



UNIVERSITY
of HAWAII®
SYSTEM

David Lassner
President

DEPT. COMM. NO. 296

December 30, 2020

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty-First State Legislature
Honolulu, Hawai'i 96813

The Honorable Scott Saiki, Speaker
and Members of the House of Representatives
Thirty-First State Legislature
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, the University of Hawai'i is transmitting one copy of the Annual Report on the Hawai'i Promise Scholarship Program, FY 2020 (Section 304A-2102, Hawai'i Revised Statutes and Act 61, Session Laws of Hawai'i 2019) as requested by the Legislature.

In accordance with Section 93-16, Hawai'i Revised Statutes, this report may be viewed electronically at: <http://www.hawaii.edu/offices/government-relations/2021-legislative-reports/>.

Should you have any questions about this report, please do not hesitate to contact Stephanie Kim at 956-4250, or via e-mail at scskim@hawaii.edu.

Sincerely,

A handwritten signature in black ink that reads 'David Lassner'.

David Lassner
President

Enclosure

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UNIVERSITY OF HAWAII SYSTEM ANNUAL REPORT



REPORT TO THE 2021 LEGISLATURE

Annual Report on the
Hawai'i Promise Scholarship Program, FY 2020

HRS 304A-2102 and Act 61, SLH 2019

December 2020

**Annual Report to the 2021 Hawai'i Legislature on
The Hawai'i Promise Scholarship Program, FY 2020
Pursuant to HRS 304A-2102 and
Act 61, SLH 2019**

Introduction/Background

In 2017, the legislature appropriated \$1.8 million for the creation of the Hawai'i Promise Program for qualified students attending a community college via Act 49, Session Laws of Hawai'i (SLH) 2017 (supplemental budget bill). In 2018, Governor David Ige signed Act 14, which provided \$700,000 for fiscal year 2018-2019 to provide additional financial assistance for unmet direct educational costs to qualified students enrolled at any community college campus of the University of Hawai'i. Act 14 was later codified as section 304A-2102, Hawai'i Revised Statutes, which included a reporting requirement that would include the number of scholarships provided under the Hawai'i Community College Promise Program during the preceding year. During the 2019 Legislative Session, Act 61, SLH 2019, was signed into law which appropriated \$700,000 for fiscal years 2019-2020 and 2020-2021.

The Hawai'i Community College Promise provides scholarships to all qualifying community college students with financial need; Hawai'i Promise supplements other grants and scholarships so that students can pay for "direct" educational expenses—such as tuition, fees, books and supplies—without having to take out loans. Students must apply for financial aid by submitting their Free Application for Federal Student Aid (FAFSA) and receive the award as part of their University of Hawai'i Community College (UHCC) financial aid package.

Academic Year Expenditures

For the 2019-20 academic year, the University awarded and disbursed \$2,402,743, assisting 1,797 UHCC students who were eligible for the scholarship. Hawai'i Promise Scholarship recipients received an average scholarship award of \$1,337. Hawai'i Promise provided the "last dollar" to cover the gap between students' other sources of non-loan aid (e.g., federal grants, private scholarships) and the "direct education costs" (estimated cost of tuition, fees, books, supplies and transportation).

Hawai'i Promise Scholarships, 2019-20

Campus	# of Recipients	Avg Award (\$)	Total Awarded (\$)
Hawai'i CC	189	\$1,356	\$256,193
Honolulu CC	249	1,476	367,418
Kapi'olani CC	355	1,180	418,934
Kaua'i CC	127	1,309	166,247
Leeward CC	534	1,275	680,983
Maui College	232	1,615	374,582
Windward CC	111	1,247	138,386
UHCC Total	1,797	\$1,337	\$2,402,743

* Includes Summer 2019 and Summer 2020 to reflect full FY amount as reported to the Legislature.

Hawai'i Promise Scholarship Recipients

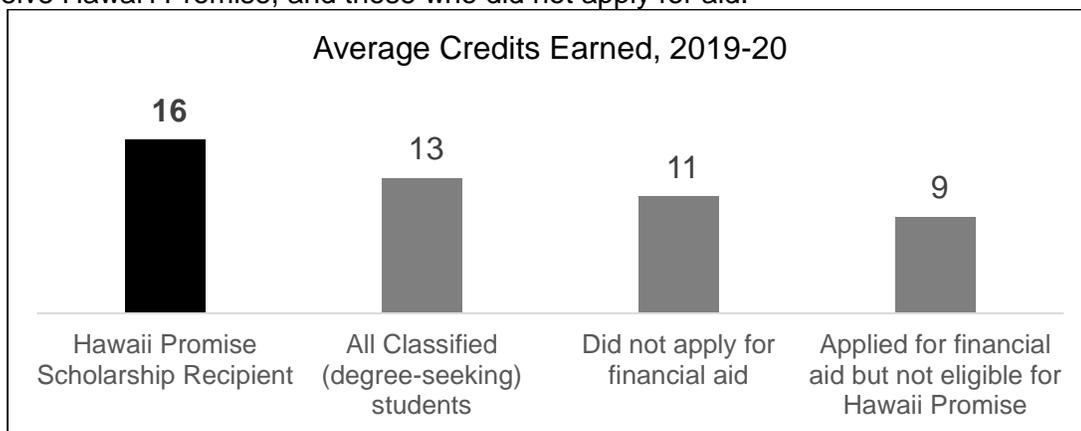
In 2019-20, the Hawai'i Promise program supported 1,797 UHCC students who had financial need. Average family income of Hawai'i Promise scholarship recipients was \$53,128 (Adjusted Gross Income), well below the state's median household income of \$83,102 (Census, 2020) and Aloha United Way's "ALICE" threshold of \$76,632 for a family of four with school age children (AUW, 2018). Thirty eight percent (38%) of recipients did not receive federal Pell grants, indicating that Hawai'i Promise supported many students in a "gap" group who had financial need but who did not qualify for a Pell grant.

Fifty-nine percent (59%) of Hawai'i Promise scholarships were awarded to students who are identified as underrepresented at UH: Native Hawaiians, Filipinos, Pacific Islanders, American Indian or Alaskan Native, African American or Black, and Hispanic. These underrepresented students, who made up 52% of overall UHCC enrollment in 2019-20, received 59% of Hawai'i Promise scholarships.

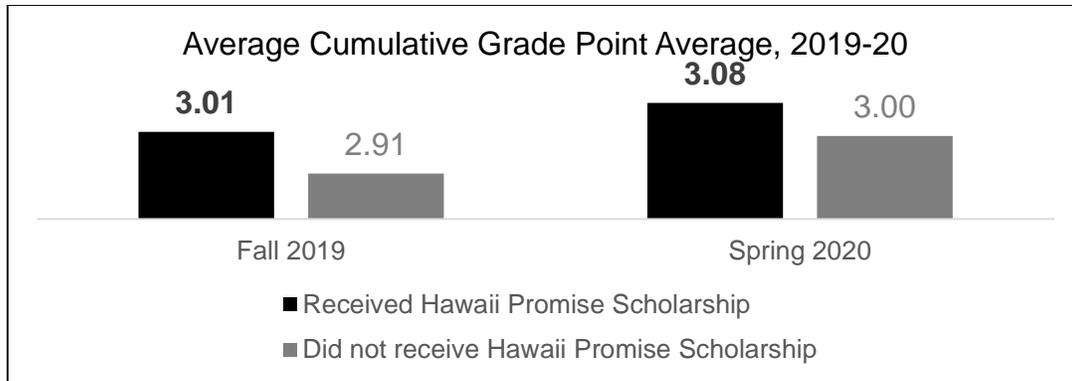
Hawai'i Promise Scholarship Impact

Results from Hawai'i Promise continue to be extremely positive.

- **Less student loan debt:** Hawai'i Promise awardees took out student loans at a lower rate than non-awardees (15% vs. 18%). Among students who took out loans, Hawai'i Promise recipients borrowed an average of \$5,377 which was less than their peers who borrowed an average of \$5,736.
- **More credits earned:** In 2019-20, more Hawai'i Promise recipients attempted and earned more credits than non-Hawai'i Promise awardees. This includes comparison to various student groups: all degree seeking students, those who applied for financial aid but did not receive Hawai'i Promise, and those who did not apply for aid.



- **Better grades:** Hawai'i Promise recipients had higher passing rates than their peers, and they earned higher grades than their peers. In each term since Hawai'i Promise began, scholarship recipients have earned a 3.0 Grade Point Average (GPA) or better.



- Higher persistence and completion rates:** Hawai'i Promise recipients were more likely to continue their education than peers who did not receive Hawai'i Promise scholarships. Of new students who enrolled full time in UHCCs and received a Hawai'i Promise scholarship in Fall 2019 and who did not graduate in 2019-20, 68% continued to be enrolled in Fall 2019 compared with 65% of their peers who did not receive a Hawai'i Promise Scholarship; new students who enrolled part time and received a Hawai'i Promise Scholarship also returned at higher rates than their peers: 57% vs. 47%.

Students who received scholarships in prior years continue to be enrolled or graduate at higher rates than their peers. For example, among students who received scholarships as new students in Fall 2017, 57% who initially enrolled full time have graduated or continue to be enrolled compared with 46% of those who did not receive financial assistance.

Act 61 (2019) requested additional informational about how many students would have enrolled without the benefit of the program, how many scholarship recipients are unable to complete their program despite receiving a scholarship, and the likelihood that receiving a scholarship increased students' degree completion. Hawai'i Promise recipients in 2019-20 provided feedback that addresses the topics requested in Act 61 (2019):

I graduated from H.P. Baldwin High School. After graduation, I decided to pursue a degree at the University of Hawai'i Maui College. Fortunately, I qualified for the Hawai'i Promise Scholarship. The Hawai'i Promise Scholarship helped me accomplish my goals by significantly eliminating the financial burden of receiving a higher education for me and my family. As a result, I was able to focus in school, successfully complete an internship at the County of Maui Prosecutor's Office, and graduate with two associate's degrees. I am extremely thankful for this scholarship. Without it, I would not have been able to accomplish any of my goals and grow as a student. Please make this scholarship accessible to students pursuing a bachelor's degree. This semester, I was supposed to be attending the University of West O'ahu online. However, my plans drastically changed because I was not offered any scholarship similar to this one. I cannot afford to continue my education and take out student loans.
Alejandra R., Maui College

This Hawai'i scholarship has given me the chance to pursue my degree in nursing. As an independent person, I'm working full time as an AP clerk and I'm struggling on paying all my bills. This scholarship has helped me in so many ways, and it gave me funds to pursue my dream. If I wasn't awarded anything, I don't think I'd be in school right now. This program has helped me afford books and supplies. And I am truly grateful!! Most of

my family members have never been to college – I want to be the first in my family to succeed and get a degree.

Sherisse D., Leeward Community College

Thank you for giving me the opportunity to further my education. With your help I am working towards my Associate's in Business and my Bachelor's in Early Education/Special Education. I go to school full time and work two part time jobs.

Without scholarships like this I wouldn't be able to afford school and I wouldn't be able to make my dreams come true and meet me goals. Financial aid can be a little frustrating for me because I just turned 19, I've been completely independent since I was 17 and I'm still forced to use my mother's tax returns for FAFSA. As a result, I don't get much from FAFSA and I rely on scholarships like this to get through the school year. Again, thank you so much for this opportunity.

Nevaeh A., Kaua'i Community College

Act 61 requests information that may be difficult to ascertain. However, UHCCs will be surveying scholarship recipients to provide students' perspective regarding the requested information in next year's legislative report.