
A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY COLLEGE PROMISE PROGRAM.

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

1 SECTION 1. The legislature finds that the Hawaii community
2 college promise program (Hawaii promise) was created to cover
3 the unmet direct costs of attendance for eligible students
4 enrolled at any university of Hawaii community college.
5 Existing law requires the inclusion of all grants, scholarships,
6 and other funding sources when calculating Hawaii promise
7 awards, which can reduce the benefit to students.

8 The legislature further finds that removing grants,
9 scholarships, and other funding sources from the Hawaii promise
10 award calculation will allow students to apply such funds toward
11 indirect cost needs, including housing, food, and other living
12 expenses, thereby reducing financial barriers, promoting
13 equitable access to higher education, and providing better
14 support for students in completing their academic programs.

15 The legislature finds that recent changes to the federal
16 Pell Grant require updates to Hawaii promise to ensure awarding



1 practices continue to prioritize students and maximize the
2 support they receive.

3 The purpose of this Act is to amend:

4 (1) Hawaii promise to:

5 (A) Maximize the financial support for students while
6 aligning with federal regulations;

7 (B) Exclude grants, scholarships, and other funding
8 sources from the calculation of awards; and

9 (C) Provide scholarships for ninety-five per cent of
10 a student's unmet direct cost needs; and

11 (2) The definition of "direct cost" to align more closely
12 with federal financial aid regulations.

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

15 "**§304A-506 Hawaii community college promise program;**

16 **established.** (a) Notwithstanding section 304A-501, there is
17 established the Hawaii community college promise program to be
18 administered by the board of regents. The program shall provide
19 scholarships for ninety-five per cent of the unmet direct cost
20 needs of qualified students enrolled at any community college
21 campus of the [~~University~~] university of Hawaii.



1 (b) A student enrolled at a community college campus shall
2 be eligible for scholarship consideration for a maximum of eight
3 semesters if the student:

- 4 (1) Qualifies for Hawaii resident tuition;
- 5 (2) Completes and submits the Free Application for Federal
6 Student Aid for each academic year and accepts all
7 federal and state aid[~~, grants, scholarships, and~~
8 ~~other funding sources~~] that do not require repayment;
9 provided that this paragraph shall not apply to a
10 student who enrolls in a certificate program;
- 11 (3) Is enrolled in a classified degree or certificate
12 program with six or more credits per semester;
- 13 (4) Maintains satisfactory academic progress, as defined
14 by federal requirements established pursuant to title
15 IV of the Higher Education Act of 1965, as amended,
16 and determined by the campus at which the student is
17 enrolled; and
- 18 (5) Has been determined by the campus to have unmet direct
19 cost needs.

20 (c) Scholarships shall be awarded to the extent possible
21 based on available funds and on a greatest need basis. An award



1 granted to a student shall be equal to ninety-five per cent of
2 the student's unmet direct cost need, based on the Free
3 Application for Federal Student Aid calculation of need, less
4 the amounts available to the student from Pell grants and other
5 scholarships; provided that the unmet direct cost need for a
6 student who enrolls in a certificate program shall be based on a
7 suitable instrument, as determined by the university of Hawaii,
8 less the amounts available to the student from grants and other
9 scholarships.

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

12 (e) Notwithstanding any other provision of this section,
13 effective July 1, 2026, the Hawaii community college promise
14 program may coordinate with federal student aid programs to
15 maximize total financial assistance available to students.

16 (f) If any provision of this section conflicts with
17 federal financial aid regulations or federal law, the Hawaii
18 community college promise program shall be administered in a
19 manner that preserves students' eligibility for federal aid
20 while providing the maximum permissible state assistance.



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

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

8 SECTION 4. This Act shall take effect on July 1, 3000.



Report Title:

University of Hawaii; Hawaii Community College Promise Program

Description:

Addresses the change in federal law regarding Pell Grants by amending the Hawaii Community College Promise Program (Hawaii Promise) to provide scholarships for ninety-five percent of a student's unmet direct cost need and exclude grants, scholarships, and other funding sources from the calculation of Hawaii Promise awards, thereby allowing students to apply such funds toward indirect costs, including housing, food, and other living expenses, to reduce financial barriers and support student success. Changes Hawaii Promise from being a last-dollar award. Authorizes Hawaii Promise to coordinate with federal student aid programs to maximize total financial assistance available to students. Effective 7/1/3000. (SD1)

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