STAND. COM. REP. NO. **522** 

Honolulu, Hawaii

FEB 1 7 2017

RE: S.B. No. 1162

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Higher Education, to which was referred S.B. No. 1162 entitled:

"A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to establish the Hawaii promise program to provide scholarships for the unmet direct cost needs of qualified students enrolled at any University of Hawaii campus and to appropriate funds to establish and implement the program.

Your Committee received testimony in support of this measure from the University of Hawai'i System; University of Hawai'i Student Caucus; Graduate Student Organization at the University of Hawai'i at Mānoa; Associated Students of the University of Hawai'i at Windward Community College; Hawai'i Pacific Health; Americans for Democratic Action; KAI Hawaii, Inc.; and thirteen individuals.

Your Committee finds that Hawaii has a college completion rate goal of 55 by '25 with the hope of increasing the percentage of working-age adults with two- or four-year degrees to fifty-five percent by 2025. Your Committee further finds that the University of Hawaii has a system wide, strategic graduation initiative with a goal of increasing the educational capital of the State by increasing participation in college by students, particularly Native Hawaiians, low-income students, and those from underserved regions and populations. An educated labor force and engaged

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citizenry are essential in today's global, knowledge-based economy.

Your Committee finds that as the cost of higher education continues to rise and become more burdensome for families, attendance and completion of college become especially difficult for students. According to a 2016 report by the Institute for Research on Higher Education at the University of Pennsylvania Graduate School of Education, Hawaii's financial aid policies did little to alleviate costs for families earning less than \$30,000 annually and the State provided minimal need-based aid to students attending public institutions. This measure attempts to address these issues by providing scholarships for the unmet needs of qualified students.

Your Committee has amended this measure by:

- (1) Inserting language to clarify that the Hawaii promise program applies to all University of Hawaii campuses, including the community colleges, and providing program requirements for students attending community colleges, including enrollment in six or more credits per semester;
- (2) Inserting language to require that students maintain a grade point average of 2.5 or higher to maintain a scholarship under the Hawaii promise program, and that students attending community college must earn a minimum of twelve credits in one academic year to maintain a scholarship under the program;
- (3) Inserting a provision that establishes the Hawaii promise program special fund to be used to provide financial assistance to qualified students through Hawaii promise program scholarships;
- (4) Inserting a provision that requires the University of Hawaii to report to the Legislature no later than twenty days prior to the convening of each regular session with information on the special fund, including the number of scholarships provided under the Hawaii promise program and recommendations on all tuition waivers;

- (5) Amending the appropriation provision to first appropriate the funds into the Hawaii promise program special fund; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 1162, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1162, S.D. 1, and be referred to your Committee on Ways and Means.

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

KAIALI KAHELE, Chair

## The Senate Twenty-Ninth Legislature State of Hawaiʻi

## Record of Votes Committee on Higher Education HRE

Bill / Resolution No.:*	Committee Referral:		Da	Date:	
SB 1162	HRE, Way			02/15/17	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye /	Aye (WR)	Nay	Excused
KAHELE, Kaiali'i (C)					,
KIDANI, Michelle N. (VC)					
ESPERO, Will		, V			
KEITH-AGARAN, Gilbert S.C.	:				
TANIGUCHI, Brian T.					
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TOTAL	<del></del>	3	U	0	2
Recommendation:					
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy					

<sup>\*</sup>Only one measure per Record of Votes