

STAND. COM. REP. NO.

330

Honolulu, Hawaii

FEB 18 2011

RE: S.B. No. 1331
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 1331 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 increase by \$100,000,000 the amount of revenue bonds authorized to be issued for financing the construction and maintenance of qualifying capital improvement projects of the University of Hawaii.

Your Committee has amended this measure by deleting its contents and replacing it with language to:

- (1) Amend section 304A-2007, Hawaii Revised Statutes, to require additional reporting by the University of Hawai'i System on special and revolving funds that carry a balance or deficit of over \$1,000,000 at the time the annual report is submitted to the Legislature; and
- (2) Make an appropriation in an unspecified amount to the University of Hawai'i System for the completion and implementation of the Kualii Financial System.

Prior to holding a hearing on this measure, a proposed S.D. 1 was prepared and made available for public review.



Your Committee received testimony in support of this proposed measure from the University of Hawai'i System and The Pacific Resource Partnership.

Your Committee finds that the University of Hawai'i System needs approximately \$4,000,000 to \$5,000,000 to complete the Kualii Financial System and an additional \$1,000,000 per year to maintain it. Your Committee further finds that if the University of Hawai'i System does not receive additional funding to complete the Kualii Financial System it has acknowledged that it will fund its completion through existing funds. Failure to complete the System will make it difficult for the University to meet the reporting requirements under this measure.

Your Committee has further amended this proposed measure by:

- (1) Adding language to specify that the additional reports required shall be for funds, listed by program identification number, that have an unencumbered cash balance or cash deficit of \$1,000,000 or more at the end of the previous fiscal year, where that balance or deficit is greater than twenty-five percent of the previous fiscal year's expenditures; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1331, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1331, S.D. 1, and be referred to the Committee on Ways and Means.

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



JILL TOKUDA, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Education
EDU

Bill / Resolution No.:* SB1331	Committee Referral: EDU, WAM	Date: 2-14-11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
NISHIHARA, Clarence K.	✓			
TANIGUCHI, Brian T.		✓		
SLOM, Sam		✓		
TOTAL	4	2	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes