



UNIVERSITY OF HAWAI'I SYSTEM

TESTIMONY

HB 20
RELATING TO THE UNIVERSITY OF HAWAII

Testimony Presented Before the
Committee on Higher Education

February 3, 2005

by

David Morihara
Director of Government Relations

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Chair Waters and Vice Chair Shimabukuro and Members of the Committee:

Re: HB 20 – RELATING TO UNIVERSITY OF HAWAII

The purpose of the bill is to repeal the sunset provision contained in section 12 of Act 321, Session Laws of Hawaii 1986.

Act 321, Session Laws of Hawaii 1986 was one of several laws that provided the University of Hawaii and the Department of Education with greater autonomy over its internal operations. It allowed the University to assume authority and responsibility for all matters related to the acquisition of goods and services, pre-audit payments, fund accounting, and business and accounting forms. Act 321 also provided the Board of Regents of the University of Hawaii with the authorization to approve certain exceptions to statutory competitive bidding requirements and authorized the University to install its own accounting system in conformity with generally accepted accounting principles as applied to colleges and universities. However, the provisions of Act 321 also included a sunset provision that was subsequently extended to June 30, 2005 by Act 115, SLH 1998.

Since 1986, the University of Hawaii has used the greater flexibility afforded by Act 321 to effectively increase efficiency in financial administration. Therefore, the University believes that it has successfully demonstrated its ability to independently administer its financial operations with no adverse effect on the state and that the sunset provision originally included in Act 321 is no longer necessary.

Thank you for the opportunity to testify in support of this measure.