

A Bill for an Act Relating to the Western Governors University.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the initiative of the Western Governors' Association, which has resulted in the creation of the Western Governors University, sometimes known as the "Virtual University", offers great promise for the State. The Western Governors University is being designed to provide competency-based education to citizens throughout the western United States through the use of modern information and telecommunications technologies. Further, the Western Governors University is based on the premise of cooperation within the region to ensure that scarce educational resources within participating states are leveraged to maximize efficiency. The Western Governors University offers an opportunity for Hawaii to share its own high-quality educational programs throughout the region, and at the same time, it offers Hawaii's citizens access to educational programs that may have previously been unavailable. The legislature further finds and declares that membership in the Western Governors University is in the public interest.

On January 15, 1997, the Western Governors University was established as a Utah nonprofit corporation to operate exclusively for educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and to carry out, among other activities, the establishment, operation, and administration of an institution of higher education to be known as the Western Governors University. The corporation has one class of members consisting of the governor of each state that is a participant in the program of the corporation.

The purpose of this Act is to authorize the board of regents of the University of Hawaii to do all things requisite for the State's participation in the program of the Western Governors University and to appropriate moneys for the initial membership fee to ensure participation in the program.

SECTION 2. Chapter 304, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

"PART . WESTERN GOVERNORS UNIVERSITY

§304- Participation and membership in the Western Governors University. On behalf of the State of Hawaii, the governor shall serve as a member of the Western Governors University, a Utah nonprofit corporation. The board of regents of the University of Hawaii is authorized to participate in the activities of the Western Governors University. The board of regents shall perform any act that may be deemed requisite for membership in the Western Governors University.

§304- Western Governors University special fund. There is established in the treasury of the State a Western Governors University special fund into which shall be deposited all revenues derived from the State's participation in the Western Governors University, except University of Hawaii income from regular credit tuition and tuition-related course and fee charges to students. The fund shall be administered by the board of regents of the University of Hawaii and shall be used for the State's membership and participation in the Western Governors University. The special fund shall not be subject to sections 36-27 and 36-30 relating to special fund reimbursements to the state general fund."

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 1997-1998 to UOH-900, systemwide support, to be expended by the board of regents to the Western Governors University for purposes of membership in the Western Governors University.

The sum appropriated shall be expended by the University of Hawaii for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 1997.

(Approved June 17, 1997.)