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# A BILL FOR AN ACT

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RELATING TO THE UNIVERSITY OF HAWAII COMMUNITY COLLEGE PROMISE PROGRAM.

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

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

12       Moneys allocated for the University of Hawaii's community  
13 college promise program in the 2017 state budget helped provide  
14 scholarship opportunities to one thousand community college  
15 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.



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

"§304A-A Hawaii community college promise program; established. (a) Notwithstanding section 304A-502, 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;



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

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

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

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

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



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

4 "§304A-B Hawaii community college promise program special  
5 fund. (a) There is established the Hawaii community college  
6 promise program special fund to be administered by the  
7 University of Hawaii. The special fund shall be administered  
8 pursuant to the authority of the board of regents to grant,  
9 modify, or suspend the scholarship and assistance under section  
10 304A-501. This fund shall be used to provide financial  
11 assistance to qualified students through Hawaii community  
12 college promise program scholarships under section 304A-A.

13 (b) The University of Hawaii shall submit a report to the  
14 legislature no later than twenty days prior to the convening of  
15 each regular session with information regarding the special  
16 fund. The report shall include but not be limited to:

17 (1) The number of scholarships provided under the Hawaii  
18 community college promise program in the preceding  
19 year; and

20 (2) Recommendations as appropriate to the legislature  
21 regarding all tuition waivers.



1        (c) This fund is not intended to provide loans or keep  
2        track of payback provisions."

3        SECTION 4. There is appropriated out of the general  
4        revenues of the State of Hawaii the sum of \$                or so much  
5        thereof as may be necessary for fiscal year 2018-2019 to be  
6        deposited into the Hawaii community college promise program  
7        special fund.

8        SECTION 5. There is appropriated out of the Hawaii  
9        community college promise program special fund the sum of  
10       \$                or so much thereof as may be necessary for fiscal year  
11       2018-2019 to establish and implement the Hawaii community  
12       college promise program, including the provision of the  
13       program's scholarships, at the community college campuses of the  
14       University of Hawaii.

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

17       SECTION 6. In codifying the new sections added by sections  
18       2 and 3 of this Act, the revisor of statutes shall substitute  
19       appropriate section numbers for the letters used in designating  
20       the new sections in this Act.

21       SECTION 7. New statutory material is underscored.



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





**Report Title:**

University of Hawaii; 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. (HB2501 HD1)

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