A BILL FOR AN ACT

RELATING TO TUITION AT THE UNIVERSITY OF HAWAII.

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

- 1 SECTION 1. The legislature finds that overall enrollment
- 2 in the University of Hawaii system has dropped by 3.3 per cent
- 3 from fall 2016 to fall 2017. Correspondingly, tuition has
- 4 increased steadily since academic year 2011-2012, increasing by
- 5 3.1 per cent in 2012-2013, 5.5 per cent in 2013-2014, 7.6 per
- 6 cent in 2014-2015, 5.1 per cent in 2015-2016, and 5.1 per cent
- 7 in 2016-2017, with further increases scheduled in the 2018-2019
- 8 and 2019-2020 academic years. However, despite the decline in
- 9 enrollment, faculty salaries are scheduled to increase at a rate
- 10 faster than the growth in tuition. This will decrease the
- 11 budget amount available for other priorities, such as
- 12 modernizing buildings, offering scholarships, and student
- 13 programs and services.
- 14 Further, the legislature finds that declining enrollment
- 15 necessarily leads to a decrease in revenue from per-student
- 16 fees, which are often used to fund student programs and
- 17 services. This harms the student experience, further depressing

- 1 enrollment. This is contrary to state policy, which favors an
- 2 informed and educated populace.
- 3 The legislature finds that increased enrollment, affordable
- 4 tuition, and a more educated populace are issues of statewide
- 5 concern. As such, the purpose of this Act is to promote
- 6 increased enrollment at the University of Hawaii by capping
- 7 tuition increases based on the change in the State's median
- 8 household income, and thereby improve the student experience,
- 9 keep budgetary pace with increased salaries and other costs, and
- 10 promote a more educated populace.
- 11 SECTION 2. Section 92-28, Hawaii Revised Statutes, is
- 12 amended to read as follows:
- 13 "§92-28 State service fees; increase or decrease of. Any
- 14 law to the contrary notwithstanding, the fees or other nontax
- 15 revenues assessed or charged by any board, commission, or other
- 16 governmental agency may be increased or decreased by the body in
- 17 an amount not to exceed fifty per cent of the statutorily
- 18 assessed fee or nontax revenue, to maintain a reasonable
- 19 relation between the revenues derived from such fee or nontax
- 20 revenue and the cost or value of services rendered,
- 21 comparability among fees imposed by the State, or any other

1 purpose which it may deem necessary and reasonable; provided 2 that: 3 (1) The authority to increase or decrease fees or nontax 4 revenues shall be subject to the approval of the 5 governor and extend only to the following: chapters 6 36, 92, 94, 142, 144, 145, 147, 150, 171, 188, 189, 7 231, 269, 271, 321, 338, 373, 412, 414, 414D, 415A, 8 417E, 419, 421, 421C, 421H, 421I, 425, 425E, 428, 431, 436E, 436H, 437, 437B, 438, 439, 440, 440E, 441, 442, 9 10 443B, 444, 447, 448, 448E, 448F, 448H, 451A, 451J, 11 452, 453, 453D, 455, 456, 457, 457A, 457B, 457G, 458, 12 459, 460J, 461, 461J, 462A, 463, 463E, 464, 465, 465D, 13 466, 466D, 466K, 467, 467E, 468E, 468L, 468M, 469, 471, 472, 481E, 482, 482E, 484, 485A, 501, 502, 505, 14 15 514A, 514B, 514E, 572, 574, and 846 (part II) and any 16 board, commission, program, or entity created pursuant 17 to title 25 and assigned to the department of commerce 18 and consumer affairs or placed within the department 19 for administrative purposes; **20** (2) The authority to increase or decrease fees or nontax 21 revenues under the chapters listed in paragraph (1)

S.B. NO. 2329 S.D. 1

1		that are established by the department of commerce and
2		consumer affairs shall apply to fees or nontax
3		revenues established by statute or rule;
4	(3)	The authority to increase or decrease fees or nontax
5		revenues established by the University of Hawaii under
6		chapter 304A shall be subject to the approval of the
7		board of regents; provided that the board's approval
8		of any increase or decrease in tuition for regular
9		credit courses shall be preceded by an open public
10		meeting held during or prior to the semester preceding
11		the semester to which the tuition applies; provided
12		further that no increase in tuition shall exceed the
13		mean change in the State's median household income, as
14		determined by the United States Census Bureau, for the
15		past ten years;
16	(4)	This section shall not apply to judicial fees as may
17		be set by any chapter cited in this section;
18	(5)	The authority to increase or decrease fees or nontax
19		revenues pursuant to this section shall be exempt from
20		the public notice and public hearing requirements of
21		chapter 91; and

S.B. NO. 2329 S.D. 1

1	(6)	Fees for copies of proposed and final rules and public
2		notices of proposed rulemaking actions under chapter
3		91 shall not exceed 10 cents a page, as required by
4		section 91-2.5."
5	SECT	ION 3. Beginning with the 2018-2019 academic year,
6	tuition a	t the following University of Hawaii campuses shall be
7	reduced a	s follows:
8	(1)	University of Hawaii at Manoa - per cent of the
9		tuition as approved by the board of regents of the
10		University of Hawaii on July 21, 2016, and amended on
11		June 1, 2017;
12	(2)	University of Hawaii at Hilo and University of Hawaii
13		West Oahu - per cent of the tuition as approved
14		by the board of regents of the University of Hawaii on
15		July 21, 2016, and amended on June 1, 2017; and
16	(3)	Each community college campus - per cent of the
17		tuition as approved by the board of regents of the
18		University of Hawaii on July 21, 2016, and amended on
19		June 1, 2017.
20	SECT	ION 4. New statutory material is underscored.

S.B. NO. 2329 S.D. 1

SECTION 5. This Act shall take effect on July 1, 2018;

provided that the amendments made to section 92-28, Hawaii

Revised Statutes, by section 2 of this Act shall not be repealed when that section is amended by Act 181, Session Laws of Hawaii 2017.

Report Title:

University of Hawaii; Tuition; Reduction; Cap; Median Household Income

Description:

Caps increases in tuition for the University of Hawaii based on the change in the State's median household income. (SD1)

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