

STAND. COM. REP. NO.

2512

Honolulu, Hawaii

FEB 18 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,



DONNA MERCADO KIM, Chair



