A BILL FOR AN ACT

RELATING TO CERTAIN FUNDS OF THE UNIVERSITY OF HAWAII.

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

- 1 SECTION 1. Section 304A-2252, Hawaii Revised Statutes, is
- 2 amended to read as follows:
- 3 "[+] §304A-2252[+] Child care programs [revolving] special
- 4 fund. There is established a child care programs [revolving]
- 5 special fund for the operation of child care programs
- 6 established under section 304A-116 and the construction and
- 7 renovation of child care centers established by the University
- 8 of Hawaii. Fees charged for child care at child care programs,
- 9 proceeds from donations to the university for child care
- 10 programs, and proceeds from loans or other instruments of
- 11 indebtedness for the construction or renovation of child care
- 12 centers shall be deposited into the [revolving] special fund.
- 13 Expenditures from the [revolving] special fund shall be made for
- 14 the operation of child care programs and payment of principal
- 15 and interest on obligations incurred for the construction or
- 16 renovation of child care centers."
- 17 SECTION 2. Section 304A-2253, Hawaii Revised Statutes, is
- 18 amended as follows:



1	1. By amending subsection (a) to read:			
2	"(a) There is established a University of Hawaii research			
3	and training revolving fund into which shall be deposited one			
4	hundred per cent of the total amount of indirect overhead			
5	revenues generated by the university from research and training			
6	programs. The board of regents is authorized to/expend one			
7	hundred per cent of the revenues deposited in the fund for:			
8	(1) Research and training purposes that may result in			
9	additional research and training grants and contracts			
10	(2) Facilitating research and training at the university;			
11	and			
12	(3) Further deposit into the discoveries and inventions			
13	[revolving] special fund [and the University of Hawai:			
14	housing assistance revolving fund]."			
15	2. By amending subsection (c) to read:			
16	"(c) Notwithstanding sections $304A-107[-]$ and			
17	$[-\frac{1}{2}]$ 304A-2254 $[-\frac{1}{2}]$, and $[-\frac{304A-2258}{2}]$ to the contrary, the board of			
18	regents or its designee, may establish a separate account within			
19	the research and training revolving fund for the purpose of			
20	providing advance funding to meet reimbursable costs incurred in			
21	connection with federally financed research and training			
22	projects. Any reimbursement received as a result of providing			
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- 1 advance funding shall be deposited into the research and
- 2 training revolving fund to be used for the purpose of meeting
- 3 reimbursable costs incurred in connection with federally
- 4 financed projects."
- 5 SECTION 3. Section 304A-2254, Hawaii Revised Statutes, is
- 6 amended to read as follows:
- 7 "[-[] §304A-2254[-] Discoveries and inventions [revolving]
- 8 special fund. There is established a discoveries and inventions
- 9 [revolving] special fund into which shall be deposited a portion
- 10 of the total indirect overhead funds generated by the university
- 11 for research and training purposes in the prior fiscal year, as
- 12 determined by the board of regents. Appropriations by the
- 13 legislature subject to the approval of the governor, proceeds
- 14 from the commercial exploitation of inventions and intellectual
- 15 property developed at the university, gifts, donations, fees
- 16 collected, and grants from public agencies and private persons
- 17 may also be deposited into the special fund for the purposes of
- 18 supporting innovation and research commercialization and the
- 19 patenting, copyrighting, licensing, and marketing of
- 20 discoveries, inventions, and technologies developed at the
- 21 university. The special fund shall be used to develop
- 22 technologies that have potential commercial value, support the



- 1 administration of technology transfer activities, and facilitate
- 2 economic development through education and research undertaken
- 3 at the university."
- 4 SECTION 4. Section 304A-2259, Hawaii Revised Statutes, is
- 5 amended to read as follows:
- 6 "[+] §304A-2259[+] University of Hawaii alumni [revolving]
- 7 **special** fund. There is established the University of Hawaii
- 8 alumni [revolving] special fund into which shall be deposited
- 9 funds and proceeds received by the university from alumni
- 10 activities and donations from alumni. Funds deposited into this
- 11 [revolving] special fund may be expended by the university for
- 12 all costs associated with conducting alumni affairs, activities,
- 13 and programs for the university system, including but not
- 14 limited to expenses for honoraria, hotel and room rentals, food
- 15 and refreshment, printing and mailing, banners and signs,
- 16 plaques and awards, airfare and per diem, leis, rental of
- 17 audiovisual, musical, and stage equipment, and activity supplies
- 18 and materials, without regard to statutory competitive bidding
- 19 requirements."
- 20 SECTION 5. Section 304A-2261, Hawaii Revised Statutes, is
- 21 amended to read as follows:

- 1 "[+] §304A-2261[+] University of Hawaii at Manoa
- 2 intercollegiate athletics [revolving] special fund and
- 3 University of Hawaii at Hilo intercollegiate athletics
- 4 [revolving] special fund. Notwithstanding any other law to the
- 5 contrary, there are established the University of Hawaii at
- 6 Manoa intercollegiate athletics [revolving] special fund and the
- 7 University of Hawaii at Hilo intercollegiate athletics
- 8 [revolving] special fund for the intercollegiate athletic
- 9 programs of the University of Hawaii at Manoa and the University
- 10 of Hawaii at Hilo, which shall be used to receive, deposit,
- 11 disburse, and account for funds from the activities of the
- 12 intercollegiate athletic programs. The university may establish
- 13 appropriate charges for activities related to its athletic
- 14 programs and the use of its athletic facilities, the proceeds
- 15 from which shall be deposited into these [revolving] special
- 16 funds.
- 17 The university shall maintain the financial integrity and
- 18 viability of these [revolving] special funds, including the
- 19 maintenance of an adequate reserve to cope with the various
- 20 factors that impact the revenue structure of an intercollegiate
- 21 athletic program."

- 1 SECTION 6. Section 304A-2262, Hawaii Revised Statutes, is 2 amended to read as follows:
- 3 "[+] §304A-2262[+] Animal research farm, Waialee, Oahu
- 4 [revolving] special fund. There is established the animal
- 5 research farm, Waialee, Oahu [revolving] special fund for the
- 6 animal research farm, Waialee, Oahu, operated by the college of
- 7 tropical agriculture and human resources of the University of
- 8 Hawaii, into which shall be deposited the receipts from fees
- 9 realized from the sale of livestock, services, and supplies.
- 10 Funds deposited into this [revolving] special fund shall be
- 11 expended for animal research, and services and supplies related
- 12 thereto."
- SECTION 7. Section 304A-2271, Hawaii Revised Statutes, is
- 14 amended to read as follows:
- "[+] §304A-2271[+] University of Hawaii-Hilo theatre
- 16 [revolving] special fund. There is established the University
- 17 of Hawaii-Hilo theatre [revolving] special fund, which shall
- 18 consist of admissions, advertising sales, corporate
- 19 sponsorships, marketing, merchandising, donations, fund-raising,
- 20 fees, charges, and other moneys collected in conjunction with
- 21 the University of Hawaii-Hilo theatre program. The [revolving]
- 22 special fund shall be administered by the office of

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- 1 administrative affairs of the University of Hawaii at Hilo. 2 Funds may be expended for all costs associated with the theatre
- 3 program, including artists' fees, production costs, personnel
- 4 costs, honoraria, per diem, hotel and room rentals, food and
- 5 refreshments, printing and mailing, advertising, airfare, leis,
- 6 rental or purchase of equipment, and theater supplies and
- 7 materials."
- 8 SECTION 8. Section 304A-2158, Hawaii Revised Statutes, is
- 9 repealed.
- 10 ["[\$304A-2158] Western Governors University special fund.
- 11 There is established a Western Governors University special fund
- 12 into which shall be deposited all revenues derived from the
- 13 State's participation in the Western Governors University,
- 14 except University of Hawaii income from tuition and fees charged
- 15 for regular courses of instruction and tuition-related course
- 16 and fee charges to students. The fund shall be administered by
- 17 the board of regents of the University of Hawaii and shall be
- 18 used for the State's membership and participation in the Western
- 19 Governors University."]
- 20 SECTION 9. Section 304A-2258, Hawaii Revised Statutes, is
- 21 repealed.

1	[" [§304A-2258] University of Hawaii housing assistance		
2	revolving fund. There is established the University of Hawaii		
3	housing assistance revolving fund into which shall be deposited		
4	a portion of the total indirect overhead funds generated by the		
5	university for research and training purposes in the prior		
6	fiscal year as determined by the board of regents. The fund		
7	shall be used to:		
8	(1) Implement the university housing assistance master		
9	plan, in accordance with policies adopted by the board		
10	of regents; and		
11	(2) Account for all transactions of the university housing		
12	assistance program, including but not limited to		
13	revenues, expenditures, loans, and transfers."]		
14	SECTION 10. Section 304A-2264, Hawaii Revised Statutes, is		
15	repealed.		
16	[" [§304A-2264] Conference center revolving fund;		
17	University of Hawaii at Manoa. There is established the		
18	conference center revolving fund for the conference center		
19	program in the college of continuing education and community		
20	service of the University of Hawaii at Manoa. All fees,		
21	charges, and other moneys collected in conjunction with the		
22	conference center program shall be deposited in the revolving		
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2	community service is authorized to expend funds from the			
3	revolving fund for all costs associated with conducting			
4	conferences, seminars, and courses by the conference center			
5	program, including but not limited to expenses for honoraria,			
6	6 hotel and room rentals, food and refreshment, printing and			
7	mailing, airfare and per diem, leis, rental of audiovisual			
8	equipment, and conference supplies and materials."]			
9	SECTION 11. Section 304A-2265, Hawaii Revised Statutes, is			
10	repealed.			
11	["[§304A-2265] International exchange healthcare tourism			
12	revolving fund. (a) There is established the international			
13	exchange healthcare tourism revolving fund for the international			
14	exchange of healthcare tourism program into which shall be			
15	deposited all donations, gifts, contributions, legislative			
16	appropriations, and moneys generated by the program through			
17	education, training, and research contracts and grants. Moneys			
18	deposited into this fund for the school of medicine and the			
19	school of nursing and dental hygiene shall be divided into			
20	separate accounts for each school, provided that moneys not			
21	designated for use by a particular school shall be divided			
22	equally. Moneys shall be expended from each account by the			
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fund. The dean of the college of continuing education and

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school of medicine and the school of nursing and dental hygiene,
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    for student aid, training projects, teaching, supplies,
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    services, and activities related to the development and
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    promotion of the health-related tourism education program.
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         (b) All unexpended and unencumbered moneys appropriated by
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    the legislature remaining in the fund at the close of each
    fiscal year that are deemed, by the director of finance, to be
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    in excess of the moneys necessary to carry out the purposes of
    this section over the next following fiscal year shall lapse to
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    the credit of the state general fund."]
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         SECTION 12. Section 304A-2269, Hawaii Revised Statutes, is
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    repealed.
         ["[$304A-2269] Community college and University of Hawaii
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    at Hilo bookstore revolving fund. There is established the
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    community college and University of Hawaii at Hilo bookstore
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    revolving fund for the community college and University of
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    Hawaii at Hilo bookstores, from which shall be paid the cost of
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18
    goods or services rendered or furnished to the bookstores and
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    which shall be replenished through charges made for goods and
    services or through transfers from other accounts or funds."]
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         SECTION 13. Section 304A-2353, Hawaii Revised Statutes, is
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repealed.

1	[" [§304A-2353] The Senator Hiram L. Fong scholarship			
2	program; endowment trust. (a) There is established the Senat			
3	Hiram L. Fong scholarship program to be administered by the			
4	university with proceeds from an endowment trust that shall			
5	receive its initial funding by an appropriation out of the			
6	general revenues of the State. The program shall provide			
7	financial support to students enrolled at any campus of the			
8	university.			
9	(b) Awards shall be granted annually to one female student			
10	and one male student who:			
11	(1) Are graduates of a public high school in the State;			
12	(2) Are upperclassmen at the university;			
13	(3) Submit winning essays to the board of regents on the			
14	senator's contributions to Hawaii;			
15	(4) Have a demonstrated commitment to local community			
16	issues, as shown by volunteer work and participation			
17	in community organizations; and			
18	(5) Have a demonstrated interest and knowledge of the			
19	history of immigration to Hawaii.			
20	(c) The amount to be awarded to a student shall be			
21	determined by the board of regents with due regard to the total			

1	amount of	funds available for the program. The award that a	
2	student r	eceives under this program may be used to:	
3	(1)	Pay for the costs of tuition and fees for a single	
4		academic-year;	
5	(2)	Pay for the costs of textbooks and other instructional	
6		materials for a single academic year;	
7	(3)	Pay for the costs of room and board at a dormitory or	
8		apartment maintained by the university for a single	
9		academic year; or	
10	(4)	Defray the difference between student need, as	
11		determined by the Free Application for Federal Student	
12		Aid, and the total cost of attendance for a single	
13		academic year.	
14	(d)	The board of regents shall adopt rules to implement	
15	the Senator Hiram L. Fong scholarship program. The rules shall		
16	be adopted pursuant to chapter 91 but shall be exempt from the		
17	public no	tice and public hearing requirements.	
18	(e)	The scholarship program shall be funded with proceeds	
19	from an e	ndowment trust established with initial funding by an	
20	appropria	tion out of the general revenues of the State and shall	
21	be admini	stered by the board of regents for the purposes of	
22	supportin	g the Senator Hiram L. Fong scholarship program."]	
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- SECTION 14. Section 304A-2354, Hawaii Revised Statutes, is 1 2 repealed. ["[§304A-2354] The Senator Oren E. Long scholarship 3 program; endowment trust. (a) There is established the Senator 4 5 Oren E. Long scholarship program to be administered by the university with proceeds from an endowment trust that shall 6 receive its initial funding by an appropriation out of the 7 8 general revenues of the State. The program shall provide 9 financial support to students enrolled at any campus of the 10 university. (b) Awards shall be granted annually to one female student 11 and one male student who: 12 13 Are graduates of a public high school in the State; (2) Are upperclassmen at the university; and 14 (3) Submit winning essays to the board of regents on the 15 senator's contributions to Hawaii. 16 (c) The amount to be awarded to a student shall be **17** determined by the board of regents with due regard to the total 18 amount of funds available for the program. The award that a 19 student receives under this program may be used to: 20 (1) Pay for the costs of tuition and fees for a single 21 22 academic year;
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1	(2)	Pay for the costs of textbooks and other instructional		
2		materials for a single academic year;		
3	(3)	Pay for the costs of room and board at a dormitory or		
4	ŧ	apartment maintained by the university for a single		
5		academic year; or		
6	(4)	Defray the difference between student need, as		
7		determined by the Free Application for Federal Student		
8		Aid, and the total cost of attendance for a single		
9		academic year.		
10	-(d)	The board of regents shall adopt rules to implement		
11	the Senator Oren E. Long scholarship program. The rules shall			
12	be adopted pursuant to chapter 91 but shall be exempt from the			
13	public notice and public hearing requirements.			
14	(e)	The scholarship program shall be funded with proceeds		
15	from an endowment trust established with initial funding by an			
16	appropriation out of the general revenues of the State and shal			
17	be admini	stered by the board of regents for the purposes of		
18	supportin	g the Senator Oren E. Long scholarship program."]		
19	SECT	ION 15. All fund balances remaining unencumbered and		
20	unexpende	d as of June 30, 2011, in the University of Hawaii		
21	conferenc	e center revolving fund shall be transferred to the		

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- 1 University of Hawaii commercial enterprises revolving fund
- 2 established under section 304A-2251, Hawaii Revised Statutes.
- 3 SECTION 16. All fund balances remaining unencumbered and
- 4 unexpended as of June 30, 2011, in the University of Hawaii
- 5 housing assistance revolving fund shall be transferred to the
- 6 credit of the Manoa faculty housing program under the University
- 7 of Hawaii auxiliary enterprises special fund established under
- 8 section 304A-2157, Hawaii Revised Statutes.
- 9 SECTION 17. The conversion of revolving funds to special
- 10 funds pursuant to sections 1, 3, 4, 5, 6, and 7 of this Act
- 11 shall in no way be construed as an authorization to remove,
- 12 alter, or amend any moneys from any revolving fund other than
- 13 for the purposes of this Act and for the allowable uses under
- 14 relevant law.
- 15 SECTION 18. Statutory material to be repealed is bracketed
- 16 and stricken. New statutory material is underscored.
- 17 SECTION 19. This Act shall take effect on July 1, 2011.

Report Title:

University of Hawaii; Special Funds; Revolving Funds

Description:

Converts certain revolving funds of the University of Hawaii into special funds. Repeals certain funds of the University of Hawaii and transfers the remaining balances to specified alternate funds. (SD2)

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