

**ACT 236**

**H.B. NO. 541**

**A Bill for an Act Relating to the University of Hawaii Tuition and Fees Special Fund.**

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

**SECTION 1.** Section 304A-2153, Hawaii Revised Statutes, is amended to read as follows:

**“~~§~~304A-2153~~§~~ University of Hawaii tuition and fees special fund.**

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

- (1) Used as a justification for reducing any budget request or allotment to the university unless the university requests such a reduction;
- (2) Transferred unless otherwise authorized by the legislature; and
- (3) Restricted by the governor or the director of finance without the prior approval of the legislature.

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

(b) Any law to the contrary notwithstanding, the board of regents may authorize expenditures of up to \$3,000,000 annually, excluding in-kind services, from this fund for the purposes of promoting alumni relations and generating private donations for deposit into the University of Hawaii Foundation for the purposes of the university. Any expenditure authorized pursuant to this subsection shall be for a public purpose and shall not be subject to chapters 42F, 103, 103D, and 103F. The university shall submit a comprehensive report to the legislature detailing the use of any funds authorized by the board under this subsection no later than twenty days prior to the convening of each regular session.

The report shall:

- (1) Identify each department of the University of Hawaii Foundation supported by moneys from the fund;
- (2) Describe the purposes and activities of each department identified in paragraph (1) and how it participates in fundraising activities and benefits the university;
- (3) Provide the total expenditures of each department identified in paragraph (1) by primary expense categories;
- (4) Identify all moneys from the fund transferred to any fund of the university and provide a justification of how these moneys are used to benefit the university;
- (5) Provide a financial summary of the operating activities of the University of Hawaii Foundation, including revenues and expenditures by major reporting categories; and
- (6) Identify amounts and purposes of all expenditures from the University of Hawaii support fund.

(c) Any law to the contrary notwithstanding, the university may transfer funds from the University of Hawaii tuition and fees special fund into the scholarship and assistance special fund established pursuant to section ~~§~~304A-2159~~§~~.

(d) In estimating its quarterly budget requirements, each campus of the University of Hawaii shall prepare a plan for the fiscal year for the operation of each of the programs that it is responsible for administering. The operations plan shall be:

- (1) In such form and content as the vice president for budget and finance and chief financial officer of the University of Hawaii may prescribe; and
- (2) Submitted, together with the estimated quarterly budget requirements, to the vice president for budget and finance and chief financial officer on such date as the vice president for budget and finance and chief financial officer may prescribe.

(e) The president and vice president for budget and finance and chief financial officer of the University of Hawaii:

- (1) Shall review the operations plan for each campus to determine if:
  - (A) It is consistent with the policy decisions of the board of regents and appropriations by the legislature;
  - (B) It reflects proper planning and efficient management methods;  
and
  - (C) Appropriations have been made for the planned purpose and will not be exhausted before the end of the fiscal year;
- (2) Shall approve the operations plan for each campus if they determine that the operations plan meets the requirements of paragraph (1);  
and
- (3) May modify or withhold the planned expenditures of any campus at any time during the appropriations period.

(f) At the end of each fiscal year, the moneys in the University of Hawaii tuition and fees special fund for each campus shall lapse to the credit of program identification number UOH900 (University of Hawaii, system wide support)."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2015.

(Became law on July 14, 2015, without the governor's signature, pursuant to Art. III, §16, State Constitution.)