

Honolulu, Hawaii

MAY 01 2015

RE: S.B. No. 160
S.D. 2
H.D. 1
C.D. 1

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

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 160, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO UNIVERSITY OF HAWAII NON-GENERAL FUNDS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Establish the University of Hawaii Quasi-endowment Trust Fund;
- (2) Repeal various non-general funds and accounts that no longer serve their intended purpose and transfer the unencumbered balances to the general fund; and



- (3) Reclassify certain special funds as revolving funds that still serve their intended purpose but function as and meet the criteria as revolving funds.

Your Committee on Conference finds that a recent Auditor's report recommended that the University of Hawaii's quasi-endowment income and scholarship revolving fund be terminated because it did not meet certain statutory criteria. This measure statutorily establishes the fund as a trust fund, thereby meeting the necessary statutory requirements and allowing the University of Hawaii to continue funding the services supported by the University of Hawaii-established quasi-endowment income and scholarship revolving fund.

Your Committee on Conference further finds that timely review and consideration of the University of Hawaii's special funds facilitates the efficient and effective use of State funds and ensures that each non-general fund continues to serve the purpose for which it was created. Accordingly, this measure also reclassifies special funds that are essential to their respective program areas while repealing those found to be no longer necessary or not meeting the criteria for continuance under law.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have reclassified the community colleges special fund as a revolving fund; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

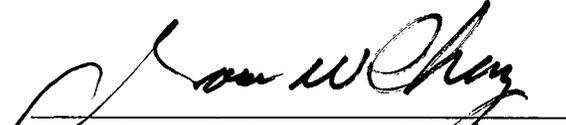
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 160, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 160, S.D. 2, H.D. 1, C.D. 1.



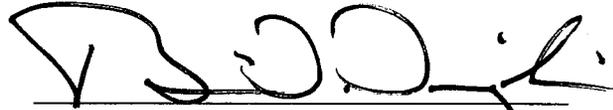
Respectfully submitted on behalf
of the managers:

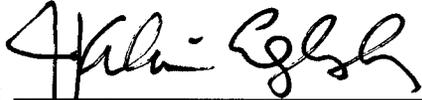
ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE


ISAAC W. CHOY, Co-Chair


JO JORDAN, Co-Chair


BRIAN T. TANIGUCHI, Chair


LORRAINE R. INOUE, Co-Chair



