Testimony presented before the
House Committee on Economic Revitalization and Business
February 15, 2011 at 8:00 a.m.
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HB 1338: RELATED TO THE ECONOMY

Chair McKelvey, Vice Chair Choy, and members of the House Committee on Economic Revitalization and Business:

Thank you very much for this opportunity to testify on House Bill 1338 that appropriates unspecified funding to the University of Hawai'i for a number of programs and also proposes appropriations to the Department of Education for a "Hawai'i excellence through science and technology academy pilot program" at Kaua'i Community College.

The University of Hawai'i (UH) very much appreciates the support shown for Kaua'i Community College as well as the intent in the various provisions of HB 1338 to continue to strengthen STEM education for students and practicing teachers, and to provide incentives for STEM college graduates who may be interested in pursuing a career in teaching. As noted in the language of the bill, producing more STEM graduates is a vital part of the state's ability to respond to emerging or high growth industries.

Producing more STEM graduates is one of the performance indicators in our strategic outcomes for 2008-2015, and a high priority for the University. This is reflected in our biennium budget operating fund request for 2011-2013. The development of our budget strategy was grounded in our strategic outcomes, and particularly in President Greenwood's three initiatives that include the Hawai'i Graduation Initiative, Project Renovate to Innovate, and Workforce Development and Technology Advancement. Aligned with this, the University is requesting Outcomes Based Funding that holds us accountable for meeting these strategic priorities that address the state's educational and economic needs. Our Outcomes Based Funding request targets an increase in the number of graduates, and also attaches an additional weight for the production of STEM graduates at each campus.

The University's biennium budget proposal also includes program change requests (PCRs) developed by systemwide groups of administrators, faculty, staff, and students and approved by our Board of Regents. Preference was given to PCRs for new and emerging programs that address state needs for an educated workforce, with added consideration given to programs that spanned campuses and supported the movement of students from two to four year programs.

The list of PCRs in our biennium budget request reflect these priorities and include: a) from UH Mānoa an engineering consortium that partners with community colleges at the preengineering and lower division level with a goal of facilitating the flow of transfer students in

engineering program; b) from UH Hilo a best practices in STEM education initiative; and c) various STEM-related initiatives from the UH Community Colleges.

While the University appreciates the intent of HB 1338 to support STEM education, we urge the legislature to refer to the University's biennium budget request which specifies University priorities in this area. These have been vetted with our campuses and reflect strategic priorities and alignment with capacity and supporting programs.

Thank you very much for the opportunity to testify.



Testimony to the House Committee on Economic Revitalization and Business Tuesday, February 15, 2011 at 8:00 a.m. Conference Room 312, State Capitol

RE: HOUSE BILL NO. 1338 RELATING TO THE ECONOMY

Chair McKelvey, Vice Chair Choy, and Members of the Committee:

The Chamber of Commerce of Hawaii ("Chamber") supports HB 1338 relating to the Economy and respectfully requests that the committee pass this measure for further discussion.

The Chamber is the largest business organization in Hawaii, representing more than 1,100 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

The measure proposes to appropriate funds to support several initiatives essential to transforming the science, technology, engineering, and math (STEM) education process to create a well educated and trained 21st century workforce to diversify Hawaii's economy through innovation.

Innovation is recognized as an essential driver of economic growth and future competitiveness. It fosters new technologies, creates jobs, and keeps the US leading the global marketplace.

The University of Hawai'i Innovation Council recently completed a study on steps that the university should take to create a 21st century capability for innovation and technology transfer to support a multibillion dollar innovation centric marketplace for Hawai'i. The study included a reference to Governor Abercrombie's roadmap in his call for a "New Day in Hawai'i", which outlined seven priorities in mapping out the path to economic recovery. Among them is the need to transform the University of Hawai'i system to support the entrepreneurial professor, facilitate innovation and technology transfer, and support premier education and research projects.

The initiatives proposed in this legislation would contribute towards better preparing our children for continuing STEM education at the UH. They address programs to bolster the capabilities of public school teachers, offer broader learning experiences for students, foster inspiration and relevance through science and technology problem-based and applied learning experiences, and offer incentives for people who hold degrees in STEM subjects. This is a critical step in creating a sustainable innovation ecosystem that, in turn, will attract the brightest and most talented people to Hawai'i, venture funding for R&D companies, and other steps necessary to grow Hawai'i's innovation industry.

The Chamber supports passing this bill as it proposes steps that are essential to creating an innovation ecosystem that will enable the state to diversify the economy for the 21st century.

Thank you for the opportunity to testify on this important bill.