S.B 581 RELATING TO EDUCATION

Testimony Presented Before the Senate Committee on Higher Education

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By

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SB 581 Relating to Education

Chairs Hee and Hanabusa and Members of the Committee:

The University appreciates and supports the intent of SB 581. We recognize the significance of the contribution made by these members of our community and the importance of their service to the safety of our citizens. The University currently provides refunds at the request of members of the Hawai‘i National Guard and military reserve, who are called to active duty, as well as military personnel already on active duty who are unable to attend college due to military obligations. The University has the authority to provide these refunds and have consistently done so. Any monies refunded are limited to those paid by the student out-of-pocket and do not include third party payments, such as financial aid from the federal government.

The refunds to qualified children under section 1 (1) of the bill are, in essence, waivers of tuition which would require the University to refund 100% of the tuition of these students who receive academic credit at community colleges and 50% of those at the baccalaureate campuses. Act 161 (1995) states that tuition waivers that are mandated by the Legislature require general fund allocations to support the measure. An allocation for this purpose is appropriate, inasmuch as supporting these children is a statewide governmental concern. The University will be pleased to support this measure if the Legislature provides appropriate funding and if this measure does not replace the University’s priorities in the executive budget.

The University of Hawai‘i administration is currently reviewing the manner in which the University is financed. The review includes an analysis and revision of our current revenue and expenditures, including our financial aid and scholarship programs. The University administration will consider the tuition assistance, as described in Section 1 (1) of this bill, in the review process.

While we support the intent of SB 581, without the additional general fund allocation, we are uncertain how the refunds proposed in Section 1 (1) will be accommodated. The University of Hawai‘i, therefore, respectfully requests legislative appropriation of the required funds.

Thank you for the opportunity to express our concerns on SB 581. We thank the legislators for your interest in higher education for all citizens and support of our students.