
A BILL FOR AN ACT

RELATING TO EDUCATION.

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

1 SECTION 1. Chapter 302A, Hawaii Revised Statutes, is
2 amended by adding a new part to be appropriately designated and
3 to read as follows:

4 **"PART . TEACHING INCENTIVE PROGRAMS FOR HIGH NEED AREAS**

5 **§302A- Definitions.** As used in this part, unless the
6 context otherwise requires:

7 "Approved course of study" means a course of study that
8 leads to enrollment in a graduate education program.

9 "Approved educational institution" means a public or
10 private post-secondary educational institution located in this
11 State that has been accredited by a nationally recognized
12 accrediting agency that is listed by the United States Secretary
13 of Education.

14 "Department" means the department of education.

15 "High need area" means schools in hard-to-staff areas as
16 determined by the department.

17 "Program" means the teaching incentive program established
18 under this part.



1 "Qualified individual" means any individual who attends:

2 (1) A post-secondary educational institution located in
3 this State leading to a master's degree or doctoral
4 degree in education, who intends to teach in a public
5 school in a high need area in the State, and who has
6 been a resident of this State for the previous five
7 years;

8 (2) A post-secondary educational institution located
9 outside the State leading to a master's degree or
10 doctoral degree in education, who intends to teach in
11 a public school in a high need area in the State, and
12 has maintained residency within the State for the
13 previous five years; or

14 (3) A post-secondary educational institution located
15 outside the State leading to a master's degree or
16 doctoral degree in education, and who intends to teach
17 in a public school in a high need area in the State,
18 and whose parent maintained residency within the State
19 for the previous five years.



1 "Work requirement" means teaching at a public school in a
2 high need area located in the State after receiving a master's
3 degree or doctoral degree in education.

4 **§302A- Teaching incentive program for high need areas;**
5 **establishment, administration.** (a) There is established a
6 program to be known as the teaching incentive program for high
7 need areas to be placed within the department.

8 (b) Under the parameters of the program, the department
9 may provide incentives to a qualified individual who is a
10 resident of the State.

11 (c) To receive incentives under this part, a qualified
12 individual shall meet all of the following requirements:

- 13 (1) Be working toward or have a master's degree or
14 doctoral degree in education from an accredited
15 college or university in the State;
- 16 (2) Maintenance of domicile in the State during the term
17 of the incentives;
- 18 (3) Compliance with any conditions placed on the
19 incentives by the department; and
- 20 (4) Enter into a written agreement with the department to:



1 (A) Satisfy all requirements and other requirements
2 under this chapter; and

3 (B) Reimburse the State for all amounts received
4 under this chapter and interest thereon, as
5 determined by the department, if the teacher
6 fails to comply with this part.

7 (d) A qualified individual applying for incentives under
8 the program shall apply to the department and include all
9 information and documentation required by the department. The
10 application shall include a verified statement of employment
11 from the appropriate school.

12 (e) If a qualified individual or school terminates
13 employment or course of study during the academic year or prior
14 to completion of the academic year, the qualified individual
15 shall be ineligible for incentives as of the date of
16 termination. The qualified individual shall become eligible for
17 incentives upon employment at a public school in a high need
18 area and meeting the criteria set forth in this part.

19 (f) Incentives awarded under the program shall be limited
20 to funds appropriated for that purpose or funds otherwise
21 matched by external entities.



1 **§302A- Incentives.** (a) The incentive offered under the
2 program created by this Act shall be a loan repayment program.

3 (b) Qualified individuals shall be eligible for the
4 program to repay ten per cent of outstanding student loans
5 entered into by qualified individuals in pursuit of a bachelor's
6 degree, master's degree, or doctoral degree from an approved
7 educational institution for each year of service teaching in a
8 high need area plus all interest accrued in that year.
9 Qualified individuals shall be eligible to receive the incentive
10 for each year of service teaching in a high need area up to ten
11 years.

12 (c) Individuals who do not meet the definition of
13 "qualified individual", but possess a master's degree or
14 doctoral degree in education and intend to teach in a public
15 school in a high need area in Hawaii shall be eligible for the
16 program to repay five per cent of outstanding student loans
17 entered into by the individual in pursuit of a bachelor's
18 degree, master's degree, or doctoral degree from an approved
19 educational institution for each year of service teaching in a
20 high need area, plus all interest accrued in that year. The



1 individual shall be eligible to receive the incentive for each
2 year of service teaching in a high need area up to ten years.

3 **§302A- Program administration.** (a) The department
4 shall monitor and verify an incentive recipient's fulfillment of
5 all requirements under this part.

6 (b) The department may enter into a contract with a
7 private or public entity to administer the program.

8 (c) The department shall enforce repayment of all
9 incentives for an incentive recipient who does not comply with
10 this part. Repayment shall include the use of all lawful
11 collection procedures and the use of private collection
12 agencies.

13 (d) Incentives received by an individual for the program
14 shall not be considered taxable income under chapter 235.

15 (e) Any person who knowingly or intentionally procures,
16 obtains, or aids another to procure or obtain an incentive under
17 this part through fraudulent means shall be disqualified from
18 participation in the program and shall be liable to the
19 department for an amount equal to three times the amount
20 obtained.



1 **§302A- Annual report.** The department shall submit a
2 report to the governor and the legislature no later than twenty
3 days prior to the convening of each regular session. The report
4 shall include information regarding the operation of the
5 teaching incentive program for high need areas including:

- 6 (1) The total number of qualified individuals receiving
7 incentives;
- 8 (2) The total number of individuals who do not meet the
9 definition of "qualified individual", but receive
10 incentives;
- 11 (3) The total amount of incentives awarded;
- 12 (4) The number of qualified individuals receiving
13 incentives by the institution;
- 14 (5) The total number of qualified individuals who withdraw
15 from the program; and
- 16 (6) The total number of individuals who do not meet the
17 definition of "qualified individual", but received
18 incentives, who withdraw from the program.

19 **§302A- Scholarship grants; establishment.** (a) The
20 department may provide scholarship grants to an eligible student
21 who is a resident of the State upon confirmation that the



1 student has been accepted for enrollment in an approved graduate
2 course of study in education. Scholarship grants shall only be
3 for the amounts set forth in this part and shall only be used
4 for tuition, books, laboratory fees, and any other required
5 fees.

6 (b) To receive a scholarship grant under this part, a
7 student shall meet all of the following requirements:

- 8 (1) Graduation from an accredited college or university
9 with a bachelor's degree;
- 10 (2) Maintenance of domicile in Hawaii during the term of
11 the scholarship grants;
- 12 (3) Compliance with any conditions placed on the
13 scholarship grant by the college or university;
- 14 (4) Maintenance of a grade point average of 3.0 or higher,
15 on a scale of 4.0 or its equivalent; and
- 16 (5) Enter into a written agreement with the college or
17 university to:
- 18 (A) Satisfy all degree requirements and other
19 requirements under this part;
- 20 (B) Commence instruction in a high need area of the
21 State within one year after completion of an



1 approved graduate degree in education for a
2 period of one year for each academic year the
3 student received a scholarship grant under this
4 part, unless the department determines that there
5 are extenuating circumstances; and

6 (C) Reimburse the department for all amounts received
7 under this part and interest thereon, as
8 determined by the department, if the student
9 fails to comply with this part.

10 A student applying for the scholarship grant shall apply to
11 the department and provide the department with all the required
12 information and documentation to receive the scholarship grant.
13 The application shall include a verified statement of grade
14 point average from the college or university. The teaching
15 requirement under this section shall begin after the receipt of
16 the master's or doctoral degree in education.

17 (c) If a student terminates enrollment in the approved
18 graduate course of study during the academic year or prior to
19 completion of the approved graduate course of study and is
20 eligible to have all or a portion of the tuition payments
21 refunded under the refund policies of the institution, the



1 approved educational institution shall notify the department in
2 writing and shall return all unused portions of the scholarship
3 grant. Returned amounts shall be used to fund other scholarship
4 grants under this part. A scholarship grant under this part is
5 only transferable to another approved educational institution if
6 approved by the department. Scholarship grants awarded under
7 this section shall be limited to funds appropriated for that
8 purpose or funds otherwise matched by external entities. First
9 priority for awarding scholarship grants shall be given to
10 renewal applicants.

11 **§302A- Grant awards.** (a) The department may award a
12 grant in an amount up to fifty per cent of tuition costs per
13 academic year to a student enrolled full-time in an approved
14 educational institution pursuing a graduate degree in education
15 through an approved course of study.

16 The grant shall be for a maximum of three academic years
17 for a master's degree or up to four academic years if the
18 student is enrolled in a doctoral program approved course of
19 study.

20 (b) The department shall monitor and verify a student's
21 fulfillment of all requirements under this section, and may



1 enter into a contract with a private or public entity to
2 administer the program. The department shall enforce repayment
3 of all grants for a student who does not comply with this
4 section. Repayment shall include the use of all lawful
5 collection procedures and the use of private collection
6 agencies. Grants received by a student pursuant to this section
7 shall not be considered taxable income under chapter 235, and
8 shall not be considered financial assistance or appropriations
9 to the approved educational institution.

10 (c) Any person who knowingly or intentionally procures,
11 obtains, or aids another to procure or obtain a grant under this
12 part through fraudulent means shall be disqualified from
13 participation in the program and shall be liable to the
14 department for an amount equal to three times the amount
15 obtained.

16 **§302A- Annual reports.** The department shall submit a
17 report to the governor and the legislature no later than twenty
18 days prior to the convening of each regular session. The report
19 shall include information regarding the operation of its
20 scholarship grant program including:



- 1 (1) The total number of students receiving scholarship
- 2 grants;
- 3 (2) The total amount of scholarship grants awarded;
- 4 (3) The number of full-time and part-time graduate
- 5 students receiving scholarship grants by the
- 6 institution;
- 7 (4) The amount of scholarship grants awarded to graduate
- 8 students reported by the institution; and
- 9 (5) The total number of graduation students who withdraw
- 10 from the program."

11 SECTION 2. 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 2015-2016 and
 14 the same sum or so much thereof as may be necessary for fiscal
 15 year 2016-2017 to establish and implement the teaching incentive
 16 program for high need areas.

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

19 SECTION 3. There is appropriated out of the general
 20 revenues of the State of Hawaii the sum of \$ or so
 21 much thereof as may be necessary for fiscal year 2015-2016 and



1 the same sum or so much thereof as may be necessary for fiscal
2 year 2016-2017 to establish scholarship grants for students
3 pursuing post-secondary degrees in the field of education.

4 The sums appropriated shall be expended by the department
5 of education for the purposes of this Act.

6 SECTION 4. This Act shall take effect on July 1, 2015.



Report Title:

Department of Education; Education; Teachers; Incentives; Loan
Repayment

Description:

Establishes an incentive program that provides for incremental loan repayment for teachers serving in high need areas of Hawaii for up to ten years. Also establishes scholarship grants for students pursuing post-secondary degrees in the field of education through the department of education. (SD1)

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