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 Act 115, Session
- 2 Laws of Hawaii 1998, was enacted in response to the economic
- 3 revitalization task force's principal recommendation to provide
- 4 greater autonomy to the University of Hawaii in the fulfillment
- 5 of its constitutional role and the administration of its
- 6 constitutionally-designated assets and public trust
- 7 undertakings. Unlike most state agencies, the university has
- $oldsymbol{8}$ the authority to transfer appropriated funds and positions among
- 9 programs and between fiscal quarters without legislative
- 10 authorization. The university is currently required to account
- 11 for these transfers in fiscal year-end reports to the
- 12 legislature.
- 13 The legislature further finds that as a matter of statewide
- 14 concern, the university's financial flexibility should be
- 15 transparent and subject to more frequent reporting to the
- 16 legislature.

1	The purpose of this Act is to require the University of
2	Hawaii to report these types of transfers to the legislature
3	within thirty days for transparency and oversight of the
4	university.
5	SECTION 2. Section 37-74, Hawaii Revised Statutes, is
6	amended by amending subsection (d) to read as follows:
7	"(d) No appropriation transfers or changes between
8	programs or agencies shall be made without legislative
9	authorization; provided that:
10	(1) Authorized transfers or changes, when made, shall be
11	reported to the legislature;
12	(2) Except with respect to appropriations to fund
13	financing agreements under chapter 37D, the University
14	of Hawaii may transfer appropriated funds and
15	positions for the operating cost category among
16	programs, among cost elements in a program, and
17	between quarters, as applicable; except with respect
18	to appropriations to fund financing agreements under
19	chapter 37D, the department of education may transfer
20	appropriated funds and positions for the operating

cost category among programs and among cost elements

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1		in a program, and between quarters, as applicable; and
2		the Hawaii health systems corporation and its regional
3		system boards may transfer special fund appropriations
4		among regional system hospital facilities as
5		applicable and as mutually agreed to by the
6		corporation and the respective regional system board;
7		provided that the Hawaii health systems corporation
8		and the regional system boards shall maintain the
9		integrity and services of each individual regional
10		system and shall not transfer appropriations out of
11		any regional system that would result in a reduction
12		of services offered by the regional system, with due
13		regard for statutory requirements, changing
14		conditions, the needs of the programs, and the
15		effective utilization of resources; [and]
16	(3)	The university and the department of education shall
17		account for each transfer implemented under this
18		subsection in quarterly reports to the governor and
19		annual reports at the end of each fiscal year to the
20		legislature and the governor, which shall be prepared

in the form and manner prescribed by the governor and

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1		shall include information on the sources and uses of
2		the transfer[-]; and
3	(4)	The university shall submit a report to the
4		legislature for each transfer implemented under this
5		subsection within thirty days of each transfer."
6	SECT	ION 3. Statutory material to be repealed is bracketed
7	and stric	ken. New statutory material is underscored.
8	SECT	ION 4. This Act shall take effect on July 1, 2030.

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Report Title:

Government; Budget; University of Hawaii

Description:

Requires the University of Hawaii to submit a report to the Legislature within thirty days of each appropriation transfer or change between programs. (HB2300 HD1)

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