HB 2165 – RELATING TO THE UNIVERSITY OF HAWAIʻI PROMISE PROGRAM

Chair McKelvey, Vice Chair Hashem, and members of the committee:

Thank you for the opportunity to testify in support of HB 2165 that establishes the University of Hawaiʻi Promise Program to provide scholarships for the unmet direct cost needs of qualified students enrolled at any campus of the University of Hawaiʻi system or any community college campus, appropriates funds to establish and implement the program, and creates a special fund.

Last session the State Legislature appropriated $1.8M for the Hawaiʻi Promise program providing for scholarships to assure that community college students with unmet direct costs of their education would have those costs met by grant aid. The program is a last dollar scholarship, meaning that students are first awarded Pell grants, UH scholarships, and private scholarships before being awarded the Hawaiʻi Promise scholarship if it is needed to eliminate those unmet direct costs.

The program was implemented for Fall 2017 students and as of today approximately 1500 students have benefited from the Hawaiʻi Promise program at a cost of approximately $2.2M. The funds needed beyond the $1.8M appropriated by the legislature were provided from community college operating reserves. Implementation rules for the program were initiated this year and are being incorporated into University of Hawaiʻi Board of Regent and executive policies.

The University fully appreciates the Legislature’s expansion of the Hawaiʻi Promise scholarships through HB2165 to reach students beyond the community colleges and to be available to students enrolled at any UH campus who qualify for Hawaiʻi resident tuition. This broadened accessibility of the program to students at all UH campuses will attract more students, make college more affordable, and create opportunities for 4-year as well as 2-year degrees.

The University of Hawaiʻi looks forward to working with the Legislature to fine-tune the language of this bill as it continues through the process. As currently drafted, the language for the repayment provision on pages 6 and 7 would be considered a loan rather than a scholarship. In addition, the University would like to request that the GPA
requirements be consistent with federal and institutional academic progress guidelines for receiving financial aid.

Finally, HB 2165 proposes to establish a special fund for the Hawai'i Promise program. A separate fund is not required to implement the program and would not be appropriate given the general fund source for the program. A sub account can be created within the University of Hawaiʻi general fund to provide for a full accounting of the Hawaiʻi Promise awards.

The University of Hawaiʻi fully supports HB 2165, and is grateful for the opportunity to provide these comments.