

JAN 24 2018

S.B. NO. 2862

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# 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 to allow the  
5 university to fulfill their constitutional role and  
6 administration of its constitutionally-designated assets and  
7 public trust undertakings. Unlike most state agencies, the  
8 University of Hawaii has the authority to transfer appropriated  
9 funds and positions among programs and between fiscal quarters  
10 without legislative authorization. The university is currently  
11 required to account for these transfers in fiscal year-end  
12 reports to the 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 requirements  
16 for legislative oversight.



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  
21       cost category among programs and among cost elements



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  
21 in the form and manner prescribed by the governor and



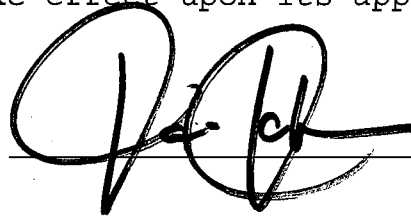
shall include information on the sources and uses of  
the transfer[-]; and

(4) The university shall submit a report to the  
legislature for each transfer implemented under this  
subsection within thirty days of the transfer."

SECTION 3. Statutory material to be repealed is bracketed  
and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

INTRODUCED BY:



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# S.B. NO. 2862

**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 changes between programs.

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

