

Honolulu, Hawaii

, 2018

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,



ANGUS L.K. MCKELVEY, Chair



