



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Higher Education
February 4, 2020 at 3:10 p.m.

By
Erika Lacro
Vice President for Community Colleges
University of Hawai'i System

SB 3032 – RELATING TO THE UNIVERSITY OF HAWAII COMMUNITY COLLEGE PROMISE PROGRAM

Chair Kim, Vice Chair Kidani, and members of the committee:

The University of Hawai'i strongly opposes Senate Bill (SB) 3032. SB 3032 would change the Hawai'i Promise Scholarship program for community college students from a grant program to a loan program. The proposed change is antithetical to the legislative intent of the Community College Promise, established by Act 142, Session Laws of Hawai'i 2018.

The Promise Program provides scholarships to qualified students enrolled at any University of Hawai'i Community College (UHCC) campus to address a statewide concern about cost as a barrier to college attendance. The Hawai'i Promise Scholarships provide state-funded "last dollar" grants, helping students with financial need to afford the "direct costs" of education – tuition and fees, books and transportation – through grants and scholarships.

In School Year 2019-2020, the University of Hawai'i Community Colleges awarded \$2.5 million of Hawai'i Promise Scholarships to approximately 1,600 Hawaii residents. Hawai'i Promise helps students to afford college, reduces students' need for loans and thus student loan debt, and reduces students' stress which allows students to be more successful in earning more credits, getting better grades, and progressing toward degree. Students are incredibly grateful for the support to pursue their education:

The Hawai'i Promise Scholarship helped me accomplish my goals by significantly eliminating the financial burden of receiving a higher education for me and my family. As a result, I was able to focus in school, successfully complete an internship at the County of Maui Prosecutor's Office, and graduate with two associates degrees. I am extremely thankful for this scholarship. Without it, I would not have been able to accomplish any of my goals and grow as a student.
Maui College Student

The award of \$775 will help further my college career at Leeward Community College and put me in a better position starting off the school year. It will take pressure off of me working full time to be able to afford tuition. With this scholarship, I can now focus and prioritize my time on my studies.
Leeward Community College Student

*With your help I am working towards my Associates in Business and my Bachelors in Early Education/Special Education. I go to school full time and work two part time jobs. Without scholarships like this I wouldn't be able to afford school and I wouldn't be able to make my dreams come true and meet me goals.
Kaua'i Community College Student*

Furthermore, administering loan programs is challenging. There are administrative and logistical issues in changing the Promise Program from a grant, which does not have to be repaid, to a loan that may be forgiven if a student continues to work in the state. While the University is willing to find ways to undertake and overcome such challenges, the processes of managing a large scale loan program will need to be adequately resourced.

The University of Hawai'i supports the continuation of the Promise Program as a grant to help Hawai'i residents to afford college. The Promise Scholarship helps students to envision their future as a college student by reducing cost as a barrier and reduces students' loan debt in pursuing their education.



AMERICANS FOR DEMOCRATIC ACTION

OFFICERS	DIRECTORS			MAILING ADDRESS
John Bickel, President	Melodie Aduja	Chuck Huxel	Stephen O'Harrow	P.O. Box 23404
Alan Burdick, Vice President	Juliet Begley	Jan Lubin	Lyn Pyle	Honolulu
Marsha Schweitzer, Treasurer	Ken Farm	Jenny Nomura		Hawai'i 96823
Doug Pyle, Secretary	Stephanie Fitzpatrick	Dave Nagaji		

February 1, 2020

TO: Chair Kidani and Education Committee

RE: SB 3032 RELATING TO THE UNIVERSITY OF HAWAII COMMUNITY COLLEGE PROMISE PROGRAM.

Opposition for hearing on February 4

Americans for Democratic Action is an organization founded in the 1950s by leading supporters of the New Deal and led by Patsy Mink in the 1970s. We are devoted to the promotion of progressive public policies.

We oppose SB 3032 as it would convert a scholarship program to a loan program. A scholarship doesn't have to be repaid whereas a loan does need to be repaid. The idea of Hawaii Promise is that the funds provided are a last resort. They cover whatever costs aren't covered by other sources. To need to repay these may lead to undue social hardship on the student.

Thank you for your consideration.

Sincerely,
John Bickel,
President



TESTIMONY SUBMITTED BY JIM SHON

COMMITTEE ON HIGHER EDUCATION

Senator Donna Mercado Kim, Chair
Senator Michelle N. Kidani, Vice Chair

RE SB 3032 RELATING TO THE UNIVERSITY OF HAWAII COMMUNITY COLLEGE PROMISE PROGRAM.

Converts the University of Hawaii Community College Promise Program from a scholarship to a loan program. Makes these loans forgivable if the recipient works in Hawaii for five years after graduation from college. Authorizes the Board of Regents to establish rules regarding the program.

OPPOSED.

There are several reasons why SB 3032 in its current form should not pass.

1. It represents an inappropriate and unnecessary intrusion on the Constitutional autonomy of the Board of Regents and the University of Hawaii. Not the permission to do it, but the detailed legislative requirements in the bill.
2. It is premature. Last year the Legislature required the UH to do an analysis of the current program. This report, unfortunately is not due until next year. Nevertheless, the UH and the Governor are asking for \$19 million to expand the program. This is a bit like: READY, FIRE, AIM. Perhaps it is best to better understand whether the program is assisting those it was designed to recruit, retain, and graduate who might not have otherwise done so. Yes, 1,000 students have taken advantage of the program, but we do not know how many would have gone to college anyway. We do not know if they are somewhat more advantaged than others. Studies have shown that similar Early College programs on the mainland are often utilized not by the neediest, but by the most proactive and advantaged.

Recently a UH College of Education graduate class of experienced teachers (in the HIDEOE from 5 to 20 years) was tasked with designing a Promise Program study. They had very specific and achievable strategies for design of the study and how to learn from current and future students how effective the current program actually is. There is no lack of intelligent and creative thinking on the study idea. It should not take 18 months to do it.

3. It unnecessarily constrains the Board of Regents from the flexibility for ongoing assessments and needed modifications of the program. Should it be discovered that the current approach needs change, only another legislative act could fix it.
4. A loan is just another four-letter word for DEBT. Please consider that the Promise Program is specifically designed for those who might not have been supported or

motivated to attend college and emerge with a degree. To explicitly send the message that if one's life challenges or choices (marriage, job opportunities, various family issues) requires a roll of the dice as to whether additional debt will be incurred is not an incentive to apply for the program.

This bill seems to imagine that our high school graduates have all the employment and higher education opportunities they could ever dream of right here in Hawaii. Data suggest otherwise. Suppose I graduate from CC with a loan, and get a scholarship to a mainland 4-year college – and then find employment there. Even the prospect that this might be an option seems to be derailed by this proposal.

If anything, this bill should be transformed into a Resolution encouraging the BOR to explore a loan program; or at most guidelines for IF the Board decides to explore this option.

The Board of Regents and UH Administration, for whatever faults they may display, are the duly appointed, with Senate Confirmation, constitutional body whose job is to implement the details of the Promise Program.