

Honolulu, Hawaii

FEB 13

, 2020

RE: H.B. No. 2530
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Lower & Higher Education, to which was referred H.B. No. 2530 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 remove the \$3,000,000 cap on the amount the University of Hawaii System can expend from the University of Hawaii Tuition and Fees Special Fund (Special Fund) for the University of Hawaii Foundation.

Your Committee received testimony in support of this measure from the University of Hawaii System, University of Hawaii Foundation, University of Hawaii Alumni Association, and one individual.

Your Committee finds that the expenditures from the Special Fund are used for the purposes of promoting alumni relations and generating private donations for deposit into the University of Hawaii Foundation for the sole purpose of supporting the University. Your Committee further finds that in 2004, \$3,000,000 covered almost half the budget of the University of Hawaii Foundation, whereas currently it covers less than twenty-five percent of the budget. In 2019, the University of Hawaii Foundation raised \$72,000,000, nearly six times its operating budget in new gifts. The University of Hawaii and University of



Hawaii Foundation can significantly increase fundraising to more than \$110,000,000 each year; however, the University of Hawaii Foundation needs additional funding to build its program and take full advantage of the alumni engagement and fundraising opportunities. This measure will give the University of Hawaii the flexibility to determine what funding to provide the University of Hawaii Foundation for fundraising and alumni relations services that ultimately benefit the University.

Your Committee has amended this measure by changing its effective date to July 1, 2050.

As affirmed by the record of votes of the members of your Committee on Lower & Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2530, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2530, H.D. 1, and be referred to your Committee on Finance.

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


JUSTIN H. WOODSON, Chair



