### 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. Research predicts that the some of the greatest
- 2 future employment growth in Hawaii lies in the fields of
- 3 registered nursing, elementary and secondary education, and
- 4 civil engineering. At the same time, Hawaii is currently facing
- 5 some of its most severe shortages of trained professionals in
- 6 these fields.
- 7 Although the State does not budget for scholarships,
- 8 University of Hawaii policy requires that a minimum percentage
- 9 of tuition revenue be set aside for need-based scholarships,
- 10 including 8.8 per cent at the community colleges. The
- 11 University of Hawaii provided \$46,700,000 in tuition-funded
- 12 financial aid during 2014-2015, including \$6,300,000 at the
- 13 community colleges. Even though financial aid through Pell
- 14 grants, University of Hawaii and private scholarships, the GI
- 15 Bill for service members and veterans, and employers cover much
- 16 of the cost for need-based students, cost is still a barrier for
- 17 certain students with financial need.

1	The legislature finds that this issue is a matter of		
2	statewide concern that falls under its purview pursuant to		
3	article X, section 6, of the Hawaii State Constitution. The		
4	purpose of this Act is to:		
5	(1) Establish the Hawaii promise program to provide		
6	scholarships for the unmet direct cost needs of		
7	qualified students who are pursuing undergraduate		
8	degrees in registered nursing, elementary or secondary		
9	education, and civil engineering and who are enrolled		
10	at any University of Hawaii campus; and		
11	(2) Appropriate funds to establish and implement the		
12	program.		
13	SECTION 2. Chapter 304A, Hawaii Revised Statutes, is		
14	amended by adding a new section to part IV, subpart A,		
15	subdivision 1 to be appropriately designated and to read as		
16	follows:		
17	"§304A- Hawaii promise program; established. (a)		
18	Notwithstanding section 304A-502, there is established the		
19	Hawaii promise program to be administered by the board of		
20	regents. The program shall provide scholarships for the unmet		
21	direct cost needs of qualified students who are:		

1	(1)	Pursuing undergraduate degrees in registered nursing,
2		elementary or secondary education, and civil
3		engineering; and
4	(2)	Enrolled at any University of Hawaii campus.
5	<u>(b)</u>	A student enrolled in an undergraduate degree in
6	registere	d nursing, elementary or secondary education, or civil
7	engineeri	ng at a University of Hawaii campus is eligible for
8	scholarsh	ip consideration for a maximum of eight semesters if
9	the stude	ent:
10	(1)	Qualifies for Hawaii resident tuition;
11	(2)	Completes and submits the FAFSA for each academic
12		year, and accepts all federal and state aid, grants,
13		scholarships, and other funding sources that do not
14		require repayment;
15	(3)	Is enrolled in the degree program with twelve or more
16		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	<u>(5)</u>	Has been determined by the campus to have unmet direct
2		cost needs.
3	<u>(c)</u>	Scholarships shall be awarded:
4	(1)	On a first-come, first-served basis;
5	(2)	In an amount equal to the student's unmet direct cost
6		need based on the FAFSA calculation of need minus what
7		is available from Pell grants and other funding
8		sources specified in subsection (b)(2); and
9	(3)	To the extent funds are available to support the
10		scholarship award.
11	(d)	To continue to qualify for a scholarship under this
12	section,	a student shall:
13	(1)	Maintain a grade point average of 2.5 or higher, on a
14		scale of 4.0 or its equivalent;
15	(2)	Earn a minimum of twenty-four credits in each academic
16		year; and
17	(3)	Comply with any other conditions placed on the
18		scholarship by the University of Hawaii.
19	(e)	A student who fails to comply with the requirements of
20	this sect	tion shall be placed on scholarship probation. Social,
21	economic	and other factors or other extenuating circumstances

- 1 as determined by the University of Hawaii, shall be considered
- 2 in determining probationary status.
- 3 During the probationary period, the student shall
- 4 demonstrate satisfactory progress toward meeting completion of
- 5 the degree and satisfying the requirements of the scholarship.
- 6 Failure to meet the probationary period requirements in this
- 7 section shall result in revocation of the student's scholarship,
- 8 with the student responsible for reimbursing the University of
- 9 Hawaii for up to two semesters of scholarship amounts received
- 10 under the program. A student may be placed on scholarship
- 11 probation for no more than one semester during an eight-semester
- 12 period at a University of Hawaii campus.
- (f) As used in this section:
- 14 "Direct cost" includes tuition, fees, books, supplies, and
- 15 transportation.
- 16 "FAFSA" means the Free Application for Federal Student
- 17 Aid."
- 18 SECTION 3. There is appropriated out of the general
- 19 revenues of the State of Hawaii the sum of \$ or so much
- 20 thereof as may be necessary for fiscal year 2018-2019 to

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- 1 establish and implement the Hawaii promise program, including
- the provision of the program's scholarships.
- 3 The sum appropriated shall be expended by the University of
- Hawaii for the purposes of this Act. 4
- 5 SECTION 4. New statutory material is underscored.
- 6 SECTION 5. This Act shall take effect on July 1, 2018.

INTRODUCED BY: Million K. Makon

JAN 1 9 2018

### Report Title:

University of Hawaii; Promise Program; Scholarships in Registered Nursing, Elementary or Secondary Education, and Civil Engineering; Appropriation

#### Description:

Establishes the University of Hawaii Promise Program to provide scholarships for the unmet direct cost needs of qualified students pursuing an undergraduate degree in registered nursing, elementary or secondary education, and civil engineering and enrolled at any campus of the University of Hawaii system. Appropriates funds to establish and implement the program.

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