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Statement of

**THEODORE E. LIU**

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before the

**HOUSE COMMITTEE ON HIGHER EDUCATION**

January 31, 2008

3:00 p.m.

State Capitol, Conference Room 309

in consideration of

**HB 3072**

**RELATING TO THE HAWAII HIGHER EDUCATION COMMISSION.**

Chair Chang, Vice Chair Bertram, and Members of the House Committee on Higher Education.

The Department of Business, Economic Development, and Tourism (DBEDT) strongly supports HB 3072, an Administration measure proposing to rename the state post-secondary education commission, broaden its membership, and expand its responsibilities.

Each year, we see more attention being focused on the need for a quality education system to meet the economic and social needs of our citizens as we compete in an ever more complex world. Where at one time, a high school diploma was a requirement and a college education enhanced employability and earnings, today, many of the jobs in our increasingly knowledge-based economy require at least some form of postsecondary education.

At the same time, there is disturbing evidence that we are now a nation in which the 45-54 age group is better educated than the younger generations, and in Hawaii the downward trend is more pronounced than the nation as a whole. Although Hawaii ranked first in the nation in 2005 for citizens aged 18-24 with a high school diploma, data for 2004 indicate that only 51.6% of recent high school graduates entered college immediately and only 36% of 18-24 year olds are

enrolled in college. According to the report, *Measuring Up 2006: The State Report Card on Higher Education*,

“High school students are not very likely to enroll in college by age 19. Over the past decade, Hawaii has experienced the steepest decline in the nation on this measure, primarily because the percentage of 9th graders graduating from high school in four years and the percentage of graduates going on to college have both dropped.”

Across the nation, states are examining how they can deliver a better educational product from pre-school through college and beyond by improving the preparation of students and increasing the numbers of people seeking advanced education.

This bill focuses on Hawaii’s higher education institutions. Many states, such as Maryland, New Jersey, Arizona and California have Commissions on Higher Education that with mandates to carry out responsibilities such as:

- Statewide planning for higher education;
- Carrying out research on higher education issues;
- Recommending policy to administrative and legislative leaders;
- Providing accountability;
- Licensing institutions of higher learning;
- Overseeing financial aid programs; and
- Advocating on behalf of higher education.

These commissions vary in composition; some include both private and public schools, some have large staffs that carry out a variety of functions, while others are smaller and more focused on a limited range of activities. However, they all share a similar mission to prepare their citizens to become productive members of society.

In Hawaii, the State Post-Secondary Education Commission, established under Section 304A-3151, Hawaii Revised Statutes, serves the limited function of qualifying the State to receive certain federal funding. The Commission is heavily oriented toward the University of Hawaii, with membership consisting of the Board of Regents and “...four other members who shall be broadly and equitably representative of the general public and public and private nonprofit and proprietary institutions of post-secondary education...”

This bill proposes to reconstitute the Commission with a broader representation from both public and private institutions of higher education, as well as representatives from industry, government, and the general public. We believe that this broad-based group can help forge a State policy that increases the number of college-bound high school graduates and links higher education to the economic development and workforce needs of the State. To this end, we have also proposed to expand the duties and responsibilities of the Commission to include: developing an incentives program that is designed to meet workforce needs, such as in the area of science, technology, engineering, and math; evaluating the public school system's ability to prepare Hawaii's students for post-secondary education; and recommending policies to increase the rate of students seeking post-secondary education.

Thank you for the opportunity to provide these comments.