

Honolulu, Hawaii

FEB 07 , 2024

RE: H.B. No. 2572  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committee on Education, to which was referred H.B. No. 2572 entitled:

"A BILL FOR AN ACT RELATING TO TEACHER LOANS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a Teacher Loan Program to encourage individuals to become teachers in hard-to-fill positions at Department of Education Schools;
- (2) Allow the loans to be forgiven if the individual:
  - (A) Becomes a licensed teacher; or
  - (B) Commits to teach as a full-time teacher for seven years in a hard-to-fill position or at a school located in a rural area;
- (3) Establish a Teacher Loan Program Revolving Fund to provide loans for the Teacher Loan Program; and
- (4) Appropriate funds into and out of the Teacher Loan Program Revolving Fund for the Teacher Loan Program.



Your Committee received testimony in support of this measure from the State Public Charter School Commission; Hawai'i Teacher Standards Board; Hawai'i State Teachers Association; Democratic Party of Hawai'i Education Caucus; and one individual. Your Committee received comments on this measure from the Department of Education and Department of Budget and Finance.

Your Committee finds that the high cost of living in Hawaii is a significant issue that contributes to the State's chronic teacher shortage. Additionally, to support their students, teachers often incur higher expenses and use personal funds to purchase essential and additional classroom supplies. Your Committee further finds that, because of the high cost of living, acquiring housing is another significant obstacle for individuals to accept a position as a teacher. This measure will greatly reduce the financial burden in becoming a teacher by providing loans for individuals and allowing for the forgiveness of those loans if the individual becomes a licensed teacher in the State or commits to teach as a full-time teacher, subject to certain requirements.

Your Committee has amended this measure by:


- (1) Renaming the Teacher Loan Program as the Teacher Loan Forgiveness Program (Program);
- (2) Allowing teachers who have become a licensed teacher in Hawaii to be eligible for participation in the Program;
- (3) Specifying that participants in the Program are required to have obtained student loans to attend a college in the University of Hawaii System;
- (4) Clarifying that teachers who commit to teach as a full-time teacher in a public charter school and meet the requirements of the Program are eligible for participation in the Program;
- (5) Reducing the eligibility service period commitment from seven years to three years;
- (6) Amending the prioritization of eligibility for the Program to be for teachers who:



- (A) Are teaching in, or accept a position in, a hard-to-staff area, complex, or school; or
- (B) Accept a position at a hard-to-staff school in a different complex area in Hawaii;
- (7) Requiring that the Department of Education, rather than the Board of Education, to determine the amounts to be distributed to each recipient and the terms for repayment of funds distributed for the repayment of student loans;
- (8) Increasing the maximum amount of the award to \$50,000 per recipient and providing that the maximum allowable amount to be distributed to a recipient shall be determined by the amount borrowed for the recipient's student loans;
- (9) Changing the effective date to July 1, 3000; and
- (10) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, 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. 2572, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2572, H.D. 1, and be referred to your Committee on Finance.

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

  
JUSTIN L. WOODSON, Chair



