



UNIVERSITY OF HAWAI'I SYSTEM

TESTIMONY

SB 948
RELATING TO THE UNIVERSITY OF HAWAII

Testimony Presented Before the
Senate Committee on Higher Education

February 8, 2005

by

Sam Callejo
Vice President for Administration
University of Hawai'i System

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Chair Hee and Members of the Committee:

The purpose of this bill is to grant the Board of Regents express authority to enter into and execute contracts with private entities for the development, construction, lease or purchase, and financing of facilities, university projects, or university systems.

As State funding for University projects becomes increasingly limited, it is imperative that non-traditional methods of financing be explored as a means of developing critical University facilities. To this end, the University of Hawai'i's Board of Regents has authorized initiation of the process of seeking private developers for student housing on the Mānoa campus, a new Cancer Research Center of Hawai'i facility, and a new West O'ahu campus. The University is also pursuing the possibility of leasing space for the University of Hawai'i Center at West Hawai'i in a proposed private development adjacent to property owned by the University in Kona.

The proposed legislation would grant the Board of Regents express authority to enter into and execute contracts with private entities for the development, construction, lease or purchase, and financing of facilities, university projects, or university systems as described in section 306-1.

While the University of Hawai'i believes it has existing legal authority to enter into such arrangements, the University supports the spirit and intent of this bill because the bill would confer express authority to enter into arrangements with private entities and thus avoid possible ambiguity or uncertainty regarding the University's authority.

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