
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 it is a matter of
2 statewide concern that the president of the university of Hawaii
3 serves simultaneously as the chief procurement officer for the
4 university of Hawaii system. The president of the system
5 simultaneously serving as the chief procurement officer leads to
6 inevitable conflicts of interest.

7 The legislature further finds that across the United
8 States, the vast majority of public higher education
9 institutions, including the California State University system,
10 University of Massachusetts system, and University of Oregon
11 system, differentiate between institutional leadership and
12 purchasing when assigning the authority over procurement. While
13 the chief procurement officer for the Colorado State University
14 system possesses authority over system purchasing and
15 procurement as well as direct oversight over Colorado's
16 institutions of higher learning, there were no instances in



1 institutions across the country in which a university president
2 is concurrently named as chief procurement officer.

3 Accordingly, the purpose of this Act is to:

4 (1) Designate the vice president for budget and finance
5 and chief financial officer of the university of
6 Hawaii as the chief procurement officer for the
7 university of Hawaii;

8 (2) Appropriate funds to effectuate the transfer of duties
9 of chief procurement officer to the vice president for
10 budget and finance and chief financial officer of the
11 university of Hawaii; and

12 (3) Authorize the issuance of general obligation bonds and
13 appropriate the revenues generated therefrom to the
14 university of Hawaii to renew, improve, and modernize
15 facilities systemwide.

16 SECTION 2. Section 103D-203, Hawaii Revised Statutes, is
17 amended by amending subsection (a) to read as follows:

18 "(a) The chief procurement officer for each of the
19 following state entities shall be:

20 (1) The judiciary--the administrative director of the
21 courts;



- 1 (2) The senate--the president of the senate;
- 2 (3) The house of representatives--the speaker of the house
- 3 of representatives;
- 4 (4) The office of Hawaiian affairs--the chairperson of the
- 5 board;
- 6 (5) The [~~University~~] university of Hawaii--~~[the president~~
- 7 ~~of the University of Hawaii;]~~ the vice president for
- 8 budget and finance and chief financial officer of the
- 9 university of Hawaii;
- 10 (6) The department of education, excluding the Hawaii
- 11 public library system--the superintendent of
- 12 education;
- 13 (7) The Hawaii health systems corporation--the chief
- 14 executive officer of the Hawaii health systems
- 15 corporation; and
- 16 (8) The remaining departments of the executive branch of
- 17 the State and all governmental bodies administratively
- 18 attached to them--the administrator of the state
- 19 procurement office of the department of accounting and
- 20 general services."



1 SECTION 3. There is appropriated out of the general
 2 revenues of the State of Hawaii the sum of \$ or so
 3 much thereof as may be necessary for fiscal year 2023-2024 and
 4 the same sum or so much thereof as may be necessary for fiscal
 5 year 2024-2025 to effectuate the transfer of duties of chief
 6 procurement officer from the president of the university of
 7 Hawaii to the vice president for budget and finance and chief
 8 financial officer of the university of Hawaii.

9 The sums appropriated shall be expended by the university
 10 of Hawaii for the purposes of this Act.

11 SECTION 4. The director of finance is authorized to issue
 12 general obligation bonds in the sum of \$20,000,000 or so much
 13 thereof as may be necessary and the same sum or so much thereof
 14 as may be necessary is appropriated for fiscal year 2023-2024 to
 15 university of Hawaii, systemwide support (UOH900) to renew,
 16 improve, and modernize facilities.

17 The sum appropriated shall be expended by the university of
 18 Hawaii for the purposes of this section; provided that the
 19 moneys appropriated shall not lapse at the end of the fiscal
 20 biennium for which the appropriation is made; provided further



1 that all moneys from the appropriation unencumbered as of
2 June 30, 2026, shall lapse as of that date.

3 SECTION 5. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 6. This Act shall take effect on July 1, 2050;
6 provided that the amendments made to section 103D-203(a), Hawaii
7 Revised Statutes, by section 2 of this Act shall not be repealed
8 when that section is reenacted on June 30, 2024, pursuant to
9 section 16 of Act 8, Special Session Laws of Hawaii 2021.



Report Title:

UH; Vice President for Budget and Finance and Chief Financial Officer; Chief Procurement Officer; GO Bonds; Appropriation

Description:

Designates the Vice President for Budget and Finance and Chief Financial Officer of the University of Hawaii as the Chief Procurement Officer for the University and appropriates funds for the transition. Appropriates general obligation bond funds to University of Hawaii, Systemwide Support (UOH900) to renew, improve, and modernize facilities. Effective 7/1/2050. (SD2)

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