
A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII COMMUNITY COLLEGE PROMISE PROGRAM.

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

1 SECTION 1. The legislature finds that an educated labor
2 force and engaged citizenry are essential in today's global,
3 knowledge-based economy. Across the nation, states have set
4 ambitious goals to boost college completion rates. The
5 University of Hawaii's graduation initiative is a systemwide
6 strategic initiative, endorsed by the University of Hawaii board
7 of regents, with a goal to increase the educational capital of
8 the State by increasing participation in, and completion of,
9 college by students, particularly Native Hawaiians, low-income
10 students, and those from underserved regions and populations,
11 and preparing them for success in the workforce and their
12 communities.

13 Moneys allocated for the University of Hawaii's community
14 college promise program in the 2017 state budget helped provide
15 scholarship opportunities to one thousand community college
16 students. This success demonstrates that the permanent



1 establishment of the program is warranted at the community
2 college level.

3 The State's 55 by '25 campaign goal focuses on increasing
4 the percentage of working-age adults with two- or four-year
5 degrees to fifty-five per cent by 2025. According to the most
6 recent data available, forty-four per cent of Hawaii's working
7 age adults have a postsecondary degree. As the State's sole
8 public higher education system, the University of Hawaii is
9 committed to doing its part to close the State's projected
10 educational attainment gap.

11 In April 2016, the Institute for Research on Higher
12 Education at the University of Pennsylvania Graduate School of
13 Education issued a study that analyzed college costs in relation
14 to family income level. The study revealed how higher education
15 has gone from expensive to unaffordable for most low- and
16 middle-income families. According to the study, Hawaii ranked
17 third in the nation for overall college affordability. The
18 study also noted that the University of Hawaii community
19 colleges are the most affordable public two-year institutions in
20 the nation.



1 However, the study acknowledged that despite Hawaii's
2 overall high affordability ranking, attending college was a
3 large expense for families earning less than \$30,000 annually;
4 that Hawaii's financial aid policies did little to alleviate
5 costs for these families; and that the State provided minimal
6 need-based aid to students attending public institutions.

7 University of Hawaii policy requires that a minimum
8 percentage of tuition revenue be set aside for need-based
9 scholarships, including 8.8 per cent at the community colleges.
10 The University of Hawaii provided \$6,300,000 in tuition-funded
11 financial aid at the community colleges during the 2014-2015
12 school year. Despite financial aid from sources such as Pell
13 grants, University of Hawaii and private scholarships, the GI
14 Bill for service members and veterans, and employers, cost still
15 poses a barrier for certain students with financial need.

16 The purpose of this Act is to address a statewide concern
17 by codifying the Hawaii community college promise program to
18 provide scholarships for the unmet direct cost needs of
19 qualified students enrolled at any University of Hawaii
20 community college campus and by appropriating funds to establish
21 and implement the program.



1 SECTION 2. Chapter 304A, Hawaii Revised Statutes, is
2 amended by adding a new section to part II, subpart B, to be
3 appropriately designated and to read as follows:

4 **"§304A-A Hawaii community college promise program;**
5 **established.** (a) Notwithstanding section 304A-501, there is
6 established the Hawaii community college promise program to be
7 administered by the board of regents. The program shall provide
8 scholarships for the unmet direct cost needs of qualified
9 students enrolled at any community college campus of the
10 University of Hawaii.

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

- 14 (1) Qualifies for Hawaii resident tuition;
- 15 (2) Completes and submits the Free Application for Federal
16 Student Aid for each academic year and accepts all
17 federal and state aid, grants, scholarships, and other
18 funding sources that do not require repayment;
- 19 (3) Is enrolled in a classified degree or certificate
20 program with six or more credits per semester;



1 (4) Maintains satisfactory academic progress, as defined
2 by federal requirements established pursuant to Title
3 IV of the Higher Education Act of 1965, as amended,
4 and determined by the campus where the student is
5 enrolled; and

6 (5) Has been determined by the campus to have unmet direct
7 cost needs.

8 (c) Scholarships shall be awarded to the extent possible
9 based on available funds and on a greatest need basis. An award
10 granted to a student shall be equal to the student's unmet
11 direct cost need, based on the Free Application for Federal
12 Student Aid calculation of need, less the amounts available to
13 the student from Pell grants and other scholarships.

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

16 (e) As used in this section, "direct cost" means any cost
17 directly related to a student's education, including tuition,
18 educational fees, and the costs of books, supplies, and
19 transportation between the student's dwelling and the student's
20 campus."



1 SECTION 3. Chapter 304A, Hawaii Revised Statutes, is
2 amended by adding a new section to part V, subpart B, to be
3 appropriately designated and to read as follows:

4 **"§304A-B Hawaii community college promise program**

5 **subaccount.** (a) There is established the Hawaii community
6 college promise program subaccount within the University of
7 Hawaii general fund. Moneys in the subaccount shall be used to
8 provide financial assistance to qualified students through
9 Hawaii community college promise program scholarships under
10 section 304A-A.

11 (b) The University of Hawaii shall submit a report to the
12 legislature no later than twenty days prior to the convening of
13 each regular session with information regarding the subaccount.
14 The report shall include but not be limited to the number of
15 scholarships provided under the Hawaii community college promise
16 program in the preceding year.

17 (c) This subaccount is not intended to provide loans or
18 keep track of payback provisions."

19 SECTION 4. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$ or so
21 much thereof as may be necessary for fiscal year 2018-2019 to be



1 deposited into the Hawaii community college promise program
2 subaccount.

3 SECTION 5. There is appropriated out of the Hawaii
4 community college promise program subaccount the sum of
5 \$ or so much thereof as may be necessary for fiscal
6 year 2018-2019 to establish and implement the Hawaii community
7 college promise program, including the provision of the
8 program's scholarships, at the community college campuses of the
9 University of Hawaii.

10 The sum appropriated shall be expended by the University of
11 Hawaii for the purposes of this Act.

12 SECTION 6. In codifying the new sections added by sections
13 2 and 3 of this Act, the revisor of statutes shall substitute
14 appropriate section numbers for the letters used in designating
15 the new sections in this Act.

16 SECTION 7. New statutory material is underscored.

17 SECTION 8. This Act shall take effect on July 1, 2112.



Report Title:

UH; Community College Promise Program; Scholarships;
Appropriations

Description:

Establishes the University of Hawaii Community College Promise Program to provide scholarships for the unmet direct cost needs of qualified students enrolled at any community college campus of the University of Hawaii system. Appropriates funds to establish and implement the program. Effective 7/1/2112. (SD2)

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