UNIVERSITY OF HAWAI'I SYSTEM LEGISLATIVE TESTIMONY



HB 2706 – RELATING TO THE UNIVERSITY OF HAWAI'I SYSTEM

Testimony Presented Before the House Committees on Higher Education and Health February 5, 2008 at 2:00 pm

by

Karen C. Lee Interim Associate Vice President for Student Affairs University of Hawaii System

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Chair Chang, Chair Green, Vice Chair Bertram, Vice Chair Mizuno, and Members of the Committees:

The purpose of HB 2706 is to establish a student loan forgiveness program to provide nursing health care to underserved areas of the State of Hawai'i.

The University of Hawai'i appreciates the intent of the Legislature to provide financial support through a loan forgiveness program to students who wish to become nurses in the State of Hawai'i. However, the University opposes this bill because of the extensive administrative hardship this will place on our various offices, in particular our financial aid offices and general accounting office, to track students after graduation and to administer such a loan. With our current mission as an educational institution and our capacity of staffing and resources, we would not be able to develop and maintain such a program.

The private banking and loan industry sector may be a more appropriate place in which to initiate such a program. With limited resources, the University would not be able to adequately administer the program as would a private corporation.

Furthermore, the University does not believe that this type of incentive directly relates to the State's nursing shortage. At this point, we have more students than spaces available in our nursing programs across the UH system, and this bill would not alleviate the demand.

Thank you for the opportunity to testify on this bill.