

JAN 23 2020

A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII COMMUNITY COLLEGE PROMISE PROGRAM.

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

1 SECTION 1. The University of Hawaii promise program was
2 founded in 2017 to increase participation in and completion of
3 college by students, particularly native Hawaiians, low-income
4 students, and those from underserved regions and populations,
5 and to prepare them for success in the workforce and their
6 communities. In the first year after its inception, this
7 scholarship program assisted one thousand students. Due to its
8 success, the University of Hawaii community college promise
9 program was codified into law by Act 14, Session Laws of Hawaii
10 2018, permanently establishing it at the community college
11 level. The Governor is proposing to expand funding for the
12 program, committing millions of dollars in State resources to
13 the program. Although successful, there is no guarantee that
14 the State receives any direct benefits from the program, as
15 recipients may move away after graduation, contributing to
16 "brain drain." Requiring recipients to commit to working in



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1 Hawaii for five years after graduation, as a condition of
2 receiving scholarships from the University of Hawaii promise
3 community college program, would help ensure that the program
4 directly benefits Hawaii's workforce and economy.

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

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

14 (b) A student enrolled at a community college campus shall
15 be eligible for ~~[scholarship]~~ loan consideration for a maximum
16 of eight semesters if the student:

- 17 (1) Qualifies for Hawaii resident tuition;
- 18 (2) Completes and submits the Free Application for Federal
19 Student Aid for each academic year and accepts all
20 federal and state aid, grants, scholarships, and other
21 funding sources that do not require repayment;



(3) Is enrolled in a classified degree or certificate program with six or more credits per semester;

(4) Maintains satisfactory academic progress, as defined by federal requirements established pursuant to Title IV of the Higher Education Act of 1965, as amended, and determined by the campus at which the student is enrolled; ~~and~~

(5) Has been determined by the campus to have unmet direct cost needs~~[-]~~; and

(6) Commits to working in Hawaii for five years after leaving the University of Hawaii System.

(c) ~~[Scholarships]~~ Loans shall be awarded to the extent possible based on available funds and on a greatest need basis.

~~[An award granted]~~ A loan awarded to a student shall be equal to the student's unmet direct cost need, based on the Free Application for Federal Student Aid calculation of need, less the amounts available to the student from Pell grants and ~~[other]~~ scholarships.

~~[(d) To maintain a scholarship under this section, a student shall meet the requirements of subsection (b)(4).]~~



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

(e) Any loan awarded to a student pursuant to the Hawaii community college promise program shall be forgivable provided that the loan recipient works in the State of Hawaii for five years after leaving the University of Hawaii System. The board of regents may establish rules regarding compliance with paragraphs (b) and (e)."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

INTRODUCED BY:

Breene Hart
Kurt Favelle *James Mendoza K.*
Michelle N. Kilani *Frederic R. Amaze*
Pat Riviere *DK*
Clarence A. Ischikawa



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Report Title:

University of Hawaii Community College Promise Program; Loan Forgiveness Program

Description:

Converts the University of Hawaii Community College Promise Program from a scholarship to a loan program. Makes these loans forgivable if the recipient works in Hawaii for five years after graduation from college. Authorizes the Board of Regents to establish rules regarding the program.

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