Testimony Presented Before the
House Committee on Higher Education
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By

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HR 131/HCR 158 – REQUESTING THE UNIVERSITY OF HAWAI'I BOARD OF REGENTS TO STUDY THE FEASIBILITY AND BENEFITS OF ALLOWING THE CAMPUS CEILING FOR NONRESIDENT ENROLLMENTS TO BE SET ON A CAMPUS-BY-CAMPUS BASIS, OR ALTERNATIVELY, OF LIFTING THE CEILINGS.

Chair Chang, Vice Chair Bertram, and Members of the Committee on Higher Education:

I am Linda Johnsrud, Vice President for Academic Planning and Policy, University of Hawai'i System. On behalf of the University System, I am testifying on House Resolution 131/House Concurrent Resolution 158 which requests the University of Hawai'i Board of Regents to conduct a study on the feasibility and benefits of allowing the campus ceiling for nonresident enrollments to be set on a campus-by-campus basis, or alternatively, of lifting the ceilings.

The University welcomes the intent of HR 131/HCR158. Earlier this year the UH Board of Regents asked the UH System to examine the current Board of Regents policy that sets nonresident enrollment ceilings. Work is currently underway in the Office of the Vice President for Academic Planning and Policy to evaluate the ceilings. We are pleased that the timing of this effort coincides with the request in HR 131/HCR158, and would be pleased to share the results of the evaluation and the recommendation for change in Board policy, with the legislature.

The current Board of Regents Policy, in Chapter 5-11b, speaks to issues that are raised in HR 131/HCR158. In setting general principles for the setting of admissions policies, current Board policy recognizes that, "a pubic university's first responsibility is to provide higher education opportunities for qualified students from the community that supports it." It also informs campuses that they must establish educational and training programs to meet state workforce needs and that qualified nonresidents do enhance the mix in professional and graduate level programs. Chapter 5-11b(7) sets nonresident enrollment ceilings by campus mission, currently 30% for the four year and research campuses and 15% for the open door community colleges, excluding active duty military personnel stationed in Hawai'i and their dependents. The current policy does not differentiate between graduate and undergraduate students.

I would like to share with you a number of factors that we are taking into account as we review changes to current policy. To give a few examples:

o Campus enrollment capacity, given existing resources such as faculty and facilities;

- Campus mission, and whether or not a differentiation should be made between graduate and undergraduate resident and non resident ceilings;
- Access of Hawai'i residents to higher education, and UH's critical responsibility, as the only public university in Hawai'i, to improve the educational capital of the state;
- Non resident tuition rates compared to the cost to the state of educating non residents (i.e., what is the actual revenue brought in to the state by non resident students paying tuition on the current schedule?);
- The public policy considerations when Hawai'i taxpayers subsidize non resident students if there is a gap between non resident tuition realized and the cost of education;
- o Campus expenditures for recruiting and retaining non resident students;
- Financial aid sources available for non residents;
- Availability of housing and related costs to the state;
- The retention and graduation rates of non resident students, and the number who remain in Hawai'i to contribute to the economy;
- Balancing the value of having non resident students in our UH system with the need to ensure access and opportunity to higher education for students who reside in remote parts of the state or who are considered at risk; and
- Preparing more of Hawai'i's residents for a diverse and globally integrated and competitive environment.

Strategic enrollment planning for public universities must take into account public policy matters such as access and opportunity for students, as well as analyze who pays for the cost of education. If higher non resident tuition rates are to enhance income streams for institutions, we must first ensure that these tuition rates do indeed provide gainful revenue rather than cost for Hawai'i's taxpayers. Second, we must ensure that pursuing these income streams does not weaken educational opportunity for those Hawai'i's students most in need of support in pursuing higher education. To reap the benefits of diversity and the economic returns from non residents is a matter of coordinated planning and public policy, and not a matter of competition among campuses for revenue.

Unlike many other states, Hawai'i is far from neighboring states, and students cannot simply drive across a border and choose a higher education option in another state. As we all know, Hawai'i students who go out of state for their higher education must travel at the very least 2,500 miles for an alternative to our Hawai'i institutions. For this reason, we are very seriously examining this policy to consider the changes that might be most beneficial for Hawai'i's residents and for those non residents who come to our state and contribute in many ways to our communities. We thank the legislature for your generous support of the University of Hawai'i throughout its history, and we look forward to sharing the results of our policy review with you.

Thank you for the opportunity to testify.