H.B. NO. (67)

# 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 University of 2 Hawaii's staff attorneys bear unduly burdensome work caseloads 3 statewide, particularly in contractual matters. The legislature 4 further finds that the provision of additional staff attorneys 5 will result in a more reasonable distribution of workloads, and 6 will therefore lead to more effective legal counsel for the 7 University of Hawaii.

8 The purpose of this Act is to appropriate moneys to 9 establish six full-time staff attorney positions (6.0 FTE) 10 within the University of Hawaii system statewide.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2016-2017 for the University of Hawaii to hire six full-time equivalent staff attorneys (6.0 FTE) to provide legal counsel to the University of Hawaii statewide.



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# H.B. NO.1657

The sum appropriated shall be expended by the University of
Hawaii for the purposes of this Act.

3 SECTION 3. This Act shall take effect on July 1, 2016.

INTRODUCED BY:

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Caln Linder

JAN 2 0 2016



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# H.B. NO.1657

**Report Title:** University of Hawaii; Legal Counsel; Appropriation

#### Description:

Appropriates moneys for the University of Hawaii to hire six additional staff attorneys.

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





UNIVERSITY OF HAWAI'I SYSTEM

Legislative Testimony

Testimony Presented Before the House Committee on Higher Education February 4, 2016 at 2:00 p.m. by Carrie Okinaga Vice President for Legal Affairs and University General Counsel University of Hawai'i System

## HB 1637 - RELATING TO THE UNIVERSITY OF HAWAII

Chair Choy, Vice Chair Ichiyama and members of the committee:

Thank you for the opportunity to testify. The University of Hawai'i (UH) strongly supports HB 1637, which would appropriate moneys to hire six additional staff attorneys within the UH Office of General Counsel (OGC), provided that its passage does not replace or adversely impact priorities as indicated in the University's Board of Regents Approved Executive Supplemental Budget.

The OGC is the exclusive legal office for the entire UH system, with its annual operating budget of approximately \$1.17B, approximately 9,000-10,000 employees, and 10 campuses spread statewide. The current budget of OGC is **\$1.49M**, which pays for **8 attorneys and 5 staff** (2 paralegals, 2 secretaries, and 1 clerk), and represents 0.13 percent (13/100 of one percent) of UH's operating budget. By comparison, the City & County of Honolulu Department of the Corporation Counsel (COR) serves approximately the same sized employee base all located on Oahu, with **47 attorneys, plus 36 staff**, and budget of **over \$8M**; while not an "apples-to-apples" comparison, COR's budget constitutes 0.58 percent of the City's \$1.4B budget. The subject matter expertise of OGC attorneys ranges from the typical (real property transactions, contract negotiations, and procurement code and HRS Chapters 91 and 92F interpretations), to more specialized areas such as research and grant compliance, collegiate athletics, academic freedom, ceded lands, technology development and transfer, Title IX, and student privacy regulations.

As a general proposition, the UH does believe that additional resources in the area of legal support is a critical matter given the potential for high risk exposure in the diverse business lines of the University, and the role of in-house attorneys in early identification and mitigation of risk. UH administration at System and on all 10 campuses depends on access to legal counsel to tackle the broad range of legal issues that arise in an organization of the University's size and breadth. The addition of six attorneys will help to provide more timely and precise legal counsel for the University of Hawai'i system, allowing UH the opportunity to directly address criticisms leveled at OGC in the past.

Additional attorneys will enable enhanced contract review services, processes, and processing times. Currently, our turnaround time to review and revise contracts is not optimal. The University has also previously been criticized for its rate of hiring external legal counsel. After studying the data, I believe the University's use of external counsel has not been excessive considering the nature of legal expertise required in those matters and/or the volume of and scope of litigation being handled. That said, one main financial benefit of adding in-house attorneys would be to reduce the need for reliance on external counsel. Finally, additional attorneys would enable OGC to be more proactive in training and advising than current capacity will allow.

UH strongly supports this bill provided that its passage does not replace or adversely impact priorities as indicated in the University's Board of Regents Approved Executive Supplemental Budget.

Thank you for your time and consideration.

### ichiyama2-Brandon

From:	mailinglist@capitol.hawaii.gov
Sent:	Wednesday, February 03, 2016 11:42 AM
To:	HEDtestimony
Cc:	nakoolaniw@gmail.com
Subject:	*Submitted testimony for HB1637 on Feb 4, 2016 14:00PM*

### <u>HB1637</u>

Submitted on: 2/3/2016 Testimony for HED on Feb 4, 2016 14:00PM in Conference Room 309

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Nakoʻolani Warrington	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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