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# A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the tuition schedule  
2 established by the board of regents of the University of Hawaii  
3 has created an unreasonable increase in the cost of attendance.  
4 For example, tuition fees for resident full-time undergraduate  
5 students at the University of Hawaii Manoa has been steadily  
6 increasing since academic year 2011-2012, by approximately 3.1  
7 per cent in 2012-2013, 5.5 per cent in 2013-2014, 7.6 per cent  
8 in 2014-2015, 5.1 per cent in 2015-2016, 5.1 per cent in 2016-  
9 2017, and tuition fees are scheduled to increase by another 1.9  
10 per cent in 2018-2019.

11           The legislature recognizes that universities need funds to  
12 operate, and that the University of Hawaii is trying to address  
13 a substantial deferred repair and maintenance backlog. However,  
14 the legislature finds that tuition costs at the university have  
15 consistently and significantly been on the rise, even in recent  
16 years, such as 2008-2010, during which time the university  
17 received greater amounts of general fund appropriations from the  
18 legislature.



1           In addition, the legislature is concerned about the  
2 University of Hawaii's significant increase in spending in  
3 recent years for personnel expenses, and the lack of  
4 demonstrated efforts to restructure and use financial resources  
5 efficiently. The legislature finds that there is redundancy in  
6 positions and job responsibilities between the University system  
7 and individual university campuses, and that the increase of  
8 positions in recent years is not justified by the outcomes  
9 produced by the University.

10           The legislature finds that the cost of tuition and fiscal  
11 administration at the University of Hawaii is a matter of  
12 statewide concern and that it is in the best interests of the  
13 State to ensure that all students have affordable access to  
14 higher education and that state funds are used efficiently by  
15 the University of Hawaii system.

16           Therefore, the purpose of this Act is to:

- 17           (1) Require that two members of the University of Hawaii  
18               board of regents be faculty members;
- 19           (2) Prohibit the board of regents of the University of  
20               Hawaii from increasing tuition fees until an  
21               unspecified date;



1 (3) Place a cap on the University of Hawaii system's  
2 general fund appropriation for operating expenses to  
3 support program ID UOH900 for the next five fiscal  
4 years;

5 (4) Require that all University of Hawaii employees who  
6 hold administrative positions and earn more than  
7 \$150,000 annually be employed under an employment  
8 contract with the University by July 1, 2018; and

9 (5) Require the university to provide the legislature with  
10 an analysis of whether current tuition increases are  
11 helping address the university's repair and  
12 maintenance backlog.

13 SECTION 2. Section 26-11, Hawaii Revised Statutes, is  
14 amended by amending subsection (a) to read as follows:

15 "(a) The University of Hawaii shall be headed by an  
16 executive board to be known as the board of regents.

17 The board shall consist of fifteen members. At least one  
18 member shall be a University of Hawaii student at the time of  
19 the initial appointment. This member may be reappointed for one  
20 additional term even though the member may no longer be a  
21 student at the time of reappointment. One member shall be a



1 faculty member of a University of Hawaii community college and  
2 one member shall be a faculty member at the University of Hawaii  
3 at Manoa, University of Hawaii at Hilo, or University of Hawaii  
4 West Oahu; provided that the two faculty members shall not be  
5 faculty members at campuses in the same county; provided further  
6 that the faculty members shall be exempt from any conflict of  
7 interest based solely on their positions as faculty within the  
8 University of Hawaii system. The governor shall reduce the  
9 terms of those initially appointed to each seat on the board of  
10 regents to provide, as far as practicable, for the expiration of  
11 three terms each year; provided that the term of the student  
12 member shall not be reduced.

13 At least twelve members, except for the student [~~member,~~]  
14 and faculty members, shall represent and reside in the specified  
15 geographic areas as follows:

- 16 (1) Two members from the county of Hawaii;
- 17 (2) Two members from the county of Maui;
- 18 (3) One member from the county of Kauai; and
- 19 (4) Seven members from the city and county of Honolulu.

20 The board shall have the power, in accordance with the  
21 Hawaii constitution and with law, to formulate policy and to



1 exercise control over the university through its executive  
 2 officer, the president of the university. The board shall have  
 3 exclusive jurisdiction over the internal organization and  
 4 management of the university. The board may establish board  
 5 policies necessary to address any potential conflict of interest  
 6 issues for the two faculty members of the board."

7 SECTION 3. Section 304A-401, Hawaii Revised Statutes, is  
 8 amended by amending subsection (a) to read as follows:

9 "(a) The board of regents may charge resident and  
 10 nonresident tuition fees for regular courses of instruction at  
 11 any University of Hawaii campus, including any community  
 12 college[-]; provided that the board of regents shall not approve  
 13 any increase in regular credit or summer session tuition fees  
 14 until \_\_\_\_\_."

15 SECTION 4. The requirements of section 26-11(a), Hawaii  
 16 Revised Statutes, as amended by section 2 of this Act, shall  
 17 apply as follows:

18 (1) Upon the expiration of the term of the at-large member  
 19 of the University of Hawaii board of regents whose  
 20 term expires on June 30, 2017, that vacancy shall be



1 filled by a faculty member of one of the University of  
2 Hawaii community colleges; and

3 (2) Upon the expiration of the term of the at-large member  
4 of the University of Hawaii board of regents whose  
5 terms expires on June 30, 2018, that vacancy shall be  
6 filled by a member of the faculty of either the  
7 University of Hawaii at Manoa, University of Hawaii at  
8 Hilo, or University of Hawaii West Oahu;

9 provided that all other requirements of section 26-11(a), Hawaii  
10 Revised Statutes, as amended by section 2 of this Act, are met.

11 SECTION 5. Beginning with fiscal year 2017-2018 and for  
12 each fiscal year thereafter up to and including the 2021-2022  
13 fiscal year, the amount of general funds appropriated to the  
14 University of Hawaii systemwide support for program ID UOH900,  
15 operating expenses, shall not be more than \$41,957,000. The  
16 University shall not transfer money from any other funding  
17 source to supplement or circumvent this funding limitation for  
18 program ID UOH900.

19 SECTION 6. By July 1, 2018, all employees of the  
20 University of Hawaii system shall be employed under an  
21 employment contract with the university if the employee:

- 1 (1) Holds an administrative position within the University
- 2 of Hawaii system or an administrative position at any
- 3 of the University of Hawaii campuses; and
- 4 (2) Receives an annual salary of over \$150,000.

5 SECTION 7. The University of Hawaii shall submit a report  
6 to the legislature no later than twenty days before the  
7 convening of the regular session of 2018 regarding the status of  
8 the university's repair and maintenance costs and whether the  
9 tuition increases effective through the 2019-2020 academic year  
10 are assisting in addressing the repair and maintenance backlog.

11 SECTION 8. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

13 SECTION 9. This Act shall take effect upon its approval.

14



**Report Title:**

University of Hawaii; Board of Regents; Faculty Members;  
Tuition; Limits; Budget; Full-time Employee Costs; Employment  
Contracts; Repair and Maintenance Costs

**Description:**

Requires that two members of the University of Hawaii board of regents be faculty members. Prohibits the University of Hawaii board of regents from increasing tuition fees until an unspecified date. Establishes a cap on the University of Hawaii's general fund appropriation for operating expenses for the next five fiscal years. Requires the university to report to the legislature regarding tuition increases and the university's repair and maintenance costs. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

