



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Finance
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by

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HB 2588, HD 1 – Relating to the University of Hawai'i

Chair Oshiro, Vice Chair Lee, and Members of the Committee:

The purpose of HB 2588, HD1 is to grant resident tuition to non-resident veterans at the University of Hawai'i.

While the University appreciates the outstanding service that military veterans have provided to our country, we are opposed to this bill for both administrative and substantive reasons.

First of all, section 304A-402, Hawai'i Revised Statutes, is not an appropriate place to amend language to include veterans. It defines residency for tuition purposes at the University of Hawai'i. All ten campuses of the UH System use this definition, along with Hawai'i Administrative Rules which further delineate the policies of residency for tuition purposes, to determine whether a student is deemed a resident or non-resident in paying tuition. To amend this section would change the intent of the language to define residency for tuition purposes.

The Hawai'i Revised Statutes used to include a section which listed categories of students who *were waived the non-resident tuition differential*, which allowed them to pay in-state tuition. This is a different status than allowing them to be categorized as Hawai'i residents for tuition purposes. This section of HRS was recently repealed and more appropriately placed in UH Board of Regents policy. The pertinent section is attached. The BOR policy is a more appropriate place in which to amend language to exempt veterans from paying the non-resident tuition differential.

Secondly, and more substantively, as stated, the University has categories of students who are already afforded the privilege of paying resident tuition through an exemption of the non-resident tuition differential. Their waived non-resident tuition differential is foregone revenues for the University. Included in this privilege are active duty military and their dependents, and non-resident National Guard members and reservists.

Veterans, through the Federal Montgomery GI Bill (MGIB) program, receive up to 36 months of education benefits. This benefit may be used for degree and certificate programs, flight training, apprenticeship/on-the-job training and correspondence courses. Even remedial, deficiency, and refresher courses may be approved under certain circumstances. Generally, benefits are payable for 10 years following release from active duty.

Because veterans have the opportunity of special funding for their education, because they also have the option of returning to their home of record and pay in-state tuition there, and because the University already provides benefits for active duty military, their dependents, National Guard members, and reservists, the University opposes passage of this bill.

However, should the Legislature choose to pass this bill, the University respectfully requests the appropriation amount on line 19, page 2 of the bill be in the amount of \$140,256 for the 2008-09 school year for 44 students across our ten campuses. Of course, we anticipate that the number of veterans will grow as more non-resident veterans learn about this benefit and choose to move to Hawai'i to attend the University of Hawai'i.

Thank you for the opportunity to testify.

Attachment

UH Board of Regents Policy, Chapter 6 Excerpt

Section 6-11 Board Exemptions to Non-Resident Tuition

- a. The students affected by the following guidelines are classified as non-residents for admission and tuition purposes. In accordance with Board of Regents' policy, non-resident students are admitted on a space available basis with the understanding that priority for admission is given to qualified residents.
- b. The following categories of students will receive a waiver of the non-resident tuition differential:
 - (1) East-West Center student grantees pursuing baccalaureate or advanced degrees;
 - (2) United States military personnel stationed in Hawai'i on active duty, and their authorized dependents during the period that the personnel are stationed in Hawai'i;
 - (3) Members of the Hawai'i National Guard and the Hawai'i-based Reserves;
 - (4) Native Hawaiians whose domicile is outside of Hawai'i;
 - (5) Employees of the university, their spouses, and their dependents.
- c. Citizens from an eligible Pacific Island district, commonwealth, territory, or insular jurisdiction, state, or nation which provides no public higher education institution granting baccalaureate degrees are charged 150 percent of the resident tuition rate. The Office of the President updates and distributes the list of eligible Pacific Island jurisdictions.