



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Transportation and International Affairs
and the Committee on Education

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by

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SCR 66 – REQUESTING THE BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII TO CHARGE RESIDENT TUITION TO PACIFIC ISLAND STUDENTS.

Chair English, Chair Sakamoto and Members of the Committees:

The purpose of SCR 66 is to request the University of Hawai'i to charge resident tuition to students from certain Pacific Island jurisdictions.

Unfortunately, many of the statements in the resolution are erroneous. To clarify, beginning in Fall 2007, the University will charge a tuition rate of 150% of the Hawai'i resident tuition rate to students from eligible Pacific Island jurisdictions which do not have public higher education institutions that grant baccalaureate degrees. This tuition rate is not governed by the Western Undergraduate Exchange (WUE) rate, and does not apply to Pacific Island jurisdictions that already have public baccalaureate institutions. Finally, unlike the statement in the resolution on lines 8-10 of page 2, the University instituted a UH Pacific Islander Scholarship program that campuses may choose to implement using their tuition increases.

Last year, the University very thoughtfully and deliberately implemented a new financial assistance Board of Regents policy that restructured our tuition waiver program into need-based and non-need-based financial assistance. We restructured the program to use the increased tuition revenues on each campus to finance more institutional aid for students. Tuition for Hawai'i resident students is much lower than tuition for non-resident students because of our University's commitment to access to higher education for the taxpayers of our state. The Hawai'i state government subsidizes this lower tuition rate for residents. Non-residents, therefore, must pay for the total amount of their cost of education.

Students from Pacific Island jurisdictions that have historical ties to the U.S. but do not have public higher educational institutions that grant baccalaureate degrees have had their tuition rate subsidized by the state of Hawai'i for many years despite the fact that many are not Hawai'i residents. The University also noted that most of the community colleges in the Pacific Island region had charged tuition that was in fact much higher than the resident tuition we were charging in the UH community colleges.

Thus, we were competing with these colleges for their local students—students who could bring federal financial aid to their campuses.

After much deliberation, the University, acknowledging Hawai'i's special relationship with the Pacific Islands, decided to continue to grant students from eligible Pacific Island jurisdictions a special tuition rate of 150% of the Hawai'i resident tuition rate, which is still much lower than the non-resident rate. We also ensured that Pacific Island students would be eligible for the newly-instituted UH Opportunity Grant, given to students with financial need, and the UH Pacific Islander Scholarship, given to students based on merit and other non-need criteria, depending on the campus. Students from Pacific Island jurisdictions with historical ties to the United States are also eligible for some Federal financial aid.

Although the UH System, through Executive Policy, provides guidelines for the allocation of financial aid, the Chancellors are responsible for decisions regarding specific institutional grants or scholarships. Each campus has committed to increase their need-based grants to meet the financial need of Pacific Island students so that they can continue to enroll in our UH campuses. Furthermore, those who are already enrolled at a UH campus prior to the Fall 2007 semester will continue to pay the resident rate of tuition if they remain continuously enrolled in the same program.

When the University decided to raise tuition rates for all students in 2005, we committed to creating a financial assistance plan to increase financial aid to students, with a focus on need-based aid for residents of Hawai'i. Likewise, we are committed to continued access to our campuses for Pacific Island students by meeting their financial need as well as providing an opportunity for a non-need scholarship.

Currently, it should be noted that Eni Faleomavega, the Representative to Congress from American Samoa is working with the Senator Daniel Inouye to include \$3,000,000 within the USDOJ Insular Affairs Office budget for a federal scholarship program for students graduating from Pacific Island community colleges who transfer to UH campus.

The University of Hawai'i, therefore, respectfully opposes the passage of this resolution.

Thank you for the opportunity to testify on this bill.