
A BILL FOR AN ACT

RELATING TO EDUCATION.

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

1 SECTION 1. The legislature finds that Hawaii left nearly
2 \$14,000,000 in federal Pell Grants unclaimed in 2023, enough to
3 send roughly forty-five hundred students to a university of
4 Hawaii community college tuition-free. Nationally, nearly
5 \$4,000,000,000 in federal financial aid for higher education
6 went unused by 2023 high school graduates who were eligible for
7 a federal Pell Grant but did not complete the Free Application
8 for Federal Student Aid (FAFSA). When students do not apply for
9 federal student aid, many students may revert to private student
10 loans, which often have high interest rates and lack the
11 consumer protections of federal student loans.

12 The legislature further finds that in 2016, Louisiana began
13 to require students to complete the FAFSA because more than half
14 of high school seniors were not completing the student aid
15 application. As of 2023, Louisiana was ranked first in the
16 nation for FAFSA completion, with a seventy-eight per cent
17 completion rate. Other jurisdictions, including California,



1 Illinois, Indiana, New Hampshire, Texas, and Washington, D.C.,
2 have either enacted or considered a FAFSA completion requirement
3 for schools. In Hawaii, the department of education set a goal
4 to have ninety per cent of high school seniors complete the
5 FAFSA in the 2020 school year, although completion rates in
6 recent years have remained closer to sixty per cent.

7 The purpose of this Act is to require the department of
8 education's existing working group dedicated to increasing
9 awareness and completion of the FAFSA to create a state plan to
10 make FAFSA completion, or an opt-out waiver for FAFSA
11 completion, a statewide graduation requirement by the 2027-2028
12 school year.

13 SECTION 2. (a) The department of education's existing
14 working group dedicated to increasing awareness and completion
15 of the Free Application for Federal Student Aid (FAFSA) shall
16 create a state plan to make FAFSA completion, or an opt-out
17 waiver for FAFSA completion, a statewide graduation requirement
18 by the 2027-2028 school year.

19 (b) The working group shall:

20 (1) Include the following additional members to provide a
21 broader perspective:



- (A) A member of the non-profit sector;
- (B) High school counselors; and
- (C) A representative of the public charter school system;

(2) Consider the needs of:

- (A) Public and private universities; and
- (B) The philanthropic community;

(3) Consider additional resources and supports that are necessary and available, including public-private partnerships, to ensure successful implementation of the state plan;

(4) Determine the best ways to ensure that the process for opting out of FAFSA completion by parents is simple and unconditional;

(5) Examine the feasibility of establishing pilot programs by complex area or island;

(6) Consider the best ways to provide greater support for students through the entire college application process, including providing the necessary guidance for students to actually enroll in college and be successful once the FAFSA is completed;



1 (7) Determine the best ways to protect family privacy,
2 particularly for undocumented families, and to support
3 schools in providing hardship-based opt-out waivers
4 when parents fail to respond to the FAFSA completion
5 requirement; and

6 (8) Address any other issue the working group deems
7 necessary.

8 (c) Members of the working group shall serve without
9 compensation but shall receive reimbursement for expenses,
10 including travel expenses, that are necessary for the
11 performance of their duties.

12 (d) The working group shall be exempt from part I of
13 chapter 92, Hawaii Revised Statutes; provided that the
14 department of education shall make the minutes of all meetings
15 of the working group available to the public on the department
16 of education's website.

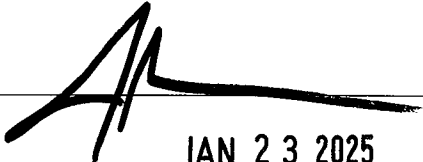
17 (e) The department of education shall provide
18 administrative support for the working group, including
19 preparing agendas and minutes, organizing meetings, and
20 reporting on the activities and recommendations of the working
21 group.



1 (f) The working group shall submit a report of its
2 findings and recommendations, including any proposed
3 legislation, to the legislature, the superintendent of
4 education, and all complex area superintendents no later than
5 twenty days prior to the convening of the regular session of
6 2026.

7 SECTION 3. This Act shall take effect upon its approval.
8

INTRODUCED BY: _____


JAN 23 2025



H.B. NO. 1344

Report Title:

DOE; FAFSA Working Group; State Plan; Graduation Requirement

Description:

Requires the Department of Education's existing Free Application for Federal Student Aid (FAFSA) working group to create a state plan to make completion of the FAFSA or an opt-out waiver a statewide graduation requirement by the 2027-2028 school year. Requires a report to the 2026 legislature.

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

