STAND. COM. REP. NO.

S.D. 1

Honolulu, Hawaii **FEB 1 0 2023** RE: S.B. No. 249

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Higher Education, to which was referred S.B. No. 249 entitled:

"A BILL FOR AN ACT RELATING TO THE PRESIDENT OF THE UNIVERSITY OF HAWAII SYSTEM,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit a person from concurrently serving as:

- President of the University of Hawaii and chancellor of any University of Hawaii campus; and
- (2) Chief Procurement Officer of the University of Hawaii and President of the University of Hawaii.

Your Committee received testimony in support of this measure from two individuals. Your Committee received testimony in opposition to this measure from the University of Hawai'i System.

Your Committee finds that it is a matter of statewide concern that the President of the University of Hawaii serves simultaneously as the Chancellor of the University of Hawaii at Manoa. Serving in both roles leads to inevitable conflicts of interest. Similarly, the President of the University of Hawaii simultaneously serving as the Chief Procurement Officer of the University also leads to conflicts of interest. This measure



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eliminates these inevitable conflicts of interest by prohibiting the President of the University of Hawaii from serving simultaneously as President and Chancellor, and President and Chief Procurement Officer, respectively.

Your Committee notes Senate Bill No. 1197, Regular Session of 2023, which was additionally heard by your Committee, also removes the President of the University of Hawaii as the Chief Procurement Officer for the University of Hawaii and finds that, for purposes of clarity, Senate Bill No. 1197 is preferable for its stated purpose. Amendments to this measure are therefore necessary to reflect the preferred legislative vehicle to prohibit the President serving as the University of Hawaii's Chief Procurement Officer.

Accordingly, your Committee has amended this measure by:

- Deleting language that would have prohibited the President of the University of Hawaii from serving concurrently as Chief Procurement Officer for the University;
- (2) Amending section 1 to reflect its amended purpose; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 249, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 249, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Higher Education,

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DONNA MERCADO KIM, Chair



The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Higher Education HRE

Bill / Resolution No.:*	Committee Referral: Date:				
SB 249	HRE, JDC/WAM 2/2/23				
The Committee is reconsidering its previous decision on this measure.					
The Recommendation is:					
Pass, unamended X Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Ауе	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)		X			
KIDANI, Michelle N. (VC)					X
FUKUNAGA, Carol			×		
KEITH-AGARAN, Gilbert S.C.		X			
FEVELLA, Kurt		X			
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TOTAL		3	1		
Recommendation: X Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only <u>one</u> measure per Record of Votes