



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony presented before the
House Committee on Labor & Public Employment
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HB 1566 – RELATING TO EDUCATION

Chair Nakashima, Vice Chair Yamashita, and members of the House Committee on Labor and Public Employment:

The University of Hawai'i (UH) welcomes the aim of HB 1566 to provide residents in Hawai'i with greater access to post-secondary education by convening a task force to examine a "pay forward, pay back" program in which residents enrolled as students pay no tuition or fees but sign a binding contract to pay the State or UH a percentage of their future adjusted annual gross income after graduation.

As the single public higher education system in Hawai'i UH is keenly focused on providing more students with the opportunity to pursue postsecondary education, the heart of our strategic goals.

The University submits this testimony with concerns regarding HB 1566 because results are not yet known in other states that have proposed this model. UH notes that while "pay forward, pay back" programs have prompted interest in other states, to our knowledge there has been no actual implementation of the program to date, and therefore, no results to evaluate. In addition, we have concerns about the practicality of initial start-up costs and later loan collection mechanisms for students who have graduated. We respectfully suggest that it would be prudent to examine preliminary results of programs in other states once these are forthcoming.

Thank you for the opportunity to testify on this measure.