

ACT 237

H.B. NO. 3583

A Bill for an Act Relating to the University of Hawaii.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 304-4, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The board may charge a resident tuition fee for regular courses of instruction at any University of Hawaii campus, including any community college; provided that the tuition fee for nonresident students, both undergraduate and graduate, shall be not less than two times the tuition fee for resident students, but in no event less than two times the undergraduate tuition fee for resident students at the Manoa Campus.

The board may also charge other fees for special programs of instruction, as well as laboratory fees, course fees, fees for student activities, and an information technology user fee. The board may charge other fees for summer session or evening courses, including differential fees for nonresident students.

[The nonresident tuition and fee differential shall not be applicable to:

- (1) East-West Center student grantees pursuing baccalaureate or advanced degrees;
- (2) United States military personnel stationed in Hawaii on active duty, and their authorized dependents during the period that the personnel are stationed in the State;
- (3) Hawaiians, as defined in section 10-2, residing outside of Hawaii;
- (4) Students from any Pacific island or Asian district, commonwealth, territory, or insular jurisdiction, state, or nation that does not provide public institutions of higher learning; and
- (5) Employees of the university, their spouses, and dependents.]

The board may waive entirely or reduce the tuition fee or any of the other fees for graduate teaching and research assistants. The board may enter into agreements with government and university officials of any other state or foreign country to provide for reciprocal waiver of the nonresident tuition and fee differential. The board may waive the nonresident tuition and fee differential for selected students from Pacific and Asian jurisdictions when their presence would be beneficial to the university or the State. The board may waive entirely or reduce the tuition fee or any of the other fees for students, resident or nonresident. The board shall determine the percentage of allowable tuition and fee waivers for financial need and other university priorities. These tuition waivers and waivers of the nonresident tuition and fee differential shall be awarded in accordance with guidelines established by the board.”

SECTION 2. Section 304-8.1, Hawaii Revised Statutes, is amended to read as follows:

“§304-8.1 Research and training revolving fund. (a) There is established a University of Hawaii research and training revolving fund into which shall be deposited [fifty] one hundred per cent of the total amount of indirect overhead [funds] revenues generated by the university [for] from research and training [purposes in the prior fiscal year. Unless otherwise provided by law, all other receipts shall immediately be deposited to the credit of the general fund of the State.] programs. The board of regents of the University of Hawaii is authorized to expend [funds] eighty-four per cent of the revenues deposited in the [research and training revolving] fund for [research]:

- (1) Research and training purposes which may result in additional research and training grants and contracts[.]; and [for purposes of facilitating]
- (2) Facilitating research and training at the university.

(b) The University of Hawaii shall prepare and submit an annual report on the status of the research and training revolving fund to the legislature twenty days before the convening of each regular session. The annual report shall include but not be limited to a breakdown of travel expenses.

(c) [On July 1, 1984, in addition to the amount specified in subsection (a), and notwithstanding] Notwithstanding sections 304-10, 304-8.92, and 304-8.96 to the contrary, [the amount of \$2,500,000 derived from indirect overhead sources on account of all university held federal and other research and training contracts and grants shall be deposited into] the board of regents or its designee, may establish a separate account [of] within the research and training revolving fund[. The board of regents may expend these funds] for the purpose of providing advance funding to meet reimbursable costs incurred in connection with federally financed research and training projects. Any reimbursement received as a result of providing advance funding shall be deposited into the research and training revolving fund to be used for the purpose of meeting reimbursable costs incurred in connection with federally financed projects[; provided that the sum of the amounts held in the research and training revolving fund for the purpose of this subsection and the amounts advanced pursuant to this subsection shall not exceed in the aggregate \$2,500,000 at any time].

(d) Revenues deposited into the fund shall not be used as a basis for reducing any current or future budget request or allotment to the University of Hawaii unless the university requests such a reduction.”

SECTION 3. Section 304-16.5, Hawaii Revised Statutes, is amended to read as follows:

“[[§304-16.5]] University of Hawaii tuition and fees special fund; tuition schedule and waivers. (a) There is established the University of Hawaii tuition and fees special fund into which shall be deposited all revenue collected by the university for regular credit tuition and tuition related course and fee charges, except as provided by law. Moneys deposited into the fund shall be expended to maintain or improve the university’s programs and operations and shall not be:

- (1) Used as a justification for reducing any budget request or allotment to the University of Hawaii unless the university requests such a reduction;
- (2) Transferred unless otherwise authorized by the legislature; and
- (3) Restricted by the governor or the director of finance without the prior approval of the legislature.

Any rule, policy, or action of any agency or individual in contravention of this subsection shall be void as against public policy.

(b) Notwithstanding section 304-4, resident undergraduate tuition shall not exceed thirty per cent of the estimated average annual cost of education; provided

that the tuition for any apprenticeship training program at the community colleges shall be at least 30 cents per clock hour.

For the purposes of this subsection, the “estimated average annual cost of education”, as formulated by the university, shall include, but not be limited to, all instructional costs, all student service costs, and a pro rata share of institutional support, academic support, and fringe benefits.

(c) The board of regents, or its designated representatives, is authorized to grant, modify, or suspend tuition waivers. The board of regents shall provide a report and make recommendations as appropriate to the legislature on all tuition waivers no later than twenty days prior to the convening of each regular session.

(d) Any law to the contrary notwithstanding, the board of regents may authorize expenditures from this fund for the purpose of generating private donations for deposit into the University of Hawaii foundation for the purposes of the university. Any expenditure authorized pursuant to this subsection shall be for a public purpose and shall not be subject to chapters 42D, 103, and 103D. The university shall submit a comprehensive report to the legislature every regular session detailing the use of any funds authorized by the board under this subsection.”

SECTION 4. Section 304-17, Hawaii Revised Statutes, is repealed.

SECTION 5. Notwithstanding any law to the contrary, the board of regents may continue existing tuition waiver programs in the interim until appropriate action is taken to change or discontinue the programs.

SECTION 6. If any provision of this Act, or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 7. Statutory material to be repealed is bracketed.¹ New statutory material is underscored.

SECTION 8. This Act shall take effect upon its approval; provided that section 1 shall take effect on January 1, 1997, and section 2 shall take effect on July 1, 1997.

(Approved June 18, 1996.)

Note

1. Edited pursuant to HRS §23G-16.5.