



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Higher Education
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by
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HB 1637 – RELATING TO THE UNIVERSITY OF HAWAII

Chair Choy, Vice Chair Ichiyama and members of the committee:

Thank you for the opportunity to testify. The University of Hawai'i (UH) strongly supports HB 1637, which would appropriate moneys to hire six additional staff attorneys within the UH Office of General Counsel (OGC), provided that its passage does not replace or adversely impact priorities as indicated in the University's Board of Regents Approved Executive Supplemental Budget.

The OGC is the exclusive legal office for the entire UH system, with its annual operating budget of approximately \$1.17B, approximately 9,000-10,000 employees, and 10 campuses spread statewide. The current budget of OGC is **\$1.49M**, which pays for **8 attorneys and 5 staff** (2 paralegals, 2 secretaries, and 1 clerk), and represents 0.13 percent (13/100 of one percent) of UH's operating budget. By comparison, the City & County of Honolulu Department of the Corporation Counsel (COR) serves approximately the same sized employee base all located on Oahu, with **47 attorneys, plus 36 staff**, and budget of **over \$8M**; while not an "apples-to-apples" comparison, COR's budget constitutes 0.58 percent of the City's \$1.4B budget. The subject matter expertise of OGC attorneys ranges from the typical (real property transactions, contract negotiations, and procurement code and HRS Chapters 91 and 92F interpretations), to more specialized areas such as research and grant compliance, collegiate athletics, academic freedom, ceded lands, technology development and transfer, Title IX, and student privacy regulations.

As a general proposition, the UH does believe that additional resources in the area of legal support is a critical matter given the potential for high risk exposure in the diverse business lines of the University, and the role of in-house attorneys in early identification and mitigation of risk. UH administration at System and on all 10 campuses depends on access to legal counsel to tackle the broad range of legal issues that arise in an organization of the University's size and breadth. The addition of six attorneys will help to provide more timely and precise legal counsel for the University of Hawai'i system, allowing UH the opportunity to directly address criticisms leveled at OGC in the past.

Additional attorneys will enable enhanced contract review services, processes, and processing times. Currently, our turnaround time to review and revise contracts is not optimal. The University has also previously been criticized for its rate of hiring external legal counsel. After studying the data, I believe the University's use of external counsel has not been excessive considering the nature of legal expertise required in those matters and/or the volume of and scope of litigation being handled. That said, one main financial benefit of adding in-house attorneys would be to reduce the need for reliance on external counsel. Finally, additional attorneys would enable OGC to be more proactive in training and advising than current capacity will allow.

UH strongly supports this bill provided that its passage does not replace or adversely impact priorities as indicated in the University's Board of Regents Approved Executive Supplemental Budget.

Thank you for your time and consideration.