Testimony Presented Before the
House Committee on Finance
Friday, February 21, 2025, at 10:00 a.m.
By
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University of Hawai'i System

HB 542 HD1 - RELATING TO THE UNIVERSITY OF HAWAII PROMISE PROGRAM

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

Thank you for the opportunity to provide testimony in support of HB 542 HD1, which expands the University of Hawai'i (UH) Promise program beyond the community colleges to provide support to qualified undergraduate students enrolled at UH Mānoa, UH Hilo, and UH West Oʻahu, and appropriate funds to establish and implement the expansion of this program. The UH Promise program is designed to support students who demonstrate financial need. Numerous states have adopted similar four-year promise programs according to the 2022 report by NCSL (the National Conference of State Legislatures), including Colorado, Indiana, Iowa, Kansas (which limits four-year eligibility to specific majors), Louisiana, Minnesota, Missouri, New York and New Mexico, Oklahoma, and Washington.

As economic disparity continues to grow and the cost of living continues to rise, UH sees a four-year college degree as a critical way for Hawai'i residents to make a difference in their future earning potential. Research conducted by the Economic Research Organization at UH (UHERO) indicates that the long-term returns for UH degree holders, regardless of socioeconomic background, are similar, highlighting the potential of higher education to create a more equitable and prosperous Hawai'i. This is a beacon of hope, demonstrating that breaking the cycle of poverty is made possible by access to higher education, especially for those achieving a four-year degree.

However, without support, the most vulnerable students may not be able to achieve their higher education goals. The expansion of Hawai'i Promise, while not eliminating all costs for UH four-year students, plays a crucial role in alleviating a significant portion of the financial burden. This makes UH four-year programs more attainable for those who have considered pursuing a four-year degree unfeasible. The effectiveness of the Hawai'i Promise program in removing financial barriers is evident, as it is calculated based on direct cost items, leaving students responsible for more than half of the total cost of attendance, including housing and food costs. Many students will still need to work and/or take out loans to complete their bachelor's degrees, but the additional support will help many.

The Hawai'i Promise Program, established in 2017, has proven to be a valuable resource for UH Community College students. Students who have received Hawai'i Promise scholarships in prior years have demonstrated higher credit earning, improved grades, and

increased likelihood of continued enrollment at UH compared to their peers without the scholarship. That being said, students transferring from the UH Community Colleges are often surprised to find that, due to the higher tuition rates at four-year universities, Pell Grants and other scholarships may only partially cover their direct cost of attendance (tuition, fees, books, supplies, and transportation). A four-year version of the Hawai'i Promise program will help these transfer students afford to continue their education and extend benefits to additional Hawai'i residents needing support to pursue their higher educational goals. With expansion, we have the potential to impact nearly 5,000 students every year as they pursue their bachelor's degrees.

Evidence of the behavior of recent Lahainaluna High School graduates suggests that when financial barriers are removed, Hawaiʻi's students are more likely to pursue education at four-year institutions, potentially leading to enhanced career opportunities and contributions to the state's workforce. In the aftermath of the devastating Maui wildfires, students from Lahainaluna High School received fully funded college tuition, which resulted in a marked shift in their choices. From its 2024 graduating class, 78 students opted to attend the University of Hawai'i at Mānoa, the state's flagship campus, in the immediate fall term, a nearly tenfold increase compared to the average of 8 students who enrolled at UH Mānoa each fall from 2019 to 2023. Such a dramatic increase demonstrates financial support increases university attendance.

Furthermore, the expansion addresses the underrepresentation of Native Hawaiian, Filipino, and Pacific Islander students in four-year degree programs. These subgroups comprise approximately 42% of the potential Hawai'i Promise expansion recipients. By recognizing the importance of equitable access, the expansion seeks to bridge gaps and create opportunities for diverse communities, fostering a more inclusive and accessible higher education landscape for all.

This bill represents a critical investment in the future of Hawai'i by providing opportunities for access for students who do not have the means to attend a university. This expansion aligns with the goals of creating a more equitable and prosperous Hawai'i, and support for this expansion invests in students while contributing significantly to developing a skilled and diverse workforce. It will dramatically enhance the ability of Hawai'i Promise community college students to transfer to a four-year program. It will also be a notable step forward in expanding access to economic opportunity for Hawai'i's students and preparing the educated workforce Hawai'i needs to grow in the coming decades.

Finally, we recognize it is a significant ask for Hawai'i Promise for the four-years, and our priority is providing support for students who begin at the community colleges on Hawai'i Promise so they can earn a four-year degree and for our students at the regional four-year colleges (UH West Oʻahu and UH Hilo). We would be supportive of a modified bill to reflect those priorities.

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



Date 02/21/2025

HOUSE COMMITTEE ON FINANCE

Relating to HB 542 HD1

Aloha Chair, Vice Chair, and Members of the Committee:

Mahalo for the opportunity to provide testimony.

The University of Hawai'i Student Caucus (UHSC) is formally authorized to serve as a system-wide association of all University of Hawai'i campus student governments, representing approximately 50,000 students across the 10 campuses of the UH System.

The UHSC unanimously shares a position of strong support for HB 542.

Cost is still a barrier of entry to the University of Hawai'i for prospective students. With the current iteration of the Hawai'i Promise Program students are only eligible for financial assistance from these funds for two-year degrees. This heavily restricts how many students can benefit from the Hawaii Promise Program and their wage earning potential post-graduation.

Hawai'i needs educated and skilled workers. Right now we are seeing a mass exodus of working age people from the state due to various financial issues, including but not limited to access to higher education for better wages. This is depriving the community of the workers we so desperately need across the state. Some industries require bachelor's degrees for positions that pay living wages. Extending the Hawai'i Promise Program to the four-year institutions will help students get the education they need to secure better paying jobs in the industries that Hawai'i needs. This is a win-win-win for the students, UH and the state.

We need to invest in our future. The students of today are the leaders of tomorrow. If we do not invest in them as we would our homes, our families, and our lives, then that will be reflected in the future we will usher in. Our students struggle to meet daily needs and are trapped in a never ending cycle of poverty that prevents them from ever climbing out. Hawai'i Promise is a helping hand, a chance, for students to break free of the chains of poverty. With this proposed measure, Hawai'i Promise has the potential to be a significant hand-up for students, not simply a hand-out as some allude to.

Sincerely, Ronald Sturges, Chairperson, UH Student Caucus



The House Committee on Higher Education February 21, 2025 Room 308 10:00 PM

RE: HB 542, HD 1, Relating to the University of Hawaii Promise Program

Attention: Chair Kyle Yamashita, Vice Chair Jenna Takenouchi, and members of the

Committee

The University of Hawaii Professional Assembly (UHPA), the exclusive bargaining representative for all University of Hawai'i faculty members across Hawai'i's statewide 10-campus system, **supports HB 542, HD 1**, relating to the University of Hawaii promise program.

UHPA supports increased access to education and closing the educational attainment gap. The Hawaii Promise Scholarship Program is a "last dollar" scholarship, meaning it covers financial needs not met by other forms of financial aid, such as federal grants and scholarships from UH, employers and other private sources.

The continued support of this valuable program, as well as its expansion to the four-year campuses would lower the barrier for students to attain community college, baccalaureate, and/or advanced degrees, thereby strengthening Hawaii's workforce and the economic future of its residents.

UHPA supports and requests the passage of HB 542, HD 1.

Respectfully submitted,

Christian L. Fern

Executive Director

University of Hawaii Professional Assembly