

STAND. COM. REP. NO. **3137**

Honolulu, Hawaii

MAR 23 2026

RE: H.B. No. 2338
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Education, to which was referred H.B.
No. 2338, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY COLLEGE
PROMISE PROGRAM,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend the Hawaii Community College Promise Program (Hawaii Promise) to exclude grants, scholarships, and other funding sources from the calculation of Hawaii Promise awards, allowing students to apply such funds toward indirect costs, including housing, food, and other living expenses, to reduce financial barriers and support student success;
- (2) Address the change in federal law regarding Pell Grants;
- (3) Change Hawaii Promise from being a last-dollar award;
and
- (4) Authorize Hawaii Promise to coordinate with federal student aid programs to maximize total financial assistance available to students.



Your Committee received testimony in support of this measure from the Department of Education, University of Hawai'i System, HawaiiKidsCAN, Hawai'i Food+ Policy, Hawai'i P-20 Partnerships for Education, and three individuals.

Your Committee finds that despite the significant success of the Hawaii Promise program, many local students remain unable to access higher education due to high indirect costs, such as housing, food, transportation, and caregiving expenses. As a last-dollar award for unmet direct cost needs, the Hawaii Promise program award amount is recalculated whenever students seek out additional funding sources, including private scholarships and community grants. Removing these funding sources from award calculation will empower students to leverage those funds against their indirect educational costs, increasing the accessibility of higher education to financially disadvantaged students. This measure will help increase educational equity while also reducing administrative burdens on financial aid professionals at the University of Hawaii.

Your Committee further finds that students may more greatly value their university educations if they also bear a financial stake in the direct educational costs. Additionally, state investments of public funds could assist a greater number of students if award amounts were supplemented with buy-ins from committed students. Therefore, amendments to this measure are necessary to address these matters.

Your Committee has amended this measure by:

- (1) Inserting language that requires the Hawaii Community College Promise Program to provide scholarships for ninety-five percent of the unmet direct cost needs of qualified students;
- (2) Amending section 1 to reflect its amended purpose; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B.



No. 2338, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2338, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Education,



DONNA MERCADO KIM, Chair



