

STAND. COM. REP. NO. 1157

Honolulu, Hawaii

MAR 22 2007

RE: H.B. No. 1530  
H.D. 1  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Madam:

Your Committee on Education, to which was referred H.B. No. 1530, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to recruit and retain qualified teachers and educational assistants for employment in public schools located in rural areas and hard-to-fill positions through the establishment of loan and loan forgiveness programs.

This measure also establishes special funds for the loan and loan forgiveness programs.

Testimony in support of this measure was submitted by the Department of Education and the University of Hawaii. Testimony in opposition of this measure was submitted by the Department of Budget and Finance.

Your Committee finds that qualified teacher and educational assistant recruitment and retention for our public schools are of the utmost importance in providing quality education to our children. Your Committee further finds that economics often plays a major role in the recruitment and retention of qualified teachers and educational assistants in public schools, and the high cost of living in Hawaii only exacerbates the existing educator shortage problem. Positions in public schools in geographically isolated locations or hard-to-fill positions in

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densely populated locations present a particular challenge for the Department of Education. Your Committee believes that alternative incentives to increased salary are necessary to allow the Department of Education to be cost-effective while still ensuring our schools are staffed by qualified educators.

Your Committee recognizes that with several measures addressing this issue circulating through the Legislature this session, it is important to focus on educational assistants who are currently without a dedicated loan program or loan forgiveness program. Your Committee has heard a related measure regarding teachers and believes that inclusion of the loan forgiveness provisions relating to teachers is more appropriately included therein. Additionally, your Committee recognizes that a schedule for the reduction of loan repayment amounts is also necessary to truly incentivize this program and believes further clarification is necessary to accomplish that purpose.


Accordingly, your Committee has amended this measure by:

- (1) Removing references to a loan program or loan forgiveness program for teachers;
- (2) Establishing a loan forgiveness schedule for the educational assistant loan programs for the Department of Education and the University of Hawaii as follows:
  - (A) Ten per cent of the total amount of the loan and interest shall be waived every year for the first five years of repayment; and
  - (B) Twenty-five per cent of the total amount of the loan and interest shall be waived every year for the sixth and seventh years of repayment; and
- (3) Making technical, nonsubstantive changes for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1530, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1530, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.



Respectfully submitted on  
behalf of the members of the  
Committee on Education,

  
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NORMAN SAKAMOTO, Chair



