STAND. COM. REP. NO.



Honolulu, Hawaii

## FEB 1 8 2022

RE: S.B. No. 91 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Higher Education, to which was referred S.B. No. 91, S.D. 1, 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 remove the Special Funds of the University of Hawaii and the Hawaii Cancer Research Special Fund from the list of special funds that are exempt from the requirement to reimburse the Department of Budget and Finance for expenses incurred from administering the funds.

Your Committee received testimony in opposition to this measure from the University of Hawai'i System, American Cancer Society Cancer Action Network, and one individual.

Your Committee finds that the Special Funds of the University of Hawaii and the Hawaii Cancer Research Special Fund provide crucial, valuable services to University of Hawaii students and broader communities across the State. For example, the University of Hawaii Cancer Center provides critical research and clinical trials to cancer patients who rely on programs administered by the Cancer Center to receive experimental life-saving treatments. As the only designated cancer research organization in the Hawaii-Pacific region, the work provided by the Cancer Center provides many benefits to cancer patients and their families.

However, your Committee had heard the concerns from the University of Hawaii System and community members regarding the elimination of exemptions from administrative expense reimbursement for the Special Funds of the University of Hawaii and the Hawaii Cancer Research Special Fund. Both special funds provide valuable services to students within the University of Hawaii System and community members. Eliminating exemptions for both special funds will increase costs associated with general operations and existing services. To address the potential impacts of eliminating the exemptions for the special funds, while also addressing accountability, your Committee has amended this measure by:

- (1) Retaining statutory exemptions from administrative expense reimbursements for the Special Funds of the University of Hawaii and the Hawaii Cancer Research Special Fund;
- (2) Requiring the Special Funds of the University of Hawaii and Hawaii Cancer Research Special Fund to submit annual detailed reports to the Legislature on the following:
  - (A) Salaries;
  - (B) Maintenance of buildings and grounds;
  - (C) Utilities;
  - (D) General office expenses;
  - (E) Implementation of information technology policies; and
  - (F) Transfers into and out of the special funds; and
- (3) Requiring the annual reports to be submitted to the Legislature no later than twenty days prior to the convening of each regular session.

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. 91, S.D. 1, as amended herein, and recommends that it pass

Second Reading in the form attached hereto as S.B. No. 91, S.D. 2, and be referred to your Committee on Ways and Means.

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

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DONNA MERCADO KIM, Chair

## The Senate Thirty-First Legislature State of Hawai'i

## Record of Votes Committee on Higher Education HRE

Bill / Resolution No.:*		Committee Referral:			Date:	
SB 91 SD1	HRE, WAM			2-15-22		
The Committee is reconsidering its previous decision on this measure.						
If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313						
Members		Aye	Aye (Wi	R) Nay	y Excused	
KIM, Donna Mercado (C)						
KIDANI, Michelle N. (VC)						
KEITH-AGARAN, Gilbert S.C.						
WAKAI, Glenn						
FEVELLA, Kurt						
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TOTAL		5				
Recommendation:						
Adopted Not Adopted						
Chair's or Designee's Signature:  Michille Tidani						
<b>Distribution:</b> Original File with Committee Re	Yellow port Clerk's Office		Pink Goldenrod Prafting Agency Committee File Copy			

<sup>\*</sup>Only one measure per Record of Votes