House Committee on Finance
Thursday, February 21, 2019 at 12:30 p.m.
By
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And
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Testimony Presented Before the

Interim Chancellor for Academic Affairs and Vice Chancellor for Research University of Hawai'i at Mānoa

HB 1547 HD1 – MAKING AN APPROPRIATION TO THE UNIVERSITY OF HAWAII

Chair Luke, Vice Chair Cullen and members of the committee:

Thank you for the opportunity to submit testimony in support of the intent of HB 1547 HD1. The University of Hawai'i at Mānoa Athletics Department (UHM Athletics) is very appreciative of the intent of HB 1547 HD1 to support its Division I athletics program with increased funding that could be used to expand its meals program for student-athletes. Providing certain meals is an important health and wellness component of UHM Athletics' efforts to enhance student-athlete success and is subject to National Collegiate Athletic Association (NCAA) bylaws.

Currently, the meals that UHM Athletics does provide are not the maximum allowed under the NCAA bylaws, but reflect a balance of: looking out for the health and wellness of our student-athletes; maintaining a competitive and gender equitable program; and managing unfunded requirements such as the meals that impact costs.

UHM Athletics is striving to improve its bottom line, while still allowing the University to host a Division I collegiate athletics program for its student athletes, students, the community and the state. While the department has made strides with various recent initiatives such as its multimedia rights partnership with IMG College, its "All Sports" apparel partnership with Under Armour, and its travel partnership with Hawaiian Airlines, UHM Athletics continues to have to overcome uniquely higher costs than its peers have. In 2017, Hawai'i had \$7.2M of higher expenses that are unique to Hawaii such as higher travel costs due to the longer distanced traveled, travel subsidies required by conference opponents to play in Hawai'i, etc. If not for the unique higher costs, UHM Athletics would have reported budget surpluses rather than deficits for the past several years.

Additional funding, as intended by HB 1547 HD1, would help UHM Athletics address it operating costs in general, and for meal costs specifically. During this legislative session, UHM Athletics has as its priorities that it is asking the Legislative to consider the reinstatement of \$2.7M of operating support as recurring from non-recurring, and allow special funded positions to be reclassified to general funded. Either or both of those

initiatives would provide support of the athletic program on a more general basis and not targeted specifically to a single cost component such as meals.

UHM Athletics offers for consideration suggested amendments to the language in Sections 1 and 2 of HB 1547 HD1 to more accurately reflect how the meal program for its student-athletes is applied and applicable NCAA requirements:

SECTION 1. The legislature finds that the operating bylaws of the National Collegiate Athletic Association for division I members allows educational institutions to provide meals to student-athletes equivalent to the value of the maximum meal plan that is available to all students. The bylaws allow one additional meal per day as a benefit incidental to participation in intercollegiate athletics; provided that the institution does not provide student-athletes with a meal and cash for the same meal. The bylaws also authorize institutions to provide a studentathlete financial aid, including a board allowance consisting of three meals per day or the institution's maximum meal plan that is available to all students, whichever is greater. The legislature further finds that, notwithstanding these bylaws, the <u>u</u>University of Hawaii <u>at Manoa</u>, a division I member of the National Collegiate Athletics Association, only provides student-athletes with one meal per day incidental to participation while the student-athletes are "in-season". The National Collegiate Athletics Association allows for this meal during the "out-of-season" segment as well and allows for additional snacks at any time. The current, partial implementation of the National Collegiate Athletics Association allowed meal, incidental to competition, is an unfunded initiative.

The purpose of this Act is to appropriate funds to the <u>uUniversity</u> of Hawaii to provide all student-athletes enrolled at the <u>uUniversity</u> with <u>two additional</u> meals per day a meal incidental to competition and snacks as permitted by National Collegiate Athletics Association bylaws.

SECTION 2. There is appropriated out of the general revenues of the State of Hawai'i the sum of \$ or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the <a href="mailto:uU"><u>UU</u></a>niversity of Hawaii to provide all student-athletes enrolled at the <a href="mailto:uU"><u>UU</u></a>niversity with <a href="mailto:a meal incidental to competition and snacks as permitted by National Collegiate Athletics Association bylaws two additional meals per day">two additional meals per day</a>.

The sums appropriated shall be expended by the  $\underbrace{\mathsf{u}}_{\mathsf{U}}$ niversity of Hawaii for the purposes of this Act.

UHM Athletics is very appreciative of any funding the Legislature might offer in support of the athletics program at the University, including HB 1547 HD1. In order of priority, the higher and more flexible operating funding that would result from reinstating the \$2.7M as recurring and/or the reclassification of the positions to general funded, would be a higher priority than the funding offered through HB 1547 HD1. However, all funding in support of the program is appreciated and will be utilized in support of the student-athletes. With these amendments, UH is in support of the intent of HB 1547 HD1 as long as it is in addition to the University's Biennium Budget Request.