STAND. COM. REP. NO. 1489-18

, 2018

Honolulu, Hawaii

MAR 23

RE: S.B. No. 2329

S.D. 2 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

Sir:

Your Committee on Higher Education, to which was referred S.B. No. 2329, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TUITION AT THE UNIVERSITY OF HAWAII,"

begs leave to report as follows:

The purpose of this measure is to help make tuition at the University of Hawaii more affordable for students and their families by:

- (1) Reducing tuition at various University of Hawaii campuses by unspecified percentages; and
- (2) Limiting future increases in tuition at the University of Hawaii based on the mean change in the State's median household income, as determined by the United States Census Bureau, over the previous ten years.

The Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii and a concerned individual supported the measure. The Associated Students of the University of Hawaii supported the intent of the measure. The Association of Emeritus Regents opposed the measure. The University of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Delaying the proposed reduction in tuition at various University of Hawaii campuses until the 2020-2021 academic year;
- (2) Requiring the University of Hawaii Economic Research Organization to conduct, between July 1, 2018, and January 1, 2020, an analysis regarding tuition increases, including:
 - (A) A cost-comparison analysis using the Consumer Price Index calculated by the United States Bureau of Labor Statistics;
 - (B) Methods that other states have adopted to contain higher-education costs;
 - (C) The role that the overall high cost of living in Hawaii has on overall tuition affordability;
 - (D) Other alternatives for containing higher-education costs that the Legislature could consider; and
 - (E) Any detrimental or unintended consequences of using the Consumer Price Index calculated by the United States Bureau of Labor Statistics;
- (3) Changing its effective date to July 1, 2020; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the Consumer Price Index calculated by the United States Bureau of Labor Statistics has continued to rise yearly but that in the past, the University of Hawaii has not raised tuition on an annual basis. Therefore, your Committee is concerned that tying increases in tuition to the Consumer Price Index could result in automatic annual tuition increases.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B.

No. 2329, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2329, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Higher Education,

(Mb)

ANGUS L.K. McKELVEY, Chair

State of Hawaii

House of Representatives
The Twenty-ninth Legislature

House of Representatives
The Twenty-ninth Legislature

Record of Votes of the Committee on Higher Education

Bill/Resolution No.: SB 2329 SD2	Committee Referral: HED, FIN	Dates	3/20/1	8
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
HED Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	V			
		<u> </u>		
2. HASHEM, Mark J. (VC)				
3. CREAGAN, Richard P.				
4. ING, Kaniela			i mpinging proj inggara diki si kalèndik Batalah di diki	V
5. KONG, Sam Satoru			e e e e e e e e e e e e e e e e e e e	
6. LEARMONT, Lei R.	v			
7. OHNO, Takashi	V			
8. ONISHI, Richard H.K.				V
9. QUINLAN, Sean			<u> </u>	
		La aprilia è is		Carrier Company
10. WOODSON, Justin H.				
11. MATSUMOTO, Lauren Kealoh	ilani '			
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TOTAL (11)	8			3
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				