MINUTES OF THE REGENTS’ COMMITTEE ON
BUDGET & LONG-RANGE PLANNING

Date: Thursday, October 17, 2002

Place & Time: Campus Center Conference Room 220
University of Hawai‘i at Mānoa
4:08 p.m.

Committee Members Present: Regents Dowling (presiding)
Ikawa
Kurisu
Lee
McElrath
Nunokawa
Poe
Thurston
Yamasato
Kobayashi (ex-officio)

Committee Members Excused: Regent Hartley
Kawakami

Others Present: Evan S. Dobelle, President, University of Hawai‘i#
David Morihara, Director, Governmental Relations
David Iha, Executive Administrator and Secretary of the Board
Carl Makino, Executive Assistant to the Board

2003 Legislative Proposals and Legislative Package

Mr. Morihara provided an overview of the Legislative Proposals to be submitted by the University to the 2003 State Legislature. He explained that the bills are designed to address identified needs and would:

- Grant the Board of Regents flexibility to construct and maintain university projects;
- Provide appropriations for the payment of settlement of claims;
- Establish in Chapter 304, Hawai‘i Revised Statutes, a University of Hawai‘i Risk Management Special Fund;
Safeguard all retirees, current and future employees of the University that there will be no reduction in or adjustment of retirement benefits;

Allow certain rights and benefits which are presently available to married couples to two (2) individuals who are currently prohibited from marrying each other;

Authorize the University of Hawai‘i to establish a civil service system as set forth in Chapter 76, HRS, for blue collar and white collar employees of the University; and to include the University in the definition of "justification" for collective bargaining purposes as it relates to civil service personnel;

Further enhance the restructuring of government, whenever positions are identified for abolishment, if the reason is for modernizing business practices, the position count and monies shall remain with the department;

Remove the statutory limitation which has prevented the University from implementing an optional retirement plan and to clarify that part-time and temporary University employees are not eligible for membership in the University’s optional retirement plan; and

Appropriate $500,000 for fiscal year 2004-2005 to enable CTAHR to begin to develop agribusiness incubators.

The proposed legislative bills were as follows:

UOH-01 (03) Relating to University Projects proposes to grant the Board of Regents flexibility to construct and maintain university projects. The University of Hawai‘i is proposing legislation to repeal and re-enact in its entirety, Chapter 306, Hawai‘i Revised Statutes. The re-enactment of Chapter 306 will permit the Board of Regents to issue revenues bonds without approval of the Governor and State Department of Budget and Finance and would be consistent with the University’s autonomy.

UOH-02 (03) Relating to Claims Against the University of Hawai‘i would provide an appropriation for the payment of settlements of claims against the university, for judgments and for other miscellaneous payments as provided by Chapter 304, Hawai‘i Revised Statutes.

UOH-03 (03) Relating to the University of Hawai‘i Risk Management Special Fund proposed to establish in Chapter 304, Hawai‘i Revised Statutes a Risk Management Special Fund. The University of Hawai‘i is proposing legislation to establish in Chapter 304, HRS a risk management special fund. This proposal serves as a vehicle by which the University of Hawai‘i can provide all costs and expenses associated with the administration of a risk management program.

UOH-04 (03) Relating to the Employees Retirement System proposed to safeguard all retirees of the University of Hawai‘i that there will be no reduction or adjustment
of retirement benefits.

UOH-05(03) Relating to Reciprocal Beneficiaries proposed to allow certain rights and benefits which are presently available to married couples to two (2) individuals who are currently prohibited from marrying each other. Provide health benefits coverage for reciprocal beneficiaries, similar to domestic partnership coverage it would allow unmarried couples access to health benefits.

UOH-06 (03) Relating to Authorizing the Establishment of a Separate Civil Service System, proposed to authorize the University of Hawai‘i to establish a civil service system as set forth in Chapter 76, Hawai‘i Revised Statutes (HRS), for blue collar and white collar employees of the University; and to include the University in the definition of “justification” for collective bargaining purposes as it relates to civil service personnel.

UOH-07 (03) Relating to Human Resources would further enhance the University of Hawai‘i’s ability to more efficiently and effectively organize and operate its programs and services. Such that whenever positions are identified for abolishment, due to the modernization of business practices, the position count and monies shall remain with the University of Hawai‘i. This bill would exempt the University of Hawai‘i from the requirement of reducing the position count and dollars should separation incentives be utilized by employees.

UOH-08 (03) Relating to the University of Hawai‘i proposed to remove the statutory limitation which has prevented the University from implementing an optional retirement plan and to clarify that part-time and temporary University employees are not eligible for membership in the University’s optional retirement plan. The University is proposing legislation to remove the statutory limitation which has prevented the University from implementing an optional retirement plan and to clarify that part-time and temporary University employees are not eligible for membership in the University’s optional retirement plan.

UOH-09 Relating to Agribusiness Incubators provides an appropriation of $500,000 to begin the creation, primarily by hiring staff, of agribusiness incubators throughout the state. The Collage of Tropical Agriculture and Human resources (CTAHR) proposes a bill seeking an appropriation of $500,000 to begin hiring staff for and developing agribusiness incubators throughout Hawai‘i.

Regent McElrath inquired about retirement for part-time employees. Mr. Morihara said he would see what could be done. President Dobelle asked that Mr. Morihara get a sense as to how the Legislature would view lump sum budgeting for the University under
Regent Ikawa moved to approve the proposed legislative package and authorize the administration to submit the proposal to the 2003 State Legislature. The motion was seconded and unanimously carried.

There being no further business before the Committee, the meeting was adjourned at 4:20 p.m.

Respectfully submitted,

David Iha, Secretary

Dated: November 27, 2002

c: Chairperson Bert A. Kobayashi
Members, Committee on Budget and Long-Range Planning
President Evan S. Dobelle
Vice President James R. W. Sloane
Interim Vice President Deane Neubauer