
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.

15 Accordingly, the purpose of this Act is to:



- 1 (1) Require any tuition and fees to be allocated and
2 expended in accordance with board of regents policy
3 for the university of Hawaii;
- 4 (2) Require any unencumbered balance in the university of
5 Hawaii tuition and fees special fund that, on June 30,
6 2029, exceeds the reserve level established by the
7 board of regents policy to lapse to the general fund;
8 and
- 9 (3) Require annual reports to the legislature detailing
10 expenditures.

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

13 1. By 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) Expended in accordance with board of regents policies
9 governing systemwide operations, shared services, and
10 cross-campus support; provided that the university of
11 Hawaii shall submit an annual report to the
12 legislature no later than twenty days prior to the
13 convening of each regular session detailing:
- 14 (A) Tuition and fee revenues collected by campus; and
15 (B) Expenditures allocated by campus and for
16 systemwide purposes.

17 Any rule, policy, or action of any agency or individual in
18 contravention of this subsection shall be void as against public
19 policy."

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



1 "(g) At the end of each fiscal year, the moneys in the
2 university of Hawaii tuition and fees special fund for each
3 campus shall lapse to the credit of program identification
4 number UOH900 (university of Hawaii, system wide support) [-];
5 provided that, on June 30, 2029, any unencumbered balance in the
6 special fund that exceeds the reserve level established by board
7 of regents policy for the university of Hawaii tuition and fees
8 special fund shall lapse to the general fund."

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 Statutory material to be repealed is bracketed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

11 SECTION 4. 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 in accordance with Board of Regents policies governing systemwide operations. On 6/30/2029, requires unencumbered funds in the University of Hawaii Tuition and Fees Special Fund that exceeds the reserve level established by the Board of Regents to lapse to the general fund. Requires annual reports to the Legislature. Effective 7/1/3000. (HD2)

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