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# 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



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.

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INTRODUCED BY: 



# S.B. NO. 3368

**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.*

