# 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. The legislature finds that the University of
- 2 Hawaii's Hawaii graduation initiative is a systemwide strategic
- 3 initiative endorsed by the board of regents with a goal to
- 4 increase the educational capital of the State by increasing
- 5 students' educational participation in and completion of a
- 6 postsecondary education, particularly for Native Hawaiians, low-
- 7 income students, and those from underserved regions and
- 8 populations, and preparing them for success in the workforce and
- 9 their communities.
- 10 The legislature further finds that an educated labor force
- 11 and engaged citizenry are essential in today's global,
- 12 knowledge-based economy and therefore an issue of statewide
- 13 concern. Across the nation, states have set ambitious goals to
- 14 boost college completion rates. Hawaii's own 55 by '25 campaign
- 15 goal focuses on increasing the percentage of working-age adults
- 16 with two- or four-year degrees to fifty-five per cent by 2025.
- 17 According to the most recent data available, forty-four per cent

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- 1 of Hawaii's working-age adults currently have a postsecondary
- 2 degree. As the State's sole system of public higher education,
- 3 the University of Hawaii is committed to doing its part to close
- 4 the State's projected educational attainment gap.
- 5 In April 2016, the Institute for Research on Higher
- 6 Education at the University of Pennsylvania graduate school of
- 7 education issued a study that analyzed college costs in relation
- 8 to family income level. The study revealed that higher
- 9 education has gone from expensive to unaffordable for most low-
- 10 and middle-income families. According to this same study,
- 11 Hawaii ranked third in the nation for overall college
- 12 affordability, and the University of Hawaii community colleges
- 13 are the most affordable public two-year institutions in the
- 14 nation.
- 15 The report further acknowledged that despite Hawaii's
- 16 commendable overall college affordability ranking, attending
- 17 college is a big expense for families earning less than \$30,000
- 18 annually. Hawaii's financial aid policies are not fully able to
- 19 alleviate costs for these families; and the State provides
- 20 minimal need-based aid to students attending public
- 21 institutions. Since this report, the University of Hawaii has

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- 1 implemented the Hawaii promise program, which is a need-based
- 2 award intended to be applied toward the unmet direct cost needs
- 3 of qualified students enrolled at any community college campus
- 4 of the University of Hawaii. Awards are contingent upon
- 5 funding, and amounts are determined by the individual students'
- $oldsymbol{6}$  Free Application for Federal Student Aid information.
- 7 Financial aid through federal Pell Grants, University of
- 8 Hawaii and private scholarships, the GI Bill for service members
- 9 and veterans, and employers covers much of the cost for need-
- 10 based students. However, cost is still a barrier for certain
- 11 need-based students, especially for those who do not qualify for
- 12 the Hawaii promise program because they are enrolled at one of
- 13 the University of Hawaii's four-year campuses.
- 14 The purpose of this Act is to:
- 15 (1) Expand the Hawaii promise program to provide
- 16 scholarships for the unmet direct cost needs of
- 17 qualified undergraduate students enrolled at a four-
- 18 year campus of the University of Hawaii; and
- 19 (2) Provide an appropriation to establish and implement
- the expanded program.

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1	SECTION 2. Section 304A-506, Hawaii Revised Statutes, is
2	amended to read as follows:
3	"[{]\$304A-506[}] Hawaii [community college] promise
4	<pre>program; established. (a) Notwithstanding section 304A-501,</pre>
5	there is established the Hawaii [community college] promise
6	program to be administered by the board of regents. The program
7	shall provide scholarships for the unmet direct cost needs of
8	qualified students enrolled at any [community college] campus of
9	the University of Hawaii.
10	(b) A student enrolled at a community college campus shall
11	be eligible for scholarship consideration for a maximum of eight
12	semesters if the student:
13	(1) Qualifies for Hawaii resident tuition;
14	(2) Completes and submits the Free Application for Federal
15	Student Aid for each academic year and accepts all
16	federal and state aid, grants, scholarships, and other
17	funding sources that do not require repayment;
18	(3) Is enrolled in a classified degree or certificate
19	program with six or more credits per semester;
20	(4) Maintains satisfactory academic progress, as defined
21	by federal requirements established pursuant to Title

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1		IV of the Higher Education Act of 1965, as amended,
2		and determined by the campus at which the student is
3		enrolled; and
4	(5)	Has been determined by the campus to have unmet direct
5		cost needs.
6	(c)	A student enrolled in an undergraduate program at a
7	Universit	y of Hawaii campus, other than a community college
8	campus, s	hall be eligible for scholarship consideration for a
9	maximum o	f eight semesters if the student:
10	(1)	Qualifies for Hawaii resident tuition;
11	(2)	Completes and submits the Free Application for Federal
12		Student Aid for each academic year and accepts all
13		federal and state aid, grants, scholarships, and other
14		funding sources that do not require repayment;
15	(3)	Is enrolled in a classified degree or certificate
16		program with twelve or more 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

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1 (5) Has been determined by the campus to have unmet direct 2 cost needs. 3 [<del>(c)</del>] (d) Scholarships shall be awarded to the extent 4 possible based on available funds and on a greatest need basis. 5 An award granted to a student shall be equal to the student's 6 unmet direct cost need, based on the Free Application for Federal Student Aid calculation of need, less the amounts 7 8 available to the student from Pell grants and other 9 scholarships. 10 [<del>(d)</del>] <u>(e)</u> To maintain a scholarship under this section, a 11 student enrolled at a community college shall meet the 12 requirements of subsection (b) (4) [-] and a student enrolled in 13 an undergraduate program at a University of Hawaii campus, other 14 than a community college campus, shall meet the requirements of 15 subsection (c)(4). 16 [<del>(c)</del>] (f) As used in this section, "direct cost" means any 17 cost directly related to a student's education, including tuition; educational fees; and the costs of books, supplies, and 18 19 transportation between the student's dwelling and the student's 20 campus."

- 1 SECTION 3. There is appropriated out of the general
- 2 revenues of the State of Hawaii the sum of \$ or so
- 3 much thereof as may be necessary for fiscal year 2022-2023 for
- 4 the establishment and implementation of the Hawaii promise
- 5 program pursuant to this Act, including the provision of
- 6 scholarships.
- 7 The sum appropriated shall be expended by the University of
- 8 Hawaii for the purposes of this Act.
- 9 SECTION 4. Statutory material to be repealed is bracketed
- 10 and stricken. New statutory material is underscored.
- 11 SECTION 5. This Act shall take effect on July 1, 2050.

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#### Report Title:

University of Hawaii Promise Program; Scholarships; Four-year University of Hawaii Campus; Appropriation

#### Description:

Provides scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawaii campus who meet certain eligibility criteria. Makes an appropriation for the Hawaii Promise Program. Effective 7/1/2050. (HD1)

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