
A BILL FOR AN ACT

RELATING TO THE GENERAL FUND.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that continuing shifts in
2 federal policy are creating significant and widespread
3 challenges in the State and across the nation. These federal
4 changes, combined with broader economic trends, are expected to
5 affect the State's fiscal stability in the near future.
6 Reductions in federal funding and uncertainty regarding future
7 federal grant programs require the State to be prepared to
8 assume the financial responsibility for critical programs that
9 currently rely on federal support.

10 The legislature further finds that in periods of economic
11 uncertainty, it is a matter of statewide concern pursuant to
12 article X, section 6, of the Hawaii State Constitution, for the
13 State to maintain the ability to fund important programs with
14 moneys that are not immediately needed elsewhere. However, the
15 legislature recognizes that moneys paid by students who are
16 attending a specific campus within the university of Hawaii



1 system should be allocated and expended solely for the benefit
2 of the students of that campus.

3 Accordingly, the purpose of this Act is to:

4 (1) Require any tuition and fees be allocated and expended
5 for the benefit of students of the campus where
6 tuition or fee was collected; and

7 (2) Beginning June 30, 2029, lapse any unencumbered
8 balance in the university of Hawaii tuition and fees
9 special fund that are above two months of operating
10 expenses to the general fund.

11 SECTION 2. Section 304A-2153, Hawaii Revised Statutes, is
12 amended by:

13 1. Amending subsection (a) to read:

14 "(a) There is established the university of Hawaii tuition
15 and fees special fund into which shall be deposited all revenue
16 collected by the university for regular, summer, and continuing
17 education credit tuition, tuition-related course and fee
18 charges, and any other charges to students, except as provided
19 by law. Moneys deposited into the fund shall be expended to
20 maintain or improve the university's programs and operations and
21 shall not be:



- 1 (1) Used as a justification for reducing any budget
2 request or allotment to the university, unless the
3 university requests such a reduction;
- 4 (2) Transferred, unless otherwise authorized by the
5 legislature; [~~and~~]
- 6 (3) Restricted by the governor or the director of finance
7 without the prior approval of the legislature[~~-~~]; and
- 8 (4) Allocated or expended for the benefit of any program
9 or operation located on a campus other than the campus
10 at which the regular, summer, and continuing education
11 credit tuition, tuition-related course and fee
12 charges, or any other charges to students was paid.

13 Any rule, policy, or action of any agency or individual in
14 contravention of this subsection shall be void as against public
15 policy."

16 2. By amending subsection (g) to read:

17 "(g) At the end of each fiscal year, the moneys in the
18 university of Hawaii tuition and fees special fund for each
19 campus shall lapse to the credit of program identification
20 number UOH900 (university of Hawaii, system wide support)[~~-~~];
21 provided that, beginning June 30, 2029, any unencumbered balance



1 in the special fund above two months operating expenses, which
2 shall be calculated as sixteen per cent of the average general
3 operating expenditures over the prior three years, shall lapse
4 to the general fund."

5 SECTION 3. The university of Hawaii shall submit a report
6 of to the legislature on proposed spending of moneys in the
7 university of Hawaii tuition and fees special fund no later than
8 twenty days prior to the convening of the regular session of
9 2027.

10 SECTION 4. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 5. This Act shall take effect on July 1, 3000.



Report Title:

UH; Tuition and Fees; University of Hawaii Tuition and Fees
Special Fund; General Fund; Lapse

Description:

Requires that tuition, tuition-related course and fee charges, and other charges to students deposited into the University of Hawaii Tuition and Fees Special Fund be allocated and expended for the benefit of students at the campus at which the tuition, tuition-related course and fee charges, and or other charges to students was paid. Beginning 6/30/2029, requires unencumbered funds in the University of Hawaii Tuition and Fees Special Fund in excess of two months operating expenses to lapse to the general fund. Requires a report to the Legislature. Effective 7/1/3000. (HD1)

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