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## A BILL FOR AN ACT

RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM.

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

1       SECTION 1. The legislature finds that the cost of  
2 attendance remains a significant barrier for many of Hawaii's  
3 residents pursuing higher education.

4       In the 2021-2022 academic year, 5,590 students from the  
5 Manoa, Hilo, and West Oahu four-year campuses experienced a gap  
6 between the direct cost of their education and what was provided  
7 by scholarships or grants. For these three universities, unmet  
8 need totaled \$14,112,400. These students averaged a gap of  
9 \$2,524.58 that could not cover the entirety of the costs  
10 associated with tuition, fees, books, supplies, and  
11 transportation.

12       In 2017, the university of Hawaii implemented the Hawaii  
13 promise program, which provides need-based awards intended to be  
14 applied toward the unmet need of qualified students enrolled at  
15 any community college campus of the university of Hawaii.  
16 Awards are contingent upon funding. Amounts are determined by  
17 the individual student's Free Application for Federal Student



1 Aid information. Evidence from the early implementation of the  
2 Hawaii promise program demonstrates that students who receive  
3 the funding earned more credits and continued toward graduation  
4 at a higher rate than students who did not receive the funding.

5 Even though financial aid provided by federal Pell grants,  
6 university of Hawaii and private scholarships, the GI Bill for  
7 service members and veterans, and employers covers much of the  
8 cost for need-based students, cost is still a barrier for  
9 certain need-based students, especially those who do not qualify  
10 for the Hawaii promise program because they are enrolled at one  
11 of the university of Hawaii's four-year campuses.

12 The legislature further finds that an educated labor force  
13 and engaged citizenry are essential in today's global,  
14 knowledge-based economy. Thus, increasing the number of  
15 students who enroll and earn degrees, particularly those from  
16 underserved regions and populations, to prepare them for success  
17 in the workforce and their communities is a matter of statewide  
18 concern. However, according to the most recent data available,  
19 only forty-eight per cent of Hawaii's working-age adults have a  
20 postsecondary degree.



1       The purpose of this Act is to expand the Hawaii promise  
2 program to provide scholarships for the unmet needs of qualified  
3 undergraduate students enrolled at the university of Hawaii at  
4 Manoa, the university of Hawaii at Hilo, and the university of  
5 Hawaii-West Oahu, and to provide an appropriation to establish  
6 and implement the expanded program.

7       SECTION 2. Section 304A-506, Hawaii Revised Statutes, is  
8 amended to read as follows:

9       "**\$304A-506 Hawaii [~~community college~~] promise program;**  
10 **established.** (a) Notwithstanding section 304A-501, there is  
11 established the Hawaii [~~community college~~] promise program to be  
12 administered by the board of regents. The program shall provide  
13 scholarships for the unmet direct cost needs of qualified  
14 students enrolled at any [~~community college~~] campus of the  
15 [~~University~~] university of Hawaii.

16       (b) A student enrolled at a community college campus shall  
17 be eligible for scholarship consideration for a maximum of eight  
18 semesters if the student:

19       (1) Qualifies for Hawaii resident tuition;

20       (2) Completes and submits the Free Application for Federal

21       Student Aid for each academic year and accepts all



1 federal and state aid, grants, scholarships, and other  
 2 funding sources that do not require repayment;  
 3 provided that this paragraph shall not apply to a  
 4 student who enrolls in a certificate program;

5 (3) Is enrolled in a classified degree or certificate  
 6 program with six or more credits per semester;

7 (4) Maintains satisfactory academic progress, as defined  
 8 by federal requirements established pursuant to title  
 9 IV of the Higher Education Act of 1965, as amended,  
 10 and determined by the campus at which the student is  
 11 enrolled; and

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

14 (c) A student enrolled in an undergraduate program at  
 15 a university of Hawaii campus, other than a community college  
 16 campus, shall be eligible for scholarship consideration for a  
 17 maximum of eight semesters if the student:

18 (1) Qualifies for Hawaii resident tuition;

19 (2) Completes and submits the Free Application for Federal  
 20 Student Aid for each academic year and accepts all



1           federal and state aid, grants, scholarships, and other  
2           funding sources that do not require repayment;

3           (3) Is enrolled in a classified degree program with twelve  
4           of more credits per semester;

5           (4) Maintains satisfactory academic progress, as defined  
6           by federal requirements established pursuant to title  
7           IV of the Higher Education Act of 1965, as amended,  
8           and determined by the campus at which the student is  
9           enrolled; and

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

12          ~~[(e)]~~ (d) Scholarships shall be awarded to the extent  
13 possible based on available funds and on a greatest need basis.  
14 An award granted to a student shall be ~~[equal to]~~ no higher than  
15 the student's unmet direct cost need, based on the Free  
16 Application for Federal Student Aid calculation of need, less  
17 the amounts available to the student from Pell grants and other  
18 scholarships; provided that the unmet direct cost need for a  
19 student who enrolls in a community college certificate program  
20 shall be based on a suitable instrument, as determined by the



1 university of Hawaii, less the amounts available to the student  
2 from grants and other scholarships.

3 ~~[(d)]~~ (e) To maintain a scholarship under this section, a  
4 student shall meet the requirements of subsection (b)(4) ~~[-]~~ or  
5 (c)(4), as applicable.

6 ~~[(e)]~~ (f) As used in this section, "direct cost" means any  
7 cost directly related to a student's education, including  
8 tuition; educational fees; and the costs of books, supplies, and  
9 transportation between the student's dwelling and the student's  
10 campus."

11 SECTION 3. There is appropriated out of the general  
12 revenues of the State of Hawaii the sum of \$ or so  
13 much thereof as may be necessary for fiscal year 2025-2026 and  
14 the same sum or so much thereof as may be necessary for fiscal  
15 year 2026-2027 to carry out the purposes of this Act, including  
16 the provision of Hawaii promise program scholarships.

17 The sums appropriated shall be expended by the university  
18 of Hawaii for the purposes of this Act.

19 SECTION 4. Statutory material to be repealed is bracketed  
20 and stricken. New statutory material is underscored.

21 SECTION 5. This Act shall take effect on July 1, 2025.



H.B. NO. 542

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INTRODUCED BY:

A stylized handwritten signature in black ink, appearing to be 'H. J. G.' or similar, written over a horizontal line.

JAN 17 2025



# H.B. NO. 542

**Report Title:**

University of Hawaii; Scholarships; Appropriation

**Description:**

Expands the Hawaii promise program to provide scholarships for the unmet needs of qualified students at any four-year university of Hawaii campus who meet certain criteria. Appropriates funds.

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

