
A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII.

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

1 SECTION 1. The legislature recognizes that according to
2 the national center for public policy and higher education, net
3 college costs for low- and middle-income students to attend
4 Hawaii's public four-year colleges and universities represent a
5 third of their families' annual income. In 2004, the national
6 non-profit independent organization gave Hawaii a "D" for
7 affordability. The organization also noted that "over the past
8 few years, Hawaii has had among the steepest declines in the
9 nation in the percentage of first-time, full-time college
10 students earning their bachelor's degree within six years of
11 enrolling in college."

12 During the 2005 legislative session, recognizing the need
13 to provide financial support to Hawaii's residents in attaining
14 a post secondary degree, the legislature appropriated \$1,500,000
15 in general funds for the fiscal biennium 2005-2007 to provide
16 merit-based scholarships for Hawaii's low-income public school
17 graduates wishing to attend the university. Despite this
18 appropriation, the legislature finds that the increases in the



1 tuition and fee schedule, which takes effect in the fall of
2 2006, will continue to make it difficult for Hawaii's residents
3 to attend the university. The legislature also finds that the
4 initial appropriation of \$1,500,000 is not sufficient to enroll
5 a significant proportion of the estimated number of eligible
6 applicants.

7 Given the State's current financial surplus, and based on
8 input from the university, the purpose of this Act is to
9 encourage Hawaii residents to pursue post secondary school
10 education by:

- 11 (1) Amending section 57 of Act 178, Session Laws of Hawaii
12 2005, to increase the 2006-2007 appropriation to the
13 student scholarship and assistance special fund by
14 \$2,000,000;
- 15 (2) Establishing a workforce development scholarship
16 program at the community colleges based on need; and
- 17 (3) Placing state funds for all scholarship programs in a
18 separate account in the student scholarship and
19 assistance special fund.

20 SECTION 2. Chapter 305, Hawaii Revised Statutes, is
21 amended by adding a new section to be appropriately designated
22 and to read as follows:



1 "§305- Workforce development scholarship program. (a)

2 There is established the workforce development scholarship
3 program to be administered by the University of Hawaii to
4 address projected shortfalls in, and needs of the workforce.

5 The program shall be used to provide financial assistance for up
6 to three years to any qualified student enrolled at a community
7 college campus of the University of Hawaii.

8 (b) The number of scholarships awarded and the amount of
9 each scholarship shall be determined by the university and shall
10 be subject to the availability of funds. The University of
11 Hawaii shall offer scholarships to pay for educational costs,
12 such as tuition, fees, books, housing, and other educational
13 costs; provided that the scholarship applicant:

14 (1) Qualifies for Hawaii resident tuition;

15 (2) Earned a high school diploma or passed the general
16 educational development test; and

17 (3) Is eligible for need-based aid according to federal
18 financial aid guidelines.

19 The scholarship may be renewed annually for up to three years;
20 provided that the student maintains satisfactory academic
21 progress."



1 SECTION 3. Section 304-16.6, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) Revenues deposited into this fund shall include but
4 not be limited to state, federal, and private funds, ~~and~~ funds
5 transferred by the university from the tuition and fees special
6 fund pursuant to section 304-16.5~~(-)~~, and appropriations for the
7 state scholars program; provided that state funds appropriated
8 for any scholarship program, including but not limited to the B
9 Plus scholarship program, the Hawaii state scholars program, and
10 the workforce development scholarship program, shall be kept in
11 a separate and distinct account."

12 SECTION 4. Act 178, Session Laws of Hawaii 2005, is
13 amended by amending section 57 to read as follows:

14 "SECTION 57. Provided that of the general fund
15 appropriation for the university of Hawaii systemwide (UOH 900),
16 the sum of \$500,000 or so much thereof as may be necessary for
17 fiscal year 2005-2006~~(-)~~ and the sum of [~~\$1,000,000~~] \$ _____
18 or so much thereof as may be necessary for fiscal year 2006-
19 2007~~(-)~~ shall be deposited into the student scholarship and
20 assistance special fund; provided further that the amounts shall
21 be used to fund the [~~B-Plus Scholarship~~] B Plus scholarship



1 program; provided further that the university shall offer ~~[full]~~
2 scholarships to any Hawaii resident ~~[applying to]~~ who:

3 (1) Enrolls in any campus within the university system
4 ~~[provided that the individual has];~~

5 (2) Has graduated from a Hawaii public high school with a
6 cumulative grade point average of 3.0 or better; and
7 ~~[is considered low income according to the state of~~
8 ~~Hawaii department of education's guidelines for~~
9 ~~students qualifying for the free and reduced lunch~~
10 ~~program.]~~

11 (3) Is eligible for need-based financial aid based on
12 federal financial aid guidelines;

13 and provided further that the scholarship may be renewed
14 annually if the student maintains satisfactory academic progress
15 and continues to meet financial aid guidelines."

16 SECTION 5. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$ or so
18 much thereof as may be necessary for fiscal year 2006-2007 to
19 establish the workforce development scholarship program.

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



1 SECTION 6. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 7. This Act shall take effect on July 1, 2020.



Report Title:
UH; Special Fund

**SB3120
SD2 HD1**

Description:

Increases the amount of general fund appropriations previously appropriated for the B Plus scholarship program. Deposits the appropriations into the student scholarship and assistance special fund. Changes the income guidelines. Establishes a workforce development scholarship program at the community colleges. Specifies that state funds for all scholarship programs shall be placed in a separate account in the student scholarship and assistance special fund. Effective date 7/1/2020. (SB3120 HD1)

