
A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

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

1 SECTION 1. The University of Hawaii acquired lands for the
2 University of Hawaii at West Oahu through a land exchange
3 approved in Act 294, Session Laws of Hawaii 1996. Subsequently,
4 the University of Hawaii at West Oahu campus has grown and
5 continues to grow according to the university's long-range
6 development plans. However, the legislature finds that there
7 remains significant acreage that could be used for revenue-
8 generating purposes for the support of the University of Hawaii
9 at West Oahu. As such, the legislature further finds that the
10 disposition of such lands is an issue of statewide concern.

11 Accordingly, the purpose of this Act is to prohibit the
12 sale or gift of the University of Hawaii at West Oahu land
13 acquired pursuant to Act 294, Session Laws of Hawaii 1996,
14 without the prior consent of the legislature.

15 SECTION 2. Section 304A-2166, Hawaii Revised Statutes, is
16 amended by amending subsection (b) to read as follows:

17 "(b) The following shall be deposited into the special
18 fund:



1 (1) Appropriations by the legislature to the special fund;

2 (2) All net proceeds from the sale of public lands, all
3 net rents from leases, licenses, and permits, or all
4 net proceeds derived from development rights for
5 public lands:

6 (A) Proposed for large lot subdivision as a five
7 hundred acre parcel and designated as Lot 10077
8 in Land Court Application 1069; and

9 (B) Obtained from the Campbell Estate in the land
10 exchange described in section 2 of Act 294,
11 Session Laws of Hawaii 1996, located mauka of the
12 H-1 Freeway and consisting of nine hundred forty-
13 one acres, more or less; [and]

14 provided that notwithstanding section 304A-105 to the
15 contrary, no sale of lands described in this paragraph
16 in fee simple, including land sold for roads and
17 streets, or gift of lands described in this paragraph
18 in fee simple to the extent such gift is otherwise
19 permitted by law, shall occur without the prior
20 approval of the sale or gift by the legislature by
21 concurrent resolution to be adopted by at least a two-
22 thirds majority vote of both houses; and



1 (3) Interest earned or accrued on moneys in the special
2 fund."

3 SECTION 3. Section 304A-2274, Hawaii Revised Statutes, is
4 amended by amending subsection (a) to read as follows:

5 "(a) There is established the University of Hawaii real
6 property and facilities use revolving fund into which shall be
7 deposited all revenues collected by the university for the use
8 of university real property and facilities, except as otherwise
9 provided by law. The board of regents may establish prices,
10 fees, and charges, including those for the sale, lease, or use
11 of university real property and facilities, which include land,
12 buildings, grounds, furnishings, and equipment; provided that
13 the university shall comply with all statutory and common law
14 requirements in the disposition of ceded lands and those lands
15 described in section 304A-2166(b)(2)(A) and (B). The board of
16 regents shall be exempt from the public notice and public
17 hearing requirements of chapter 91 in establishing and amending
18 the fees and charges. The university may establish separate
19 accounts within the revolving fund for major program activities.
20 Funds deposited into the revolving fund accounts shall be
21 expended to pay the costs of operating university facilities,
22 including maintenance, administrative expenses, salaries, wages,



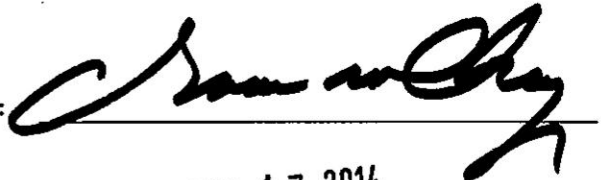
1 and benefits of employees, contractor services, supplies,
2 security, furnishings, equipment, janitorial services,
3 insurance, utilities, and other operational expenses. Revenues
4 not expended as provided in this section may be transferred to
5 other university funds to be invested or expended for the
6 administrative or overhead costs of the university. All
7 expenditures from this revolving fund shall be subject to
8 legislative appropriation."

9 SECTION 4. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

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

12

INTRODUCED BY:



JAN 17 2014



H.B. NO. 1855

Report Title:

University of Hawaii at West Oahu; Sale or Gift of Land

Description:

Prohibits the sale or gift of land currently being used for the permanent campus of the University of Hawaii at West Oahu, including the surrounding land to which the University holds title, without the prior consent of the Legislature.

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 30, 2014 at 2:00 PM

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

HB 1855 – RELATING TO THE UNIVERSITY OF HAWAII

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

Thank you for the opportunity to express concerns on this measure.

HB 1855 proposes to prohibit the sale or gift of the University of Hawai'i at West O'ahu land acquired pursuant to Act 294, Session Laws of Hawai'i 1996 without prior consent of the Legislature.

The University does not have immediate plans to sell any of its lands at UH West O'ahu. Currently, a vision is being developed relating to the use of the lands that includes a business plan. The primary objective of this business plan will be to identify financial options with the goal towards UH West Oahu's operational self-sufficiency.

The Board of Regents is currently updating its Board policy on land sales and its statements on their purposes, which include the promotion and support of the University's educational and research mission while advancing the principals of environmental stewardship and sustainability. This legislative measure may conflict with the University in meeting its mission.

The University's current focus is on ground leasing opportunities of its lands, but needs the flexibility to sell land if a development opportunity which is compatible with the University campus should arise. For example, the City's current zoning calls for a significant portion of the lands surrounding the campus to be for residential development. In order for this to be practical, those lands would need to be sold in fee, since leasehold residential development is not feasible. These land sales proceeds would be applied against outstanding revenue bonds or loans, resulting in reducing its current debt service obligations within UH West Oahu's operating budget.

Should the University be required to obtain the Legislature's approval for land sales, the timely closing of any sale may be jeopardized, especially when the Legislature is in recess.

Accordingly we request that this measure be deferred.

Thank you for the opportunity to testify on this measure.



HB1855
RELATING TO THE UNIVERSITY OF HAWAII
House Committee on Higher Education

January 30, 2013

2:15 p.m.

Room 309

The Beneficiary Advocacy and Empowerment Committee of the Office of Hawaiian Affairs (OHA) has approved a position of **COMMENTS** for HB1855, which prohibits the sale or gift of land being used for the permanent campus of the University of Hawai'i (UH) West O'ahu, including the surrounding lands to which UH holds title, without prior approval of the Legislature.

OHA takes no position on whether the sale or gift of these lands should be subject to prior approval of the Legislature.

However, should the committee find that prior approval of the Legislature is justified for the sale or gift of these lands, OHA respectfully suggests that the legislative approval process for these lands be the same as the legislative approval process for all other public lands, which is Hawai'i Revised Statutes (HRS) § 171-64.7.

Mahalo for the opportunity to testify on this important measure.