



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
THIRTY-FIRST LEGISLATURE, 2022**

---

**ON THE FOLLOWING MEASURE:**

H.B. NO. 1731, RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM.

**BEFORE THE:**

HOUSE COMMITTEE ON HIGHER EDUCATION AND TECHNOLOGY

**DATE:** Wednesday, February 9, 2022      **TIME:** 2:00 p.m.

**LOCATION:** State Capitol, Room 309, Via Videoconference

**TESTIFIER(S):** Holly T. Shikada, Attorney General, or  
Lori N. Tanigawa, Deputy Attorney General

---

Chair Takayama and Members of the Committee:

The Department of the Attorney General provides the following comments.

The purposes of the bill are to (1) expand the Hawaii Promise Program to provide scholarships for the unmet direct cost needs of qualified undergraduate students enrolled at a four-year campus of the University of Hawai'i; and (2) provide an appropriation to establish and implement the expanded program.

Section 6 of article X of the Hawai'i State Constitution gives the Board of Regents of the University of Hawai'i "exclusive jurisdiction over the internal structure, management, and operation of the university." Section 6 further provides: "[t]his section shall not limit the power of the legislature to enact laws of statewide concern. The legislature shall have the exclusive jurisdiction to identify laws of statewide concern." If the Committee decides to pass this bill, we recommend an amendment that adds a statement identifying this bill as a law of statewide concern.

Thank you for the opportunity to provide these comments.

DAVID Y. IGE  
GOVERNOR



CRAIG K. HIRAI  
DIRECTOR

GLORIA CHANG  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**WRITTEN ONLY**  
TESTIMONY BY CRAIG K. HIRAI  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY  
ON  
HOUSE BILL NO. 1731

**February 9, 2022**  
**2:00 p.m.**  
**Room 309 and Videoconference**

RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1731 appropriates an unspecified amount of general funds in FY 23 for the Hawai'i Promise Program (HPP).

B&F notes that Act 88, SLH 2021, includes \$1,829,000 in general funds and \$1,300,000 in American Rescue Plan (ARP) Act funds for FY 23 for the HPP.

B&F also notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal ARP Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

---

Testimony Presented Before the  
House Committee on Higher Education & Technology  
Wednesday, February 9, 2022 at 2:00 p.m.

By  
Hae K. Okimoto  
Associate Vice President for Student Affairs  
University of Hawai'i System

### HB 1731 – RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM

Chair Takayama, Vice Chair Clark, and members of the committee:

Thank you for the opportunity to provide testimony in support of HB 1731, which expands the University of Hawai'i (UH) Promise program, currently only at the community colleges, to qualified undergraduate students enrolled at a four-year campus of the UH.

Expanding the Hawai'i Promise program to qualified students in four-year degree programs at the UH would greatly assist our students, especially due to the financial unease felt by our students due to COVID-19. Expanding the program will significantly enhance the ability of community college students to transfer to a four-year program and increase the number of economically disadvantaged students who can earn a bachelor's degree from the UH. It will be a significant step forward in expanding access to economic opportunity for Hawai'i's students and preparing the educated workforce the state will need to grow in the coming decades.

The program is effective for students in the community colleges, where participation in Hawai'i Promise has increased student success in their programs. In academic year 2019-2020, Hawai'i Promise recipients earned more credits, received better grades, and had higher persistence and graduation rates. Many of these successful students are often surprised when they transfer to a four-year UH degree program to find that their scholarships do not cover their direct cost of attendance, even when awarded a full Pell grant. A four-year version of Hawai'i Promise will help these students afford the continuation of their education. In addition, due to the higher cost of tuition at a four-year campus, students who did not qualify for Hawai'i Promise at the community colleges might nevertheless have an unmet need when they attend a four-year program. Maybe due to the uncertainties created by COVID-19, it seems many students who might have gone to a mainland college have decided to stay home, and the University of Hawai'i at Mānoa has seen a steady increase in enrollment these past two years. However, student financial debt has continued to increase with the inability of students to pay as current scholarships and federal aid has not been able to cover their direct cost for eligible students. The University of Hawai'i Foundation conducted extensive

research and found that for academic year 2019-2020, students at UH four-year campuses with the most financial need had average unmet need ranging between a low of 40% at Mānoa to a high of 59% at UH West O'ahu. The students with the most financial need were those with the Lowest Estimated Family Contribution (EFC) quartile who completed a Free Application for Federal Student Aid. By expanding to the four-year campuses, based on academic year 2020-2021, we would be impacting 4,629 additional students at the baccalaureate level.

Additionally, the community colleges have found that more students qualify for Hawai'i Promise than the recurring general fund appropriation. Over the last few years, the Legislature has appropriated non-recurring funds to supplement the general fund appropriation, and the community colleges have awarded Hawai'i Promise scholarships to 2,109 students for this academic year, as of January 11, 2022. Additional funding would allow community colleges to commit the Hawai'i Promise to all eligible students.

Therefore, having the Hawai'i Promise program available to all eligible undergraduate students at the University of Hawai'i will continue to support our students.

Thank you for the opportunity to testify in support of this measure.



# Kamehameha Schools®

House Committee on Higher Education & Technology

Time: 2:00 p.m.

Date: February 9, 2022

Where: Conference Room 309

## TESTIMONY

By Dr. Wai‘ale‘ale Sarsona

Kamehameha Schools

**RE: HB 1731, Relating to the University of Hawai‘i Promise Program**

E ka Luna Ho‘omaluku Takayama, ka Hope Luna Ho‘omaluku Clark, a me nā lālā o kēia Kōmike o ka Hale o nā Lunamaka‘āinana, aloha kākou! My name is Dr. Wai‘ale‘ale Sarsona, Vice President of Hi‘ialo at Kamehameha Schools.

Kamehameha Schools **supports** HB 1731, which provides scholarships for the unmet direct cost needs of qualified students at any four-year University of Hawai‘i campus who meet certain eligibility criteria. This measure also makes an appropriation for the Hawai‘i Promise Program.

We commend both the legislature and the University of Hawai‘i (UH) for funding and administering this program in the community colleges. The [annual report](#) shows that in the school year 2020-21, the University assisted 1,800 students from all seven (7) UH Community Colleges, with fifty-nine percent (59%) of awarded students identified as underrepresented at UH, including Native Hawaiians. Impacts to awardees were highlighted by the University, such as: less student loan debt, more credits earned, higher grades, and higher persistence and completion rates for part-time students. Also, from its inception, a total of 6,576 recipients have benefited from this program that boasts an eighty-two percent (82%) success rate through degree completion, transfers, and/or persistence.

We support the expansion of this program to all qualified UH-enrolled students, including those at four-year UH campuses, and urge this committee to advance this measure.

Founded in 1887, Kamehameha Schools is an educational organization striving to restore our people through education and advance a thriving Lāhui where all Native Hawaiians are successful, grounded in traditional values, and leading in the local and global communities. We believe that community success is individual success, Hawaiian culture-based education leads to academic success and local leadership drives global leadership. Hānai i ke keiki; ola ka lāhui.

‘A‘ohe ‘ulu e loa‘a i ka pōkole o ka lou. There is no success without preparation. **Please advance this measure.**

**HB-1731**

Submitted on: 2/7/2022 1:37:25 PM

Testimony for HET on 2/9/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Alex Miller	Individual	Support	No

Comments:

Aloha,

Mahalo for the opportunity to testify. I am writing in support of passing HB1731. As a current UH graduate student, I believe in expanding access to all levels of higher education for those who wish to pursue it. Making UH more affordable for folks who are from here strengthens our communities. People shouldn't be forced to pursue education on the continent and abroad if they don't want to just so that they can afford to go to college.

Public education is a public good. When we don't acknowledge this and make the university operate like a business, putting money before people, we do a disservice to our community. Please pass HB1731 to create more robust educational accessibility for the people of Hawai'i.

Respectfully submitted,  
Alex Miller