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# A BILL FOR AN ACT

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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 section to be appropriately designated  
3 and to read as follows:

4       "§302A-A Student loan subsidy program for teachers;  
5 established; administration. (a) There is established a  
6 student loan subsidy program, to be administered by the  
7 department, to provide financial support to teachers who provide  
8 instruction in:

9       (1) Special education; or

10       (2) Vocational education, technical education, or career  
11 path programs.

12       (b) To be eligible to receive a student loan subsidy under  
13 subsection (a), the recipient shall agree to teach in the public  
14 schools for a minimum of three years continuously.

15       (c) The department may award a subsidy to any eligible  
16 teacher upon confirmation that the teacher has been employed by  
17 the department to provide instruction in an approved content  
18 area enumerated under subsection (a).



1        (d) Subsidies under this section may be used only for  
2        repayment of federal, state, or private student loans; provided  
3        that a subsidy shall not exceed \$10,000.

4        (e) The department shall determine eligibility on a  
5        competitive basis and based on the financial need of the  
6        applicant.

7        (f) An applicant for a student loan subsidy shall:

8        (1) Show proof of employment in an approved content area  
9        as enumerated under subsection (a);

10       (2) Comply with any conditions placed by the department on  
11       the subsidy;

12       (3) Demonstrate financial need for a subsidy to the extent  
13       as required by the department; and

14       (4) Submit an application, information, and documentation  
15       as required by the department.

16       (g) If a teacher receiving a student loan subsidy  
17       terminates employment in an approved content area as enumerated  
18       under subsection (a) during the academic year in which a student  
19       loan subsidy is received, the teacher shall notify the  
20       department in writing and shall return to the department the



1 total of any unused portion of the subsidy. Any returned amount  
2 shall be used by the department to provide other subsidies.

3 (h) The total amount of subsidies under this section shall  
4 be limited to the balance of funds contained in the student loan  
5 subsidy program special fund under section 302A-B.

6 (i) The department shall monitor and verify a teacher's  
7 continued eligibility and fulfillment of all work requirements  
8 under this section.

9 (j) The department shall adopt policies and procedures in  
10 accordance with chapter 91 for purposes of this section;  
11 provided that the department shall be exempt from the public  
12 notice requirement and public hearing requirement under section  
13 91-3 for purposes of this subsection."

14 SECTION 2. Chapter 302A, Hawaii Revised Statutes, is  
15 amended by adding a new section to be appropriately designated  
16 and to read as follows:

17 "§302A-B Student loan subsidy program special fund. (a)  
18 There is established within the state treasury a student loan  
19 subsidy program special fund for the purpose of providing  
20 subsidies to qualifying teacher under the student loans subsidy  
21 program under section 302A-A.



1        (b) Moneys in the fund shall be comprised of  
2        appropriations, private contributions, and moneys from other  
3        sources. The balance of moneys in the fund at the close of each  
4        fiscal year shall remain in the fund and shall not lapse into  
5        the general fund."

6        SECTION 3. There is appropriated out of the general  
7        revenues of the State of Hawaii the sum of \$5,000,000 or so much  
8        thereof as may be necessary for fiscal year 2016-2017 to be  
9        deposited into the student loan subsidy program special fund  
10       established pursuant to section 2 of this Act.

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

13       SECTION 4. There is appropriated out of the student loan  
14       subsidy program special fund the sum of \$                      or so much  
15       thereof as may be necessary for fiscal year 2016-2017 for the  
16       student loan subsidy program.

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

19       SECTION 5. In codifying the new sections added by sections  
20       1 and 2 of this Act, the revisor of statutes shall substitute



1 appropriate section numbers for the letters used in designating  
2 the new sections in this Act.

3 SECTION 6. New statutory material is underscored.

4 SECTION 7. This Act shall take effect on July 1, 2016.

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**Report Title:**

Education; Student Loan Subsidy Program; Appropriation

**Description:**

Establishes the student loan subsidy program for teachers who teach in special education, vocational education, technical education, or career path programs. Establishes the student loan subsidy program special fund. Makes appropriation. (SD1)

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

