Date: Tuesday, February 7, 2017 Time: 2:01 PM Place: Conference Room 309

Late Testimony

To: <u>House Committee on Higher Education</u> Representative Justin H. Woodson, Chair Representative Mark J. Hashem, Vice Chair

Re: Support for HB1320 Relating to Post-Secondary Education

Thank you for the opportunity to provide testimony. The Graduate Student Organization at the University of Hawai'i at Mānoa (GSO) stands in **strong support of HB1320**. The GSO represents approximately 4,700 graduate students at the University of Hawai'i at Mānoa. HB1320 would require post-secondary educational entities registered in the state as for profit entities to disclose their for-profit status. This measure would help to ensure that students and potential students are made aware when schools are for-profit, which is of significance in that many students are often unaware that they are enrolling in a for-profit school.

According to a recent national study¹, for-profit schools disproportionality target the poorest students in large part because these schools appeal to the lack of experience poor and work-poor students have in high education. Thus, measures such as HB 1320 would protect students who are economically disenfranchised. We cannot rely on the new Whitehouse administration to expand or maintain regulations regarding for-profit universities so students and community members must rely on local measures that protect and invest in quality higher education in the state of Hawai'i. For the following reasons, the GSO strongly encourages you to **support HB 1320**.

¹ http://files.eric.ed.gov/fulltext/ED539715.pdf



To: The Honorable Justin Woodson, Chair The Honorable Mark Hashem, Vice Chair House Higher Education Committee From: University of Phoenix Re: HB 1320 – Relating to Post-Secondary Education Date: Tuesday, February 07, 2017 2:01p.m., Room 309

Chair Woodson, Vice Chair Hashem and members of the committee,

For the record my name is Annie Macapagal and I am here on behalf of University of Phoenix to express our opposition to HB 1320. The University of Phoenix has been a member of the community in Hawaii for over 25 years with locations on Oahu. The University also offers quality online programs for those students who may choose not to attend a brick and mortar institution.

Late Testimony

HB 1320 Singles Out Institutions Based on Tax Status

We are opposing this measure due to our strong concerns that the bill specifically targets any higher education institution that operates on a for-profit basis. We understand that this measure seeks to create additional "protections" for students attending these institutions by requiring for-profit institutions to clearly disclose on all catalogs, promotional materials, electronic media, signage, and contracts for instruction the following: "(Name of Degree Granting Institution) is a for-profit business registered in Hawaii." The bill also contains overly broad language lumping all for-profit institutions negatively together based solely on tax status. University of Phoenix has a long history of providing high quality career relevant higher education to working adults in Hawaii. Currently, there are over 1,100 Hawaii Residents attending the University either at local locations on Oahu or online. Additionally, we have approximately 130 faculty members from Hawaii. It seems this legislation's intent is to favor some institutions over others based simply on an institution's tax status, rather than concerning itself with real protections for students attending all colleges and universities in Hawaii. University of Phoenix, as a private institution whose tax status is for-profit, strives to provide high quality and accessible educational programs for all Hawaii residents who might not otherwise be able to access higher education.

In conclusion, HB 1320 does little to create meaningful or value added benefits for students in Hawaii, but attempts to single out for differential treatment institutions solely based on their tax status. For these reasons University of Phoenix must oppose this measure. If you should have any additional questions please don't hesitate to contact me at 808.544.8300 or amacapagal@wik.com

HB 1320

I support this bill because education is one of the greatest equalizers that people toward upward mobility. However, there are those that wish to prey on individuals want to go to school so badly that certain for profit school have done in the past purposely misrepresent their educational institutions and how much is cost to attend. A student wears two hats when they are applying for school and once in, as a student and consumer.

LATE TESTIMONY

Protections need to be drafted into legislation to prevent for profit school from preying on low income students and their families along with other groups. As a result, the groups mentioned are for more susceptible to default on loans which puts them in a far worst predicament. This bill address matter of disclosures in terms of how much a for profit college spends on advertisements and other forms of media. Also with the passage of this bill for profit institution must become more transparent as to what type of institution they are they are either for profit or not, so that the student/consumer and their families can make better educated choices. We must not have cases like Corinthian College which defrauded many students into thinking that the school they were going to had high cases of gradation and job placement.

Ken Farm



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