

STAND. COM. REP. NO.

915

Honolulu, Hawaii

MAR 24 2015

RE: H.B. No. 544  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Madam:

Your Committee on Higher Education and the Arts, to which was referred H.B. No. 544 entitled:

"A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII  
CANCER CENTER,"

begs leave to report as follows:

The purpose and intent of this measure is to require the University of Hawaii Board of Regents to study the feasibility of selling or leasing the building that houses the University of Hawaii Cancer Center.

Your Committee received testimony in support of this measure from the University of Hawaii System and two individuals.

Your Committee finds that the University of Hawaii Cancer Center serves an important role in sustaining cancer research in Hawaii. However, given the concurrent decline in cigarette tax revenue and increase in operational expenses for the Cancer Center, there is a growing need to obtain a supplemental revenue source for the University of Hawaii Cancer Center.

Your Committee further finds that the ideal revenue source for the University of Hawaii Cancer Center would be sustainable, such as additional general fund support or conversion of the building bond debt service to a general obligation bond backed by the general fund. Another potential revenue source would be through the lease, partial lease, or sale of the physical



structure of the University of Hawaii Cancer Center, or through the lease or sale of the land.

Your Committee has amended this measure by:

- (1) Inserting language requiring the Board of Regents to consider the alternatives of:
  - (A) Leasing or selling the University of Hawaii Cancer Center's underlying land; and
  - (B) Leasing or selling the physical structure of the University of Hawaii Cancer Center, or leasing only a portion of the physical structure;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) 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 Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 544, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 544, S.D. 1, and be referred to the Committee on Ways and Means.

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

  
BRIAN T. TANIGUCHI, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Higher Education and the Arts**  
**HEA**

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>HB 544</i>	<i>HEA, WAM</i>	<i>3-17-15</i>		
<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
TANIGUCHI, Brian T. (C)	✓			
INOUYE, Lorraine R. (VC)				✓
GABBARD, Mike	✓			
KAHELE, Gilbert	✓			
KIDANI, Michelle N.	✓			
WAKAI, Glenn				✓
SLOM, Sam				✓
<b>TOTAL</b>	<i>4</i>			<i>3</i>
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<i>[Signature]</i>				
<b>Distribution:</b>				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes