
A BILL FOR AN ACT

RELATING TO TUITION AT THE UNIVERSITY OF HAWAII.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that overall enrollment
2 in the University of Hawaii system has dropped by 3.3 per cent
3 from fall 2016 to fall 2017. Correspondingly, tuition has
4 increased steadily since academic year 2011-2012, increasing by
5 3.1 per cent in 2012-2013, 5.5 per cent in 2013-2014, 7.6 per
6 cent in 2014-2015, 5.1 per cent in 2015-2016, and 5.1 per cent
7 in 2016-2017, with further increases scheduled for the 2018-2019
8 and 2019-2020 academic years. However, despite the decline in
9 enrollment, faculty salaries are scheduled to increase at a rate
10 faster than the growth in tuition. This situation will decrease
11 the budget amount available for other priorities, such as
12 modernizing buildings, offering scholarships, and student
13 programs and services.

14 Furthermore, declining enrollment necessarily leads to a
15 decrease in revenue from per-student fees, which are often used
16 to fund student programs and services. This harms the student



1 experience, further depressing enrollment. This is contrary to
2 state policy, which favors an informed and educated populace.

3 The legislature finds that increased enrollment, affordable
4 tuition, and a more educated populace are matters of statewide
5 concern under the purview of the legislature pursuant to article
6 X, section 6, of the Hawaii State Constitution. As such, the
7 purpose of this Act is to promote increased enrollment at the
8 University of Hawaii by capping tuition increases based on the
9 change in the State's median household income, and thereby
10 improve the student experience, keep budgetary pace with
11 increased salaries and other costs, and promote a more educated
12 populace.

13 SECTION 2. Section 92-28, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "**§92-28 State service fees; increase or decrease of.** Any
16 law to the contrary notwithstanding, the fees or other nontax
17 revenues assessed or charged by any board, commission, or other
18 governmental agency may be increased or decreased by the body in
19 an amount not to exceed fifty per cent of the statutorily
20 assessed fee or nontax revenue, to maintain a reasonable
21 relation between the revenues derived from such fee or nontax



1 revenue and the cost or value of services rendered,
2 comparability among fees imposed by the State, or any other
3 purpose which it may deem necessary and reasonable; provided
4 that:

5 (1) The authority to increase or decrease fees or nontax
6 revenues shall be subject to the approval of the
7 governor and extend only to the following: chapters
8 36, 92, 94, 142, 144, 145, 147, 150, 171, 188, 189,
9 231, 269, 271, 321, 338, 373, 412, 414, 414D, 415A,
10 417E, 419, 421, 421C, 421H, 421I, 425, 425E, 428, 431,
11 436E, 436H, 437, 437B, 438, 439, 440, 440E, 441, 442,
12 443B, 444, 447, 448, 448E, 448F, 448H, 451A, 451J,
13 452, 453, 453D, 455, 456, 457, 457A, 457B, 457G, 458,
14 459, 460J, 461, 461J, 462A, 463, 463E, 464, 465, 465D,
15 466, 466D, 466K, 467, 467E, 468E, 468L, 468M, 469,
16 471, 472, 481E, 482, 482E, 484, 485A, 501, 502, 505,
17 514A, 514B, 514E, 572, 574, and 846 (part II) and any
18 board, commission, program, or entity created pursuant
19 to title 25 and assigned to the department of commerce
20 and consumer affairs or placed within the department
21 for administrative purposes;



- 1 (2) The authority to increase or decrease fees or nontax
- 2 revenues under the chapters listed in paragraph (1)
- 3 that are established by the department of commerce and
- 4 consumer affairs shall apply to fees or nontax
- 5 revenues established by statute or rule;
- 6 (3) The authority to increase or decrease fees or nontax
- 7 revenues established by the University of Hawaii under
- 8 chapter 304A shall be subject to the approval of the
- 9 board of regents; provided that the board's approval
- 10 of any increase or decrease in tuition for regular
- 11 credit courses shall be preceded by an open public
- 12 meeting held during or prior to the semester preceding
- 13 the semester to which the tuition applies; provided
- 14 further that no increase in tuition shall exceed the
- 15 mean change in the State's median household income, as
- 16 determined by the United States Census Bureau, for the
- 17 past ten years;
- 18 (4) This section shall not apply to judicial fees as may
- 19 be set by any chapter cited in this section;
- 20 (5) The authority to increase or decrease fees or nontax
- 21 revenues pursuant to this section shall be exempt from



1 the public notice and public hearing requirements of
2 chapter 91; and

3 (6) Fees for copies of proposed and final rules and public
4 notices of proposed rulemaking actions under chapter
5 91 shall not exceed 10 cents a page, as required by
6 section 91-2.5."

7 SECTION 3. Beginning with the 2020-2021 academic year,
8 tuition at the following University of Hawaii campuses shall be
9 reduced as follows:

10 (1) University of Hawaii at Manoa - per cent of the
11 tuition as approved by the board of regents of the
12 University of Hawaii on July 21, 2016, and amended on
13 June 1, 2017;

14 (2) University of Hawaii at Hilo and University of Hawaii
15 West Oahu - per cent of the tuition as approved
16 by the board of regents of the University of Hawaii on
17 July 21, 2016, and amended on June 1, 2017; and

18 (3) Each community college campus - per cent of the
19 tuition as approved by the board of regents of the
20 University of Hawaii on July 21, 2016, and amended on
21 June 1, 2017.



1 SECTION 4. Between July 1, 2018, and January 1, 2020, the
2 University of Hawaii Economic Research Organization shall
3 conduct an analysis regarding tuition increases, including:

4 (1) A cost-comparison analysis using the Consumer Price
5 Index calculated by the United States Bureau of Labor
6 Statistics;

7 (2) Methods that other states have adopted to contain
8 higher-education costs;

9 (3) The role that the overall high cost of living in
10 Hawaii has on overall tuition affordability;

11 (4) Other alternatives for containing higher-education
12 costs that the legislature could consider; and

13 (5) Any detrimental or unintended consequences of using
14 the Consumer Price Index calculated by the United
15 States Bureau of Labor Statistics.

16 SECTION 5. New statutory material is underscored.

17 SECTION 6. This Act shall take effect on July 1, 2020;
18 provided that the amendments made to section 92-28, Hawaii
19 Revised Statutes, by section 2 of this Act shall not be repealed
20 when that section is amended by Act 181, Session Laws of Hawaii
21 2017.



Report Title:

University of Hawaii; Tuition; Reduction; Cap; Median Household Income; University of Hawaii Economic Research Organization; Study; Consumer Price Index

Description:

Caps increases in tuition for the University of Hawaii based on the change in the State's median household income. Requires the University of Hawaii Economic Research Organization to conduct a study regarding tuition affordability and the Consumer Price Index. (SB2329 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

