



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/25/2022
Time: 12:30 PM
Location: 308 Via Videoconference
Committee: House Finance

Department: Education

Person Testifying: Interim Superintendent Keith Hayashi
Hawaii State Department of Education

Title of Bill: HB 1731, HD1 RELATING TO THE UNIVERSITY OF HAWAII
PROMISE PROGRAM.

Purpose of Bill: 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. Effective 7/1/2050. (HD1)

Department's Position:

The Hawaii State Department of Education (Department) supports HB 1731, HD 1 and the expansion of the University of Hawaii Promise Program.

The Department believes expanding the eligibility of this program will increase academic and economic opportunities for all graduating high school seniors in Hawaii, whether they attend a Department school or not. This program also complements the efforts of the Department and its partners to increase personal transition planning, learning support, career readiness, workforce development, and other positive educational outcomes within the pre-school through higher education continuum.

The Department defers to the University of Hawaii on program implementation, including matters of budget, policy, and personnel.

Thank you for the opportunity to provide testimony in support of this measure.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Finance
Friday, February 25, 2022, at 12:30 p.m.

By
Hae K. Okimoto
Associate Vice President for Student Affairs
University of Hawai'i System

HB 1731 HD1 – RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM

Chair Luke, Vice Chair Yamashita, and members of the committee:

Thank you for the opportunity to provide testimony in support of HB 1731 HD1, which expands the University of Hawai'i (UH) Promise program, currently only at the community colleges, to qualified undergraduate students enrolled at a four-year campus of the UH.

Expanding the Hawai'i Promise program to qualified students in four-year degree programs at the UH would greatly assist our students. Expanding the program will significantly enhance the ability of community college students to transfer to a four-year program and increase the number of economically disadvantaged students who can earn a bachelor's degree from the UH. It will be a significant step forward in expanding access to economic opportunity for Hawai'i's students and preparing the educated workforce the state will need to grow in the coming decades.

The program is effective for students in the community colleges, where participation in Hawai'i Promise has increased student success in their programs. In academic year 2019-2020, Hawai'i Promise recipients earned more credits, received better grades, and had higher persistence and graduation rates. Many of these successful students are often surprised when they transfer to a four-year UH degree program to find that their scholarships do not cover their direct cost of attendance, even when awarded a full Pell grant. A four-year version of Hawai'i Promise will help these students afford the continuation of their education. In addition, due to the higher cost of tuition at a four-year campus, students who did not qualify for Hawai'i Promise at the community colleges might nevertheless have an unmet need when they attend a four-year program. Maybe due to the uncertainties created by COVID-19, it seems many students who might have gone to a mainland college have decided to stay home, and the University of Hawai'i at Mānoa has seen a steady increase in enrollment these past two years.

However, student financial debt has continued to increase with the inability of students to pay as current scholarships and federal aid has not been able to fully cover their direct cost for eligible students. The University of Hawai'i Foundation conducted extensive research and found that for academic year 2019-2020, students at UH four-year campuses with the most financial need had average unmet need ranging between a low of 40% at Mānoa to a high of 59% at UH West O'ahu. The students with the most financial need were those with the Lowest Estimated Family Contribution (EFC) quartile who completed a Free Application for Federal Student Aid. By expanding to the four-year campuses, based on academic year 2020-2021, we would be impacting 4,629 additional students at the baccalaureate level.

Additionally, the community colleges have found that more students qualify for Hawai'i Promise than the recurring general fund appropriation. Over the last few years, the Legislature has appropriated non-recurring funds to supplement the general fund appropriation, and the community colleges have awarded Hawai'i Promise scholarships to 2,109 students for this academic year, as of January 11, 2022. Additional funding would allow community colleges to commit the Hawai'i Promise to all eligible students.

Therefore, having the Hawai'i Promise program available to all eligible undergraduate students at the University of Hawai'i will continue to support our students.

Thank you for the opportunity to testify in support of this measure.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 1731, H.D. 1

February 25, 2022
12:30 p.m.
Room 308 and Videoconference

RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1731, H.D. 1, appropriates an unspecified amount of general funds in FY 23 for the Hawai'i Promise Program (HPP).

B&F notes that Act 88, SLH 2021, includes \$1,829,000 in general funds and \$1,300,000 in American Rescue Plan (ARP) Act funds for FY 23 for the HPP.

B&F also notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal ARP Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



AMERICANS FOR DEMOCRATIC ACTION

OFFICERS	DIRECTORS		MAILING ADDRESS	
John Bickel, President	Melodie Aduja	Jan Lubin	Bill South	P.O. Box 23404
Alan Burdick, Vice President	Keola Akana	John Miller	Zahava Zaidoff	Honolulu
Dave Nagajji, Treasurer	Juliet Begley	Jenny Nomura		Hawaii 96823
Doug Pyle, Secretary	Stephanie Fitzpatrick	Stephen O'Harrow		

February 23 , 2022

TO: Chair Luke and Members of the Finance Committee

RE: HB 1731 RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM.

Support for a Hearing on February 25

Americans for Democratic Action is an organization founded in the 1950s by leading supporters of the New Deal and led by Patsy Mink in the 1970s. We are devoted to the promotion of progressive public policies.

Americans for Democratic Action Hawaii supports this bill as it would provide scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawaii campus who meet certain eligibility criteria. For years we have argued for the expansion of the Hawaii Promise program to qualified students in four-year degree programs at the UH. Even more so now with COVID-19 hardships, the expansion is necessary. Community college students should be able to transfer to a four-year program and not lose their Promise benefits. Passing this bill will be a significant step forward in expanding access to economic opportunity for Hawaii's students and preparing an educated workforce for the future.

Thank you for your consideration.

Sincerely,

John Bickel, President



Testimony Presented to the House Committee on Finance
Friday, February 25, 2022, 12:30 p.m.

HB 1731 HD1, RELATING TO THE UNIVERSITY OF HAWAI'I

Chair Luke, Vice Chair Yamashita, and Committee members:

The University of Hawai'i Alumni Association (UHAA) strongly **supports HB 1731 HD1** which expands the University of Hawai'i (UH) Promise Program, currently only at the community colleges, to qualified undergraduate students enrolled at a four-year UH campus.

UHAA recognizes the legislature for supporting the highly successful Hawai'i Promise Program at the community colleges. Expanding that program to include qualified students at four-year institutions will significantly enhance the number of economically disadvantaged students who can attend and graduate from the UH, and will effectively remove cost as a barrier to higher education for UH students statewide who face mounting financial challenges, in particular during the current COVID-19 crisis. We all know that the key to Hawai'i's economic well-being relies heavily on an educated workforce, and providing affordable access to our state's only public higher education institutions is a necessary first step.

We strongly support this request and ask for your support as well. It would be a great source of pride for both UH alumni and the community as a whole, to be able to provide our students with this assistance.

We respectfully ask for passage of HB 1731 HD1 and thank you for the opportunity to offer testimony.

A handwritten signature in black ink, appearing to read 'Brandon Kurisu', written in a cursive style.

Brandon Kurisu '99
President

The University of Hawai'i Alumni Association (UHAA) represents more than 300,000 alumni who have graduated from the 10 University of Hawai'i system campuses and community-based learning centers across the Hawaiian Islands.



Kamehameha Schools®

House Committee on Finance

Time: 12:30 p.m.

Date: February 25, 2022

Where: Conference Room 308

TESTIMONY

By Dr. Wai‘ale‘ale Sarsona
Kamehameha Schools

RE: **HB 1731, HD1, Relating to the University of Hawai‘i Promise Program**

E ka Luna Ho‘omaluku, ka Hope Luna Ho‘omaluku Yamashita, a me nā lālā o ke Kōmike Waiwai o ka Hale o nā Lunamaka‘āinana, aloha kākou! My name is Dr. Wai‘ale‘ale Sarsona, Vice President of Hi‘ialo at Kamehameha Schools.

Kamehameha Schools **supports** HB 1731, HD1, which provides scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawai‘i campus who meet certain eligibility criteria. This measure also makes an appropriation for the Hawai‘i Promise Program.

We commend both the legislature and the University of Hawai‘i (UH) for funding and administering this program in the community colleges. The [annual report](#) shows that in the school year 2020-21, the University assisted 1,800 students from all seven (7) UH Community Colleges, with fifty-nine percent (59%) of awarded students identified as underrepresented at UH, including Native Hawaiians. Impacts to awardees were highlighted by the University, such as: less student loan debt, more credits earned, higher grades, and higher persistence and completion rates for part-time students. Also, from its inception, a total of 6,576 recipients have benefited from this program that boasts an eighty-two percent (82%) success rate through degree completion, transfers, and/or persistence.

We support the expansion of this program to all qualified UH-enrolled students, including those at four-year UH campuses, and urge this committee to advance this measure.

Founded in 1887, Kamehameha Schools is an educational organization striving to restore our people through education and advance a thriving Lāhui where all Native Hawaiians are successful, grounded in traditional values, and leading in the local and global communities. We believe that community success is individual success, Hawaiian culture-based education leads to academic success and local leadership drives global leadership. Hānai i ke keiki; ola ka lāhui.

‘A‘ohe ‘ulu e loa‘a i ka pōkole o ka lou. There is no success without preparation. **Please advance this measure.**