



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

---

Testimony Presented Before the  
House Committee on Higher Education

March 27, 2007

by

Karen C. Lee, Interim Associate Vice President for Student Affairs

HCR 332 – REQUESTING THE BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII TO CHARGE RESIDENT TUITION TO PACIFIC ISLAND STUDENTS.

Chair Chang, Vice-Chair Bertram and Members of the Committee:

The purpose of HCR 332 is to request the University of Hawai'i to charge resident tuition to students from certain Pacific Island jurisdictions.

Unfortunately, many of the statements in HCR 332 are erroneous. Beginning in Fall 2007, the University will charge a tuition rate of 150% of the Hawai'i resident tuition rate to students from eligible Pacific Island jurisdictions which do not have public higher education institutions that grant baccalaureate degrees. The Western Undergraduate Exchange (WUE) rate does not have a direct bearing to this tuition rate. Furthermore, this tuition rate does not apply to Pacific Island jurisdictions that already have public baccalaureate institutions. Finally, unlike the statement in the resolution, the University instituted a UH Pacific Islander Scholarship program that campuses may choose to implement using their tuition increases.

Last year, the University very thoughtfully and deliberately implemented a new financial assistance Board of Regents policy that restructured our tuition waiver program into need-based and non-need-based financial assistance. We restructured the program to use the increased tuition revenues on each campus to finance more institutional aid for students. Tuition for Hawai'i resident students is much lower than tuition for non-resident students because of our University's commitment to access to higher education for the taxpayers of our state. The Hawai'i state government subsidizes this lower tuition rate for residents. Non-residents, therefore, must pay for the total amount of their cost of education.

Students from Pacific Island jurisdictions that have historical ties to the U.S. but do not have public higher educational institutions that grant baccalaureate degrees have had their tuition rate subsidized by the state of Hawai'i for many years despite the fact that many are not Hawai'i residents. In acknowledging Hawai'i's special relationship with the Pacific Islands, the University, after much deliberation, decided to continue to grant these students a special tuition rate of 150% of the Hawai'i resident tuition rate, which is still much lower than the non-resident rate. We also ensured that Pacific Island students would be eligible for the newly-instituted UH Opportunity Grant, given to

students with financial need, and the UH Pacific Islander Scholarship, given to students based on merit and other non-need criteria, depending on the campus. Students from Pacific Island jurisdictions with historical ties to the United States are also eligible for Federal financial aid.

Although the UH System, through Executive Policy, provides guidelines for the allocation of financial aid, the Chancellors are responsible for decisions regarding specific institutional grants or scholarships. Each campus has committed to increase their need-based grants to meet the financial need of Pacific Island students so that they can continue to enroll in our UH campuses. Furthermore, those who are already enrolled at a UH campus prior to the Fall 2007 semester will continue to pay the resident rate of tuition if they remain continuously enrolled in the same program.

When the University decided to raise tuition rates for all students in 2005, we committed to creating a financial assistance plan to increase financial aid to students. Likewise, we are committed to continued access to our campuses for Pacific Island students by meeting their financial need as well as giving an opportunity for a non-need scholarship.

The University of Hawai`i, therefore, respectfully opposes the passage of this resolution.

Thank you for the opportunity to testify on this bill.