:



- 1 (1) Evaluate the coordination of the funded repair and
2 maintenance;
- 3 (2) Determine if criteria developed for setting priorities
4 are being followed;
- 5 (3) Determine the adequacy of public notice and
6 opportunity for public comment and input;
- 7 (4) Evaluate the transparency of the bidding and the
8 contracting process;
- 9 (5) Evaluate the integrity of the distribution and
10 expenditure of appropriated funds;
- 11 (6) Determine the extent to which duplication and waste is
12 prevented; and
- 13 (7) Undertake any other tasks or efforts to ensure the
14 integrity and fairness of the expenditure of all funds
15 appropriated for repair and maintenance.
- 16 (c) Upon request of the commission, the University of
17 Hawaii shall provide information on the receipt and expenditure
18 of funds appropriated for repair and maintenance.
- 19 (d) The commission may request specific audit services
20 from the state auditor.



1 (e) The commission shall issue quarterly reports to the
2 legislature on the expenditure of funds appropriated to the
3 University of Hawaii system for repair and maintenance.

4 (f) The commission shall be dissolved on June 30, 2015.

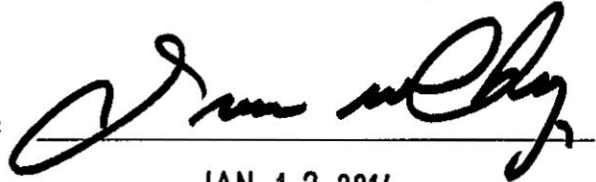
5 (g) For the purposes of this section, "commission" means
6 the University of Hawaii repair and maintenance expenditure
7 oversight commission.

8 SECTION 4. New statutory material is underscored.

9 SECTION 5. This Act shall take effect upon its approval.

10

INTRODUCED BY:



JAN 13 2014



H.B. NO. 1654

Report Title:

University of Hawaii; Repair and Maintenance

Description:

Establishes the campus facility board to address UH repairs and maintenance. Establishes a commission to oversee expenditure of the repair and maintenance appropriations made to UH for fiscal year 2014-2015.

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





UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Higher Education
January 28, 2014 at 2:00 PM

by

Howard Todo

Vice President of Budget & Finance, and Chief Financial Officer
University of Hawai'i System

HB 1654 – RELATING TO HIGHER EDUCATION

Chair Choy, Vice Chair Ichiyama, and Members of the House Committee on Higher Education:

Thank you for the opportunity to testify in opposition of this measure.

HB 1654 proposes establishing a Campus Facility Board and a University of Hawai'i Repair and Maintenance Expenditure Oversight Commission.

The University acknowledges the importance for a campus planning facility board that evaluates, identifies, prioritizes, and allocate moneys for repair and maintenance projects of the University. In fact, at end of every Legislative Session, the University convenes such a group consisting of the three vice chancellors for administration of the four year universities, the associate vice president for the community colleges system, their respective directors of facilities management, the associate vice president of capital improvements, and the staff of the Office of Capital Improvements with that overall objective in mind. Thus, statutorily establishing such a board is not necessary.

The University opposes in concept the establishment of a University of Hawai'i repair and maintenance expenditure oversight commission chaired by the comptroller and members of the legislature, legislative auditor, and University president and providing oversight of the expenditure of repairs and maintenance funds. Since the University's Board of Regents provides the necessary oversight of all University funds as well repairs and maintenance funds, such a commission is not necessary.

Thank you for the opportunity to testify on this measure.



STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES
P.O. BOX 119
HONOLULU, HAWAII 96810-0119

TESTIMONY
OF
DEAN H. SEKI, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
HOUSE COMMITTEE
ON
HIGHER EDUCATION
ON
January 28, 2014

H.B. 1654

RELATING TO HIGHER EDUCATION

Chair Choy and members of the Committee, thank you for the opportunity to testify on H.B. 1654.

The Department of Accounting and General Services (DAGS) does not support H.B. 1654.

DAGS supports the goal of assuring a properly prioritized repair and maintenance (R&M) project list for the University of Hawaii (UH) system statewide. However, H.B. 1654 creates duplicate bureaucratic layers that will delay timely implementation of backlog R&M projects for the UH system. DAGS believes that the proposed commission will create jurisdictional confusion among the various entities that will subsequently be involved in the review and implementation of legislative funded R&M projects for the UH system.

Additionally, DAGS does not have the staffing or financial resources needed to accomplish the tasks identified in H.B. 1654 and would require approximately \$250,000 for technical and clerical support from a consultant firm to review the UH system statewide facility enterprise data and prepare the required quarterly reports.

Thank you for the opportunity to testify on this matter.

ichiyama2-Fern

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, January 22, 2014 1:23 PM
To: HEDtestimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for HB1654 on Jan 23, 2014 14:00PM*

HB1654

Submitted on: 1/22/2014

Testimony for HED on Jan 23, 2014 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov