



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Written Testimony Presented Before the
House Committee on Higher Education and the
House Committee on Judiciary
January 26, 2010, 2:00 p.m.

by

Howard Todo, Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i

HB 2051 RELATING TO THE UNIVERSITY OF HAWAII

Chairs Chang and Karamatsu, Vice Chairs Nakashima and Ito, and members of the House Committees on Higher Education and Judiciary:

Thank you for this opportunity to provide testimony in support of HB 2051 to allow the University of Hawai'i Board of Regents to establish fees for campus parking at an open meeting subject to the requirements of chapter 92, Hawai'i Revised Statutes (HRS) (the Sunshine Law), and exempt from the public notice, public hearing, and gubernatorial approval requirements of the chapter 91 rulemaking process.

This bill will enable the Board of Regents to establish University parking fees using the same process as currently applies to most other fees and charges imposed by the University, including tuition. Granting this authority to the Board of Regents will enable the University to more efficiently establish parking fees at appropriate levels to cover the costs of parking facilities and operations.

Currently, the Board of Regents has authority under section 304A-2006, HRS, to establish and amend fees or charges that generate receipts for deposit into University of Hawai'i special and revolving funds at a public meeting subject to the Sunshine Law and exempt from chapter 91. The Board of Regents also has authority under section 304A-403, HRS, to set resident tuition fees at an open public meeting subject to the Sunshine Law and exempt from the formal rulemaking process, provided that the open meeting is held during or prior to the semester preceding the semester to which the fees apply and that a copy of the schedule of fees is filed in the office of the Lieutenant Governor prior to taking effect.

Despite its broad authority to set other fees at an open meeting under chapter 92 and exempt from chapter 91, the Board of Regents is currently required by section 304A-2601, HRS, to set campus parking fees through formal rulemaking under chapter 91. This process is unnecessarily cumbersome and time-consuming, as it requires at least two meetings of the Board of Regents, at least one public hearing, and at least two submissions to the Governor's office before a parking fee amendment can take effect.

Specifically, the Board of Regents currently must complete at least the following steps to amend campus parking fees:

- Authorize the holding of a public hearing on proposed regulations, by action of the Board at a public meeting under the Sunshine Law;
- Submit the proposed regulations and supporting information to the Governor and obtain the Governor's approval for the holding of a public hearing;
- Hold a public hearing, on at least 30 days' notice, and receive public testimony on the proposed rule;
- Approve final regulations at another public meeting of the Board of Regents following the public hearing; and
- Submit the final regulations to the Governor with supporting information and obtain the Governor's approval.

Additional meetings and/or hearings may be required if the proposed rule is significantly modified during the review process. This process takes several months to complete, at best.

The Board of Regents' existing authority to set other University fees and charges at a public meeting under the Sunshine Law, and exempt from chapter 91, has been exercised responsibly and reasonably. The public has a full opportunity to testify on proposed changes in fees and charges, in writing or orally or both, and the Board considers all such testimony before acting. Thus, allowing the setting of parking fees at a chapter 92 public meeting, and exempt from chapter 91 rulemaking, will not meaningfully reduce the public's opportunity to participate in the process or affect the quality of the Board of Regents' decisionmaking. It will simply make the process more efficient and less time-consuming.

Thank you for the opportunity to testify in strong support of HB 2051.