Testimony Presented Before the House Committee on Finance Friday, February 21, 2020 at 11:00 a.m.

by

Donald O. Straney, Vice President for Academic Planning and Policy University of Hawai'i System

HB 2255 HD1 – RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM

Chair Luke, Vice Chair Cullen, and members of the Committee:

Thank you for the opportunity to present testimony in support of HB 2255 HD1 – Relating to the University of Hawaii Promise Program. Importantly, it would amend Section 304A-506, HRS, to expand the Hawai'i Promise program to provide scholarships for the unmet direct costs needs of qualified students enrolled at any campus of the University of Hawai'i.

Expanding the Hawai'i Promise program to students in 4-year degree programs at the University of Hawai'i, who qualify for federal financial aid, is the highest priority in the Board of Regent's budget request for the university this year. Expanding this program to all university undergraduate programs will significantly enhance the number of economically disadvantaged students who can attend—and graduate from—the state's public university. 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.

Recognizing that tuition is higher at the 4-year campuses, the University of Hawai'i proposes that the Hawai'i Promise program to students in 4-year degree programs at the University of Hawai'i for students with financial need (as determined based on their Free Application for Federal Student Aid) be limited to the cost of tuition and educational fees. It would be awarded only to students to meet remaining tuition and fees need after federal need based aid and their own Estimated Family Contribution. Based on this model, our current estimate is that approximately 5,147 additional students would benefit from the expansion of this program: approximately 2,965 students attending UH Mānoa, 1,085 attending UH Hilo, and 1,097 attending UH West Oʻahu.

The program is effective for students in the community colleges, where participation in Hawai'i Promise has led to increase student success in their programs. Many of these successful students will be ready to transfer to a 4-year UH degree program at the completion of this academic year. A 4-year version of Hawai'i Promise will help these students afford the continuation of their education.

Thank you for the opportunity to testify on this matter.



ON THE FOLLOWING MEASURE:

H.B. NO. 2255, H.D. 1, RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM.

BEFORE THE:

HOUSE COMMITTEE ON FINANCE

DATE: Friday, February 21, 2020 **TIME:** 11:00 a.m.

LOCATION: State Capitol, Room 308

TESTIFIER(S): Clare E. Connors, Attorney General, or

Lori N. Tanigawa, Deputy Attorney General

Chair Luke and Members of the Committee:

The Department of the Attorney General provides the following comments.

The purpose of this bill is to expand the Hawai'i Community College Promise

Program to provide scholarships for the unmet direct cost needs of qualified students at
any four-year campus of the University of Hawai'i.

Article X, section 6, of the Hawai'i Constitution, gives the University of Hawaii Board of Regents "exclusive jurisdiction over the internal structure, management, and operation of the university." Section 6 further provides: "This section shall not limit the power of the legislature to enact laws of statewide concern. The legislature shall have the exclusive jurisdiction to identify laws of statewide concern." We therefore suggest that the Legislature consider amending this bill to add a statement identifying this bill as a law of statewide concern.

Thank you for the opportunity to provide these comments.



STATE OF HAWAII DEPARTMENT OF EDUCATION

P.O. BOX 2360 HONOLULU, HAWAI`I 96804

> Date: 02/21/2020 Time: 11:00 AM Location: 308

Committee: House Finance

Department: Education

Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education

Title of Bill: HB 2255, HD1 RELATING TO THE UNIVERSITY OF HAWAII

PROMISE PROGRAM.

Purpose of Bill: Expands the Hawaii community college promise program to provide

scholarships for the unmet direct cost needs of qualified students at any

fouryear University of Hawaii campus who meet certain eligibility

criteria. Appropriates funds for the program. Takes effect on 7/1/2050.

(HD1)

Department's Position:

The Department of Education (Department) supports HB 2255, provided that its passage does not replace or adversely impact priorities indicated in the Department's Board of Education approved budget.

The Department supports opportunities for all public school graduates to have affordable access to quality higher education opportunities at any University of Hawaii campus.

Thank you for the opportunity to provide testimony on HB 2255.

The Hawai'i State Department of Education is committed to delivering on our promises to students, providing an equitable, excellent, and innovative learning environment in every school to engage and elevate our communities. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at www.hawaiipublicschools.org.



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Testimony Presented Before the House Committee on Finance

Friday, February 21, 2020, 11:00 a.m.

HB 2255 HD1, RELATING TO THE UNIVERSITY OF HAWAI'I PROMISE PROGRAM

Chair Luke, Vice Chair Cullen, and Committee members;

Thank you for the opportunity to submit testimony in support of HB 2255 HD1 Relating to the University of Hawai'i Promise Program. My name is Jill Hasegawa, a proud alumna of the University of Hawai'i (UH) and Board President of the University of Hawai'i Alumni Association (UHAA). UHAA represents the more than 300,000 alumni graduating from all UH campuses statewide. The education and experiences gained at UH are integral to our success, and for many of us, attending UH is a family tradition.

On behalf of UHAA, its leadership, and members, I am writing to thank you for your past commitment and service to our community, our state, and our university. I am also writing to ask for your continued support of issues that will benefit our UH 'Ohana across all ten campuses of the UH System.

UHAA acknowledges and thanks the legislature for funding the Hawai'i Promise Program at the community colleges. Many of these successful community college students will be ready to transfer to a four-year UH degree program. The UH is requesting funds to expand the Hawai'i Promise Program to provide scholarships to low-income students who have unmet direct cost financial needs and meet eligibility criteria so they may complete their education in four-year degree programs at the University of Hawai'i.

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 all know that the key to Hawai'i's economic well-being relies heavily on an educated workforce, and providing access and affordability to our state's only public higher education institutions are a necessary first step.

We urge you to support HB 2255 HD1.

Mahalo,

Jill M. Hasegawa, JD '04

President



House Committee on Finance

Time: 11:00 a.m.

Date: February 21, 2020 Where: State Capitol Room 308

TESTIMONY By Ka'ano'i Walk

RE: HB 2255, HD1, Relating to the University of Hawai'i Promise Program

E ka Luna Hoʻomalu Woodson, ka Hope Luna Hoʻomalu Hashem, ka Hope Luna Hoʻomalu Quinlan, a me nā Lālā o ke Kōmike Hoʻonaʻauao Haʻahaʻa, Kiʻekiʻe, a me ke Kulanui o ka Hale o nā Lunamakaʻāinana, aloha! My name is Kaʻanoʻi Walk, the Senior Policy Analyst for Kamehameha Schools.

Kamehameha Schools is in <u>support</u> of HB 2255, HD1, which expands the Hawai'i community college promise program to provide scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawai'i campus who meet certain eligibility criteria and appropriates funds for the program.

We commend the legislature for funding, and the University of Hawai'i for administering, this program in the community colleges, which covered the unmet need costs for over 1,400 students and increased the retention rate. We support the expansion of the program to serve more of Hawai'i's college students in need, especially Native Hawaiians.

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.

'A'ohe hana nui ke alu 'ia. No task is too large when we all work together! **Please advance this measure.**



House Committee on Finance

Time: 11:00 a.m.

Date: February 21, 2020 Where: State Capitol Room 308

TESTIMONY By Ka'ano'i Walk

RE: HB 2255, HD1, Relating to the University of Hawai'i Promise Program

E ka Luna Ho'omalu Luke, ka Hope Luna Ho'omalu Cullen, a me nā Lālā o kēia Kōmike, aloha! My name is Ka'ano'i Walk, the Senior Policy Analyst for Kamehameha Schools.

Kamehameha Schools is in <u>support</u> of HB 2255, HD1, which expands the Hawai'i community college promise program to provide scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawai'i campus who meet certain eligibility criteria and appropriates funds for the program.

We commend the legislature for funding, and the University of Hawai'i for administering, this program in the community colleges, which covered the unmet need costs for over 1,400 students and increased the retention rate. We support the expansion of the program to serve more of Hawai'i's college students in need, especially Native Hawaiians.

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'A'ohe hana nui ke alu 'ia. No task is too large when we all work together! **Please advance this measure.**



House Committee on Finance Representative Sylvia Luke, Chair Representative Ty Cullen, Vice Chair

Friday, February 21, 2020, 11:00 AM

Re: SUPPORT FOR HB 2255 HD1: RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM

Dear Chair Luke, Vice-Chair Cullen and Distinguished Members of the Committee:

My name is Landon Li, and I am the President of the Associated Students of the University of Hawaii, the undergraduate student government at UH Mānoa. We represent the voices of over 10,000 full-time classified undergraduate students on the UHM campus. Our constituents **strongly support** the passage of **H.B. 2255 HD1**: RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM.

The ASUH recognizes the positive impact that the Hawaii Promise Program has had for students at the community college level. For example, 73% of first-year Promise students continued on to either earn their degree or remain in school, compared to only 67% of non-Promise students, showing that the Promise Program has helped to improve retention. Hawaii Promise students have also been shown to have higher GPAs than non-Promise students.

Retention at UH Mānoa is an issue, with the 4-year retention rate hovering just above 60%. Many students forgo their educational aspirations citing costs as their main motivator to drop out of school. Expanding the Promise Program to 4-year institutions would provide further financial assistance for those facing the decision between their education and finances.

Many community college students wish to enter professional careers that require degrees only obtainable from UH's four-year institutions. Expanding the Hawaii Promise Program to include UH's four-year institutions would have an immense impact on students' ability to pursue their educational and career goals, whether they are a transfer student or high school graduate. Projections show that approximately 5,150 students would benefit from the Hawaii Promise Program expansion, many of whom would not have the opportunity to pursue a four-year degree otherwise.

It is for these reasons that the 10,000 full-time classified, undergraduate students on the UH Mānoa campus strongly urge you to pass **H.B. 2255 HD1**.

Attached to this testimony are letters from only a small fraction of the students who see the value of the Hawaii Promise Program expansion.

Thank you very much for your time.

Landon Li, President Associated Students of the University of Hawaii at Mānoa landonli@hawaii.edu Dear Chair and Vice Chair and members of the committee,

My name is Kelly Ruan. I am a first-generation college student, studying Finance. I am writing to support the expansion of the Hawaii Promise Program, as I have first hand experience in how hard it is as a college student here.

Many people have unexpected things happen in their lives, whether they be family or personal lives. College students have to go through those things, while trying to focus on their studies at the same time and excel in them.

My story begins with my 2nd year of college. My dad caused a lot of drama in the family and left my family to fend for themselves and financially. My dad physically and mentally abused us, and right before he left, he had said that I was now 18 and was essentially kicking me out of the house. I didn't even have a job or a home. This mentally affected me immensely, thinking that he left us because of me, that he had to pay for me to go to college and I was somehow so disobedient that he had to cheat on my mom and leave. He blamed me for the reason for their breakup, when in everything I did I had my family in mind to motivate me.

I felt unwelcome in my own home. I found a job and decided to live with my boyfriend. My father left us, and I didn't want to ask my mom for tuition as she was now working 6 days a week, looking after 3 kids on her own. This was not an easy time, as I had to work 3 days a week to make ends, while taking 5 courses to make tuition cheaper for myself, and had a great effect on me mentally. My pell grant covered only half of tuition and for 3 semesters, and for each of the semesters, my bank account was at \$0 as I had to pay for my living expenses, as well as pay off tuition so that I no longer had a hold on my student account, and would be able to register for courses the next semester. I am now on my 6th year, as I had to go part time some semesters due to the high tuition cost on my 3 days a week part time wage. If I had some help, I could've definitely graduated quicker, and wouldn't feel the pressure financially as much, as I got anxiety every time I went back to \$0. I didn't even have enough time to work more and make more money, due to classes.

I kindly ask that you consider bringing this to 4 year colleges. While I could go to college cheaper at CC schools, they do not have such a reputation as getting a degree from UH Manoa.

Thank you for your time, Kelly Ruan

Associated	Students	of the	University	of Hawai	i at Mānoa

Dear Honorable Chair, Vice Chair, and Distinguished Members of the Committee,

My name is Gabrielle Rose Baguio and I am a sophomore student at UH Manoa, majoring in Mechanical Engineering.

I am writing this testimony to express my support for an expansion of the Hawaii Promise Program to four-year campuses.

It is clear that the Hawaii Promise Program works incredibly in the 2-year campuses as Hawaii Promise students were seen to have higher GPAs than non-Promise students. Hawaii Promise Program greatly helps in lifting the financial burden of college, especially for students who have unmet need even after their federal aid.

Being an engineering student is stressful. Adding in financial burdens, life in university is tough, and sometimes it feels like I'll break any moment. As a first generation college student in the US, I wouldn't be able to afford college if it wasn't for financial aid (grants and scholarships). Having the Hawaii Promise Program expanded to four-year campuses such as UH Manoa would be immensely helpful to students like me who are in dire need of financial aid in order to get a degree or stay enrolled in school.

I hope you will be able to help us with our journey as university students by expanding the Hawaii Promise Program to four-year university campuses.

Sincerely, Gabrielle Rose Baguio Aloha Chair Woodson, Vice Chair Quinlan, and Distinguished Members of the Committee,

My name is Eugene Lao, and I am an undergraduate student at the University of Hawai'i at Mānoa pursuing a Bachelor of Science degree in Computer Science. I am writing to express my emphatic support of expanding the Hawai'i Promise Program to include the UH System's four-year institutions. Though I myself would not be eligible for tuition assistance under this program, I am nevertheless keenly aware of the good such an initiative would do for my peers.

Throughout my time as an undergraduate, I have met several exemplary students who have either had to drop out or consider dropping out due to financial considerations. This comes as no surprise, as about 1/3 of the approximately 10,000 full-time undergraduates attending Mānoa are Pell Grant recipients. Moreover, data on the Hawai'i Promise Program as it currently exists at the community colleges shows that students receiving tuition assistance through the program have a statistically higher rate of retention.

For the reasons listed above, I sincerely hope you consider voting in favor of expanding this program. Thank you for your time and consideration.

Respectfully, Eugene Lao Dear Honorable Chair, Vice Chair and Distinguished Members of the Committee:

My name is Nana Clemons and I am a student at UH Manoa. I am a senior majoring in psychology and minoring in American Studies. I am writing to express my strong support for an expansion of the Hawaii Promise Program to four-year campuses.

With rising tuition, more students need financial assistance. The Hawaii Promise Program is currently only available at the community college level but should be expanded to four-year institutions. Financial problems are often the reason students drop out. There is evidence that programs like the Hawaii Promise Program help increase retention rates by easing the burden of tuition cost on students.

As a UH Manoa student, I am lucky to have had some scholarship money and FAFSA money cover majority of my tuition. However, every semester, I have always had to pay the sum NOT covered by scholarship and FAFSA. Over the years, those costs have accumulated. I would have benefited greatly from a program like Hawaii Promise Program.

Again, I strongly express my support for an expansion of the Hawaii Promise Program to four-year campuses. It would benefit many students like myself and others. An expansion of the program to UH Manoa (and other 4-year campuses) could help as many as 5,150 students.

Sincerely, Nana Clemons Dear Esteemed Chair, Vice-Chair, and Members of the Committee:

My name is Dresden Vogt, and I am a Senior at the University of Hawai'i at Mānoa, majoring in U.S. history and Spanish Language and Literature. I am writing to urge expansion of the Hawai'i Promise Program in order to include the Universities of Hawai'i at Hilo, West Oʻahu, and Mānoa.

As a first-generation college student, navigating my college experience has been difficult. As the daughter of a single mother who grosses under \$20,000 in wages each year, funding my college experience has been that much harder. Even a difference of \$2,200 remaining after scholarships and federal student aid have paid out provides outsized stress on my financial status. Taking into account the five years needed to finish my degrees, I will have paid the equivalent of a full year of tuition, out of pocket. This is a situation no student should be forced to endure in order to attend university. Had I been afforded the opportunity offered by the Hawai'i Promise Program, I would have been able to avoid this burden.

Moreover, students who are unable to afford the full cost of community college tuition before assistance from the Hawai'i Promise Program will be unable to afford the increased cost of university tuition. Consider: Kapiolani Community College tuition for Hawai'i residents is \$3,144 a year, while the UH Mānoa tuition for state residents is over \$11,000 a year. This difference is substantial on its own, but presents a huge obstacle when considered in the face of the absence of the Hawai'i Promise Program at the full university level.

I ask you to support the expansion of the Hawai'i Promise Program to include UH Hilo, West O'ahu, and Mānoa.

Sincerely,

Dresden Vogt

Dear honorable chair, vice chair, and distinguished members of the committee.

My name is Jungha Kim and I am a student at the University of Hawai'i at Manoa. I am writing in support of the expansion of the Hawai'i Promise Program. For students with a score of 0 for their EFC, they can still have a payment balance of over 1 grand. For students like me, that can take many hours per week including commuting and work time. This last-dollar tuition assistance can help students like me stay in school, and graduate with a 4 year diploma to show for it. For all of these reasons please expand the Hawai'i Promise Program to include 4 year institutions.

Jungha Kim

Dear chair, vice-chair, and distinguished committee members,

My name is Kasey Yap and I am a senior majoring in Natural Resources and Environmental Management at the University of Hawaii at Manoa (UH Manoa). As a student who receives financial aid, I understand the challenges of attending college and worrying about paying my tuition and the cost of living. I am in support of an expansion to the Hawaii Promise Program to four-year campuses. The Promise Program has greatly benefitted students of community colleges across the state. Out of all students enrolled in the promise program, 73% of students earned their degrees and stayed in school. These students also showed a higher GPAs than non-promise students. The expansion of the Promise Program would help to reach 5,150 students across the university system (2,965 students at UH Manoa) with the average award being \$3,440 per student. With the expansion of the promise program to four-year universities, many students will be able to attend college without the added stress and burden of tuition and the cost of living. Thank you for taking this time to read this testimony.

Sincerely,

Kasey Yap



TO: Chair Luke, Vice Chair Cullen, and Members of the House Committee on Finance

FROM: Ryan Kusumoto, President & CEO of Parents And Children Together (PACT)

DATE/LOCATION: February 21, 2020; 11:00 a.m., Conference Room 308

RE: <u>TESTIMONY IN SUPPORT OF HB 2255 HD 1 – RELATING TO THE</u> UNIVERSITY OF HAWAII PROMISE PROGRAM

We ask you to support HB 2255 which expands the Hawaii community college promise program to provide scholarships for the unmet direct cost needs of qualified students at any four year University of Hawaii campus who meet certain eligibility criteria.

Appropriates funds for the program. We support creating opportunities for students to obtain higher education without the barriers of costs. This program has proven to be effective in making higher education available to students, particularly those who are underserved and underresourced and for whom, earning a college degree may have been out of reach because of the cost barriers.

Parents And Children Together runs an out-of-school time program for youth in both the Kuhio Park Terrace (Kalihi) and Puuwai Momi (Halawa) housing complexes. We have witnessed instances where high school students get into college, earn scholarships and are still unable to attend college because scholarships do not cover the full costs and the remaining costs remain a burden and a barrier to obtaining a higher education degree. The Hawaii Promise Program bridges the gap to cover the costs of tuition and fees that are not covered and has successfully served over 1,300 students thus far.

The number of individuals and families whose lives are affected by economic instability in Hawaii is disheartening. The costs associated with economic instability and poverty are well documented. The long-term effects of economic instability and the related chronic stress on individuals and families, especially children, are harmful and detrimental to the potential for healthy and promising futures. Even our working families and tax paying citizens are facing increasing economic pressures with Hawaii's high cost of living and struggle to make ends meet. If covering the costs of day to day living is already a challenge... imagine having to think about paying for a child to go to college.

Aloha United Way's ALICE (Asset Limited Income Constrained, Employed) Report facts with additional comments to support why the Hawaii Promise Program is important:

- o In Hawai'i, there are 165,013 ALICE® households (37% of total households) while another 47,066 households (11% of total households) live below the Federal Poverty Level. All ALICE and below families include children who would benefit from having access to higher education in Hawaii, which will have many positive benefits for the state workforce, educated and contributing citizens, youth who will break cycles of poverty for their families, etc.
- In total, 48% of Hawaii's families with children have incomes below the ALICE survival budget. The survival budget does NOT include the cost of higher education.
- \$72,336 is the average annual Household Survival Budget for a family of four living in Hawaii, which does NOT include the cost of higher education for children
- o Many of our ALICE and below families do not have adequate savings, let alone money to pay for a college education for their children.

Economic instability and poverty across the globe has reached epidemic proportions. In Hawaii, it is no different. As one of Hawaii's social service providers, serving over 15,000 clients annually, we have a vested interested in working together with all sectors to help Hawaii's residents break the cycles of poverty. Over 90% of the clients PACT serves are living in deep poverty. Many factors contribute to poverty: political and economic structures, community conditions, exploitation and the least of which is an individual's choice. We encourage the legislature to consider this investment our youth, the future leaders of our State. **Education is one of the greatest assets that will help our youth to break cycles of instability and to create positive future stories for themselves and their families for generations to come.**

Founded in 1968, Parents And Children Together (PACT) is one of Hawaii's not-for-profit organizations providing a wide array of innovative and educational social services to families in need. Assisting more than 15,000 people across the state annually, PACT helps families identify, address and successfully resolve challenges through its 18 programs. Among its services are: early education programs, domestic violence prevention and intervention programs, child abuse prevention and intervention programs, childhood sexual abuse supportive group services, child and adolescent behavioral health programs, sex trafficking intervention, poverty prevention and community building programs.

Thank you for the opportunity to testify in **support of HB 2255 HD 1**, please contact me at (808) 847-3285 or rkusumoto@pacthawaii.org if you have any questions.



Testimony to the House Committee on Finance Friday, February 21, 2020 at 11:00 A.M. Conference Room 308, State Capitol

RE: HB 2255 HD1, RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM

Chair Luke, Vice Chair Cullen, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 2255 HD1, which expands the Hawaii Community College Promise Program to provide scholarships for the unmet direct cost needs of qualified students at any four year University of Hawaii campus who meet certain eligibility criteria and appropriates funds for the program.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Established in 2017, the Hawaii Promise program currently provides financial aid for any qualified student at UH Community Colleges. This program provides students aid for any financial needs not met by other forms of financial aid such as federal grants and benefits, and scholarships from UH or other sources.

We recognize that we are at a critical time, when it comes to preparing our children for their roles in our future workforce. By expanding the Hawaii Promise Program, we are able to encourage students across the state that might not have considered attending any of the University of Hawaii's four-year campuses due to financial concerns, that they now have that opportunity through the support of this program.

Thank you for the opportunity to testify in support of HB 2255 HD1.

HAWAI'I EXECUTIVE

collaborative





TO: Chair Luke, Vice Chair Cullen, and Members of the House Committee on Finance

FROM: John C. Dean, Board Member, Hawaii Executive Collaborative

DATE/LOCATION: February 21, 2020; 11:00 AM, Conference Room 308

RE: HB 2255 – RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM

IN SUPPORT

Dear Chair Luke, Vice Chair Cullen, and Members of the Committee:

Thank you for hearing this important bill, and for the opportunity to provide testimony in support of HB 2255 which would expand the Hawaii community college promise program to provide scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawaii campus who meet certain eligibility criteria.

As one of three founding board members of the Hawaii Executive Collaborative, I am writing in support of HB 2255. The Hawaii Executive Collaborative is comprised of executive leaders driving collective action to address our community's toughest challenges. The Collaborative is comprised of two main groups, the CHANGE Initiative and Hawaii Executive Conference, and is led by Executive Director, Lynelle Marble, and three board members: (1) Duane Kurisu, Chairman of the Collaborative and founder of aio Group; (2) Micah Kane, CEO and President of Hawaii Community Foundation; and (3) myself, John Dean, Chairman Emeritus of Central Pacific Financial Corp.

We support the opportunity to make higher education available to students, especially those who are part of Hawaii's ALICE families, who otherwise may not have been able to earn a four-year degree simply because of cost barriers.

As a member of the Hawaii Executive Collaborative, and also, as Chairman Emeritus of Central Pacific Financial Corp., I know first-hand the criticality of making four-year college degrees more accessible to Hawaii's people, especially those who have been underserved and under-resourced. Strengthening this continuum of education will positively impact the opportunity for Hawaii residents to earn living wages and contribute to a more productive workforce and thriving Hawaii economy.

Please support this important bill. Thank you for your consideration.

With Aloha, John C. Dean Board Member Hawaii Executive Collaborative Representative Sylvia Luke, Chair Representative Ty Cullen, Vice Chair House Committee on Finance

Friday, February 21, 2020; 11:00 a.m. Hawaii State Capitol, Conference Room 308

Re: <u>HB 2255--RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM</u>

IN SUPPORT

Aloha Chair Luke, Vice Chair Cullen and Members of the Committee:

Mahalo for hearing this important bill, and mahalo for the opportunity to provide testimony in support of HB 2255 which would expand the Hawaii community college promise program to provide scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawaii campus who meet certain eligibility criteria.

I provide this testimony as a concerned citizen, as the President & CEO of Zephyr Insurance Company, and as a member of the Education Committee of the Hawaii Executive Conference's CHANGE Initiative, which in part grew out of the business community's response to the Aloha United Way's sobering 2017 ALICE Report. The CHANGE Initiative recognizes that to address the issues highlighted in the ALICE Report, we must work together to increase the educational capital of our State by increasing participation in and completion of college by students, particularly Native Hawaiians, low-income students, and those from underserved regions and populations to prepare them for success in the workforce and their communities.

The Hawaii Promise program currently helps to achieve this goal by reducing cost as a barrier to college attendance by providing scholarships for unmet direct cost needs of qualified students enrolled at any University of Hawaii Community College campus.

The three-year track record of this program has been impressive; however, it is clear that many higher paying jobs in Hawaii require a bachelor's degree, including jobs for which Hawaii has significant workforce needs, such as those in the insurance industry. Expanding the program to include students attending any four-year University of Hawaii campus will go a long way to helping us improve the educational and social capital of our State. It is an investment that will pay dividends well into the future.

This program would assist the insurance industry. The job market for qualified insurance industry professionals (from underwriting, to sales, claims, and overall management positions) is very tight these days. Anything we can do to increase the flow of qualified Hawaii residents to fill those jobs would be very much appreciated.

Finally, on a personal note, I attended college and graduate school on scholarships, and I know how much they can change the trajectory of one's life. Without those scholarships I would never have been able to complete my education, and I am eternally grateful to those who created and supported the scholarships I received. Please support this important bill. Mahalo for your consideration.

Timothy E. Johns, President & CEO, Zephyr Insurance Company, Inc.



Friday, February 21, 2020 at 11:00 AM Conference Room 308

House Committee on Finance

To: Representative Sylvia Luke, Chair

Representative Ty Cullen, Vice Chair

From: Art Gladstone

Executive Vice President and Chief Strategy Officer

Re: Testimony in Support of HB 2255, HD1

Relating to The University Of Hawaii Promise Program

My name is Art Gladstone, and I am the Executive Vice President and Chief Strategy Officer at Hawai'i Pacific Health. Hawai'i Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawai'i.

<u>I write in support of HB 2255, HD1</u> which expands the Hawaii community college promise program to provide scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawaii (UH) campus who meet certain eligibility criteria.

The Education Committee of the Hawaii Executive Conference's CHANGE Initiative which grew out of the Aloha United Way's 2017 ALICE Report recognizes that to address the issues highlighted in the ALICE Report, we must work together to increase the educational capital of our State. The way to achieve this is by increasing participation in and completion of college by students, particularly Native Hawaiians, low income students and those from underserved regions and populations to prepare them for success in the workforce and their communities. An educated labor force and engaged residents are essential in today's global, knowledge-based economy. Expanding the Hawai'i Promise program to all UH undergraduate programs will significantly enhance the number of economically disadvantaged students who can attend and graduate from the University of Hawai'i. This is an important step forward in expanding access to economic opportunity for Hawai'i's students and preparing the educated workforce the state will need for the future.

The success of Hawai'i Promise has been demonstrated at the Community College level. Participation in the program has led to an increase student success, and many of those

students are now ready to transfer to a 4-year UH degree track. Expansion of Hawai'i Promise will help these students continue their education.

Thank you for the opportunity to provide testimony on this bill.



Young Progressives Demanding Action P.O. Box 11105 Honolulu, HI 96828

February 21, 2020 11:00 AM

TO: House Committee on Finance RE: Testimony in support of HB2255 HD1

Dear Representatives,

Young Progressives Demanding Action (YPDA) advocates for public policies that reflect the values of young people throughout the State of Hawai'i. One of those values is that everyone has the right to a high quality and affordable higher education. This is a fundamental part of a working democracy.

As an organization that is also a Registered Independent Organization (RIO) at the University of Hawai'i at Mānoa, with members who are currently pursuing higher education in the University of Hawai'i system, we wanted to testify in support of this measure. Expanding the Hawai'i Promise Program to include four-year institutions is a much needed investment into our students. Expanding the ability for more people to not only just dream of, but actively seek out higher education that will help in advancing successful careers.

The Promise Program is a last-dollar tuition assistance for Pell Grant students. This gives lower income students from underserved communities the financial reinforcement needed to pay for the additional expenses that come with being a university student, such as textbooks for class and dorming on campus. This would mean taking on less student loans, and the ability to finish your degree without having to drop out due to not being able to pay for the costs. As the future leaders and innovators of our state, it's important that we give university students the tools to succeed.

Young Progressives Demanding Action supports HB2255 HD1.

Thank you for the opportunity to testify,

Jun Shin, Executive Committee Member Young Progressives Demanding Action (YPDA)

Cell: 808-255-6663

Email: junshinbusiness729@gmail.com

CC: action@ypdahawaii.org



Aloha United Way 200 N. Vineyard Blvd., Suite 700 Honolulu, Hawaii 96817

February 20, 2020

Representative Sylvia Luke, Chair, Committee on Finance Representative Ty J. K. Cullen, Vice Chair, Committee on Finance

HB 2255, HD1: SUPPORT

Hearing: February 21, 2020; Hearing Time 11:00; Conference Room 308

Aloha Chair Luke, Vice Chair Cullen and Committee Members:

Thank you for hearing this important bill, and for the opportunity to provide testimony in support of HB 2255, HD1 which would expand the Hawaii community college promise program to provide scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawaii campus who meet certain eligibility criteria.

Hawaii has the highest cost of living in the nation. Additionally, Hawaii imposes the second highest tax burden on low-income households in the country. The ALICE® Report, released by Aloha United Way in 2018, shows that 47% of Hawaii residents are not financially stable. As you know, ALICE is an acronym standing for Asset Limited Income Constrained Employed and the report provides insight into the plight of those living above the poverty level but below a self-sufficient income. We have seen the unprecedented net out-migration of people from our state over the past three years – many of the departing residents are ALICE in search of a more stable economic situation.

We have approximately 105,000 jobs in Hawaii that pay near minimum wage and even if both adults in a household work in these occupations, their combined income is less than the ALICE Survival Threshold. More alarmingly, these occupations are at great risk of automation – meaning we have a significant reskilling challenge if we are to provide this population with replacement jobs and keep them in Hawaii.

The actions proposed in HB 2255, HD1 will address part of this re-skilling by enabling qualified ALICE to pursue post-secondary education and increase their earning potential. Finally, when combined with other pending legislation intended to stabilize this vulnerable population, this bill is a logical extension of the current legislative effort to provide financial relief to the ALICE population. The cumulative effect will be a substantial increase in the financial health of our community.

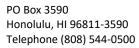
Thank you for the opportunity to submit testimony. We urge your favorable consideration of HB 2255, HD1.

Sincerel

Norm Baker

Interim President & CEO







TO: Chair Luke, Vice Chair Cullen, and Members of the House Committee on Finance

FROM: Catherine Ngo, President, Central Pacific Bank

DATE/LOCATION: February 21, 2020; 11:00 AM, Conference Room 308

RE: HB2255 – RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM

IN SUPPORT

Dear Chair Luke, Vice Chair Cullen, and Members of the Committee:

Thank you for hearing this important bill, and for the opportunity to provide testimony in support of HB2255 which would expand the Hawaii community college promise program to provide scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawaii campus who meet certain eligibility criteria.

I am the Chair of the Hawaii Executive Collaborative's (HEC) CHANGE Higher Education Committee. Our HEC Committee members feel strongly that HB2255 can play a critical role in supporting the ALICE families in our community, and with that, break the cycle of poverty for so many families. I am writing this letter of support not only in my capacity as Chair of the HEC Committee, but also as the President of Central Pacific Bank. Hawaii Promise will directly help lower-income students attain a bachelor's degree, a requirement for many of the higher paying, living wage jobs in Hawaii. As President of Central Pacific Bank, I know this program will strengthen our local talent and workforce pipeline for the jobs of tomorrow—those that companies like CPB need filled.

I also know first-hand the difference that a sound education can make given the sacrifices my parents, first-generation immigrants from China and the Philippines, made for their children's education. I know that my post-secondary education paved the way for so many opportunities for me, including eventually, opening the door to the opportunity to lead Central Pacific Bank.

I firmly believe that if we do not help open the doors to higher education, and then, eventually, provide the skills for higher paying jobs, we risk not only providing meaningful lives for our people here in Hawaii, but we also risk sustaining our businesses here. I worry every day about being able to find qualified candidates for our jobs at Central Pacific Bank. I know the leaders of other local companies and organizations, including the members of HEC, share this sentiment.

Let me close by saying that I will continue to be personally committed to helping further higher-educational opportunities for all of Hawaii's people.

Please support this important bill. Thank you for your consideration.

Best Regards, Catherine Ngo President Central Pacific Bank



HB-2255-HD-1

Submitted on: 2/20/2020 6:30:19 AM

Testimony for FIN on 2/21/2020 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Leimomi Khan	Individual	Support	No

Comments:

Support HB2255, HD1 that would expand the Hawaii community college promise program to provide scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawaii campus who meet certain eligibility criteria. Education is a life long tool enabling opportunities for a better life. Anything that the state can do to assist students, especially those economically disadvantaged is helpful.





February 20, 2020

House Committee on Finance Hearing: 11:00 a.m. February 21, 2020 Hawaii State Capitol Room 308

Re: SUPPORT for HB 2255, HD1, Relating to Education

Aloha Chair Luke, Vice-Chair Cullen and members of the committee:

The Hawaii Community Foundation supports HB 2255, HD1 relating to education. This bill expands the Hawaii community college promise program to provide scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawaii campus who meet certain eligibility criteria.

As noted in HB 2255, HD1, higher education has gone from expensive to unaffordable for most low and middle-income families. Hawaii, however, ranks third in the nation for overall college affordability, and the University of Hawaii community colleges are the most affordable public two-year institutions in the nation. We support expanding the Hawaii community college Promise Program and providing scholarships for the unmet direct cost needs of qualified undergraduate students enrolled at a four-year campus of the University of Hawaii.

We recognize that problems that are big and complex require people from across all sectors who believe in the power of collective action to work together toward shared goals. Hawaii Community Foundation has identified increasing access to affordable higher education for Hawaii families as an imperative for the future of our state. We believe that this bill will is an important step forward and ask that you please advance this measure.

Thank you.