



UNIVERSITY of HAWAII®

Ke Kulanui o Hawai'i

David Lassner
President

December 19, 2024

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty-Third State Legislature
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura, Speaker
and Members of the House of Representatives
Thirty-Third State Legislature
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, the University of Hawai'i is transmitting one copy of the Annual Report on the Hawai'i Promise Scholarship Program, FY 2024 (Section 304A-2102, Hawai'i Revised Statutes and Act 61, Session Laws of Hawai'i 2019) as requested by the Legislature.

In accordance with Section 93-16, Hawai'i Revised Statutes, this report may be viewed electronically at: https://www.hawaii.edu/govrel/docs/reports/2025/hrs304a-2102_act61-slh2019_2025_hawaii-promise_annual-report_508.pdf.

Should you have any questions about this report, please do not hesitate to contact Stephanie Kim at (808) 956-4250, or via e-mail at scskim@hawaii.edu.

Sincerely,

A handwritten signature in black ink that reads 'David Lassner'.

David Lassner
President

Enclosure

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UNIVERSITY OF HAWAI‘I SYSTEM ANNUAL REPORT



REPORT TO THE 2025 LEGISLATURE

Annual Report on the Hawai'i Promise Scholarship
Program FY 2024

HRS 304A-2102
and
Act 61, SLH 2019

December 2024

**Annual Report to the 2024 Hawai'i Legislature on
The Hawai'i Promise Scholarship Program, FY 2024
HRS 304A-2102 and Act 61, SLH 2019**

Background

Hawai'i Promise (HP) is a state-supported scholarship program that ensures that residents with financial need can still access a quality college education at the University of Hawai'i Community Colleges. For eligible Hawai'i residents, Hawai'i Promise provides the "last dollar" to cover direct education costs (e.g., tuition, fees, books) that are not met by other forms of federal, state, and institutional financial aid.

In 2017, the legislature appropriated initial funding for the creation of the Hawai'i Promise Program for qualified students attending a community college via Act 49, Session Laws of Hawai'i (SLH) 2017 (supplemental budget bill). In 2018, Governor David Ige signed Act 14 to provide additional financial assistance for unmet direct educational costs to qualified students enrolled at any community college campus of the University of Hawai'i. Act 14 was later codified as section 304A-2102, Hawai'i Revised Statutes, which included a reporting requirement that would include the number of scholarships provided under the Hawai'i Community College Promise Program during the preceding year.

In 2019, Act 61, SLH 2019 was signed into law which appropriated funding for fiscal years 2019-2020 and 2020-2021. In 2023-2024, UH awarded \$5.5 million through Hawai'i Promise scholarships and the Opportunity Grant (used towards Hawai'i Promise general funds) appropriated by the legislature.

HP Eligibility Requirements

Students must meet the following requirements to be considered for the Hawai'i Promise program:

- (1) Qualifies for Hawai'i resident tuition;
- (2) Submits the Free Application for Federal Student Aid (FAFSA) and accepts all federal and state aid, grants, scholarships, and other aid that does not require repayment;
- (3) Is enrolled with six or more credits per semester in a UHCC degree or certificate program;
- (4) Maintains satisfactory academic progress;
- (5) Has unmet direct cost need.

Students are considered for the Hawai'i Promise when they submit their Free Application for Federal Student Aid (FAFSA), and they do not need to apply for the program separately. Hawai'i Promise scholarships are awarded as part of a student's financial package issued by their college.

Fiscal Year 2023-2024 Expenditures

For the 2023-2024 fiscal year, the University awarded and disbursed \$5,529,799 to assist 3,446 students from all 7 UH Community Colleges who were eligible for the scholarship or the grant. The average amount awarded to each student was \$1,600 (Table 1).

Table 1. Hawai'i Promise Scholarship Program, 2023-24*

Campus	# of Recipients	Avg Award (\$)	Total Awarded (\$)
Hawai'i CC	533	\$1,420	\$756,770
Honolulu CC	471	\$1,723	\$811,495
Kapi'olani CC	737	\$1,557	\$1,147,568
Kaua'i CC	219	\$1,633	\$357,528
Leeward CC	859	\$1,667	\$1,431,600
Maui College	387	\$1,720	\$682,720
Windward CC	240	\$1,425	\$342,118
UHCC Total	3,446	\$1,600	\$5,529,799

* Awards as of 12/2/24.

Addressing Unmet Need with Multiple Sources

The Hawai'i Promise Scholarship Program is one part of the diverse package of aid opportunities afforded to UHCC students that have unmet need after taking into account the financial abilities and needs of the prospective student and their family. In 2023-24, Hawai'i Promise (HP) and Opportunity Grant funds allocated from the Hawai'i State legislature accounted for 18% of all financial aid awarded to UHCC students (Figure

01).

Figure 01. Breakdown of Aid Awarded to UHCC Students, AY 2023-24

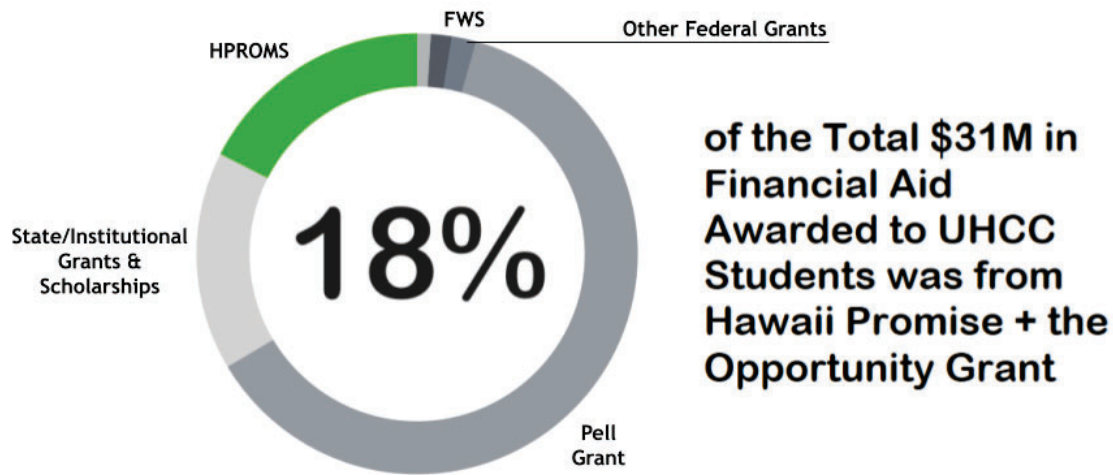
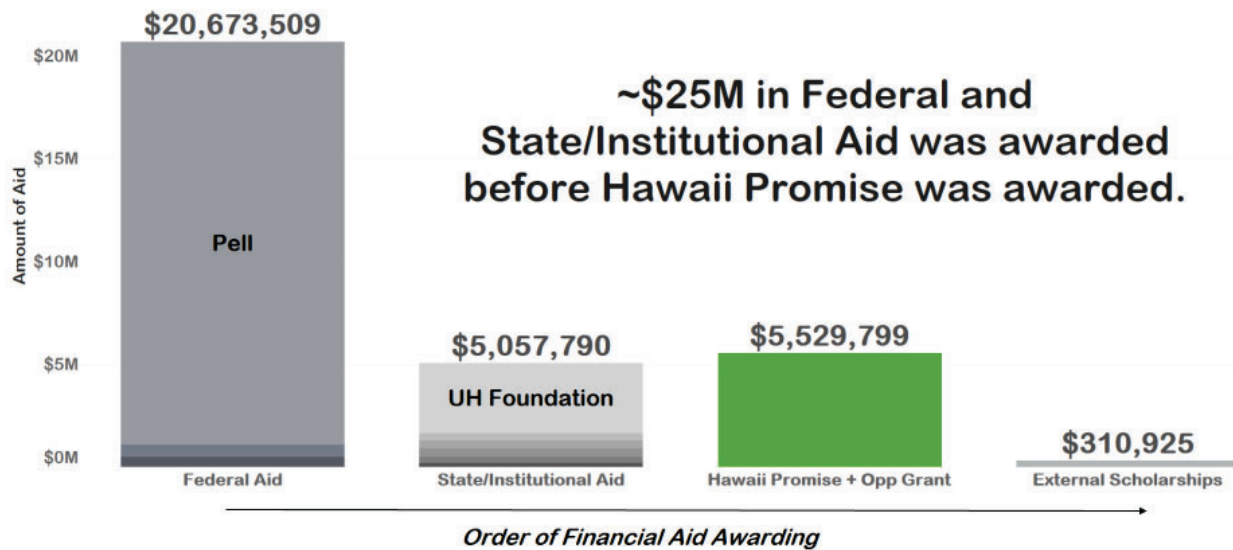


Figure 02. Hawaii Promise is a "Last Dollar" Source of Financial Aid

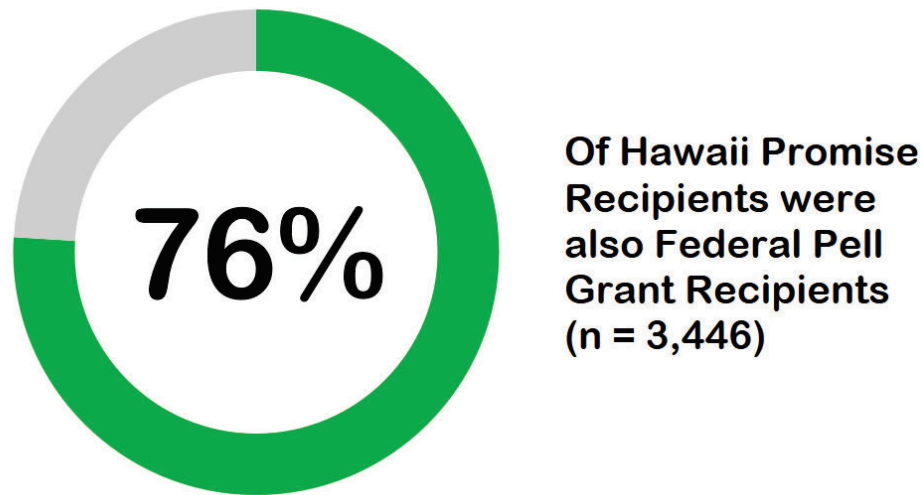


As a last dollar program, the HP program addresses the gap in any direct costs not covered by other sources of financial aid including federal Pell grants, other need-based state and institutional grants (B Plus, Second Century scholarship), and merit-based institutional achievement scholarships. In FY 2023-24, UHCC administered over \$31 million in financial aid to UHCC students (Figure 02). Unmet need is based on the federally recognized Cost of Attendance (~\$24,000 for full-time student) less the Expected Family Contribution (EFC). An applicant's EFC is calculated using need analysis formulas, and in most cases, federal tax information retrieved from the IRS.

Hawai'i Promise Scholarship Recipients

Lower average family income. The Hawai'i Promise program supports students that come from households with a lower average family income than the state's median and the lower than the AUW Asset Limited, Income Constrained, Employed (ALICE) threshold which may describe families that have a job or multiple jobs, are doing everything they can to make ends meet but may still be living paycheck to paycheck. Average family income of Hawai'i Promise scholarship recipients was \$43,143 (Adjusted Gross Income), well below the state's median household income of \$95,322 (Census, 2023) and Aloha United Way's "ALICE" threshold of \$88,968 for a family of four with two adults and two school age children (AUW, 2022). In addition, the average EFC (Expected Family Contribution) of an HP recipient was \$3,151.

Figure 03. Breakdown of HP Recipients with/without Pell Grant, FY 2024



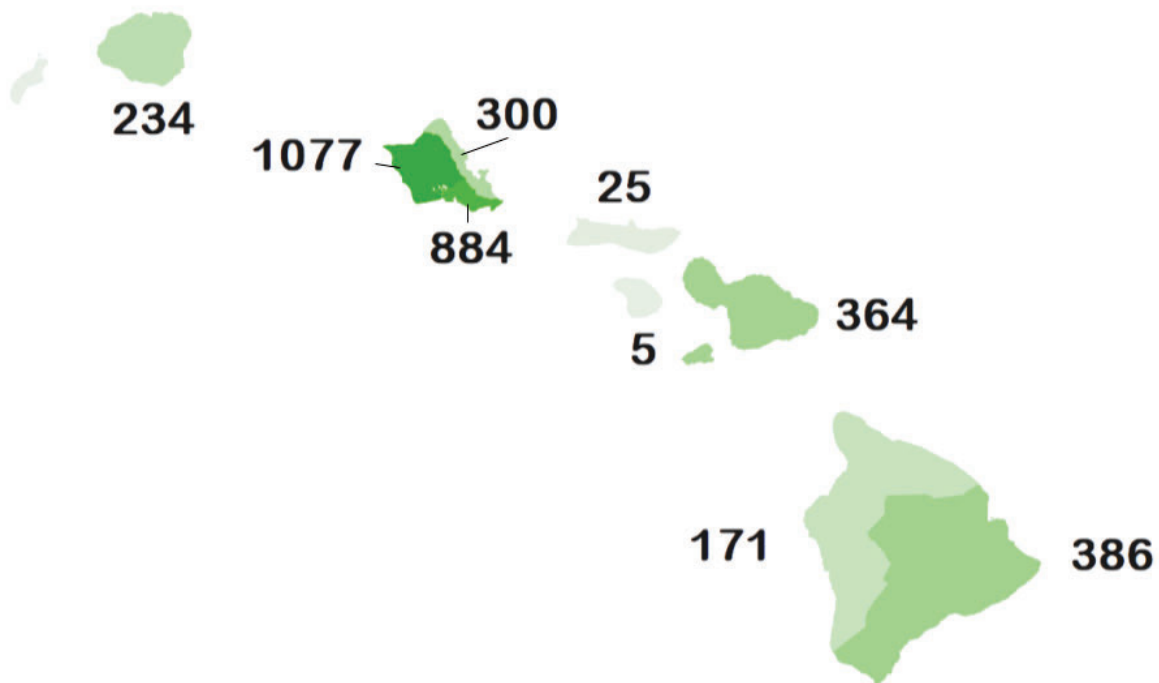
Majority receive federal Pell Grants. Seventy-six percent (76%) of HP scholarship awardees were also Federal Pell Grant recipients, the federal program designed to assist college students from low-income households. Twenty-four percent (24%) of recipients did not receive federal Pell grants, indicating nearly one out of four students who belonged in a "gap" group that had financial need but did not qualify for the Pell grant (Figure 03).



Figure 04. 63% of HP recipients belong to underrepresented communities in the UHCC campuses.

Majority from historically underserved racial groups. While race & ethnicity is not a factor in the administration or intent of Hawaii Promise Program, sixty-three percent (63%) of Hawai'i Promise scholarships were awarded to students from historically underrepresented/underserved racial groups: Native Hawaiians, Filipinos, Pacific Islanders, American Indian or Alaskan Native, African American or Black, and Hispanic (Figure 04). Thirty-five percent (35%) of Hawai'i Promise recipients were Native Hawaiian and part-Native Hawaiian students, and forty-six percent (46%) of Hawai'i Promise scholarships were awarded to Filipino and part-Filipino students.

Figure 05. Where Our Promise Recipients Come From, FY 2024



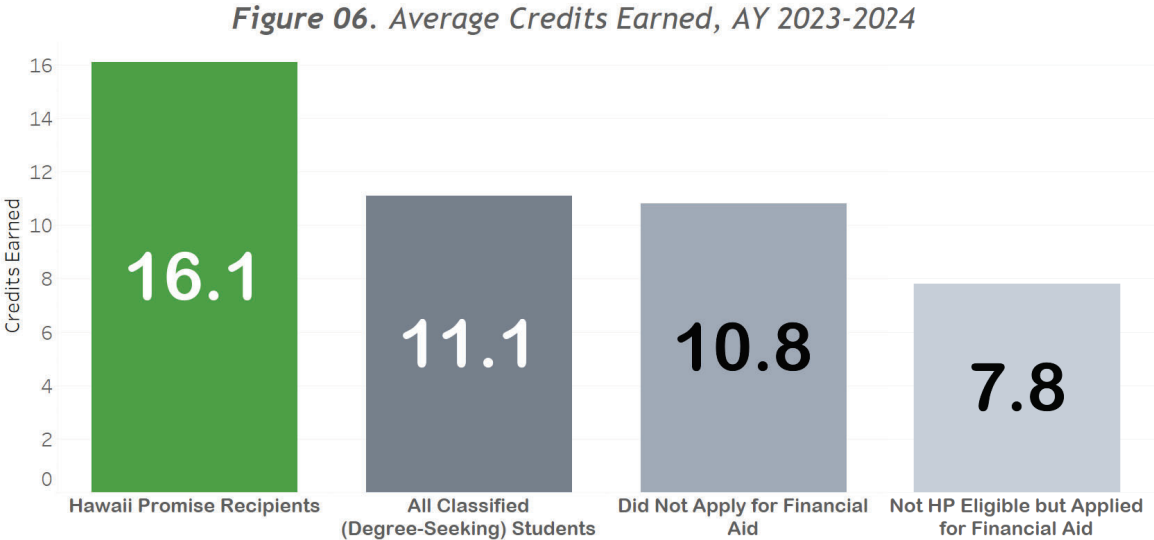
HP Recipients from all geographic regions of the state. Hawai'i Promise continues to serve our local communities throughout the state. In the most recent cohort, recipients came from Kaua'i (237), Leeward O'ahu (1,077), Windward O'ahu (300), Honolulu (884), Moloka'i (25), Maui (364), Lana'i (5), West Hawai'i (171), and East Hawai'i (386). (Figure 05). The HP program supports access and opportunity for individuals with need irrespective of geographic location.

Hawai'i Promise Scholarship has positive Impact

In general, Hawai'i Promise (HP) recipients outperform their counterparts with regard to finding academic success. This is true for the FY2024 cohort of students and has been true for all HP cohorts since the inception of the program in 2017.

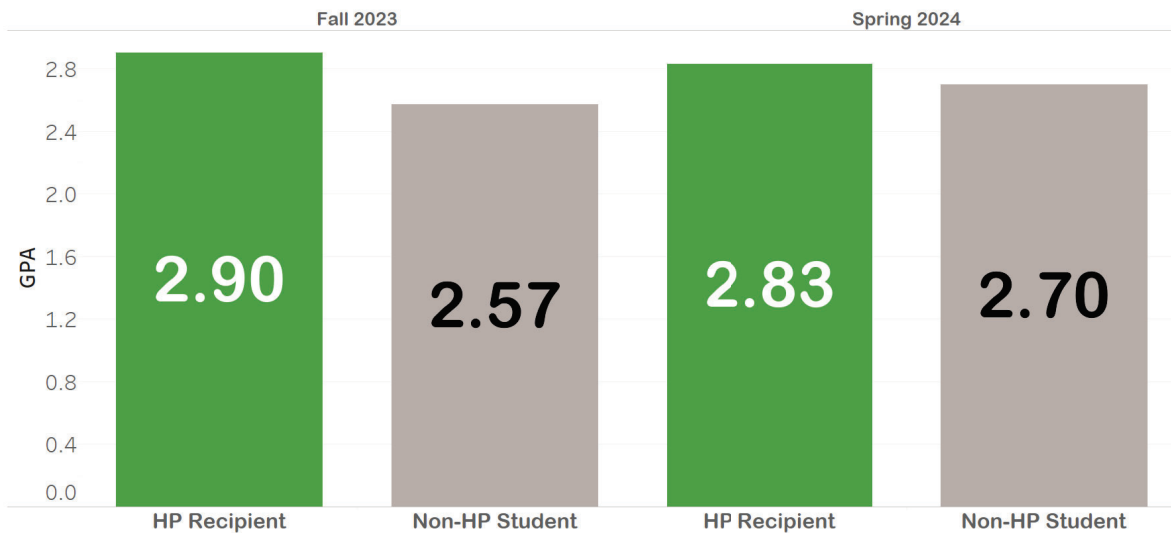
- More credits earned:** In 2023-24, Hawai'i Promise recipients attempted and earned more credits than non-Hawai'i Promise awardees. More credits earned has academic and financial benefits to the student including reducing time to degree and increased likelihood of persistence and degree completion. This comparison held true for HP recipients relative to: (a) all degree-seeking students, (b) those who applied for financial aid but did not receive Hawai'i Promise, and (c) those who did not apply for aid.

On average, during the 2023-24 academic year, Hawai'i Promise recipients earned 5 or more credits than students classified in these other categories (Figure 06).



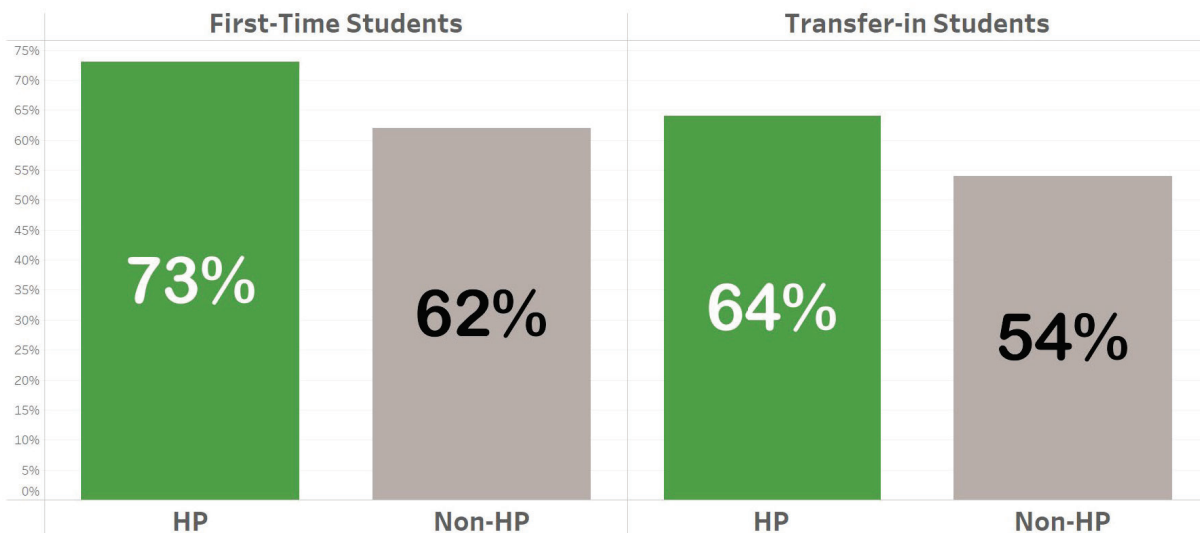
- Better grades:** Hawai'i Promise recipients had higher passing rates than their peers, and they earned higher grades than their peers. In each term since Hawai'i Promise began, scholarship recipients have earned a 2.8 Grade Point Average (GPA) or better (Figure 07).

Figure 07. Average Cumulative GPA, AY 2023-2024



- Higher persistence rates for full-time students:** Hawaii Promise recipients were more likely to continue to be enrolled in UH than their peers who did not receive Hawaii Promise. Seventy three percent (73%) of first-time (new freshmen) Hawaii Promise scholarship recipients who enrolled full-time in Fall 2023 continued to be enrolled in Fall 2024, at a rate of eleven percentage points higher than non-Hawaii Promise first-time students. One-year persistence rates were higher for full-time transfer students as well, 64% compared to 54%, for Hawaii Promise recipients vs. non-Hawaii Promise recipients (Figure 08).

Figure 08. One Year Persistence Rates of Fall 2023 Students



Students who received Hawaii Promise scholarships in prior years continue to be enrolled, meet transfer goals, and earn degrees and certificates at comparable or greater rates than peers. For example, among students who received scholarships as new students in Fall 2021, 39% of Promise students successfully transferred to

another institution and/or graduated, which is one percent higher than their peers (Figure 09).



Figure 09. From Fall 2021, so far 39% of HP recipients have graduated or transferred to another institution.

- **Higher persistence and completion rates for part-time students:** For first-time part-time students, Hawai'i Promise scholarship recipients returned at higher rates than their peers: **54% vs. 48%**. Additionally, for transfer-in, part-time students, HP recipients also returned at higher rates than their peers: **55% vs. 44%**. Part-time Hawai'i Promise scholarship recipients graduate or continue to be enrolled at higher rates than their peers, which has been the case for all part-time student cohorts for the past six years.

Perspectives from Scholarship Recipients

Act 61 (2019) requested additional information about how many students would have enrolled without the benefit of the program, how many scholarship recipients are unable to complete their program despite receiving a scholarship, and the likelihood that receiving a scholarship increased students' degree completion. Hawai'i Promise recipients provided feedback in December 2024 that addressed the impact of the Scholarship on their ability to enroll, persist, and complete their college goals.

"The scholarship helped me to stay enrolled in the College, helped with my life cost, and also gave me the feeling of recognition and appreciation from the UH. Being enrolled at KCC is changing my life positively in many aspects: I am learning new skills, and making new friends, and I have new dreams and professional goals. I am so thankful for Kauai Community College in my life."

- Student, Kaua'i Community College

"Because of the Hawaii Promise Scholarship, I was able to pursue education without depending on my parents after we lost our house in the Lahaina Wildfires. Mahalo!"

- Student, UH Maui College

"This scholarship helped with continuing my academic journey and reaching my goal to graduate with an Associate's degree. I was able to pay for my tuition and school supplies without worry and had extra to carry on throughout the semester like gas to get me from home to school and also to work as I'm a student worker

at the college. And also helped me with groceries since I'm also a mother of 4 ages 9,5,3,1. The promise scholarship has helped me in more ways than one. Mahalo for the support and help."

- Student, Hawai'i Community College

"I have been given the chance to attend and pay for college with the help of this scholarship and do not think I would be able to attend college otherwise. I am a first-year generational student who is fighting college finances on my own without outside family support. I also live 15 miles from town living in an isolated village which brings a lot of its own challenges. Therefore, this scholarship has helped me a long way in my journey going throughout college."

- Student, UH Maui College

"This scholarship has been a tremendous help in supporting a portion of my living expenses and ensuring basic needs, such as food and housing security, while I have been attending school full-time. Earlier this year, I went through a divorce, which made receiving the Promise Scholarship an even greater source of much-needed assistance. I will be graduating from the KCC Nursing Program in Spring 2025 and plan to transfer to UH Mānoa to pursue my BSN. Having the Promise Scholarship available at UH Mānoa would greatly assist me in achieving this goal, as earning my BSN will significantly enhance my ability to secure nursing jobs in Hawaii. I am deeply grateful for the support this scholarship provides."

- Student, Kapi'olani Community College

"For many years, I've been wanting to go to college but never did due to my financial situation. I live on the island of Lana'i, and the cost of living in Hawai'i, in general, is pretty steep. I had a rough start at the beginning of my early adult life. I was a high school dropout, worked a minimum-wage job, and earned my G.E.D. years later. It was a struggle alone to keep a roof over my head, food on the table, and utilities paid, so adding college fees was out of the question. Fast forward to college life. Prior to enrolling, I was very hesitant. I met with a friend who worked at the community college education center on island and she's pushing me to start taking classes. She recommended 1 to 2 classes to get the feel of it and that they would only cost less than \$1000. Even then I was still hesitant. My husband came into the picture and gave me a motivational speech and support that I needed. I decided to go ahead with it. My friend assisted me in the process and I can't tell you how happy I am that I chose to attend college. With the help of this scholarship, I am a full-time student and on my journey of becoming an Early Childhood Educator. With this scholarship I don't have to stress on paying school loans nor some of my basic living expenses. I started college in Fall 2023 and I am still continuing to shoot for the stars with this scholarship."

- Student, UH Maui College

"This scholarship is a pivotal part of my journey toward becoming a high school teacher. It provides not only financial relief but also the motivation to push

forward in my education. Growing up in a community facing challenges like homelessness, drug abuse, and food insecurity, I understand the importance of having stable role models. This scholarship allows me to focus more on my studies and less on financial stress, helping me stay on track to transfer to a UH 4-year campus. By sharing my story, I hope to inspire others from similar backgrounds to pursue their dreams and show that with the right support, success is possible. I aim to give back to my community by becoming a teacher who not only educates but also empowers students to overcome obstacles and thrive.”

- Student, Leeward Community College

(1) How many scholarship recipients would have enrolled in the university of Hawai'i community college system without the benefit of the program;

A survey to gather student feedback on Hawai'i Promise was emailed to all 3,446 students that received Hawai'i Promise in academic year 2023-2024. The survey was administered in December 2024 and 162 survey responses were received. The student sample of 162 Hawai'i Promise Scholarship recipients (4.8% response rate) provides a picture of HP Scholarship students as a whole and is acceptable for educational purposes with a 95% confidence interval and an 8% margin of error.

The large majority of survey respondents reported that the Hawai'i Promise scholarship provided positive benefit and impact to their ability to afford, decision to enroll, and likelihood to persist in the University of Hawai'i Community College System.

- **93% of respondents** Strongly Agreed or Agreed that the Hawai'i Promise scholarship helped me decide that college was affordable this year;
- **88% of respondents** Strongly Agreed or Agreed that the Hawai'i Promise scholarship helped me to make the decision to enroll in college this year;
- **86% of respondents** Strongly Agreed or Agreed that returning to college next semester depends on continuation of my financial aid including Hawai'i Promise scholarship.

Conversely, only **2% of respondents** Disagreed or Strongly Disagreed that the Hawai'i Promise scholarship helped to decide that college was affordable this year and **4% of respondents** Disagreed or Strongly Disagreed that returning to college next semester depended on continuation of their financial aid including Hawai'i Promise scholarship.

Based on this sampling, it is projected that 3,032 students (88% of AY 2023-2024 Hawai'i Promise recipients) enrolled within the University of Hawai'i community college system because of the benefits of the Hawai'i Promise program.

While Hawai'i Promise scholarships are applied only to direct educational expenses (such as tuition), all respondents indicated that the Hawai'i Promise scholarship enabled them to benefit in many ways to support their educational success.

The Hawai'i Promise Scholarship allowed me to:	Percent of Sample
<i>Support my living expenses and basic needs, such as food or housing</i>	78%
<i>Purchase books or supplies that I could not afford</i>	74%
<i>Take more classes/credits</i>	61%
<i>Reduce the amount of student loans I borrowed</i>	47%
<i>Reduce the amount of my work hours</i>	36%

(2) How many scholarship recipients begin a degree program but are unable to complete the program, despite receiving the benefit of a Hawai'i community college promise program scholarship;

In December 2024, an analysis was conducted to assess the outcomes of all Hawai'i Promise recipients since program inception (Fall 2017 - Fall 2024). A total of 10,802 unique recipients were assessed.

72% Success Rate (Degree Completion, Transfer, and/or Persistence)

- 4,004 students completed a UH certificate or degree (CA or higher);
- 268 students successfully transferred from UHCCs to UH four-year institutions;
- 326 students transferred to a non-UH college;
- 3,182 students are still pursuing a UH degree program (includes Fall 2024 HP recipients).

28% Stop-out Rate

- 3,022 students have some college experience but did not successfully transfer to a UH four-year, complete a degree, or persist with their education. It is possible that many of these students successfully transferred to a non-UH four-year institution, but the finalized transfer data was not available at the time of this report.
- It is noted that the 28% Hawai'i Promise stop-out rate compares favorably to the 45% national measure for not enrolled, no-degree status within 6 years for students that begin at a public, 2-year institution according to the National Center for Education Statistics.

(3) The degree to which receipt of a Hawai'i community college promise program scholarship directly increases the likelihood that a recipient completes a degree program.

Hawai'i Promise recipients have higher “success rates” as measured by graduation at a community college, transfer to a baccalaureate program, and continued enrollment. Overall success rates for first-time, full-time students were 41%

for Hawai'i Promise recipients compared with 39% for non-Hawai'i Promise recipients. Hawai'i Promise recipients showed higher 150% graduation rates than their counterparts (31% vs. 27%). Non-HP recipients were found to have higher transfer rates than HP recipients (Figure 10).

Figure 10. Combined Success Rates of Students from Fall 2017-21

