



**Testimony to the Senate Committee on Education  
Monday, May 18 at 4:05 P.M.  
Conference Room 229, State Capitol**

**RE: SR 94, FAFSA WORKING GROUP RESOLUTION**

Chair Kidani, Vice Chair Kim and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SR 94, which would establish a working group to create a state plan to make FAFSA completion a statewide graduation requirement and an opt-out waiver for FAFSA completion by the 2022-2023 school year and appropriate funds.

The Chamber is Hawaii's leading statewide business advocacy organization, representing 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.

In 2018, Hawaii students left \$10 million in unclaimed federal Pell Grants, while nationally, that total was nearly \$2.6 billion in unclaimed federal financial aid for higher education for high school graduates of the class of 2018 as a result of not filling out FAFSA applications despite being eligible. It is estimated that 90% of students who complete the FAFSA will attend college, as opposed to 55% of those who don't. The Hawaii Department of Education has set a goal to have 90% of high school seniors complete the FAFSA for the 2020 year, but there are some worries that this goal will not be met.

By creating this working group, the state can take the first step to guaranteeing that we are able to help our students with completing the FAFSA for those considering post-secondary education. Students who might not have thought they could go to college due to financial situations, may now have an opportunity to do so, because of the access to federal aid. We need to help ensure that our students are offered the best education in order to prepare them for college and their future roles in the workforce.

Thank you for the opportunity to provide testimony in support of SR 94.



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David Miyashiro  
Executive Director

May 18, 2020

Committee on Education  
Senator Michelle N. Kidani, Chair  
Senator Donna Mercado Kim, Vice Chair

State Capitol  
415 South Beretania Street  
Honolulu, HI 96813

Aloha Chair Kidani, Vice Chair Kim, and Members of the Committee,

**HawaiiKidsCAN strongly supports SR94**, which requests the Hawaii Department of Education to establish a Free Application for Federal Student Aid (FAFSA) working group to develop and implement a plan to make completion of FAFSA a statewide requirement beginning in the 2022-2023 academic year.

We believe this is an incredibly important measure, and we would like to highlight a few key points in particular:

- **Independent effort:** We believe that the working group created by this resolution should sit outside similar efforts existing within the Hawaii State Department of Education (DOE), as it is incredibly important to ensure external voices are at the table and have equal weight. Similarly, we think the working group must have the explicit task of helping prepare the state for a FAFSA graduation requirement starting in 2022, which will add critical urgency and accountability around this effort.
- **Bold step needed:** While much great work has happened around the state to support FAFSA completions, the reality is that our completion data has moved only incrementally in the last four years. According to Chiefs for Change, nationwide FAFSA completion rates have dropped 2.6% compared to the same time last year. This means states will need to adopt creative and aggressive approaches to boosting completions in the coming years. A graduation requirement would be a bold step forward to shake up the status quo and ensure local students don't continue to lose out on millions of dollars in federal financial because of this incremental growth. To say this policy isn't needed at this time is to say that our state doesn't believe all students should know their options to afford and attend a 2 or 4 year college.
- **Protection for undocumented and vulnerable families:** It is simply not accurate to say SR94 would negatively impact vulnerable families or those with undocumented status. This resolution clearly establishes an unconditional opt-out mechanism, and

there is no connection between opting out and being the focus of law or immigration enforcement activities. Such coordination between schools and these enforcement agencies would be incredibly inappropriate and likely illegal. Louisiana, the first state to implement FAFSA as a graduation requirement, authorized schools to apply for hardship waivers in sensitive cases where trusted school staff and counselors recognize extenuating circumstances for non-participation. There have been no reports from Louisiana that students are being targeted due to opting out of FAFSA completion or receiving a hardship waiver.

- **FAFSA graduation requirement policy works:** HawaiiKidsCAN has spoken directly with leaders in Louisiana, which is a national success story, jumping from 44% in FAFSA completions to nearly 80%. Nearly 1,600 more students enrolled in college as a result versus the previous year, and over 2,500 more students of color, nearly 5,000 more economically disadvantaged students, and 400 more students with disabilities enrolled in college in 2018 than did in 2012.<sup>1</sup> Because of Louisiana's success, it is no surprise that a number of other states are looking at implementing a similar approach, and Hawaii has the opportunity to be part of this early wave of states, helping our students compete for successfully for financial aid before the rest of the country also implements such policies and deepens the pool of applicants.

Founded in 2017, HawaiiKidsCAN is a local nonprofit organization committed to ensuring that Hawaii has an excellent and equitable education system that reflects the true voices of our communities and, in turn, has a transformational impact on our children and our state. We strongly believe that all students should have access to excellent educational opportunities, regardless of family income levels and circumstances.

FAFSA completion is critical component for increasing access and equity in higher education, as it is the form students need to fill out to get any financial aid from the federal government to help pay for college. Each year, over 13 million students who file the FAFSA get more than \$120 billion in grants, work-study, and low-interest loans from the U.S. Department of Education. The FAFSA is also an important pre-requisite for many other need- and merit-based forms of financial aid, including the Hawaii Promise scholarship.

FAFSA completion is also strongly correlated to college access, as 90% of high school seniors nationally who complete FAFSA attend college directly from high school.<sup>2</sup> Students in the lowest economic quintile who completed the FAFSA were 127% more likely to enter college than

<sup>1</sup> Staff, Louisiana Department of Education. (2019, May 22). NUMBER OF LOUISIANA GRADUATES ENROLLING IN COLLEGE CLIMBS TO ALL-TIME HIGH. Retrieved from <https://www.louisianabelieves.com/newsroom/news-releases/2019/05/22/number-of-louisiana-graduates-enrolling-in-college-climbs-to-all-time-high>

<sup>2</sup> Abigail Hess, CNBC. (2018, October 2). The FAFSA is now open—here's why every student should fill it out. Retrieved from <https://www.cnbc.com/2017/09/28/why-every-student-should-fill-out-the-fafsa.html>

students who did not.<sup>3</sup> Other benefits include a potential edge in college admissions, as admissions officers know that students hoping for aid who don't submit FAFSAs to the college are less likely to enroll.<sup>4</sup>

We are excited about the many important outreach efforts already happening in Hawaii schools, including the Cash for College challenge and text message-based outreach, and we think a statewide plan to prepare for a FAFSA graduation requirement would greatly boost this work. With the economic disruption of COVID-19 impacting local families for a long time to come, federal financial aid becomes even more of an important lifeline to help students pursue their dreams. HawaiiKidsCAN strongly believes SR94 is an important step forward for our students and broader community.

Mahalo for your consideration,

David Miyashiro  
Founding Executive Director  
HawaiiKidsCAN

<sup>3</sup> Bill DeBaun, National College Access Network (2019, December 3). FAFSA Completion by District Poverty Level Across the United States. Retrieved from <https://public.tableau.com/profile/bill.debaun.national.college.access.network#!/vizhome/FAFSACompletionbyDistrictPovertyLevelAcrossTheUnitedStates/Story1>

<sup>4</sup> Staff, National College Planning Solutions. (2016, January 8). 3 Reasons You Should Fill Out the FAFSA—No Matter How Rich You Are. Retrieved from <https://ncps.com/3-reasons-you-should-fill-out-the-fafsa-no-matter-how-rich-you-are/>

**SR-94**

Submitted on: 5/16/2020 5:51:35 AM

Testimony for EDU on 5/18/2020 4:05:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Yvonne Sun	Testifying for HawaiiKidsCan	Support	No

Comments:

**SR-94**

Submitted on: 5/17/2020 1:38:21 PM

Testimony for EDU on 5/18/2020 4:05:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Aisha Heredia	Individual	Support	No

Comments:

Aloha,

I strongly support SR94. It is important for students to have access to resources that will support them in completing FAFSA. I believe this working group and statewide graduation requirement will make a big impact on students completing FAFSA.

Mahalo,

Aisha Heredia

**SR-94**

Submitted on: 5/17/2020 1:47:15 PM

Testimony for EDU on 5/18/2020 4:05:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Heath Williams	Individual	Support	No

Comments:

Requiring FASFA completion before exiting high school has proven effective in raising college enrollment in other jurisdictions. Please support this resolution.

**SR-94**

Submitted on: 5/17/2020 3:36:53 PM

Testimony for EDU on 5/18/2020 4:05:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
KianaRose K Dulan	Individual	Support	No

Comments:

I support this bill.



**SR-94**

Submitted on: 5/17/2020 3:42:53 PM

Testimony for EDU on 5/18/2020 4:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Aleta Hammerich	Individual	Support	No

Comments:

**May 17, 2020****Committee on Education****Senator Michelle N. Kidani, Chair****Senator Donna Mercado Kim, Vice Chair****State Capitol****415 South Beretania Street****Honolulu, HI 96813****Aloha Chair Kidani, Vice Chair Kim, and Members of the Committee,**

**I am a supporter of the SR94 FAFSA bill. College affordability is one of the biggest issues affecting youth today, especially in the state of Hawaii. As a 2019 Hawaii high school graduate and a student at the University of Hawaii, I can say that the FAFSA is extremely important for the decisions students and their families have to make regarding college. Having a group from the Hawaii Department of Education work towards the goal of statewide completion of the FAFSA will be instrumental in giving the students of Hawaii the opportunities they deserve. This is an important and necessary change for the youth and future of Hawaii.**

**Mahalo,  
Aleta Hammerich**

**SR-94**

Submitted on: 5/18/2020 10:45:43 AM

Testimony for EDU on 5/18/2020 4:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan	Testifying for HawaiiKidsCAN	Support	No

Comments: