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# A BILL FOR AN ACT

RELATING TO EDUCATION.

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

1           SECTION 1. The legislature finds that Hawaii left  
2     \$10,000,000 in unclaimed federal Pell Grants on the table in  
3     2018 -- enough to send roughly twenty-five hundred students to a  
4     university of Hawaii community college tuition-free.  
5     Nationally, nearly \$2,600,000,000 in federal financial aid for  
6     higher education went unused by high school graduates from the  
7     class of 2018 who were eligible for a federal Pell Grant but did  
8     not complete the Free Application for Federal Student Aid  
9     (FAFSA). When students do not apply for federal student aid,  
10    many may revert to private student loans, which often have high  
11    interest rates and lack the consumer protections that federal  
12    student loans include.

13           The legislature further finds that in 2016, the State of  
14    Louisiana began requiring students to fill out the FAFSA because  
15    more than half of high school seniors were not completing the  
16    FAFSA paperwork. Louisiana is now ranked first in the nation  
17    for FAFSA completion, with an eighty-two per cent completion



1 rate. Other jurisdictions, including California, Illinois,  
2 Indiana, Texas, and Washington, D.C., have either passed or  
3 considered a FAFSA completion requirement for schools. In  
4 Hawaii, the department of education has set a goal to have  
5 ninety per cent of high school seniors complete the FAFSA in the  
6 2020 school year, although completion rates in recent years have  
7 remained closer to sixty per cent.

8 The purpose of this Act is to establish a working group to  
9 create a state plan to make FAFSA completion or an opt-out  
10 waiver for FAFSA completion a statewide graduation requirement  
11 by the 2022-2023 school year.

12 SECTION 2. (a) The department of education's existing  
13 working group dedicated to increasing awareness and completion  
14 of the FAFSA shall also create a state plan to make FAFSA  
15 completion or an opt-out waiver for FAFSA completion a statewide  
16 graduation requirement by the 2022-2023 school year.

17 (b) The working group shall:

18 (1) Include the following additional members for a broader  
19 perspective:

20 (A) A member of the non-profit sector;

21 (B) High school counselors; and



- 1 (C) A representative of the public charter school
- 2 system;
- 3 (2) Consider the needs of both:
- 4 (A) Public and private universities; and
- 5 (B) The philanthropic community;
- 6 (3) Consider additional resources and supports that are
- 7 necessary and available, including public-private
- 8 partnerships, to ensure successful implementation of
- 9 the state plan;
- 10 (4) Determine the best ways to ensure that the process for
- 11 opting out of FAFSA completion by parents is simple
- 12 and unconditional;
- 13 (5) Examine the feasibility of establishing regional pilot
- 14 programs by complex area or island;
- 15 (6) Consider the best ways to provide greater support for
- 16 students through the entire college application
- 17 process, including providing the necessary guidance
- 18 for students to actually enroll in college and be
- 19 successful once the FAFSA is completed;
- 20 (7) Determine the best ways to protect family privacy,
- 21 particularly for undocumented families, and to support



1 schools to provide hardship-based opt-out waivers when  
2 parents fail to respond to the FAFSA completion  
3 requirement; and

4 (8) Address any other issue the working group deems  
5 necessary.

6 (c) Members of the working group shall serve without  
7 compensation but shall receive reimbursement for expenses,  
8 including travel expenses, that are necessary for the  
9 performance of their duties.

10 (d) The working group shall be exempt from part I of  
11 chapter 92, Hawaii Revised Statutes; provided that the  
12 department of education shall make available to the public on  
13 the department of education's website the minutes of all  
14 meetings of the working group.

15 (e) The department of education shall provide  
16 administrative support for the working group, including  
17 preparing agendas and minutes, organizing meetings, and  
18 reporting on the activities and recommendations of the working  
19 group.

20 (f) The working group shall submit a report of its  
21 findings and recommendations, including any proposed



1 legislation, to the legislature, the superintendent of  
2 education, and all complex area superintendents no later than  
3 twenty days prior to the convening of the regular session of  
4 2021.

5 SECTION 3. This Act shall take effect on July 1, 2050.



**Report Title:**

DOE; FAFSA Working Group; State Plan; Graduation Requirement

**Description:**

Requires the Department of Education's existing Free Application for Federal Student Aid (FAFSA) working group to create a state plan to make completion of the FAFSA or an opt-out waiver a statewide graduation requirement by the 2022-2023 school year. Effective 7/1/2050. (SD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

