

JOSH GREEN, M.D.
GOVERNOR



KEITH T. HAYASHI
SUPERINTENDENT

STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/01/2024
Time: 02:00 PM
Location: 309 VIA VIDEOCONFERENCE
Committee: House Education

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: HB 2240 RELATING TO HAWAII EDUCATOR LOANS.

Purpose of Bill: Appropriates funds into and out of the Hawaii educator loan program revolving fund to be used to provide financial assistance for students participating under the Hawaii educator loan program.

Department's Position:

The Hawaii State Department of Education (Department) supports HB 2240 to encourage the recruitment of college students into educator preparation and to reduce the financial burden of higher education for future teachers.

The Department appreciates efforts to provide funding that encourages more college students to pursue a career in education. This aligns with the recently adopted Hawaii State Board of Education's Strategic Plan desired outcome of filling all teacher positions with qualified hires.

While not included in the Department's Board-approved budget, if additional funding can be made available, the Department would support this initiative.

Thank you for the opportunity to provide comments on HB 2240.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Education
Thursday, February 1, 2024, at 2:00 p.m.

By

Debora Halbert, Vice President for Academic Strategy
University of Hawai'i System

HB 2240 – RELATING TO HAWAII EDUCATOR LOANS

Chair Woodson, Vice Chair La Chica, and Members of the Committee:

Thank you for allowing us the opportunity to testify in support of HB 2240, with suggested amendments. This bill increases the amount of funds available to issue loans under the Hawai'i educator loan program. As stated in the bill, the program carries the potential to serve as a valuable tool in helping to address statewide K-12 teacher shortages in Hawai'i's public schools, focusing on rural schools and other hard-to-fill positions.

At the same time, we ask the Legislature to reconsider the seven-year service requirement for total loan forgiveness. The length of this requirement has apparently served as a deterrent to increased program participation. We ask you to consider the possibility of reducing the service requirement to a maximum of five years for students who enter in the Hawai'i educator loan program during their first year of college.

Below are suggested revisions to §304A-701(b) and (e) for your consideration:

(b) All loans made under this subpart shall bear interest at five per cent simple interest. Repayment of principal and interest charges shall commence one year after graduation or three months after a loan recipient ceases to be enrolled in a state-approved teacher education program and shall be paid in periodic installments within a [~~seven-year~~] five-year period. The university may charge late fees and all other reasonable costs for the collection of delinquent loans.

and

(e) Upon a showing of proof that the loan recipient has completed a state-approved teacher education program and for each year that the loan award recipient teaches in the Hawaii public school system pursuant to subsection (a)(1) or (2), loan forgiveness shall be provided to the recipient as follows:

- (1) ~~[Ten]~~ Twenty per cent of the total amount of the loan award and interest shall be waived every year for the ~~[first]~~ five years of repayment~~[-and~~
- (2) ~~Twenty-five per cent of the total amount of the loan award and interest shall be waived every year for the sixth and seventh years of repayment].~~

Thank you for your consideration of these requested amendments.

JOSH GREEN M.D.
GOVERNOR



CATHY K. IKEDA
CHAIRPERSON

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
(‘AHA KULA HO‘ĀMANA)

<http://CharterCommission.Hawaii.Gov>
1164 Bishop Street, Suite 1100, Honolulu, Hawaii 96813
Tel: (808) 586-3775 Fax: (808) 586-3776

FOR: HB 2240 Relating to Hawaii Educator Loans
DATE: February 1, 2024, 2:00 PM
COMMITTEE: Committee on Education and Committee on Higher Education and
Technology
ROOM: Conference Room 309 & Videoconference
FROM: PJ Foehr, Interim Executive Director
State Public Charter School Commission

Chair Woodson, Vice Chair La Chica, Chair Peruso, Vice Chair Kapela, and members of the Committees:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to provide testimony in **SUPPORT with suggested amendments on HB 2240** which appropriates funds for the Hawaii Educator Loan Program. The program provides loans to students who agree to teach in hard-to-fill positions at public schools or at public schools located in rural areas. Loan recipients who successfully complete their teaching education program and go on to teach in a position that meets the requirements of the program are eligible for forgiveness of the loan.

The Commission supports efforts to increase the number of qualified teachers. The Commission asks that language be added to include those students who make a commitment to teach at a public charter school as well. We offer the following amendments to **Section 1 Page 1 line 15**:

...“The legislature believes that increasing the amount of funds available to issue loans under the Hawaii educator loan program will help to encourage more students to teach in hard-to-fill positions within the department of education or in public charter schools, including those at rural schools.”

Thank you for the opportunity to provide this testimony.



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LATE

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Executive Director

TESTIMONY TO THE HAWAII HOUSE COMMITTEE ON EDUCATION

Item: **HB2240 - Relating to Hawai'i educator loans**

Position: **Support**

Hearing: **February 1, 2024, 2:00 p.m., Conference Room 309**

Submitter: **Osa Tui, Jr. – President, Hawai'i State Teachers Association**

Chair Woodson, Vice Chair La Chica, and members of the committee,

The Hawai'i State Teachers Association **supports** HB2240 which appropriates funds into and out of the Hawai'i educator loan program revolving fund to be used to provide financial assistance for students participating under the Hawai'i educator loan program.

Expanding the revolving fund will help to recruit more teachers into the profession and ultimately benefit the students of Hawai'i. In the last round of negotiations, a new salary classification was added to begin in the 2025-2026 school year. The expectation is that many of our teachers are hoping to reach that classification before retiring. We need to be able to have a pipeline available to fill those positions as seasoned educators retire.

The Hawai'i State Teachers Association asks your committee to **support** this bill.

RE: [HB 2240](#) -RELATING TO HAWAII EDUCATOR LOANS

Position: Support

February 1, 2024

Chair Woodson, Vice Chair La Chica, and Members of the Committee:

My name is Christine Russo and I am a teacher at James Campbell High School. I personally have struggled with loan forgiveness after completing a state approved teacher education program with the mistaken impression that my loans would be forgiven via the Federal Teacher Loan Forgiveness Program. My attempts at forgiveness were unsuccessful; I recently shared my experience in the [Island Voices](#) section of the Star Advertiser.

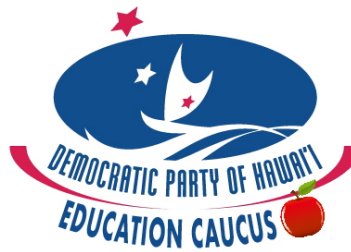
Based on my experience and based on my desire to find new and versatile ways to attract high school students to pursue a career in teaching, I support this measure; however I would like to respectfully propose the following amendments:

Amendment	Rationale
<p>Rather than appropriating money to the Hawaii Educator Loan Program, create a Hawaii Teacher Loan Repayment Program modeled after the Healthcare Education Loan Repayment Program (HELP). Some features of HELP:</p> <ul style="list-style-type: none">• Based on licensure in the state of Hawaii and practice in the state of Hawaii• Maximum repayment amounts of up to \$50,000/year	<ul style="list-style-type: none">• The Hawaii Loan Program is restrictive in that it is administered and awarded by the University of Hawaii. This means that only a narrow group of individuals would be able to potentially benefit.• Qualifying for the program shouldn't be based on if the loan servicer operates in the state of Hawaii. Rather, it should be based on if the teacher applying is licensed and practicing in the State of Hawaii (similar to HELP), regardless of who their loan servicer is and where the loan servicer is based (when individuals apply for financial aid, they are usually

	<p>awarded loans by federal loan servicers, not by financial institutions based in Hawaii; students complete the FAFSA to qualify for financial aid.</p> <ul style="list-style-type: none"> • If a student was required to take out a loan from a financial institution based in Hawaii, it would likely be at a higher interest rate than a federal loan, especially in cases where a student could qualify for a subsidized loan. Also, personal loans can easily be defaulted on.
<p>Eligible recipients for the Teacher Loan Repayment Program should include the following:</p> <ul style="list-style-type: none"> • Certified teachers who have taught for a minimum of 7 years in a Hawaii Public School and who have taken out a student loan to earn a certificate or degree in education from any State Approved Teacher Education Program • The program should be open to all certified teachers, with increased loan repayment amounts as incentivisation for individuals teaching in hard to fill subject areas including math, science, and special education and/or rural areas. 	<ul style="list-style-type: none"> • As long as the recipient has earned a certification or degree in a state-approved teacher education program and has fulfilled a minimum number of years of service as a Hawaii public school teacher, they should qualify for the loan repayment program. • Teachers who have already taught the minimum of 7 years should qualify as well. • Incentivizing individuals to teach in areas that are difficult to fill such as math, science, special education, and rural schools will attract individuals to teach in these areas

I truly appreciate the intent of this measure and hope we can work towards creating a more comprehensive teacher loan repayment program to attract and retain Hawaii public school teachers. Mahalo!

Christine Russo



LATE

HOUSE BILL 2240, RELATING TO HAWAII EDUCATOR LOANS

FEBRUARY 1, 2024 · EDN HEARING

POSITION: Support.

RATIONALE: The Democratic Party of Hawai'i Education Caucus **supports** HB 2240, relating to Hawai'i educator loans, which appropriates funds into and out of the Hawai'i educator loan program revolving fund to be used to provide financial assistance for students participating under the Hawai'i educator loan program.

Teachers are the most important professionals in increasing student achievement. According to numerous studies, however, Hawai'i's average teacher salaries are the lowest in the nation when adjusted for cost of living. A 2020 study conducted by APA Consulting on behalf of the Hawai'i Department of Education found that when compared with other high-cost geographic locations, Hawai'i teachers are paid \$7,700 to \$26,000 less than their peers in school districts with similar costs of living, depending on length of service.

While that pay gap is decreasing because of the State Legislature's effort to fund differential pay increases and resolve salary compression last year, teachers are still underpaid compared to other professions that require a similar level of education. **Assisting aspiring teachers by providing loan forgiveness is one way of increasing the number of qualified classroom leaders in local schools, relieving new teachers of the crushing burden of college debt.**

Providing incentives for hard-to-fill positions works. The Hawai'i Department of Education, in consultation with the Hawaii State Teachers Association, implemented differential pay increases during the 2019-2020 school year to reduce teacher shortages in special education, hard-to-staff, and Hawaiian immersion teaching positions. Instituting differential pay increases led to significant progress in reducing longstanding teacher shortages in high-demand areas.

Departmental data shows that the percentage of special education teacher vacancies dropped by 45 percent during the 2020-2021 school year, with 43 percent more teachers choosing to move into a special education teaching line than the year before. The number of teachers choosing to work in hard-to-fill positions in rural or remote areas increased by 52 percent over the same period, while the number of Hawaiian immersion teachers increased by 7 percent. We can expect a teacher loan forgiveness program that targets hard-to-fill areas and requires teachers to remain in the profession beyond the initial "burnout" period to have a complementary impact.

Kris Coffield · Chairperson, DPH Education Caucus · (808) 679-7454 · kriscoffield@gmail.com