A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

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

1		PART I
2	SECT	ION 1. Section 304A-2153, Hawaii Revised Statutes, is
3	amended by	y amending subsection (a) to read as follows:
4	"(a)	There is established the University of Hawaii tuition
5	and fees s	special fund into which shall be deposited all revenue
6	collected	by the university for regular, summer, and continuing
7	education	credit tuition, tuition-related course and fee
8	charges, a	and any other charges to students, except as provided
9	by law. I	Moneys deposited into the fund shall be expended to
10	maintain o	or improve the university's programs and operations and
11	shall not	be:
12	(1)	Used as a justification for reducing any budget
13		request or allotment to the university unless the
14		university requests such a reduction;
15	(2)	Transferred unless otherwise authorized by the
16		legislature; [and]
17	(3)	Restricted by the governor or the director of finance
18		without the prior approval of the legislature[-]; and
		SB2551 SD1 SMA.doc

1	(4) Used by the university for any purposes related to		
2	university projects, university systems, or networks		
3	or any combination thereof, constructed or maintained		
4	by the board under subpart D of part VI.		
5	Any rule, policy, or action of any agency or individual in		
6	contravention of this subsection shall be void as against public		
7	policy."		
8	PART II		
9	SECTION 2. Section 304A-2003, Hawaii Revised Statutes, is		
10	amended to read as follows:		
11	"[+]§304A-2003[+] Appropriations; accounts; depositories.		
12	Moneys appropriated by the legislature for the university shall		
13	be payable by the director of finance, upon vouchers approved by		
14	the board of regents or by any officer elected or appointed by		
15	the board under section 304A-105 and authorized by the board to		
16	approve such vouchers on behalf of the board. All moneys		
17	received by or on behalf of the board or the university shall be		
18	deposited with the director of finance; except that any moneys		
19	received from the federal government or from private		
20	contributions shall be deposited and accounted for in accordance		
21	with conditions established by the agencies or persons from whom		
22	the moneys are received and except that, with the concurrence of		
	2014-1129 SB2551 SD1 SMA.doc		

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- the director of finance, moneys received from the federal
 government for research, training, and other related purposes of
 a transitory nature and moneys in trust, special, or revolving
 funds administered by the university may be deposited in
 depositories other than the state treasury; provided that the
 university informs the director of finance of the depositories
 in which moneys from the funds have been deposited and submits
- 9 which the moneys from the funds are deposited. All income from

copies of annual statements from each of the depositories in

- 10 tuition and fees charged for regular courses of instruction and
- 11 tuition related course and fee charges against students shall be
- 12 deposited to the credit of the [University of Hawaii tuition and
- 13 fees special fund pursuant to section [304A-2153].] general
- 14 <u>fund.</u> Income from university projects as defined and described
- 15 in section [+]304A-2167.5[+] and sections [+]304A-2671[+] to
- [+]304A-2684[+], may be credited to special or other funds."
- 17 SECTION 3. Section 304A-2101, Hawaii Revised Statutes, is
- 18 amended to read as follows:
- "[+]\$304A-2101[+] General fund budget appropriations;
- 20 formulation. (a) The general fund budget appropriations for
- 21 the university shall be an amount not less than three times and

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1
    not greater than five times the amount of regular tuition and
 2
    related fee revenues estimated for that fiscal year.
 3
              Any general fund budget appropriation for the
    university for operating purposes for any fiscal year shall
 4
    include the consideration of:
 5
 6
         (1)
              The fiscal condition of the State;
 7
         (2)
              Enrollment;
8
         (3)
              Access to educational opportunity;
9
              The mix of resident and nonresident students; and
         (4)
10
         (5)
              Community service and noninstruction programs.
11
         (c) No revenue received by the university pursuant to the
12
    University of Hawaii tuition and fees special fund established
13
    under section [304A 2153] may be used by the governor or the
14
    director of finance as a justification for reducing any budget
15
    request or allotment to the university unless the university
16
    requests such a reduction.] "
17
         SECTION 4. Section 304A-2159, Hawaii Revised Statutes, is
18
    amended by amending subsection (b) to read as follows:
19
               Revenues deposited into this fund shall include but
20
    not be limited to state, federal, and private funds, [funds
21
    transferred by the university from the tuition and fees special
22
    fund pursuant to section [304A-2153], and appropriations for
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2014-1129 SB2551 SD1 SMA.doc

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1
    the state scholars program; provided that state funds
 2
    appropriated for any scholarship program, including but not
 3
    limited to the B Plus scholarship program, the Hawaii state
 4
    scholars program, and the workforce development scholarship
 5
    program, shall be kept in a separate and distinct account."
 6
         SECTION 5. Section 304A-2162, Hawaii Revised Statutes, is
 7
    amended by amending subsection (b) to read as follows:
 8
          "(b) The special fund may include deposits from:
 9
         [(1) The University of Hawaii tuition and fees special fund
10
               established in section [304A-2153];
11
         (2)] (1) Tuition, fees, and charges for affiliated
12
               instructional, training, and public service courses
13
               and programs; and
14
         [\frac{3}{3}] (2) Fees, fines, and other money collected for:
15
                    Student health;
               (A)
16
                    Transcript and diploma;
               (B)
17
               (C)
                    Library;
18
               (D)
                    Facility use;
                    Child care;
19
               (E)
20
               (F)
                    Auxiliary enterprises;
21
               (G)
                    Alumni; and
22
                    Other related activities."
               (H)
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2014-1129 SB2551 SD1 SMA.doc

1	SECTION 6. Section 304A-2153, Hawaii Revised Statutes, is		
2	repealed.		
3	[" [§304A-2153] University of Hawaii tuition and fees		
4	special fund. (a) There is established the University of		
5	Hawaii tuition and fees special fund into which shall be		
6	deposited all revenue collected by the university for regular,		
7	summer, and continuing education credit tuition, tuition related		
8	course and fee charges, and any other charges to students,		
9	except as provided by law. Moneys deposited into the fund shall		
10	be expended to maintain or improve the university's programs and		
11	operations and shall not be:		
12	(1) Used as a justification for reducing any budget		
13	request or allotment to the university unless the		
14	university requests such a reduction;		
15	(2) Transferred unless otherwise authorized by the		
16	legislature; and		
17	(3) Restricted by the governor or the director of finance		
18	without the prior approval of the legislature.		
19	Any rule, policy, or action of any agency or individual in		
20	contravention of this subsection shall be void as against public		
21	policy.		

1	(b) Any law to the contrary notwithstanding, the board o		
2	regents m	may authorize expenditures of up to \$3,000,000 annually,	
3	excluding	in kind services, from this fund for the purposes of	
4	promoting	alumni relations and generating private donations for	
5	deposit i	nto the University of Hawaii Foundation for the	
6	purposes	of the university. Any expenditure authorized pursuant	
7	to this subsection shall be for a public purpose and shall not		
8	be subjec	t to chapters 42F, 103, 103D, and 103F. The university	
9	shall sub	mit a comprehensive report to the legislature detailing	
10	the use o	of any funds authorized by the board under this	
11	subsection no later than twenty days prior to the convening of		
12	each regular session.		
13	The	report shall:	
14	(1)	Identify each department of the University of Hawaii	
15		Foundation supported by moneys from the fund;	
16	(2)	Describe the purposes and activities of each	
17		department identified in paragraph (1) and how it	
18		participates in fundraising activities and benefits	
19		the university;	
20	(3)	Provide the total expenditures of each department	
21		identified in paragraph (1) by primary expense	

1	(4)	Identify all moneys from the fund transferred to any	
2		fund of the university and provide a justification of	
3		how these moneys are used to benefit the university;	
4	(5)	Provide a financial summary of the operating	
5		activities of the University of Hawaii Foundation,	
6		including revenues and expenditures by major reporting	
7		categories; and	
8	(6)	Identify amounts and purposes of all expenditures from	
9		the University of Hawaii support fund.	
10	(c)	Any law to the contrary notwithstanding, the	
11	university may transfer funds from the University of Hawaii		
12	tuition a	nd fees special fund into the scholarship and	
13	assistanc	e special fund established pursuant to section [304A	
14	2159]. "]		
15	SECT	ION 7. All unencumbered and unexpended moneys	
16	remaining on balance in the University of Hawaii tuition and		
17	fees special fund at the close of June 30, 2017, shall be		
18	transferred to the general fund.		
19		PART III	
20	SECT	ION 8. Statutory material to be repealed is bracketed	
21	and stric	ken. New statutory material is underscored.	

- 1 SECTION 9. This Act shall take effect on July 1, 2014;
- 2 provided that part II shall take effect on July 1, 2017.

Report Title:

University of Hawaii; Tuition and Fees

Description:

Prohibits the University of Hawaii from using moneys in the tuition and fees special fund for purposes related to university projects, university systems, or networks or any combination thereof, constructed or maintained through revenue bonds.

Repeals the University of Hawaii tuition and fees special fund and transfers remaining unencumbered balance to the general fund effective July 1, 2017. Provides for the deposit of University of Hawaii tuition and related student fees into the general fund on June 30, 2017. (SD1)

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