William P. Kenoi Mayor



Walter K.M. Lau Managing Director

Randall M. Kurohara Deputy Managing Director

County of Hawai'i Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawaiʻi 96720 • (808) 961-8211 • Fax (808) 961-6553 KONA: 74-5044 Ane Keohokalole Hwy., Bldg. C • Kailua-Kona, Hawaiʻi 96740 (808) 323-4444 • Fax (808) 323-4440

March 25, 2014

The Honorable David Y. Ige, Chair And Members of the Senate Committee on Ways and Means Hawai'i State Capitol, Room 211 415 South Beretania Street Honolulu, Hawai'i 96813

Re: House Bill 1652, HD 1, SD 1 RELATING TO HIGHER EDUCATION

Aloha, Chair Ige and Committee Members:

Mahalo for your efforts on behalf of the University of Hawai'i and our community college system, which are preparing our young people for success in our community and across the state.

We ask your support for the critically important Daniel K. Inouye College of Pharmacy Building at the University of Hawai`i at Hilo. This project was part of the late senator's vision for Hawai'i, and we hope you will join in this effort by our community and our state to honor him by seeing it through to completion.

In 2011 the College of Pharmacy became the first school of pharmacy in Hawai'i and the Pacific Region to become fully accredited by the Accreditation Council for Pharmacy Education. The college is the only school in the state offering a doctorate in pharmacy, and has been an extraordinary success. An economic impact study in 2011 found the college is generating more than \$50 million per year in economic activity statewide, and each dollar of investment in salaries at the college is attracting more than three dollars in spending from outside sources. The college has emerged as a jewel of the University of Hawai'i at Hilo.

The college was granted accreditation before obtaining permanent facilities, which College of Pharmacy Dean John Pezzuto has called a "leap of faith" by the board of directors at the accreditation council. It is now time to provide a permanent home to meet the long-range needs of the college to allow it to fulfill its promise as a center for excellence in education and health sciences.

The Honorable David Y. Ige, Chair Page 2 March 25, 2014

In 2010, UH-Hilo accounted for an estimated \$200 million in direct expenditures, and the university is the second largest employer in East Hawai'i. Your support has allowed higher education to emerge as an economic engine on Hawai'i Island, and the continued growth of our higher educational system is integral to our economic success and our future. We believe the College of Pharmacy is essential to the continued success of our university.

Mahalo for your consideration.

Q, P.Q

Aloha,

William P. Kenoi MAYOR



UNIVERSITY OF HAWAI'I SYSTEM



Legislative Testimony

Testimony Presented Before the
Senate Committee on Ways and Means
March 25, 2014 at 9:10am
by
Donald O. Straney
Chancellor, University of Hawai'i at Hilo

HB 1652 HD1 SD1 - RELATING TO HIGHER EDUCATION

Chair Ige, Vice Chair Kidani, and Members of the Committee:

Thank you for the opportunity to submit testimony on HB 1652 HD1 SD1, 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.







HAWAII HEALTH SYSTEMS CORPORATION

"Health care that is safe, health care that works, and health care that leaves no one behind"

SENATE COMMITTEE ON WAYS AND MEANS Senator David Y. Ige, Chair Senator Michelle N. Kidani, Vice Chair

> March 25, 2014 9:10 A.M. Conference Room 211 Hawaii State Capitol

Howard Ainsley East Hawaii Regional CEO Hawaii Health Systems Corporatio

On Behalf of the East Hawaii Region of Hawaii Health Systems corporation (HHSC), thank you, Chairman Ige, Vice Chair Kidani and esteemed committee members for the opportunity to present testimony in support of HB1652 HD 1, relating to higher education that establishes a 5-year pilot program at the UH Hilo College of Pharmacy.

The Daniel K. Inouye College of Pharmacy at the University of Hawaii Hilo is a critical partner for the HHSC Primary Care Training Program; a team model of care aiming to close the physician shortage gap in Hawaii. The college currently provides two faculty members, Dr. Victoria Rupp and Dr. Christina Mnatzaganian ambulatory care pharmacy specialists. Doctors Rupp and Mnatzaganian provide the majority of care for our patient with diabetes, high cholesterol and high blood pressure, as well as managing patients on blood thinners for vascular conditions. They are integral members of our team allowing the physicians to care for other patient issues.

The College of Pharmacy students train alongside medical students, residents, psychologists and advance practice nursing students with the intent of creating new career paths for pharmacists in the State of Hawaii.

I recognize that the success of Daniel K. Inouye College of Pharmacy at the University of Hawaii at Hilo is a vital part of addressing Hawaii's shortage of medical professionals.

I hereby strongly urge your support for HB1652 HD 1.

Howard N. Ainsley East Hawaii Regional CEO Hawaii Health Systems Corporation



T:808-935-2180 F:808-935-2187

Hawaii Innovation Center at Hilo 117 Keawe St. Suite 107, Hilo, HI 96720-2811

24 March 2014

Testimony for the Senate Committee on Ways and Means

Regarding House Bill 1652, SD1
Relating to Higher Education
Hearing on March 25th 2014, 9:10 a.m.
Hawai`i State Capitol, 415 South Beretania Street,
Conference Room 211

The Honorable Senator Ige, Chair; Vice Chair Kidani; and Members of the Senate Committee on Ways and Means:

I am Jacqui Hoover, Executive Director of the Hawai'i Island Economic Development Board (HIEDB), President of Hawai'i Leeward Planning Conference (HLPC), and a member of the Friends of the Daniel K. Inouye College of Pharmacy.

Your consideration of <u>HB1652 SD1</u> is greatly appreciated as are the combined efforts of our legislature, policy makers, the University of Hawai`i system, and community to ensure the success of the DKI College of Pharmacy (CoP) which is critically important for comprehensive health care for Hawai`i and the Pacific Basin.

Members and affiliates of HIEDB numbering in excess of one hundred (100) Hawai'i Island stakeholders collectively and respectively support all efforts to ensure the success of the CoP and its role in the economic development of Hawai'i with contributions in excess of \$50 million to the state's economy.

Mahalo for allowing me this opportunity to speak in support of and request your support of <u>HB1652 SD1</u>. Please do not hesitate to contact me with any questions or concerns.

Jacqui L. Haver

/Jacqui L. Hoover E-mail: jhoover@hiedb.org

James Takamine, Chair CU Hawaii Federal Credit Union

Michael Kaleikini, Secretary PGV/ORMAT

David Honma, Treasurer First Hawaiian Bank

Greg Chun, PhD, Immediate Past Chair Awa Kele LLC

> Roberta Chu, Director Bank of Hawaii

LeeAnn Crabbe, Director Queen Liliuokalani Trust

Nahua Guilloz, Director Parker Ranch

Richard Ha, Director Hamakua Springs Country Farms

Richard Henderson, Director Realty Investment Co., Ltd.

> Jay Ignacio, Director HELCO

Ashley Kierkiewicz, Director Hastings & Pleadwell

> Marvin Min, Director Hawaii Gas

Barry Taniguchi, Director KTA Super Stores

Bill Walter, Director W.H. Shipman, Ltd.

Elisa Yadao, Director HMSA

Jacqui Hoover, COO Executive Director



24 March 2014

Testimony for the Senate Committee on Ways and Means

Regarding House Bill 1652, SD1
Relating to Higher Education
Hearing on March 25th 2014, 9:10 a.m.
Hawai`i State Capitol, 415 South Beretania Street,
Conference Room 211

Aloha Honorable Senator Ige, Chair; Vice Chair Kidani; and Members of the Senate Committee on Ways and Means:

I am Jacqui Hoover, President of Hawai'i Leeward Planning Conference (HLPC), Executive Director of the Hawai'i Island Economic Development Board (HIEDB), and a member of the Friends of the Daniel K. Inouye College of Pharmacy.

Your consideration of <u>HB1652 SD1</u> is greatly appreciated as are the combined efforts of our legislature, policy makers, the University of Hawai'i system, and community to ensure the success of the DKI College of Pharmacy (CoP) which is critically important for comprehensive health care for Hawai'i and the Pacific Basin.

Members and affiliates of HLPC numbering in excess of one hundred (100) Hawai'i Island stakeholders collectively and respectively support the intent of this measure and all efforts to ensure the success of the CoP and its role in the economic development of Hawai'i with contributions in excess of \$50 million to the state's economy.

Mahalo for allowing me this opportunity to speak in support of and request your support of <u>HB1652 SD1</u>. Please do not hesitate to contact me with any questions or concerns.

Jacqui L. Haver

Email: jacqui hlpc@yahoo.com

HLPC INCORPORATED 1974

FIRST HAWAIIAN BANK, Charter Member KAMEHAMEHA INVESTMENT CORP., Charter Member KAMEHAMEHA SCHOOLS, Charter Member KEALAKEKUA RANCH, Charter Member LANIHAU PROPERTIES, Charter Member QUEEN EMMA LAND COMPANY, Charter Member QUEEN LILI'UOKALANI TRUST, Charter Member L'ORANGE & ASSOC. BANK OF HAWAII, 1975 HAWAII LAND COMPANY, 1976 MAUNA KEA RESORT SERVICES, LLC, 1980 R. M. TOWILL CORPORATION, 1983 WEST HAWAII CONCRETE, 1983 KAUPULEHU DEVELOPMENTS, 1985 HELCO, 1988 KAHUA RANCH, 1988 PARKER RANCH, 1988 PONOHOLO RANCH, 1992 WAIMEA WATER SERVICES, LLC 1992 HUALALAI RESORT, 1994 MOOERS ENTERPRISES, 1995 RIEHM OWENSBY PLANNERS ARCHITECTS, 1995 AKINAKA & ASSOCIATES, LIMITED, 1997 CADES SCHUTTE, LLP, 1997 WATER RESOURCES INTERNATIONAL, 1997 ASHFORD & WRISTON, 1999 GREENWELL FARMS, 1999 KAI HAWAII, INC., 2000 KOHALA RANCH DEVELOPMENT CORP., 2000 KTA SUPER STORES, 2000 HPM BUILDING SUPPLY, 2001 SAM O. HIROTA, INC., 2001 IMANAKA KUDO & FUJIMOTO, 2002 McCORRISTON MILLER MUKAI MacKINNON, 2002 BELT COLLINS HAWAII, LIMITED, 2003 PACIFIC RESOURCE PARTNERSHIP, 2003 PBR HAWAII & ASSOCIATES, 2003 TITLE GUARANTY ESCROW SERVICES, 2003 TSA INTERNATIONAL, 2003 WASTE MANAGEMENT HAWAII, 2003 WILSON OKAMOTO CORPORATION, 2003 DE LUZ ENTERPRISES, INC., 2004 1ARDINE INVESTMENT PROPERTIES, LLC 2005 D.R. HORTON, INC., SHULER DIVISON, 2005 BAYS DEAVER LUNG ROSE & HOLMA, 2006 PA'AHANA ENTERPRISES, 2006 RYAN ASSOCIATES, 2006 NORTH HAWAII COMMUNITY HOSPITAL, 2007 W.H. SHIPMAN, LTD., 2007 DE REUS ARCHITECTS, 2008 FERRARO CHOI & ASSOCIATES, LTD., 2008 HUNT COMPANIES, INC., 2009 FOREST CITY HAWAII, 2009 HAWAII WATER SERVICE COMPANY, 2009 LOWNEY CONTRACTING COMPANY, INC., 2009 PUNA GEOTHERMAL VENTURE, 2009 TINGUELY DEVELOPMENT, INC., 2009 HAWAII GAS, 2010 MLC, INC., 2011 RIDER LEVETT BUCKNALL, 2011 ENGINEERING PARTNERS, INC., 2011 GOODESIGN, 2012 SSFM INTERNATIONAL, 2012 KOHANAIKI SHORES, LLC, 2012 FLEMING & ASSOCIATES, LLC, 2012 SETTLE LAW, LLC 2012 YAMAMOTO CALIBOSO, LLLC, 2012 HILTON WORLDWIDE, 2013 TIM BOSTOCK PRODUCTIONS, LLC 2013 W.M. KECK OBSERVATORY, 2013

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Testimony for the Senate Ways and Means Committee

Regarding HB1652 HD1 SD1 Relating to Higher Education Committee Decision Meeting on March 25, 2014 at 9:10 am Hawaii State Capitol, 415 South Beretania Street, Conference Room 211

RELATING TO HIGHER EDUCATION

Aloha! My name is Kelvin Sewake and I am chair of the Friends of the Daniel K. Inouye College of Pharmacy. We are a steering committee made up of members of the broad community representing businesses, organizations, and concerned individuals.

We are in full support of HB1652 HD1 SD1 and commend the efforts of our state legislators in considering various options to ensure the success of UH Hilo's College of Pharmacy (COP).

The success of the UH-Hilo COP is important to the State of Hawaii and the general community. The College of Pharmacy is estimated to be responsible for stimulating about \$50 million per year in economic activity for Hawaii. Notable accomplishments include securing research funding such as the \$16.2 million Beacon Community Grant and the \$14.3 million "Pharm2Pharm grant that will help to reduce health care costs and improve delivery of health care for communities across the state and region. Hawaii's communities will definitely benefit from having more health care professionals for our ever-increasing and aging population, thereby improving the overall health of Hawaii's population. The UH-Hilo COP is highly beneficial to all students including those who have graduated and are working successfully in the field, current students who are earning their degree, and future generations of Hawaii's aspiring pharmacy students and their families, as well as non-residents alike. This is the only school in the Pacific basin offering a doctorate in Pharmacy degree and it touts world-class professors attracting top-notch students from both the U.S. and internationally.

Please support this important and worthy program. If you have any questions, please contact me. Thank you for the opportunity to testify.

Mahalo,

Kelvin T. Sewake

Chair, Friends of the Daniel K. Inouye College of Pharmacy

Ph: 808-938-5559

Email: Gr82bfriendz@aol.com

Kelvin 2. sewake

Hawaiʻi Construction Alliance

P.O. Box 179441 Honolulu, HI 96817 (808) 348-8885

March 24, 2014

The Honorable David Ige, Chair
The Honorable Michelle Kidani, Vice Chair
and members
Committee on Ways and Means
Hawai'i State Senate
415 South Beretania Street
Honolulu, Hawai'i 96813

RE: Support for HB1652 HD1 SD1, Relating to Higher Education.

Dear Chair Ige, Vice Chair Kidani, and members of the committee:

The Hawai'i Construction Alliance supports HB1652 HD1 SD1, which establishes a five-year pilot project at the Daniel K. Inouye College of Pharmacy that ensures the financial self-sufficiency of the college and establishes a special fund for the Daniel K. Inouye College of Pharmacy.

The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters; the Hawai'i Masons Union, Local 1 and Local 630; the Laborers' International Union of North America, Local 368; and the Operating Engineers, Local 3. Together, the four member unions of the Hawai'i Construction Alliance represent 15,000 working men and women in the four basic crafts of Hawai'i's construction industry.

The Daniel K. Inouye College of Pharmacy currently includes over 500 student, faculty, and staff members; has graduated three classes of PharmDs; and contributes more than \$50M into the state's economy each year. It was also ranked as one of the top five new schools of pharmacy by US News and World Report in 2012. In order for the school to continue its impressive track record in research, education, and outreach, and to support its accreditation, it must secure funding for a permanent facility.

We find that HB1652 HD1 SD1 proposes an innovative approach to fund the construction, maintenance, and operation of the Daniel K. Inouye College of Pharmacy. Therefore, we respectfully request your committee to pass HB1652 HD1 SD1 to allow for this alternative funding option to remain viable.

Mahalo for the opportunity to testify on this matter.

Aloha,

Tyler Dos Santos-Tam Executive Director

Hawai'i Construction Alliance

execdir@hawaiiconstructionalliance.org

Comments of Gary M. Slovin / Mihoko E. Ito on behalf of Walgreens

DATE: March 23, 2014

TO: Senator David Ige

Chair, Committee on Ways and Means

Submitted Via <u>WAMTestimony@capitol.hawaii.gov</u>

H.B. 1652 H.D.1, S.D.1 – Relating to Higher Education

Decision Making: Tuesday, March 25, 2014 at 9:10 a.m.

Conference Room: 211

Dear Chair Ige and Members of the Committee on Ways and Means:

We submit these comments on behalf of Walgreen Co. ("Walgreens"). Walgreens operates more than 8,200 locations in all 50 states, the District of Columbia and Puerto Rico. In Hawai'i, Walgreens now has 11 stores on the islands of Oahu, Maui and Hawai'i

Walgreens **supports** H.B. 1652 H.D.1, S.D.1, which establishes a five-year pilot program at the UH Hilo College of Pharmacy and appropriates an unspecified amount to a special fund to ensure the college's financial self-sufficiency.

The UH Hilo College of Pharmacy is the only school in the State that offers a doctoral degree in pharmacy, and provides vital training for future pharmacists in Hawaii. The College produces qualified graduates, including several who have been hired and employed by Walgreens. The College is essential to supporting Hawaii's growing health care needs, and sustaining the pharmacy industry. Accordingly, Walgreens strongly supports providing funding for a permanent building so that the College can meet its accreditation requirements.

Thank you for the opportunity to submit comments in support of this measure.

To: WAM Testimony
Cc: adrake@ssfm.com

Subject: Submitted testimony for HB1652 on Mar 25, 2014 09:10AM

Date: Monday, March 24, 2014 8:59:01 AM

HB1652

Submitted on: 3/24/2014

Testimony for WAM on Mar 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
austen drake	Individual	Support	No

Comments: I highly support this bill as the school of pharmacy is critical to the Big Island economy.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

To: WAM Testimony

Cc: <u>cvancamp3@hawaii.rr.com</u>

Subject: Submitted testimony for HB1652 on Mar 25, 2014 09:10AM

Date: Monday, March 24, 2014 5:34:03 AM

HB1652

Submitted on: 3/24/2014

Testimony for WAM on Mar 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Carol A. VanCamp	Japanese Chamber of Commerce & Industry	Support	No

Comments: Our nearly 300-member Japanese Chamber of Commerce & Industry fully supports and appreciates this bill to provide funding for a new College of Pharmacy building at UHH. It is critical that this accredited program be allowed to continue and provide healthcare educational opportunities for our state, as well as be a major player in pharmaceutical research, which has the potential to bring in millions of dollars annually for UHH.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

To: WAM Testimony
Cc: nishieast888@gmail.com

Subject: *Submitted testimony for HB1652 on Mar 25, 2014 09:10AM*

Date: Sunday, March 23, 2014 7:30:18 PM

HB1652

Submitted on: 3/23/2014

Testimony for WAM on Mar 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing	
DELBERT NISHIMOTO	Individual	Support	No	

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

March 25th, 2014

TO: The Honorable Senator David Y. Ige, Chair, Ways and Means Committee

The Honorable Senator Michelle N. Kidani, Vice Chair, Ways and Means Committee

Senate Committee on Ways and Means Members

CC: The Honorable Senator Donna Mercado Kim, President, Hawai'i State Senate

Time: 09:10 Place: Room 211

RE: H.B. No. 1652 HD1 SD1 RELATING TO HIGHER EDUCATION

Dear Senators:

As a former recipient of The Teaching Excellence Award at the UH Hilo College of Pharmacy (as recognized by the late Sen. Daniel Inouye, May 18th, 2010), I respectfully submit this testimony in opposition to H.B. 1652 HD1 SD1.

Whereas the Daniel K Inouye College of Pharmacy (DKICP) collects more revenue in tuition than what was originally anticipated because of its larger student enrollment¹, It is worth reviewing several facts regarding DKICP ranging from the low percentage of graduates of DKICP that have licensed to practice pharmacy in Hawai'i, the alarming rate with which faculty continue to leave their appointments, to the saturated Hawai'i market for pharmacist. It is also worth noting that DKICP has already been granted sufficient funds to start and sustain this program². Furthermore, as documented in the Minutes of the Regents Joint Committees on Academic Affairs and Budget and Long-Range Planning, Thursday, September 9, 2004³, and The University Of Hawai'i Board Of Regents' meeting of June 15-16, 2006⁴, DKICP has not kept pace with its plan of establishing its program, despite the millions in funding previously provided by the State of Hawai'i.

Published reports describe that the proposed building for DKICP has ballooned in price: from \$475 per sq. foot (\$38M for 80,000 sq. foot), to \$825 per sq. foot (\$33M for 40,000 sq. foot)⁵. While UHH officials and DKICP administration have boasted about the apparent reduced cost of this building⁶, it would be worth questioning why we would want to spend such a steep price now for this "scaled down" building? In light of \$180M loss in projected revenue to Hawai'i⁷, it would seem fiscally irresponsible to spend \$825 per sq. foot on a smaller building than previously proposed. This increased cost in square footage would appear to defy the spirit of the UH system construction moratorium⁸.

Hawai'i is currently the most saturated market in the US to find employment⁹. Although DKICP was established to address a shortage of pharmacists in Hawai'i, the market for pharmacists was never critical in Hawai'i. This joblessness crisis for new pharmacy graduates (and pharmacists) is not restricted to Hawai'i; furthermore the "need" to graduate pharmacist and establishing new Pharmacy Schools to

¹ http://www.hawaii.edu/offices/bor/budget/minute/20040909.joint.pdf

² http://www.capitol.hawaii.gov/session2007/CommReports/HB500_CD1_CCR93_.pdf

³ http://www.hawaii.edu/offices/bor/budget/minute/20040909.joint.pdf

http://www.hawaii.edu/offices/bor/regular/minute/20060615.regular.pdf

http://hawaiitribune-herald.com/news/governor-s-budget-includes-funding-pharmacy-school-building

 $^{^6 \,} http://hawaiitribune-herald.com/sections/news/local-news/officials-hope-scaled-down-plans-garner-more-support-pharmacy-school.html$

http://www.staradvertiser.com/news/breaking/20140311_State_hit_with_180_million_loss_in_revenue_projection_downgrade.html?id=249668731

http://www.bizjournals.com/pacific/blog/morning_call/2013/11/university-of-hawaii-construction.html

⁹ http://www.pharmacymanpower.com/usstatemap.jsp

¹⁰ http://hilo.hawaii.edu/uhh/vcaa/documents/CollegeofPharmacyExectuveSummaryJune2004.pdf

supply manpower to the profession has been documented to have been overly pursued.¹¹ With dim employment opportunities for pharmacists in Hawai'i (and nationwide), it may explain in part why only 500 applications to DKICP were received compared to 800 last year¹².

Contrary to Dean Pezzuto's opinion that the lack of a building would lead to "faculty bailing out", the departure of Faculty to DKICP is one that has already been occurring at an alarming rate, and one which has not been adequately addressed or explained by Dean Pezzuto. Since January 2009, several Pharmacy Practice Faculty have resigned from their respective faculty appointments: Dr. Mark Okamoto (original Pharmacy Practice Dept. Chair), Mr. Mark Litzinger, Dr. Scott Holuby, Dr. Douglas Adriance-Mejia, Dr. Mok Chong, Dr. Caitrin Vordtriede, Dr. Anna Barbato, Dr. Payton Wong, Dr. Ben Chavez, and most recently Dr. Katherine Anderson and Dr. Candace Tan. This list does not include other ancillary staff, Pharmacy Science Faculty or Administrators that are no longer with the program, such as: Dr. Dyanne Affonso, Dr. Robert Borris, Dr. Eugene Konorev, Ms. Elizabeth Heffernan, Ms. Elizabeth Ryan. Although faculty leaving en-mass from a College of Pharmacy is not a violation of accreditation standards, it is a reason to account for such a high voluntary resignation rate in faculty. Additionally, as it pertains to research, few if any tenured faculty have received external research funding; of the research funding obtained by faculty, the majority has come from faculty who have been let go. The overall picture for research at DKICP is one of mediocrity.

Moreover, although Dean Pezzuto has been quick to point fingers at the Hawai'i State Legislature for the lack of support of the College of Pharmacy¹³, Dean Pezzuto has many questions left unanswered, such as the employment prospects of students (90 per year) that graduate from DKICP, and how this flood of pharmacists in Hawai'i has saturated the local job market. Since the inaugural graduating DKICP class of 2011, only 41.5 % (112 of 270) of its graduates have completed the necessary steps to be eligible for licensure in Hawai'i^{14,15} with the number of DKICP graduates actually licensing and practicing pharmacy in Hawai'i likely being less.

In closing, current statistics for the DKICP rank the program far below average based on the passage rate of pharmacist board examinations (NAPLEX, or North American Pharmacist Licensure Examination)¹⁶. The National Association of Boards of Pharmacy (NABP) has previously ranked DKCIP 94th place out of 109 colleges of pharmacy across the country¹⁷; Dean Pezzuto explained in June of 2006 that DKICP required extra financial assistance from the State of Hawai'i so as to not end up becoming a "mediocre College of Pharmacy"³, but after several years since the original start-up funding was allocated, it is worth inquiring how DKICP administration has ended up at this point of seeking more financial assistance from the State.

Douglas B. Adriance-Mejla, Pharm.D.

1200 Ainako Ave Hilo HI 96720

808-345-1533

Sincerely

(rooree@hotmail.com)

¹³ Am J Pharm Educ. 2013;77(5)

¹² http://hawaiitribune-herald.com/news/local-news/pharmacy-school-peril

 $^{^{13}\,}http://westhawaiitoday.com/sections/news/local-news/uh-hilo-pharmacy-school-still-homeless.html$

¹⁴ http://www.nabp.net/programs/assets/MPJE%202007-2011%20rates%20final.pdf

¹⁵ http://www.nabp.net/system/rich/rich_files/rich_files/000/000/192/original/mpje-pass-rates-2013.pdf

¹⁶ https://www.nabp.net/system/rich/rich_files/rich_files/000/000/191/original/naplex-pass-rates-2013.pdf

 $^{^{17}\,}http://westhawaiitoday.com/sections/news/local-news/hth-briefs-march-28-2013.html$

To: WAM Testimony
Cc: hono@hawaii.rr.com

Subject: Submitted testimony for HB1652 on Mar 25, 2014 09:10AM

Date: Monday, March 24, 2014 6:31:55 AM

HB1652

Submitted on: 3/24/2014

Testimony for WAM on Mar 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Hugh Y Ono	Individual	Support	No

Comments: House Bill 1652 HD1 SD1 is so very important mechanism in allowing our UHH College of Pharmacy to continue and to remain accredited. This School of Pharmacy is so very important to our State of Hawaii and in addition to providing a valuable healthcare need, gives our local young adults an opportunity to get this kind of very quality education without having to go away and at much greater expense. I appeal to all to support and pass this Bill and move it forward.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:

<u>JE</u> HB1652, HD1, SD1 Subject:

Date: Sunday, March 23, 2014 5:35:03 PM

Your thoughtful consideration and support of the Daniel K. Inouye College of Pharmacy at the University of Hawaii at Hilo is critical and appreciated.

Mahalo,

Jimmy and Jeanne Yagi

Sent from our iPad

To: WAM Testimony
Cc: mmm.hawaii@gmail.com

Subject: Submitted testimony for HB1652 on Mar 25, 2014 09:10AM

Date: Sunday, March 23, 2014 6:04:33 PM

HB1652

Submitted on: 3/23/2014

Testimony for WAM on Mar 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Margaret Morris	Individual	Support	No

Comments: My name is Maggie Morris, and I stand in strong support of HB1652 to secure funding for the permanent building for The Daniel K. Inouye College of Pharmacy (DKICP). Thank you for considering this essential funding request that will benefit the entire state of Hawai`i. The College has a faculty and student presence on Oahu, Maui and Kauai, and is working towards reaching out to others, but because of the way it has been set up throughout the accreditation process that began before students were admitted, it must be on the Big Island. The College of Pharmacy is already established in a rural setting, and it has taken a lot of sweat equity to get it to this point. But beyond the location, DKICP addresses the pharmacist shortage in the Pacific Region, which is more than hyperbole. According to national data from Pharmacy Manpower Project, the Pacific region has a pharmacist shortage that continues to be the most severe in the country. DKICP is the only program in Hawaii and the Pacific Region to offer the Doctor of Pharmacy. This is the only recognized degree for becoming a licensed, registered pharmacist. Without a permanent building, the college is in imminent risk of losing accreditation and closing, which means Hawai'i would no longer have a college of pharmacy. As we saw with the now defunct Hawaii College of Pharmacy, which closed in 2005 because it didn't meet strict accreditation standards, the loss of accreditation is not an empty threat. It's a certainty. Funding for a permanent building helps to assure the College can meet all of the professional accreditation standards and continue contributing to the State and the profession. I know I join many others who live on the Big Island in giving the Daniel K. Inouye College of Pharmacy my full support. I hope you will, too.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: <u>Yamanaka, Rae</u>
To: <u>WAM Testimony</u>

 Subject:
 Testimony for HB1652, HD1, SD1

 Date:
 Monday, March 24, 2014 7:55:41 AM

Testimony submitted to Senate Ways and Means Committee

Regarding HB1652 HD1 SD1 Relating to Higher Education Committee Decision Meeting on March 25, 2014 at 9:10 am Hawaii State Capitol, 415 South Beretania Street, Conference Room 211

RE: Relating to Higher Education; UH Hilo College of Pharmacy; Pilot Program; Special Fund; Appropriations

To the Honorable Chairman and members of the Senate Ways and Means committee;

My name is Rae Yamanaka and I am respectfully submitting testimony in favor of HB1652, HD1, SD1. I am currently the Hawaii State Teachers Association UniServ Director for the East Hawaii schools. I have also been a teacher at Waiakea High School for 19 ½ years. My testimony today however, is as a mother. My three children graduated from Waiakea High School and all of them went to mainland colleges to begin their pursuit of a college career. It is my son who went away to Creighton College in Nebraska that I want to talk about today. He decided to enroll in Creighton College's School of Pharmacy because there was no pharmacy school in the state of Hawaii. After three years he decided to return to University of Hawaii at Hilo and enroll in the College of Nursing. He graduated and is currently employed at Hilo Medical Center as a registered nurse.

His story in not unique. Many of his classmates went off to mainland colleges for pharmacy degrees. Some of them succeeded and others did not. My son did not because he became homesick and wanted to return to the islands. He had to make a very difficult choice. It was to either remain on the mainland and get a pharmacy degree or return to Hawaii to pursue some other career choice. He decided to do the later. He is currently happy and successful in his registered nursing career, but he could have been just as happy and successful if he had gone to a College of Pharmacy here in Hilo. It is not too late for other students. Please help to provide the funding for a pharmacy building which is the final requirement needed to bring accreditation to the UH Hilo College of Pharmacy. Not only will you help our current and future pharmacy students, but you will help to build the economy and international reputation of Hawaii.

I thank you for all that you do and will continue to do for the children and residents of Hawaii.

Mahalo,

Rae A. Yamanaka Parent and community member

Rae A. Yamanaka

HSTA Hilo UniServ Director

Hilo Lagoon Centre 101 Aupuni St., Ste. 219 Hilo, HI 96720 808 935-9301, 808 969-7492fax

Email: ryamanaka@hsta.org

When angry, count ten before you speak, if very angry, a hundred.

Thomas Jefferson

To: WAM Testimony

Cc: <u>renee.ishisaka@gmail.com</u>

Subject: Submitted testimony for HB1652 on Mar 25, 2014 09:10AM

Date: Monday, March 24, 2014 7:32:49 AM

HB1652

Submitted on: 3/24/2014

Testimony for WAM on Mar 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Renee Ishisaka	Individual	Comments Only	No

Comments: I was born and raised in Hilo (as well as a current resident) and am so happy to see the UH Hilo Pharmacy program doing so well. As the only school in the Pacific Basin with a Doctorate in Pharmacy degree, it conducts cutting edge research and provides an excellent opportunity, not only for students interested in the program, but to the local economy. Securing a dedicated, permanent facility is one of the major hurdles this program still faces. The project is considered shovel ready by the Board of Regents, which means that construction can be started quickly after funding is secured. I respectfully urge you to consider passing this measure to allow this deserving program a permanent home and to support it's continued success.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

To: WAM Testimony
Cc: rkorph@gmail.com

Subject: Submitted testimony for HB1652 on Mar 25, 2014 09:10AM

Date: Sunday, March 23, 2014 1:49:40 PM

HB1652

Submitted on: 3/23/2014

Testimony for WAM on Mar 25, 2014 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ron Okamura	Individual	Support	No

Comments: An effective date of July 2014 is essential to address the non-compliance issue for accreditation.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.





TESTIMONY BY KALBERT K. YOUNG DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE SENATE COMMITTEE ON WAYS AND MEANS ON HOUSE BILL NO. 1652, H.D. 1, S.D. 1

March 25, 2014

RELATING TO HIGHER EDUCATION

House Bill No. 1652, H.D. 1, S.D. 1, establishes a five-year pilot program for the pharmacy school of the University of Hawaii at Hilo (UHH), commencing on July 1, 2014 and terminating on June 30, 2019, to which the pharmacy program shall be financially self-sufficient and managerially independent. The bill specifically: 1) establishes the UHH College of Pharmacy Special Fund which shall be administered by the UHH; 2) exempts the special fund from the central services expenses pursuant to Section 36-27, HRS, and the pro rata share of departmental administrative expenses pursuant to Section 36-30, HRS; 3) appropriates an unspecified sum of special funds in FY 15 for the purposes of the Act; and 4) requires annual financial and management reports and program evaluation.

The Department of Budget and Finance (B&F) recognizes the bill's intent to provide a funding mechanism for the UHH Pharmacy School and offers the following comments:

- First, there is a practical inconsistency in attempting to issue long-term debt for a facility when the statutory basis is a "five-year pilot program." Issuance of long-term debt is a formal, legal process that binds the issuer to the bond holders who provide the capital for the project. To be viable, the statutory authority must encompass, at the very least, the term of the bond financing mechanism. Additionally, the issuer needs to clearly demonstrate long-term financial sustainability with sufficient reserves and coverage ratios to address contingencies and unforeseen events. This will be especially critical in a newly created, standalone credit situation as proposed in this bill.
- Second, the Administration has included in the FY 15 Supplemental Budget \$33,000,000 (\$28,000,000 in general obligation bond funds and \$5,000,000 in revenue bond funds to be secured by UH system revenues) to construct a new instructional facility for the UHH Pharmacy School. At present, this would be the preferred funding method for the facility considering revenue streams of UHH, the pharmacy school, and the UH system, goverance, and the availability of reasonable financing options. However, the Administration and B&F are open to considering and discussing any other sustainable financing strategies that can be developed. Our end objective is to ensure that the UH system and UHH can execute the construction of an appropriate pharmacy school.