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# A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM.

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

1           SECTION 1. The legislature finds that the University of  
2 Hawaii's Hawaii graduation initiative is a systemwide strategic  
3 initiative endorsed by the board of regents with a goal to  
4 increase the educational capital of the State by increasing  
5 students' educational participation in and completion of a  
6 postsecondary education, particularly for Native Hawaiians, low-  
7 income students, and those from underserved regions and  
8 populations, and preparing them for success in the workforce and  
9 their communities.

10           The legislature further finds that an educated labor force  
11 and engaged citizenry are essential in today's global,  
12 knowledge-based economy and therefore an issue of statewide  
13 concern. Across the nation, states have set ambitious goals to  
14 boost college completion rates. Hawaii's own 55 by '25 campaign  
15 goal focuses on increasing the percentage of working-age adults  
16 with two- or four-year degrees to fifty-five per cent by 2025.  
17 According to the most recent data available, forty-four per cent



1 of Hawaii's working-age adults currently have a postsecondary  
2 degree. As the State's sole system of public higher education,  
3 the University of Hawaii is committed to doing its part to close  
4 the State's projected educational attainment gap.

5 In April 2016, the Institute for Research on Higher  
6 Education at the University of Pennsylvania graduate school of  
7 education issued a study that analyzed college costs in relation  
8 to family income level. The study revealed that higher  
9 education has gone from expensive to unaffordable for most low-  
10 and middle-income families. According to this same study,  
11 Hawaii ranked third in the nation for overall college  
12 affordability, and the University of Hawaii community colleges  
13 are the most affordable public two-year institutions in the  
14 nation.

15 The report further acknowledged that despite Hawaii's  
16 commendable overall college affordability ranking, attending  
17 college is a big expense for families earning less than \$30,000  
18 annually. Hawaii's financial aid policies are not fully able to  
19 alleviate costs for these families; and the State provides  
20 minimal need-based aid to students attending public  
21 institutions. Since this report, the University of Hawaii has



1 implemented the Hawaii promise program, which is a need-based  
2 award intended to be applied toward the unmet direct cost needs  
3 of qualified students enrolled at any community college campus  
4 of the University of Hawaii. Awards are contingent upon  
5 funding, and amounts are determined by the individual students'  
6 Free Application for Federal Student Aid information.

7 Financial aid through federal Pell Grants, University of  
8 Hawaii and private scholarships, the GI Bill for service members  
9 and veterans, and employers covers much of the cost for need-  
10 based students. However, cost is still a barrier for certain  
11 need-based students, especially for those who do not qualify for  
12 the Hawaii promise program because they are enrolled at one of  
13 the University of Hawaii's four-year campuses.

14 The purpose of this Act is to:

- 15 (1) Expand the Hawaii promise program to provide  
16 scholarships for the unmet direct cost needs of  
17 qualified undergraduate students enrolled at a four-  
18 year campus of the University of Hawaii; and  
19 (2) Provide an appropriation to establish and implement  
20 the expanded program.



1 SECTION 2. Section 304A-506, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "[~~§~~304A-506~~]~~ **Hawaii community college promise program;**  
4 **established.** (a) Notwithstanding section 304A-501, there is  
5 established the Hawaii [~~community college~~] promise program to be  
6 administered by the board of regents. The program shall provide  
7 scholarships for the unmet direct cost needs of qualified  
8 students enrolled at any [~~community college~~] campus of the  
9 University of Hawaii.

10 (b) A student enrolled at a community college campus shall  
11 be eligible for scholarship consideration for a maximum of eight  
12 semesters if the student:

- 13 (1) Qualifies for Hawaii resident tuition;
- 14 (2) Completes and submits the Free Application for Federal  
15 Student Aid for each academic year and accepts all  
16 federal and state aid, grants, scholarships, and other  
17 funding sources that do not require repayment;
- 18 (3) Is enrolled in a classified degree or certificate  
19 program with six or more credits per semester;
- 20 (4) Maintains satisfactory academic progress, as defined  
21 by federal requirements established pursuant to Title



1 IV of the Higher Education Act of 1965, as amended,  
2 and determined by the campus at which the student is  
3 enrolled; and  
4 (5) Has been determined by the campus to have unmet direct  
5 cost needs.  
6 (c) A student enrolled in an undergraduate program at a  
7 University of Hawaii campus, other than a community college  
8 campus, shall be eligible for scholarship consideration for a  
9 maximum of eight semesters if the student:  
10 (1) Qualifies for Hawaii resident tuition;  
11 (2) Completes and submits the Free Application for Federal  
12 Student Aid for each academic year and accepts all  
13 federal and state aid, grants, scholarships, and other  
14 funding sources that do not require repayment;  
15 (3) Is enrolled in a classified degree or certificate  
16 program with twelve or more credits per semester;  
17 (4) Maintains satisfactory academic progress, as defined  
18 by federal requirements established pursuant to Title  
19 IV of the Higher Education Act of 1965, as amended,  
20 and determined by the campus at which the student is  
21 enrolled; and



1           (5) Has been determined by the campus to have unmet direct  
2           cost needs.

3           ~~[(e)]~~ (d) Scholarships shall be awarded to the extent  
4 possible based on available funds and on a greatest need basis.  
5 An award granted to a student shall be equal to the student's  
6 unmet direct cost need, based on the Free Application for  
7 Federal Student Aid calculation of need, less the amounts  
8 available to the student from Pell grants and other  
9 scholarships.

10           ~~[(d)]~~ (e) To maintain a scholarship under this section, a  
11 student enrolled at a community college shall meet the  
12 requirements of subsection (b) (4) ~~[-]~~ and a student enrolled in  
13 an undergraduate program at a University of Hawaii campus, other  
14 than a community college campus, shall meet the requirements of  
15 subsection (c) (4).

16           ~~[(e)]~~ (f) As used in this section, "direct cost" means any  
17 cost directly related to a student's education, including  
18 tuition; educational fees; and the costs of books, supplies, and  
19 transportation between the student's dwelling and the student's  
20 campus."



1 SECTION 3. Section 304A-2102, Hawaii Revised Statutes, is  
2 amended by amending its title and subsections (a) and (b) to  
3 read as follows:

4 "[+]§304A-2102[+] **Hawaii [~~community college~~] promise**  
5 **program subaccount.** (a) There is established the Hawaii  
6 [~~community college~~] promise program subaccount within the  
7 University of Hawaii general fund. Moneys in the subaccount  
8 shall be used to provide financial assistance to qualified  
9 students through Hawaii [~~community college~~] promise program  
10 scholarships under section 304A-506.

11 (b) The University of Hawaii shall submit a report to the  
12 legislature no later than twenty days prior to the convening of  
13 each regular session regarding the subaccount. The report shall  
14 include but not be limited to the number of scholarships  
15 provided under the Hawaii [~~community college~~] promise program  
16 during the preceding year."

17 SECTION 4. There is appropriated out of the general  
18 revenues of the State of Hawaii the sum of \$ or so  
19 much thereof as may be necessary for fiscal year 2023-2024 and  
20 the same sum or so much thereof as may be necessary for fiscal  
21 year 2024-2025 for the establishment and implementation of the



1 Hawaii promise program pursuant to this Act, including the  
2 provision of scholarships.

3 The sums appropriated shall be expended by the University  
4 of Hawaii for the purposes of this Act.

5 SECTION 5. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

7 SECTION 6. This Act shall take effect on July 1, 2023.

8

INTRODUCED BY:

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a horizontal line extending to the right.

JAN 20 2023



# H.B. NO. 390

**Report Title:**

University of Hawaii Promise Program; Scholarships; Four-year  
University of Hawaii Campus; Appropriation

**Description:**

Provides scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawaii campus who meet certain eligibility criteria. Makes an appropriation for the Hawaii promise program.

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

