



UNIVERSITY OF HAWAII SYSTEM

TESTIMONY

H.B. 1473 RELATING TO THE UNIVERSITY OF HAWAII

Testimony Presented Before the Committee on Higher Education

February 8, 2005

By

Linda K. Johnsrud
Interim Associate Vice President for Planning and Policy
University of Hawai'i System

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Chair Tommy Waters and Members of the Committee:

The intent of HB 1473 is to fundamentally change the basis on which the University of Hawai'i is funded. We appreciate the recognition that appropriations need to accommodate enrollment growth; nonetheless, we advise caution in passing this bill, because establishing an adequate student weighted formula will take considerable time and consultation. States that use formulas have taken years to determine the appropriate weights and ratios of the various component costs of education. In the UH system, where we have to consider the differential missions and costs of a research university, two baccalaureate-granting campuses, and seven community colleges, the task is even more formidable.

Section 304-7.5 of the Hawai'i Revised Statutes calls for an appropriation that is three to five times the amount of regular tuition, effective 1998-1999. The Legislature has not been bound by this requirement; rather the decisions to fund the University seem to be based primarily on the fiscal condition of the State. The University is hesitant to replace one funding formula with another without considerable attention to its adequacy and the commitment to, in fact, funding the formula. It is worthy of note that California, that has a long history of enrollment-based funding, has recently abandoned the formula given the scarcity of resources.

Although it is a simple matter to calculate the current appropriations per student FTE, for example, it is not a simple matter to determine "the amount of funding required per student" as indicated in the bill. In its Biennium Budget request the University outlines the funding needed to address critical State needs in matters relating to Native Hawaiian education, workforce development, infrastructure, and enrollment growth. These requests reflect the "amount of funding required" to adequately serve students and the State of Hawai'i.

We respectfully request that members of the Legislature look carefully at the priorities of the University's funding request and judge the request for the next biennium on its merits. It is hard to imagine a formula that could substitute for sustained State interest and support. If there is a desire to pursue a student weighted formula, then we request the time and resources to develop a sound plan for the future.

Thank you for this opportunity to testify in support of H.B 1473.