A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM.

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

SECTION 1. The legislature finds that the University of Hawaii's Hawaii graduation initiative is a systemwide strategic initiative endorsed by the board of regents with a goal to increase the educational capital of the State by increasing students' educational participation and completion, particularly that of native Hawaiians, low-income students, and those from underserved regions and populations, and preparing them for success in the workforce and their communities.

The legislature further finds that an educated labor force and engaged citizenry are essential in today's global, knowledge-based economy. Across the nation, states have set ambitious goals to boost college completion rates. Hawaii's own 55 by '25 campaign goal focuses on increasing the percentage of working age adults with two- or four-year degrees to 55 per cent by 2025. According to the most recent data available, 44 per cent of Hawaii's working age adults currently have a postsecondary degree. As the State's sole public higher
education system, the University of Hawaii is committed to doing
its part to close the State's projected educational attainment
gap.

In April 2016, the Institute for Research on Higher
Education at the University of Pennsylvania graduate school of
education issued a study that analyzed college costs in relation
to family income level. The study revealed that higher
education has gone from expensive to unaffordable for most low-
and middle-income families. According to this same study,
Hawaii ranked third in the nation for overall college
affordability and the University of Hawaii community colleges
are the most affordable public two-year institutions in the
nation.

The report further acknowledged that, despite Hawaii's
commendable overall college affordability ranking, attending
college is a big expense for families earning less than $30,000
annually; Hawaii's financial aid policies are not fully able to
alleviate costs for these families; and the State provides
minimal need-based aid to students attending public
institutions. Since this report, the University of Hawaii has
implemented the Hawaii promise program, which is a need-based
award intended to be applied toward the unmet direct cost needs
of qualified students enrolled at any community college campus
of the University of Hawaii. Awards are contingent upon funding
and amounts are determined by the individual students' Free
Application for Federal Student Aid information.

Financial aid through federal Pell Grants, University of
Hawaii and private scholarships, the GI Bill for service members
and veterans, and employers covers much of the cost for need-
based students. However, cost is still a barrier for certain
need-based students, especially for those who do not qualify for
the Hawaii promise program because they are enrolled at one of
the University of Hawaii's four-year campuses.

The purpose of this Act is to expand the Hawaii promise
program to provide scholarships for the unmet direct cost needs
of qualified undergraduate students enrolled at the University
of Hawaii at Manoa, University of Hawaii at Hilo, and University
of Hawaii-West Oahu, and to provide an appropriation to
establish and implement the expanded program.

SECTION 2. Section 304A-506, Hawaii Revised Statutes, is
amended to read as follows:
H.B. NO. 1277

"§304A-506[+] Hawaii community-college promise program; established. (a) Notwithstanding section 304A-501, there is established the Hawaii community-college promise program to be administered by the board of regents. The program shall provide scholarships for the unmet direct cost needs of qualified students enrolled at any community-college campus of the University of Hawaii.

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

(1) Qualifies for Hawaii resident tuition;

(2) Completes and submits the Free Application for Federal Student Aid for each academic year and accepts all federal and state aid, grants, scholarships, and other funding sources that do not require repayment;

(3) Is enrolled in a classified degree or certificate program with six or more credits per semester;

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

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

(c) A student enrolled in an undergraduate program at a University of Hawaii campus, other than a community college campus, shall be eligible for scholarship consideration for a maximum of eight semesters if the student:

(1) Qualifies for Hawaii resident tuition;

(2) Completes and submits the Free Application for Federal Student Aid for each academic year and accepts all federal and state aid, grants, scholarships, and other funding sources that do not require repayment;

(3) Is enrolled in a classified degree or certificate program with twelve or more credits per semester;

(4) Maintains satisfactory academic progress, as defined by federal requirements established pursuant to Title IV of the Higher Education Act of 1965, as amended, and determined by the campus where the student is enrolled; and
(5) Has been determined by the campus to have unmet direct
cost needs.

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

(e) To maintain a scholarship under this section, a
student enrolled at a community college shall meet the
requirements of subsection (b)(4) and a student enrolled in
an undergraduate program at a University of Hawaii campus, other
than a community college campus, shall meet the requirements of
subsection (c)(4).

(f) As used in this section, "direct cost" means
any cost directly related to a student's education, including
tuition; educational fees; and the costs of books, supplies, and
transportation between the student's dwelling and the student's
campus."
SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of $ or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the establishment and implementation of the Hawaii promise program pursuant to this Act, including the provision of scholarships.

The sums appropriated shall be expended by the University of Hawaii for the purposes of this Act.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2019.
Report Title:
University of Hawaii Promise Program; Scholarships; Appropriation; Four-Year University of Hawaii Campus

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.

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