A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the tuition schedule 2 established by the board of regents of the University of Hawaii 3 has created an unreasonable increase in the cost of attendance. 4 For example, tuition fees for resident full-time undergraduate 5 students at the University of Hawaii at Manoa steadily increased 6 each academic year since 2011-2012, by approximately 3.1 per 7 cent in 2012-2013, 5.5 per cent in 2013-2014, 7.6 per cent in 8 2014-2015, 5.1 per cent in 2015-2016, and are scheduled to 9 increase by another 5.1 per cent in 2016-2017.

10 The legislature finds that the cost of tuition at the 11 University of Hawaii is a matter of statewide concern and that 12 it is in the best interests of the State to ensure that all 13 students have affordable access to higher education.

14 The purpose of this Act is to subject any tuition fee
15 increase at the University of Hawaii to legislative disapproval.
16 SECTION 2. Section 304A-401, Hawaii Revised Statutes, is
17 amended to read as follows:



1

"[+]§304A-401[+] Tuition fees; resident, nonresident;
 other fees. (a) The board of regents may charge resident and
 nonresident tuition fees for regular courses of instruction at
 any University of Hawaii campus, including any community
 college.

6 (b) The board may also charge other fees for special 7 programs of instruction, as well as laboratory fees, course 8 fees, fees for student activities, and an information technology 9 user fee. The board may charge other fees for summer session or 10 evening courses, including differential fees for nonresident 11 students.

12 (c) Prior to any regular credit or summer session tuition 13 fee increase taking effect, the proposed regular credit or 14 summer session tuition fee increase made pursuant to subsection 15 (a) or summer session tuition fee increase made pursuant to subsection (b) shall be subject to disapproval by two-thirds 16 17 vote of either the senate or house of representatives or by majority vote of both houses of the legislature in any regular 18 19 session following the date of the board of regents' approval of 20 the increase. The University of Hawaii shall submit for 21 introduction to the legislature a resolution for review of the



Page 2

| 1 | regular credit or summer session tuition fee increase together | | | | | |
|----|--|--|--|--|--|--|
| 2 | with a detailed justification for the increase." | | | | | |
| 3 | SECTION 3. Section 304A-401, Hawaii Revised Statutes, as | | | | | |
| 4 | amended by section 2 of this Act, shall apply to tuition fee | | | | | |
| 5 | increases applicable to the 2017-2018 academic year and all | | | | | |
| 6 | academic years thereafter, including summer sessions. | | | | | |
| 7 | SECTION 4. Statutory material to be repealed is bracketed | | | | | |
| 8 | and stricken. New statutory material is underscored. | | | | | |
| 9 | SECTION 5. This Act shall take effect upon approval. | | | | | |
| 10 | | | | | | |
| | INTRODUCED BY: | | | | | |
| | JAN 2 5 2016 | | | | | |

,



Page 3

Report Title: University of Hawaii; Tuition Fee Increases; Legislative Approval

Description:

Subjects to legislative disapproval any tuition fee increase at the University of Hawaii. Requires the University to submit a resolution for review of and a detailed justification for the increase. Applies to tuition fees for the 2017-2018 academic year and subsequent academic years, including summer sessions.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.





UNIVERSITY OF HAWAI'I SYSTEM

Legislative Testimony

Testimony Presented Before the House Committee on Higher Education February 2, 2016 at 2:00 p.m., Room 309 by Kalbert K. Young Vice President – Budget & Finance/Chief Financial Officer University of Hawai'i

HB 2193 – RELATING TO THE UNIVERSITY OF HAWAII

Chair Choy, Vice Chair Ichiyama, and Members of the Committee on Higher Education:

Thank you for this opportunity to testify. The University of Hawai'i (UH) opposes HB2193, Relating to the University of Hawaii. This bill subjects to legislative disapproval any tuition fee increase at the University of Hawai'i, and requires UH to submit a resolution for review of and a detailed justification for the increase.

Tuition rate increases already go through a rigorous public notification and communication process, which are subject to the open meeting requirements of Chapter 92, Hawai'i Revised Statutes. Executive Policy 6.202 requires at least one such meeting be held on Hawai'i, Maui, Kaua'i, and O'ahu islands. These meetings, and the general public scrutiny regarding UH's tuition rates, already ensures a large amount of public input will be provided to the Board of Regents as it deliberates any tuition rate increases.

Regent Policy 6.202 states that:

"The ultimate intent of this policy is that every qualified Hawai'i citizen shall have an opportunity to pursue postsecondary education within the university system. Since tuition and mandatory fees are critical to access, they shall not be so uniformly high that they prevent qualified citizens from attending a campus of the university. As a general principle, the board subscribes to a tuition policy that seeks to keep costs to resident students at the lowest practical level while maintaining a financial aid program that responds to the needs of students who cannot meet the costs of attendance."

We recognize that tuition increases in recent history have been substantial. However, it may be important to note that tuition at UH as recently as 2011 were very cheap – and even today remain relatively low. Also, general fund appropriations for UH have

House Committee on Higher Education House Bill No. 2193 February 2, 2016 Page 2 of 2

declined significantly since 2009, as shown in the table below. In fact, general fund appropriations for FY2016 are still roughly \$33 million, or about 7 percent below FY2009 levels.

| Fiscal Year | GF Appropriation | <u>% change</u> |
|-------------|------------------|-----------------|
| 2009 | \$ 460,482,584 | |
| 2010 | \$ 422,591,205 | -8.23% |
| 2011 | \$ 360,687,276 | -14.65% |
| 2012 | \$ 386,307,258 | 7.10% |
| 2013 | \$ 377,460,254 | -2.29% |
| 2014 | \$ 386,721,245 | 2.45% |
| 2015 | \$ 409,656,245 | 5.93% |
| 2016 | \$ 427,574,683 | 4.37% |
| 2017 | \$ 428,293,331 | 0.17% |

Although rate tuition increases have been arguably substantial over the last several years, the real dollar amount of tuition still has the UH as an affordable option compared to other public universities. Furthermore, tuition pays for only a portion of the cost to provide an operating university. Subjecting tuition decision to the Legislative process without accommodating commitment from the Legislature to make up the difference in the cost of education will not address the operational needs of education at UH.

Thank you for your time and consideration.



From:mailinglist@capitol.hawaii.govSent:Monday, February 01, 2016 7:52 PMTo:HEDtestimonyCc:bp32@hawaii.eduSubject:*Submitted testimony for HB2193 on Feb 2, 2016 14:00PM*

<u>HB2193</u>

Submitted on: 2/1/2016 Testimony for HED on Feb 2, 2016 14:00PM in Conference Room 309

| Submitted By | Organization | Testifier Position | Present at Hearing |
|-------------------------|--------------|---------------------------|--------------------|
| Bret Polopolus-Meredith | Individual | Support | No |

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov