



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Economic Revitalization, Business & Military Affairs
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by
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HB 452 – RELATING TO EDUCATION

Chair McKelvey, Vice Chair Choy, and Members of the Committee:

The purpose of HB 452 is to provide tuition waivers for children of military personnel disabled, killed in the line of duty, or declared prisoners of war or missing in action.

The University is very appreciative of the tremendous service that our veterans have provided to our country, and we have a number of financial assistance programs to support military personnel and their dependents. However, the University has revamped its financial aid system to largely eliminate tuition waivers, and we do not want to create a new waiver program for a number of reasons.

In 2006, the University created a comprehensive financial assistance program that provided for an increase of financial aid and scholarships for needy students who attend or plan to attend the University. The University committed itself to quadruple the amount of assistance given to Hawai'i residents by 2012. The initiative eliminated much of the existing tuition waiver program because it could no longer meet the needs of today's students, creating a more flexible grant and scholarship program that could potentially give more aid beyond the cost of tuition. The existing tuition waiver program also did not allow campuses to accurately assess their revenues or budgets when so much tuition was foregone in waivers.

As a result of the new program, the University is able to assess the financial need of each student and allocate aid accordingly. Each campus can create a package of grants/scholarships, loans and work-study monies taken from a variety of sources (federal, institutional, private, and state). So far, the University has increased need-based aid to Hawai'i residents from \$4 million in 2004-05 to \$10.3 million in 2007-08.

An entitlement program such as the one that is proposed in this bill does not assess the financial need of the student, thereby creating the possibility that a student with the ability to pay for tuition does not. This means that other Hawai'i students with need will have less financial assistance available to them.