Testimony Presented Before the Senate Committee on Education

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By

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SB 766: Relating To Education

Chair Sakamoto, Vice Chair Tokuda, and Members of the Committee:

The University supports the intent of SB766, which seeks to provide loan forgiveness to new teachers who commit to teach on the Neighbor Islands. This bill attempts to achieve a goal similar to the original Hawaii Educator Loan program established by the Legislature in 2001, and is similar in intent to HB1530 being considered this session.

SB766 states that the program has proven to be successful. However, it is unclear whether the program has had the desired impact on recruitment and retention that was intended in 2001. The amount of funds appropriated was insufficient (\$100,000) to initiate a large-scale recruitment effort. Between 2002 and 2004, 23 students received loans.

However, SB766 through a loan forgiveness program focuses on <u>retention</u> of teachers in hard-to-fill Neighbor Island positions and calls for appropriating additional funds that will be available to serve as incentives for more teachers.

SB766 does not specify a repayment amount. We recommend that consideration be given to include language of consistent with HB1530, which calls for forgiveness of one-tenth of the total amount of the loan and interest for every year of the first five years a teacher fills a qualifying position, and the remaining balance to be waived after the sixth year that the teacher works in a hard-to-fill position.

Finally, since SB766 as drafted is a loan forgiveness program and not a loan program, Section 2 (d), (e), and (f) do not seem necessary, since no funds were loaned by the Department to the teacher. SB766 would seem to place the burden of proof of qualified employment in a hard-to-fill position on the teacher who would then presumably apply to the Department for loan forgiveness, with payment made to the teacher upon acceptance and approval of their application.

Thank you for this opportunity to testify.