EXECUTIVE CHAMBERS HONOLULU

June 20, 2003

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 576

Honorable Members Twenty-Second Legislature State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 576, entitled "A Bill for an Act Relating to the University of Hawaii."

Current law, section 304-16.5, Hawaii Revised Statutes, authorizes expenditures from the University of Hawaii (UH) tuition and fees special fund in order to generate private donations for deposit into the UH Foundation. The purpose of Senate Bill No. 576 is to provide that any expenditure from the UH tuition and fees special fund shall be subject to section 42F-103(a)(4), Hawaii Revised Statutes, which gives the UH and legislative committees and their staff, as well as the legislative auditor (Auditor), full access to the records, reports, and files of the individual or organization receiving the funds, such as the UH Foundation.

This bill is objectionable because it would make it impossible for the UH Foundation to assure prospective donors that their privacy rights would be protected, and would thereby jeopardize the UH Foundation's ability to raise money for UH's needs.

While the bill does subject the Auditor to the same restrictions on disclosure of records as currently apply to the UH Foundation, and provides that upon written request from a private donor the Auditor would be prohibited from disclosing that donor's name and personal information, it does not place these limitations on legislative committees and members of their

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staff. This would have a chilling effect on private donors not wanting the public to know information about their personal assets, business plan, estate plan, or in some cases their identity.

If there is a perceived need for greater accountability by the UH Foundation, I am confident it can be achieved without the adverse consequences that surely would flow from enactment of this bill.

For the foregoing reasons, I am returning Senate Bill No. 576 without my approval.

Respectfully,

LINDA LINGLE Governor of Hawaii

PROCLAMATION

WHEREAS, under Section 16 of Article III of the Constitution of the State of Hawaii, the Governor is required to give notice, by a proclamation, of the Governor's plan to return with the Governor's objections any bill presented to the Governor less than ten days before adjournment sine die or presented to the Governor after adjournment sine die of the Legislature; and

WHEREAS, Senate Bill No. 576, entitled "A Bill for an Act Relating to the University of Hawaii," passed by the Legislature, was presented to the Governor within the aforementioned period; and

WHEREAS, Senate Bill No. 576 is unacceptable to the Governor of the State of Hawaii;

NOW, THEREFORE, I, LINDA LINGLE, Governor of the State of Hawaii, do hereby issue this proclamation, pursuant to the provisions of Section 16 of Article III of the Constitution of the State of Hawaii, giving notice of my plan to return Senate Bill No. 576 with my objections thereon to the Legislature as provided by said Section 16 of Article III of the Constitution.

DONE at the State Capitol, Honolulu, State of Hawaii, this 20th day of June, 2003.

> LINDA LINGLE Governor of Hawaii