

ACT 333

S.B. NO. 3142

A Bill for an Act Relating to University of Hawaii Minority Students: Hawaii Opportunity Program in Education (HOPE).

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The disadvantaged position of certain groups in the State and nation in terms of socio-economic and educational status is a public policy concern. As a group, Hawaiians, Filipinos, Samoans, and certain other ethnic groups in the State rank the lowest in socioeconomic (occupational status and income) and education (test scores and graduation rates at the University of Hawaii and the department of education, and representation at the University of Hawaii) indicators. These groups comprise a large segment of the community

and of the schools and are among the fastest growing groups in the State due to their young average age, and birth and migration patterns.

There is an urgent need to address the needs of these groups, particularly as they relate to education. The cost to the State of not addressing the educational needs of students from these groups could include lost income and tax revenues, increased demands for social services, a workforce increasingly unable to handle complex technology, increased criminal activity, and lower voter participation. Without focused efforts and attention to education, individuals from these groups and the groups as a whole are less likely to have productive roles in our larger society.

The purpose of this Act is to motivate undereducated students from these groups to further their education by eliminating financial barriers which would otherwise prevent qualified students from attending the University of Hawaii. The special fund established by this Act will provide these students with the tangible means to offset their groups' present underrepresentation at the University of Hawaii and in the activities of our mainstream community.

SECTION 2. Chapter 304, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§304- Hawaii opportunity program in education. (a) There is created in the treasury of the State, the Hawaii opportunity program in education (HOPE) special fund. Expenditures from the HOPE special fund shall be limited to:

- (1) Providing funds to award scholarships for the University of Hawaii to financially needy students with priority given to students from ethnic groups which are underrepresented in the student population of the University of Hawaii; and
- (2) Pay all costs incident to the prudent investment of the principal and income deposited in the special fund.

Appropriations or authorizations from the HOPE special fund shall be expended by the University of Hawaii.

(b) The special fund shall be administered by the director of finance who shall also be responsible for investing the principal and income deposited therein in accordance with the provisions of chapters 36 and 38 or, at the director's discretion, in the same manner as the trustees of the employees' retirement system of the State are permitted to invest the funds in their custody and control under sections 88-119, 88-119.5, 88-121, and 88-121.5. The director may pay a reasonable amount to any person for servicing and handling mortgages which the director may purchase or for supplying investment advisory or consultative services, and to meet other costs incident to the prudent investment of the special fund.

(c) Scholarship awards for the University of Hawaii, funded by sums from the HOPE special fund, shall be made beginning in the fiscal year 2001, in accordance with rules adopted by the board of regents pursuant to chapter 91. The rules shall include criteria for determining underrepresentation of particular groups in the student population of the university and financial need. Scholarship awards shall be made from appropriations or authorizations from the HOPE special fund, and only earnings from the investment of principal and income on deposit in the special fund received after June 30, 2000 shall be available for such appropriations or authorizations. The total sum appropriated or authorized for scholarship awards in any fiscal year shall not exceed ten per cent of the amount deposited in the special fund on June 30, 2000, and in no event shall the total sum appropriated or authorized out of the special fund for scholarship awards in any fiscal year cause the amount deposited in the HOPE

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special fund to be less than the amount on deposit in the special fund on June 30, 2000.”

SECTION 3. Section 304-8, Hawaii Revised Statutes, is amended to read as follows:

“§304-8 Appropriations; accounts; reports. Moneys appropriated by the legislature for the university shall be payable by the director of finance, upon vouchers approved by the board of regents or by any officer elected or appointed by the board under section 304-4 and authorized by the board to approve such vouchers on behalf of the board. All moneys received by or [in] on behalf of the board of the university shall be deposited with the director of finance, except that any moneys received from the federal government or from private contributions shall be deposited and accounted for in accordance with conditions established by the agencies or persons from whom the moneys are received and except that with the concurrence of the director of finance, moneys received from the federal government for research, training, and other related purposes of a transitory nature and moneys in trust or revolving funds administered by the university may be deposited in depositories other than the state treasury. Income from fees for tuition and similar charges against students and income derived from sale of goods or services shall be deposited to the credit of the general fund of the State; provided that income from university projects as defined and described in sections 306-1 to 306-12, may be credited to special or other funds; provided further that in each fiscal year from 1990-1991 through 1999-2000, at least the first \$1,000,000 of tuition collected by the university shall be deposited in the state treasury to the credit of the Hawaii opportunity program for education special fund; and provided further that upon the recommendation of the director of finance, the comptroller may establish such other separate accounts or special funds for other designated revenues as may be deemed in the best interests of the university and the State. The university shall also actively seek private participation in the HOPE program.

The university shall annually provide the legislature at least twenty days prior to the convening of the regular session with an itemized account of the income to and the expenditure from each university special and revolving fund during the previous fiscal year.”

SECTION 4. The Hawaii opportunity program in education shall be comprised of a two-faceted plan of action. First, the University of Hawaii shall develop a plan to address the present and future needs of underrepresented minority students at the university. Second, the university, in consultation with the department of education, shall establish a comprehensive plan which will describe in detail, but not be limited to, the following:

- (1) Criteria for students to be identified for this program;
- (2) Methods to closely and conscientiously monitor the progress of students;
- (3) Methods and means of mentoring students and other supportive activities of the program; and
- (4) An outline of regularly scheduled enrichment activities which will be incorporated into the program.

The university shall present its plan of action to the legislature twenty days prior to the convening of the 1991 regular session.

SECTION 5. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on July 1, 1990.

(Approved July 9, 1990.)

Note

1. Edited pursuant to HRS §23G-16.5.