
A BILL FOR AN ACT

RELATING TO TEACHER LOANS.

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 section to part III, subpart C, to be
3 appropriately designated and to read as follows:

4 "§302A- Teacher loans; department of education schools;
5 loan forgiveness. (a) There is established a teacher loan
6 forgiveness program to be administered by the department, in
7 partnership with a financial institution whose operations are
8 principally conducted in Hawaii, to provide financial support to
9 teachers who agree to teach as a full-time teacher for two years
10 in the Hawaii public school system; provided that priority shall
11 be given for applications to teach at a school located in a
12 rural area in the State, as determined by the superintendent.

13 (b) An individual applying for the teacher loan
14 forgiveness program shall obtain a license from the Hawaii
15 teachers standard board prior to submitting an application.



1 (c) Amounts to be loaned to each borrower shall be
2 determined by the board and shall not exceed \$ per
3 borrower.

4 (d) Awarding of funds to an individual approved for the
5 teacher loan forgiveness program shall begin within months
6 after approval of the of the individual's application.

7 (e) Liability for repayment of a loan shall be canceled
8 upon the death or permanent total disability of the borrower.

9 (f) If a borrower fails to meet the requirement of
10 teaching in the Hawaii public school system for two years, then
11 the borrower shall repay:

12 (1) The total amount of funds awarded to the borrower for
13 any period of service commitment not served;

14 (2) An amount equal to the number of months of service
15 commitment that were not completed by the borrower,
16 multiplied by \$; and

17 (3) The interest on the total amount of funds awarded to
18 the borrower, calculated at per cent per year,
19 from the date the borrower was released from
20 employment or terminated from employment, whichever is
21 earlier;



1 provided that the amount of funds the department is entitled to
 2 recover under this subsection shall be no less than
 3 \$ _____ or _____ per cent of the borrower's total award
 4 amount, whichever is lower.

5 (g) The department shall adopt rules pursuant to chapter
 6 91 to implement the teacher loan forgiveness program."

7 SECTION 2. There is appropriated out of the general
 8 revenues of the State of Hawaii the sum of \$ _____ or so
 9 much thereof as may be necessary for fiscal year 2024-2025 for
 10 the teacher loan forgiveness program established pursuant to
 11 section 302A- _____, Hawaii Revised Statutes.

12 The sum appropriated shall be expended by the department of
 13 education for the purposes of this Act.

14 SECTION 3. In accordance with section 9 of article VII of
 15 the Hawaii State Constitution and sections 37-91 and 37-93,
 16 Hawaii Revised Statutes, the legislature has determined that the
 17 appropriations contained in H.B. No. _____, will cause the state
 18 general fund expenditure ceiling for fiscal year 2024-2025 to be
 19 exceeded by \$ _____ or _____ per cent. In addition, the
 20 appropriation contained in this Act will cause the general fund
 21 expenditure ceiling for fiscal year 2024-2025 to be further



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1 exceeded by \$ or per cent. The combined total
2 amount of general fund appropriations contained in only these
3 two Acts will cause the state general fund expenditure ceiling
4 for fiscal year 2024-2025 to be exceeded by
5 \$ or per cent. The reasons for exceeding the
6 general fund expenditure ceiling are that:

- 7 (1) The appropriation made in this Act is necessary to
8 serve the public interest; and
9 (2) The appropriation made in this Act meets the needs
10 addressed by this Act.

11 SECTION 4. New statutory material is underscored.

12 SECTION 5. This Act shall take effect on July 1, 2024.

13

INTRODUCED BY:  _____

JAN 23 2024



H.B. NO. 2605

Report Title:

Department of Education; Teachers Loans; Loan Forgiveness;
Appropriation; Expenditure Ceiling

Description:

Requires the Department of Education to establish a teacher loan forgiveness program to assist in the payment of loans for teachers who commit to teaching in the Hawaii public school system. Appropriates funds.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

