



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Health
and the
Senate Committee on Higher Education
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by
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HB 1297 HD2 Proposed SD1 – RELATING TO STATE FINANCES

Chairs Keohokalole and Kim, Vice Chairs Baker and Kidani, and members of the Committees:

Thank you for the opportunity to present testimony today. The University of Hawai'i (UH) opposes the Proposed Senate Draft 1 of House Bill No. 1297 House Draft 2, Relating to State Finances. The UH is agreeable with Parts I and II of the bill, but has serious concerns about Part III.

Part I of the proposed SD1 would add reporting requirements for special funds to Chapter 37, Hawai'i Revised Statutes. Part II of the proposed SD1 would eliminate the exemption from the central services assessment for several funds and add a sunset date of July 1, 2041 to the disposition of cigarette tax revenues to the Hawai'i Cancer Research Special Fund. As currently drafted, UH is agreeable with these Parts.

Part III of the proposed SD1 would place the UH Cancer Center under the jurisdiction of the John A. Burns School of Medicine (JABSOM) and restrict the use of the Tuition and Fees Special Fund (TFSF) and Research and Training Revolving Fund (RTRF) by JABSOM and the Cancer Center.

The Cancer Center has significantly improved operations in recent years under new leadership and we see no reason to make organizational changes at this point in time. Additionally, the restriction of the use of TFSF and RTRF funds that are generated by the UH for UH operations would appear to run counter to Article X, Section 6 of the Constitution of the State of Hawai'i, which provides the Board of Regents with "exclusive jurisdiction over the internal structure, management, and operation of the university." For additional information, we respectfully refer you to the testimony provided by President Lassner and Provost Bruno that was also submitted to the Committees.

Thank you for this opportunity to testify.