



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

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House Committee on Finance
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by
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HB 2213 HD1 – RELATING TO HIGHER EDUCATION

Chair Luke, Vice Chair Nishimoto, and Members of the Committee on Finance:

House Bill 2213 House Draft 1 proposes an amendment to Chapter 304A, Hawai'i Revised Statutes, to establish a "First-generation matching grant program" administered by the University of Hawai'i to provide private donors with a matching grant incentive to make financial contributions towards grant-based student financial aid for undergraduate students who demonstrate financial need and whose parents have not earned a baccalaureate or higher degree.

The University of Hawai'i (UH) is supportive of the aspirational intent of this bill to increase college attendance by students identified as first generation. However, the Legislature should be aware that there remain several aspects that need to be addressed. HB 2213 HD1 aligns with the State of Hawai'i P-20 goal to have 55% of working age adults hold a 2- or 4-year college degree by 2025, and with the University's strategic priority to increase the educational capital of the state by increasing the participation and completion of students, particularly Native Hawaiians, low-income students, and those from underserved regions and populations. Furthermore, this measure is intended to encourage first-generation college goers while also enhancing and leveraging the contributions of private donors.

The University notes that HB 2213 HD1 directs the university to allocate program appropriations on a dollar-for-dollar basis, including reserving funds from the UH scholarship and assistance special fund. This is a concern. Other issues to address are the verification requirement for the criteria of a first generation student. And, to understand that financial aid is based on financial need and being a first generational college student does not, in and of itself, guarantee that financial need exists.

UH has limited resources for student financial assistance, and the University has a concern with the budgetary and fiscal implications of implementing a program aimed to allocate University funds to augment financial aid for a specified student group. Guided by Board of Regents Policy and Executive Policy (RP 6.204 and EP 6.204), tuition revenue scholarships are provided by a designated percent set aside by campus of tuition revenues for students who meet prescribed criteria for financial need or merit.

Without new appropriations, designating additional allocations of set aside funds for a specific student group divests the University of the flexibility to administer its program in the strategic best interests of UH and the State of Hawai'i. The Legislature needs to support this measure with funding so as to not diminish the level of aid already provided by the University itself.

Nevertheless, the proposals in HB 2213 HD1, intended to support private donors and first generation students, bear careful consideration and warrant further discussion within the University and with our stakeholders and community. We welcome and appreciate the legislature's interest in exploring means to help first generation students gain access to college education.

Thank you for the opportunity to testify.