

Honolulu, Hawaii

FEB 15 2011

RE: S.B. No. 243  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 243 entitled:

"A BILL FOR AN ACT RELATING TO THE WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Hawaii Western Interstate Commission for Higher Education (Hawaii WICHE);
- (2) Allow Hawaii WICHE to establish a repayment policy for students who receive financial support from certain funds appropriated for the Hawaii WICHE Professional Student Exchange Program; and
- (3) Establish a Professional Student Exchange Program Special Fund.

Your Committee received testimony in support of this measure from the Hawaii Western Interstate Commission for Higher Education. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance.

Your Committee finds that as currently written, chapter 304A, Part VII, Subpart D, Hawaii Revised Statutes, provides for the appointment of state commissioners to the Western Interstate Commission for Higher Education (WICHE) but does not provide for



or allow the Hawaii commissioners to independently set conditions on students who participate in the Professional Student Exchange Program (PSEP). This measure will establish and define the Hawaii WICHE and give it the necessary authority to develop a repayment policy for PSEP students who decide not to return to Hawaii.

Currently five WICHE states have return requirements for students who benefit from participation in the PSEP. Studies find that states with these requirements have an average rate of return of seventy-four percent and states without return requirements have average rate of return of thirty-nine percent.

Last year, the State spent \$1,064,465 to subsidize the cost of professional education for Hawaii students in fields of study unavailable at local universities but in high demand in the State. The Hawaii WICHE commissioners should have the option of establishing return requirements to best meet the needs of both the students and the State as a whole.

Your Committee has amended this measure to clarify that the Hawaii commissioners are appointed both as the state commissioners for WICHE and as the Hawaii commissioners to the Hawaii WICHE Commission.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 243, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 243, S.D. 1, and be referred to the Committee on Ways and Means.

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



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JILL TOKUDA, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Education**  
**EDU**

Bill / Resolution No.:* <b>SB 243</b>	Committee Referral: <b>EDU, WAM</b>	Date: <b>2-2-11</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
NISHIHARA, Clarence K.	/			
TANIGUCHI, Brian T.	/			
SLOM, Sam			/	
<b>TOTAL</b>	<b>5</b>		<b>1</b>	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
<b>Distribution:</b> Original                      Yellow                      Pink                      Goldenrod File with Committee Report    Clerk's Office            Drafting Agency           Committee File Copy				

\*Only one measure per Record of Votes