SB2131 – RELATING TO THE UNIVERSITY OF HAWAI‘I

Chairs Taniguchi and Espero, Vice Chairs Kahele and Baker, and Members of the Committees:

SB 2131 proposes to require the University of Hawai‘i to waive the nonresident tuition & fee differential for veterans of the five major branches of the US Armed Forces (Army, Navy, Air Force, Marine Corps, and Coast Guard).

The University of Hawai‘i appreciates the outstanding service that military veterans have provided to our country, and we welcome the different life experiences they bring to the college classroom, adding to the diversity of our campuses. We do support the overall intent of this bill and concurrently, are concerned about its fiscal impact on the University.

The University currently waives payment of the nonresident tuition differential for active duty military members and their spouses as well as those in the National Guard or Reserves. For academic year 2012-2013, a total of 114 National Guard and Reserve personnel received this benefit which amounted to $774,792 of University foregone revenue. Additionally, in the same period, a total of 1,853 active duty personnel received this benefit amounting to $9,423,276 of University foregone revenue. For the University, the amount of funding caused by waiving the nonresident tuition & fee differential for veterans and active duty/reserve personnel would be significant.

Awarding the non-resident tuition differential for veterans discharged honorably from the Armed Forces will no doubt increase the numbers of student veterans on the University of Hawai‘i campuses. The University would welcome additional legislative appropriations to cover the foregone revenue. Also, the University would need the assistance of a state office such as the Office of Veterans Services to “confirm” the veteran status of individuals desiring to avail themselves of the benefit proposed by this bill.

Thank you for the opportunity to testify on this bill. The University supports the intent of this bill, provided that this support does not impact the University’s budget priorities as articulated in its budget request. We appreciate your support of encouraging our veterans to improve themselves and the communities in which they reside through post-secondary education.