Testimony Presented Before the Senate Committee on Higher Education March 11, 2014 at 2:45 p.m. by Donald O. Straney Chancellor, University of Hawai'i at Hilo

HB 1652 HD1 - RELATING TO HIGHER EDUCATION

Chair Taniguchi, Vice Chair Kahele, and Members of the Committee:

Thank you for the opportunity to submit testimony on HB 1652 HD1, which establishes a five-year pilot program at the pharmacy school of the University of Hawai'i at Hilo (UHH), under which the school shall be financially self-sufficient. The bill establishes a UHH Pharmacy School Special Fund and a Board of Governors for the Pharmacy School; and appropriates funds out of the special fund for the purposes of the Act.

The University of Hawai'i appreciates the intent of the bill, which provides an avenue for funding the Daniel K. Inouye College of Pharmacy's facilities, which is required to maintain its accreditation. The college has met all requirements for accreditation except for having a permanent home. This requirement must be met by June 2014 or the college is in jeopardy of losing its accreditation. The University places a very high priority on maintaining the college, which is the only college of pharmacy in the region.

Provisions of the bill would duplicate or replace parts of the University's functions. The University has an existing mechanism for evaluating new programs. The Board of Governors this bill would establish duplicates the function of the Board of Regents. We believe both provisions are not necessary for the purpose of establishing a self-supporting college.

The budget request submitted by the Board of Regents of the University of Hawai'i and included by the Governor in his executive budget request has as its first priority for new construction \$28M in general obligation bonds and \$5M in revenue bonds, which has been our preferred approach to funding this building.

We appreciate that the House included \$33M of funding several sources in HB 1700 HD1 for the construction of a permanent home for the Daniel K. Inouye College of Pharmacy at the University of Hawai'i at Hilo. We support this approach to funding the building, provided it allows the college to be financially sound.

Thank you for the opportunity to provide testimony.