

Honolulu, Hawaii

FEB 14 , 2024

RE: H.B. No. 1677  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Higher Education & Technology, to which was referred H.B. No. 1677 entitled:

"A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII  
TUITION AND FEES SPECIAL FUND,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Repeal the requirement that the general fund budget appropriations to the University of Hawaii be no less than three times and no greater than five times the amount of regular tuition and related fee revenues estimated for that fiscal year;
- (2) Specify that the University of Hawaii Tuition and Fees Special Fund may be used to pay for salaries in part or in full for positions authorized by the Legislature and funded through general revenues; and
- (3) Exempt the University of Hawaii from certain statutory provisions relating to liability for fringe benefits reimbursements for contributions made by State.

Your Committee received testimony in support of this measure from the University of Hawaii system. Your Committee received



testimony in opposition to this measure from the Department of Budget and Finance.

Your Committee finds that the University of Hawaii and the State share responsibility to cover the expenses for public higher education in Hawaii. Existing law requires the State to appropriate general funds to the University in an amount that is not less than three times and not greater than five times the amount of regular tuition and fees revenues estimated for that fiscal year. However, a conservative analysis of general funds appropriations and regular tuition and fees revenue makes it clear that this statutory provision has been violated since at least 2010. Your Committee finds that because the impact of higher education is largely positive for the State and its future this measure is necessary to formalize a fairer approach to cost-sharing.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education & Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1677, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1677, H.D. 1, and be referred to your Committee on Finance.

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

  
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AMY A. PERRUSO, Chair



