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## A BILL FOR AN ACT

PROPOSING AMENDMENTS TO THE HAWAII CONSTITUTION TO PROVIDE THE  
UNIVERSITY OF HAWAII WITH COMPLETE AUTONOMY FROM THE  
EXECUTIVE BRANCH.

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

1           SECTION 1. The legislature finds that the University of  
2 Hawaii was afforded significantly increased autonomy through a  
3 constitutional amendment which provided the University of Hawaii  
4 with complete control over its internal management. While the  
5 University of Hawaii is a state institution, as a large, diverse  
6 university system, it requires more independence than other  
7 state agencies. Furthermore, many of the finest public  
8 institutions of higher education throughout the country are  
9 those that have the greatest amount of freedom to pursue  
10 programs of their choosing and develop sources of funding.

11           While the University of Hawaii is more autonomous than  
12 before the ratification of the constitutional amendment, its  
13 status as a principal department of the executive branch and its  
14 reliance on general funds for personnel and operating moneys  
15 restricts its ability to act as a truly autonomous body.  
16 Furthermore, the availability of state moneys reduces the  
17 University of Hawaii's motivation to diversify its fiscal base



1 by developing its fund-generating capabilities and seeking out  
2 additional sources of funding. Because the University of Hawaii  
3 is a land-grant university that has title to the land on which  
4 it is situated, it has natural resources at its disposal, with  
5 which it may generate funding, that are not available to all  
6 public colleges and universities.

7 The legislature finds that removing the University of  
8 Hawaii from the executive branch and restricting it from  
9 receiving general funds would enable the university to achieve  
10 truly meaningful autonomy. Accordingly, the purpose of this Act  
11 is to propose amendments to the state constitution specifying  
12 that the University of Hawaii shall:

- 13 (1) Be separate from the executive branch and shall submit  
14 a separate budget to the legislature; and  
15 (2) Not receive general funds after a five year transition  
16 period.

17 SECTION 2. Article VII, section 8, of the Constitution of  
18 the State of Hawaii is amended to read as follows:

19 **"Section 8.** Within such time prior to the opening of each  
20 regular session in an odd-numbered year as may be provided by  
21 law, the governor shall submit to the legislature a budget in a  
22 form provided by law setting forth a complete plan of proposed



1 expenditures of the executive branch, estimates as provided by  
2 law of the aggregate expenditures of the judicial and  
3 legislative branches, and anticipated receipts of the State for  
4 the ensuing fiscal biennium, together with such other  
5 information as the legislature may require. A complete plan of  
6 proposed expenditures of the judicial branch for the ensuing  
7 fiscal biennium shall be submitted by the chief justice to the  
8 legislature in a form and within such time prior to the opening  
9 of each regular session in an odd-numbered year as shall be  
10 provided by law. A complete plan of proposed expenditures of  
11 the University of Hawaii for the ensuing fiscal biennium shall  
12 be submitted by the board of regents to the legislature in a  
13 form and within such time prior to the opening of each regular  
14 session in an odd-numbered year as shall be provided by law.  
15 The budget prepared by the governor and the [plan] plans of  
16 proposed expenditures prepared by the chief justice and the  
17 board of regents shall also be submitted in bill form. The  
18 governor [~~shall also~~], upon the opening of each such session,  
19 shall also submit bills to provide for such proposed  
20 expenditures and for any recommended additional revenues or  
21 borrowings by which the proposed expenditures are to be met.  
22 The proposed general fund expenditures in the plan of proposed



1 expenditures, including estimates of the aggregate expenditures  
2 of the judicial and legislative branches, submitted by the  
3 governor shall not exceed the general fund expenditure ceiling  
4 established by the legislature under section 9 of this article;  
5 provided that proposed general fund expenditures in the plan may  
6 exceed such ceiling if the governor sets forth the dollar amount  
7 and the rate by which the ceiling will be exceeded and the  
8 reasons therefor."

9 SECTION 3. Article X, section 5, of the Constitution of  
10 the State of Hawaii is amended to read as follows:

11 **"Section 5.** The University of Hawaii is hereby established  
12 as the state university system and constituted a body corporate.  
13 It shall have title to all the real and personal property now or  
14 hereafter set aside or conveyed to it, which shall be held in  
15 public trust for its purposes, to be administered and disposed  
16 of as provided by law. The University of Hawaii shall be  
17 independent from the executive branch and shall not receive  
18 general funds in its annual budget or any other legislative  
19 appropriation; provided that the University of Hawaii shall have  
20 a transition period of five years from the effective date of  
21 this amendment until the complete termination of general funds."



1 SECTION 4. The question to be printed on the ballot shall  
2 be as follows:

3 "Shall the University of Hawaii be granted complete autonomy  
4 from the executive branch of the State?"

5 SECTION 5. Constitutional material to be repealed is  
6 bracketed and stricken. New constitutional material is  
7 underscored.

8 SECTION 6. This amendment shall take effect upon  
9 compliance with article XVII, section 3, of the Constitution of  
10 the State of Hawaii.

11

INTRODUCED BY:



JAN 19 2007



**Report Title:**

the University of Hawaii; Autonomy

**Description:**

Provides complete autonomy to the University of Hawaii and removes the university from the executive branch. Specifies that the university shall receive no general funding. Gives the University of Hawaii a five year transition period prior to the termination of general funds. Requires the Board of Regents to submit a separate budget to the Legislature. Clarifies that "state university" means "state university system."

