UNIVERSITY OF HAWAI'I SYSTEM
Legislative Testimony

Testimony Presented Before the
House Committee on Labor and Public Employment
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HB 1801 – RELATING TO THE UNIVERSITY OF HAWAII

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

I am submitting written testimony on behalf of the University of Hawai'i regarding House Bill 1801 – Relating to the University of Hawaii – which proposes to reduce executive and managerial salaries at the University for fiscal year 2016-17 to the extent necessary to provide $4 million in the same fiscal year to be used for graduate student assistant compensation.

The University of Hawai'i opposes the passage of such legislation that would statutorily mandate a reduction in University executive and managerial salaries.

We believe that the proposed legislation does not support the spirit and intent of Article X, Section 6. of the Hawaii State Constitution which provides in part that the BOR *"..shall have the exclusive jurisdiction over the internal structure, management, and operation of the university."* Furthermore, *"The board shall have the power to formulate policy, and exercise control over the university through its executive officer, the president of the University, who shall be appointed by the Board".* We believe that such proposed legislation removes and denies the board's constitutional governance and authority over the University.

The work of graduate student assistants is valuable to the University of Hawai'i (UH), and graduate student assistantships are awarded as part of an education and training specific to the degree program in which a student is enrolled. Graduate student assistants receive stipends for their work, not salaries. As a matter of course in academic institutions, graduate assistants are not compensated with salary. Their compensation can include any combination of components such as tuition waivers, stipends, scholarships, etc. – but, salary is not a form of compensation for graduate assistants. A graduate student assistantship is neither a career path, nor a vocation, but part of the educational training in an academic discipline that allows a student to further their education and training, make meaningful contributions to the discipline and the University, and be provided financial assistance toward their degree.

The proposed legislation asserts that the salaries of UH executives and managers are "high salaries" but without an objective review and determination based on an independent study and/or audit. It also appears to suggest that a comparison between compensation for graduate assistants who are in temporary positions as part of their education and training, and UH executives and managers, who are in career positions, is a matter of statewide concern.

Additionally, HB1801 is proposing a one-time $4 million lump sum source of funding for graduate assistant stipends, without any certainty or guarantee that such funding will be maintained and/or achieved in future years without further financial resources or possibly negative impacts to the services currently provided by the University. Finding funds for graduate assistant salaries can be achieved and/or accomplished by other means rather than legislatively mandating the BOR to act in a prescriptive manner.

The University requests that this bill be held.

Thank you for the opportunity to testify on this measure.