

JAN 25 2006

S.B. NO. 3194

A BILL FOR AN ACT

RELATING TO EDUCATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I

2 SECTION 1. The purpose of this part is to establish salary
3 increases for teachers and create a comprehensive evaluation
4 process for teachers.

5 SECTION 2. Chapter 89, Hawaii Revised Statutes, is amended
6 by adding a new section to be appropriately designated and to
7 read as follows:

8 "§89- Teacher compensation. A teacher employed by the
9 department of education and paid under the salary schedule
10 contained in the unit 05 collective bargaining agreement shall
11 receive an annual increment or longevity increase, as the case
12 may be, for a year's satisfactory service in any fiscal year;
13 provided that this section shall not apply to an employee who
14 qualifies for an annual increment or biannual performance step
15 increase under section 302A-626."

16 SECTION 3. Section 89-9, Hawaii Revised Statutes, is
17 amended to read as follows:



1 "**§89-9 Scope of negotiations; consultation.** (a) [~~The~~]
2 Except as provided in subsection (g), the employer and the
3 exclusive representative shall meet at reasonable times,
4 including meetings sufficiently in advance of the February 1
5 impasse date under section 89-11, and shall negotiate in good
6 faith with respect to wages, hours, the amounts of contributions
7 by the State and respective counties to the Hawaii
8 employer-union health benefits trust fund to the extent allowed
9 in subsection (e), and other terms and conditions of employment
10 which are subject to collective bargaining and which are to be
11 embodied in a written agreement as specified in section 89-10,
12 but such obligation does not compel either party to agree to a
13 proposal or make a concession; provided that the parties may not
14 negotiate with respect to cost items as defined by section 89-2
15 for the biennium 1999 to 2001, and the cost items of employees
16 in bargaining units under section 89-6 in effect on
17 June 30, 1999, shall remain in effect until July 1, 2001.

18 (b) The employer or the exclusive representative desiring
19 to initiate negotiations shall notify the other party in
20 writing, setting forth the time and place of the meeting desired
21 and the nature of the business to be discussed, sufficiently in
22 advance of the meeting.



1 (c) Except as otherwise provided in this [~~chapter,~~
2 section, all matters affecting employee relations, including
3 those that are, or may be, the subject of a rule adopted by the
4 employer or any director, shall be subject to consultation with
5 the exclusive representatives of the employees concerned. The
6 employer shall make every reasonable effort to consult with
7 exclusive representatives and consider their input, along with
8 the input of other affected parties, prior to effecting changes
9 in any major policy affecting employee relations.

10 (d) Excluded from the subjects of negotiations are matters
11 of classification, reclassification, benefits of but not
12 contributions to the Hawaii employer-union health benefits trust
13 fund or a voluntary employees' beneficiary association trust;
14 recruitment; examination; initial pricing; and retirement
15 benefits except as provided in subsection (g) or section 88-
16 8(h). The employer and the exclusive representative shall not
17 agree to any proposal that would be inconsistent with the merit
18 principle or the principle of equal pay for equal work pursuant
19 to section 76-1 or that would interfere with the rights and
20 obligations of a public employer to:

21 (1) Direct employees;



- 1 (2) Determine qualifications, standards for work, and the
2 nature and contents of examinations;
- 3 (3) Hire, promote, transfer, assign, and retain employees
4 in positions;
- 5 (4) Suspend, demote, discharge, or take other disciplinary
6 action against employees for proper cause;
- 7 (5) Relieve an employee from duties because of lack of
8 work or other legitimate reason;
- 9 (6) Maintain efficiency and productivity, including
10 maximizing the use of advanced technology, in
11 government operations;
- 12 (7) Determine methods, means, and personnel by which the
13 employer's operations are to be conducted; and
- 14 (8) Take such actions as may be necessary to carry out the
15 missions of the employer in cases of emergencies.

16 The employer and the exclusive representative may negotiate
17 procedures governing the promotion and transfer of employees to
18 positions within a bargaining unit; the suspension, demotion,
19 discharge, or other disciplinary actions taken against employees
20 within the bargaining unit; and the layoff of employees within
21 the bargaining unit. Violations of the procedures so negotiated



1 may be subject to the grievance procedure in the collective
2 bargaining agreement.

3 (e) Negotiations relating to contributions to the Hawaii
4 employer-union health benefits trust fund shall be for the
5 purpose of agreeing upon the amounts which the State and
6 counties shall contribute under section 87-4, toward the payment
7 of the costs for a health benefits plan, as defined in section
8 87-1(8), and group life insurance benefits, and the parties
9 shall not be bound by the amounts contributed under prior
10 agreements; provided that section 89-11 for the resolution of
11 disputes by way of arbitration shall not be available to resolve
12 impasses or disputes relating to the amounts the State and
13 counties shall contribute to the Hawaii employer-union health
14 benefits trust fund.

15 (f) The repricing of classes within an appropriate
16 bargaining unit may be negotiated as follows:

17 (1) At the request of the exclusive representative and at
18 times allowed under the collective bargaining
19 agreement, the employer shall negotiate the repricing
20 of classes within the bargaining unit. The negotiated
21 repricing actions that constitute cost items shall be
22 subject to the requirements in section 89-10.



1 (2) If repricing has not been negotiated under paragraph
 2 (1), the employer of each jurisdiction shall ensure
 3 establishment of procedures to periodically review, at
 4 least once in five years, unless otherwise agreed to
 5 by the parties, the repricing of classes within the
 6 bargaining unit. The repricing of classes based on
 7 the results of the periodic review shall be at the
 8 discretion of the employer. Any appropriations
 9 required to implement the repricing actions that are
 10 made at the employer's discretion shall not be
 11 construed as cost items.

12 (g) Notwithstanding subsections (a) and (d) to the
 13 contrary, movement between incremental and longevity steps
 14 within the salary range for teachers in appropriate bargaining
 15 unit 05 shall be specified by law, including chapter 302A."

16 SECTION 4. Section 302A-626, Hawaii Revised Statutes, is
 17 amended to read as follows:

18 "**§302A-626 Salary increases; [~~annual, longevity.~~**
 19 **performance step increase.** (a) Teachers [~~and educational~~
 20 ~~officers]~~ who have completed a year's satisfactory service and
 21 who have complied with the other requirements of sections 302A-
 22 602 to 302A-640, and 302A-701, shall be entitled to an annual



1 increment[-] of 3.14 per cent of their annual salary; provided
2 that they earn an annual salary of less than \$50,000.

3 (b) Teachers [~~and educational officers~~] who have [~~served~~
4 ~~satisfactorily for three years in their maximum increment step~~
5 ~~or in any longevity step and who have complied,~~] accomplished
6 the following:

- 7 (1) Earned an annual salary of \$50,000 or more;
- 8 (2) Received positive performance evaluations as
9 determined by the principal or immediate supervisor;
10 and
- 11 (3) Complied with the other requirements of sections
12 302A-602 to 302A-640, and 302A-701;

13 shall receive [~~longevity step increases,~~] a biannual performance
14 step increase of 3.14 per cent of their annual salary; provided
15 that the board may grant principals and vice-principals
16 [~~longevity~~] performance step increases more frequently than once
17 every three years pursuant to section 302A-625."

18 SECTION 5. Section 302A-638, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "~~[+]§302A-638[+]~~ **Evaluation of teachers [~~and educational~~**
21 **officers]**. (a) The department shall establish [~~an evaluation~~
22 ~~program~~] a comprehensive evaluation process for all teachers



1 ~~[and educational officers]~~. The evaluation shall be performed
2 at least ~~[once]~~ twice in each school year. The program shall
3 define the criteria for evaluation and assign responsibilities
4 for the application of the criteria. The evaluation of a
5 teacher ~~[or educational officer]~~ shall be on the basis of
6 efficiency, ability, and such other criteria as the department
7 shall determine.

8 (b) The department shall establish evaluation procedures
9 that are based upon the goal of improving the teacher-learning
10 process through the enrichment of professional staff development
11 and to assist in the success of their teaching assignment.

12 (c) In developing the comprehensive evaluation process for
13 teachers, the department shall consider the following:

- 14 (1) The teacher's experience;
15 (2) The teacher's workload;
16 (3) Ability level of the students;
17 (4) Class size;
18 (5) Assistance by other support personnel;
19 (6) The physical space;
20 (7) Assignments;
21 (8) Materials, supplies, and equipment; and
22 (9) Extra duties of the teacher.



1 (d) The comprehensive evaluation process shall include a
2 conference between the evaluator and teacher at a reasonable
3 time following the completion of the evaluator's observation of
4 the teacher and evaluation.

5 (e) The department shall establish evaluation indicators
6 and standards to assist the evaluator in their determination of
7 the teacher's performance.

8 (f) The department shall establish a three-person teacher
9 advisory team to be composed of the following:

10 (1) Two exemplary teachers as determined by national board
11 certification, past teacher of the year status, or
12 designation by the superintendent; and

13 (2) One administrator.

14 The teacher advisory team shall work with the principal and the
15 teacher, following a negative evaluation, to address possible
16 improvements or to locate a suitable position for the teacher's
17 abilities."

18 SECTION 6. This part shall not be applied so as to impair
19 any collective bargaining agreement existing as of the effective
20 date of this Act in a manner violative of either the Hawaii
21 constitution or Article I, section 10, of the United States
22 Constitution.



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PART II

SECTION 7. The purpose of this part is to provide a tax credit for the following:

- (1) Public school teachers, depending upon their years of service;
- (2) Developers who lease state-owned lands to build housing for lease or rental for teachers employed in hard-to-staff public schools;
- (3) Landlords who provide housing for teachers employed in hard-to-staff public schools; and
- (4) Provide a tax deduction for classroom supply expenses.

SECTION 8. Chapter 235, Hawaii Revised Statutes, is amended by adding three new sections to be appropriately designated and to read as follows:

"§235- Public school teacher tax credit. (a) There shall be allowed to each individual taxpayer, who is a public school teacher and who is not claimed or is not otherwise eligible to be claimed as a dependent by another taxpayer for federal or Hawaii state individual income tax purposes, a public school teacher tax credit. The tax credit shall be deductible from the taxpayer's net income tax liability imposed by this

1 chapter for the taxable year in which the tax credit is properly
2 claimed.

3 (b) The tax credit shall only apply to public school
4 teachers who were employed for the entire school year in which
5 the tax credit is claimed. The amount of the tax credit shall
6 be \$250. As used in this section, "teacher" means those
7 employees who spend not less than seventy per cent of their
8 formal employment time in the direct classroom instruction of
9 students.

10 (c) To qualify for the income tax credit, the taxpayer
11 shall be in compliance with all applicable federal, state, and
12 county laws, as well as department of education rules and
13 internal regulations.

14 (d) If the tax credit under this section exceeds the
15 taxpayer's net income tax liability under this chapter, any
16 excess of the tax credit may be used as a credit against the
17 taxpayer's income tax liability in subsequent taxable years
18 until exhausted.

19 (e) Every claim, including amended claims, for the tax
20 credit under this section shall be filed on or before the end of
21 the twelfth month following the close of the taxable year for
22 which the tax credit may be claimed. Failure to meet the filing



1 requirements of this subsection shall constitute a waiver of the
2 right to claim the tax credit.

3 (f) The director of taxation shall prepare such forms as
4 may be necessary to claim a tax credit under this section, may
5 require proof of the claim for the tax credit, and may adopt
6 rules pursuant to chapter 91 to effectuate the purposes of this
7 section. Specifically, the department of education shall
8 certify to the department of taxation as to which public school
9 teachers qualify for the tax credit allowed under this section.

10 (g) The department of taxation shall report to the
11 legislature annually, no later than twenty days prior to the
12 convening of every regular session, on the number of taxpayers
13 claiming the tax credit and the total cost of the tax credit to
14 the State during the past year.

15 **§235- Teacher housing; developer tax credit program.**

16 (a) There is established in the department a teacher housing
17 developer tax credit program that shall provide a tax credit for
18 developers who lease state-owned lands to build housing for
19 lease or rental to teachers employed in hard-to-staff public
20 schools.

21 (b) As used in this section, "hard-to-staff public
22 schools" includes any school or area determined to be



1 hard-to-staff by the department of education; provided that the
2 department of education shall reevaluate and revise such a
3 determination periodically to maintain a current listing of
4 hard-to-staff public schools; and provided further that any
5 removal of a school from the hard-to-staff list shall not affect
6 the tax credit until the next calendar year.

7 (c) Teacher housing shall be eligible for the teacher
8 housing tax credit program if it is:

9 (1) Located in the state senatorial district of the
10 hard-to-staff public school; provided that on Oahu,
11 teacher housing shall also be eligible if it is
12 located in the state senatorial district adjacent to
13 that of the hard-to-staff public school; and

14 (2) Built upon state-owned land and leased to a developer
15 for a term and price to be determined by the
16 department of land and natural resources.

17 (d) Each individual or corporate resident taxpayer that
18 files an individual or corporate net income tax return for a
19 taxable year may claim a tax credit under this section against
20 the Hawaii state individual or corporate net income tax. The
21 tax credit may be claimed for the cumulative difference, during
22 any taxable year after December 31, 2005, between the fair



1 market rental or lease rate for the relevant state senatorial
2 district, as determined by the department, and the actual rental
3 or lease rate charged by the landlord to teachers employed in
4 hard-to-staff public schools.

5 (e) The director of taxation shall prepare any forms that
6 may be necessary to claim a tax credit under this section. The
7 director may also require the taxpayer to furnish reasonable
8 information, including but not limited to an appraisal estimated
9 by a licensed appraiser, to ascertain the validity of the claim
10 for credit made under this section and may adopt rules necessary
11 to effectuate the purposes of this section pursuant to chapter
12 91. The department of education shall certify to the department
13 of taxation as to which state senatorial districts qualify for
14 the tax credit allowed under this section.

15 **§235- Teacher housing; tax credit program.** (a) There
16 is established in the department a teacher housing tax credit
17 program that shall provide a tax credit for landlords renting or
18 leasing housing to teachers employed in hard-to-staff public
19 schools.

20 (b) As used in this section, "hard-to-staff public
21 schools" includes any school or area determined to be
22 hard-to-staff by the department of education; provided that the



1 department of education shall reevaluate and revise such a
2 determination periodically to maintain a current listing of
3 hard-to-staff public schools; and provided further that any
4 removal of a school from the hard-to-staff list shall not affect
5 the tax credit until the next calendar year.

6 (c) Teacher housing shall be eligible for the teacher
7 housing tax credit program if it is located in the state
8 senatorial district of the hard-to-staff public school; provided
9 that on Oahu, teacher housing shall also be eligible if it is
10 located in the state senatorial district adjacent to that of the
11 hard-to-staff public school.

12 (d) The department shall maintain a current list of fair
13 market rental and lease rates for areas where teacher housing is
14 eligible for the teacher housing tax credit program.

15 (e) Each individual or corporate resident taxpayer that
16 files an individual or corporate net income tax return for a
17 taxable year may claim a tax credit under this section against
18 the Hawaii state individual or corporate net income tax. The
19 tax credit may be claimed for the cumulative difference during
20 any taxable year after December 31, 2005, between the fair
21 market rental or lease rate for housing in the relevant state
22 senatorial district, as determined by the department, and the



1 actual rental or lease rate charged by the landlord to teachers
2 employed in hard-to-staff public schools.

3 (f) The director of taxation shall prepare any forms that
4 may be necessary to claim a tax credit under this section. The
5 director may also require the taxpayer to furnish reasonable
6 information, including but not limited to an appraisal estimated
7 by a licensed appraiser, to ascertain the validity of the claim
8 for credit made under this section and may adopt rules necessary
9 to effectuate the purposes of this section pursuant to chapter
10 91. The department of education shall certify to the department
11 of taxation as to which state senatorial districts qualify for
12 the tax credit allowed under this section."

13 SECTION 9. Section 235-7, Hawaii Revised Statutes, is
14 amended by amending subsection (a) to read as follows:

15 "(a) There shall be excluded from gross income, adjusted
16 gross income, and taxable income:

17 (1) Income not subject to taxation by the State under the
18 Constitution and laws of the United States;

19 (2) Rights, benefits, and other income exempted from
20 taxation by section 88-91, having to do with the state
21 retirement system, and the rights, benefits, and other
22 income, comparable to the rights, benefits, and other



- 1 income exempted by section 88-91, under any other
2 public retirement system;
- 3 (3) Any compensation received in the form of a pension for
4 past services;
- 5 (4) Compensation paid to a patient affected with Hansen's
6 disease employed by the State or the United States in
7 any hospital, settlement, or place for the treatment
8 of Hansen's disease;
- 9 (5) Except as otherwise expressly provided, payments made
10 by the United States or this State, under an act of
11 Congress or a law of this State, which by express
12 provision or administrative regulation or
13 interpretation are exempt from both the normal and
14 surtaxes of the United States, even though not so
15 exempted by the Internal Revenue Code itself;
- 16 (6) Any income expressly exempted or excluded from the
17 measure of the tax imposed by this chapter by any
18 other law of the State, it being the intent of this
19 chapter not to repeal or supersede any such express
20 exemption or exclusion;
- 21 (7) Income received by each member of the reserve
22 components of the Army, Navy, Air Force, Marine Corps,



1 or Coast Guard of the United States of America, and
2 the Hawaii national guard as compensation for
3 performance of duty, equivalent to pay received for
4 forty-eight drills (equivalent of twelve weekends) and
5 fifteen days of annual duty, at an:

6 (A) E-1 pay grade after eight years of service;
7 provided that this subparagraph shall apply to
8 taxable years beginning after December 31, 2004;

9 (B) E-2 pay grade after eight years of service;
10 provided that this subparagraph shall apply to
11 taxable years beginning after December 31, 2005;

12 (C) E-3 pay grade after eight years of service;
13 provided that this subparagraph shall apply to
14 taxable years beginning after December 31, 2006;

15 (D) E-4 pay grade after eight years of service;
16 provided that this subparagraph shall apply to
17 taxable years beginning after December 31, 2007;
18 and

19 (E) E-5 pay grade after eight years of service;
20 provided that this subparagraph shall apply to
21 taxable years beginning after December 31, 2008;



- 1 (8) Income derived from the operation of ships or aircraft
2 if the income is exempt under the Internal Revenue
3 Code pursuant to the provisions of an income tax
4 treaty or agreement entered into by and between the
5 United States and a foreign country, provided that the
6 tax laws of the local governments of that country
7 reciprocally exempt from the application of all of
8 their net income taxes, the income derived from the
9 operation of ships or aircraft that are documented or
10 registered under the laws of the United States;
- 11 (9) The value of legal services provided by a prepaid
12 legal service plan to a taxpayer, the taxpayer's
13 spouse, and the taxpayer's dependents;
- 14 (10) Amounts paid, directly or indirectly, by a prepaid
15 legal service plan to a taxpayer as payment or
16 reimbursement for the provision of legal services to
17 the taxpayer, the taxpayer's spouse, and the
18 taxpayer's dependents;
- 19 (11) Contributions by an employer to a prepaid legal
20 service plan for compensation (through insurance or
21 otherwise) to the employer's employees for the costs



1 of legal services incurred by the employer's
2 employees, their spouses, and their dependents; [~~and~~]
3 (12) Amounts received in the form of a monthly surcharge by
4 a utility acting on behalf of an affected utility
5 under section 269-16.3 shall not be gross income,
6 adjusted gross income, or taxable income for the
7 acting utility under this chapter. Any amounts
8 retained by the acting utility for collection or other
9 costs shall not be included in this exemption~~[+]~~; and
10 (13) The value of any out-of-pocket expenses incurred by a
11 teacher for classroom supplies or materials (i.e.
12 textbooks, pens, paper, etc.); provided that the
13 deduction shall not exceed \$250 and may be claimed
14 regardless of whether the teacher files an itemized
15 return. For the purposes of this paragraph, "teacher"
16 means any administrator, teacher, or other staff
17 member regulated or licensed under chapter 302A and
18 who works as such for at least nine hundred hours
19 during the taxable year for which the deduction is
20 claimed."

PART III

SECTION 10. The purpose of this part is to:



1 (1) Establish a master teacher training program for
2 qualified teachers to increase the quality of their
3 skills and serve as resource to other teachers; and

4 (2) Amend the national board certification incentive
5 program to allow teachers, with seven to twelve years
6 of experience in the department, time off to pursue
7 the national certification.

8 SECTION 11. Chapter 302A, Hawaii Revised Statutes, is
9 amended by adding three new sections to part III, subpart B, to
10 be appropriately designated and to read as follows:

11 "§302A- Master teachers training program. (a) The
12 department shall establish a master teachers training program to
13 assist teachers who desire to increase the quality of their
14 teaching skills and serve as a resource to other teachers.

15 Candidates for the master teachers training program shall:

16 (1) Possess a masters degree from an accredited
17 university;

18 (2) Have not less than ten years of experience as a
19 competent, skilled teacher;

20 (3) Have experience in performing additional duties and
21 responsibilities at the school-level;



1 (4) Teach at the mastery level in instruction and
2 strategies and possess expertise in mathematics,
3 English, science, or social studies; and

4 (5) Agree to serve as a master teacher or regular teacher
5 in a school for not less than five years following the
6 date of initial certification as a master teacher.

7 (b) The duties of a master teacher shall include, in
8 addition to the master teacher's regular classroom
9 responsibilities, serving as a mentor, supervisor, or staff
10 developer for other teachers both in or out of the master
11 teachers training program.

12 (c) At the successful conclusion of the master teachers
13 training program, the department shall certify the teacher as a
14 master teacher. The certification shall be conditional upon an
15 annual review by the board that deems the master teacher's
16 performance in the master teacher assignment to have been
17 satisfactory.

18 (d) A certified master teacher who is actively serving as
19 a mentor, supervisor, or staff developer at a public school
20 shall be compensated in accordance with section 302A-622(b).

21 §302A- Master teachers, staff developer. The department
22 shall provide at least one master teacher staff developer in



1 each school to assist the teachers at that school in preparing
2 for master teacher training and certification, and for ongoing
3 certification.

4 §302A- Master teachers' salary schedule. (a) Upon
5 certification as a master teacher, an employee shall receive
6 compensation at the lowest step of the lowest grade in the
7 master teacher series that exceeds the employee's existing
8 compensation by at least eight per cent if such a step exists.

9 (b) Master teachers who have completed a year's
10 satisfactory service shall be entitled to an annual increment.
11 Teachers who lose their certification as master teachers shall
12 be placed in the appropriate range and step of the regular
13 teacher salary schedule as if they had remained regular
14 teachers."

15 SECTION 12. Section 302A-622, Hawaii Revised Statutes, is
16 amended to read as follows:

17 "[+]§302A-622[+] **Salary ranges, teachers.** (a) Salary
18 ranges for teachers of the department, other than master
19 teachers, shall be subject to the requirements of sections
20 302A-624 and 302A-626 and shall be as follows:

21 DEPARTMENT OF EDUCATION

22 SALARY RANGES



1		POSITIONS	DOESR
2	Class	I	1
3		II	3
4		III	5
5		IV	6
6		V	7
7		VI	8
8		VII	9

9 (b) Salary ranges for master teachers of the department:

10 (1) Shall be not less than the salary of a teacher at
11 class V, step 9, at the first step of the master
12 teacher series, for ten-month employees,

13 notwithstanding section 89-19 to the contrary; and

14 (2) Shall be not less than the salary of an educational

15 officer at EO 9, step 12, at the last step of the
16 master teacher series, for ten-month employees,

17 notwithstanding section 89-19 to the contrary, until

18 such time that new salary ranges, grades, and

19 schedules are negotiated for the master teacher series

20 pursuant to section 89-9."

21 SECTION 13. Section 302A-706, Hawaii Revised Statutes, is
22 amended by amending subsection (a) to read as follows:



1 "(a) There is established within the department the
2 teacher national board certification incentive program to
3 recognize and support exemplary teaching practice by supporting
4 public school teachers who intend to pursue or have achieved
5 national board certification under the certification program of
6 the National Board for Professional Teaching Standards. The
7 teacher national board certification incentive program shall
8 provide:

- 9 (1) A \$5,000 bonus per year for each public school teacher
10 who maintains current national board certification;
- 11 (2) \$1,500 upon completing the certification program of
12 the National Board for Professional Teaching
13 Standards; [~~and~~]
- 14 (3) A reimbursement of the remainder of the national board
15 certification application fee upon achievement of
16 national board certification[~~-~~]; and
- 17 (4) Time off for teachers with seven to twelve years of
18 experience in the department to pursue national board
19 certification; provided that the teacher affirms in
20 good faith the intention to remain employed by the
21 department for no less than five additional years
22 after completing the certification program of the



1 National Board for Professional Teaching Standards;
2 provided further that during the approved time off
3 they share their teaching expertise with colleagues or
4 preservice teacher candidates at accredited
5 institutions of higher education on a monthly basis."

6 SECTION 14. There is appropriated out of the general
7 revenues of the State of Hawaii the sum of \$, or so
8 much thereof as may be necessary for fiscal year 2006-2007, for
9 the master teachers training program.

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

12 PART IV

13 SECTION 15. The purpose of this part is to provide a
14 temporary teaching license to teachers who have:

15 (1) A valid teaching certificate issued by the United
16 States Department of Defense; and

17 (2) At least three years of teaching experience in a
18 United States Department of Defense operated school.

19 SECTION 16. Section 302A-802, Hawaii Revised Statutes, is
20 amended to read as follows:

21 "**§302A-802 Licensing standards.** (a) The board and
22 department shall establish licensing standards that govern



1 teacher licensing in Hawaii. Licensing standards established by
2 the board and department shall be adopted as rules under chapter
3 91 unless otherwise specified in this subpart.

4 (b) In the development of its standards, the board and
5 department shall consider the existing teacher applicant pool
6 that is available in the State and the level of the
7 qualification of these applicants, as well as the nature and
8 availability of existing preservice higher education teacher
9 training programs. The board shall also consider alternative
10 routes to licensing, such as national teacher examinations that
11 certify competency in subject areas or programs taught in the
12 public schools.

13 (c) The department may license any pre-service or in-
14 service teacher who:

15 (1) Possesses a valid teaching license issued by the
16 United States Department of Defense; and

17 (2) Has at least three years of teaching experience in a
18 United States Department of Defense operated school;

19 provided that after four years from the date of initial
20 licensure under this subsection, an individual licensed under
21 this subsection shall be subject to the license renewal
22 provisions of section 302A-805, except for the need to pass any



1 testing instrument or instruments that may otherwise be required
2 by the Hawaii teachers standards board under this section;
3 provided further that the individual's performance has been
4 deemed satisfactory by the school principal or designee. The
5 department may pay teachers licensed under this subsection a
6 salary that is commensurate with their professional experience
7 and competitive with the private sector. The board, in
8 consultation with the department, shall develop performance-
9 based standards based on the licensing criteria of this
10 subsection and utilize them for the licensing of teachers."

11 PART V

12 SECTION 17. The purpose of this part is to appropriate
13 funds for the teacher cadet program established under section
14 302A-401.5, Hawaii Revised Statutes.

15 SECTION 18. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$, or so
17 much thereof as may be necessary for fiscal year 2006-2007, to
18 be deposited in the teacher cadet program special fund
19 established pursuant to section 302A-401.5, Hawaii Revised
20 Statutes.

21 The sum appropriated shall be expended by the department of
22 education for the purposes of this part.



PART VI

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SECTION 19. The purpose of this part is to establish in statute the department of education's professional development school program and appropriate funds for the program.

SECTION 20. Chapter 302A, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"302A- Professional development school program; established. (a) The department of education shall allocate the funds appropriated to professional development schools by means of competitive grants for up to five years subject to the availability of resources. A grant application shall include a description of how the professional development school will meet the professional development school standards of the National Council for the Accreditation of Teacher Education and the department's six images of success:

- (1) Standards-based learning;
- (2) Professionalism and the capacity of the system;
- (3) Quality of student support;
- (4) Coordinated team work;
- (5) Responsiveness of the system; and
- (6) Focused and sustained action.

1 (b) Five per cent of the funds appropriated for the
2 establishment and continued development of professional
3 development schools shall be set aside for program
4 administration, including an annual professional development
5 school conference.

6 (c) Grants may be awarded for up to five years and may be
7 renewable. Professional development schools shall present
8 annual reports to the department and shall present findings at
9 the annual professional development schools conference.

10 (d) For the purposes of this section, "professional
11 development schools" means those public schools, consortia of
12 schools, or departments within schools that have entered into
13 formal agreements with state-approved teacher education programs
14 to address:

- 15 (1) Standards-based education;
- 16 (2) Teacher preparation; and
- 17 (3) Professional development."

18 SECTION 21. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$200,000, or so much
20 thereof as may be necessary for fiscal year 2006-2007, for the
21 purpose of funding the department of education's professional
22 development school program.



1 The sum appropriated shall be expended by the department of
2 education for the purposes of this part.

3 PART VII

4 SECTION 22. The purpose of this part is to expand the
5 teacher national board certification incentive program to
6 include teacher educators in the University of Hawaii system.

7 SECTION 23. Section 302A-706, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "[+]§302A-706[+] **Teacher national board certification**

10 **incentive program.** (a) There is established within the
11 department the teacher national board certification incentive
12 program to recognize and support exemplary teaching practice by
13 supporting public school teachers and teacher educators in the
14 University of Hawaii system who have achieved national board
15 certification under the certification program of the National
16 Board for Professional Teaching Standards. The teacher national
17 board certification incentive program shall provide:

- 18 (1) A \$5,000 bonus per year for each public school teacher
19 and teacher educator in the University of Hawaii
20 system who maintains current national board
21 certification; provided that any bonus provided to a



1 teacher educator in the University of Hawaii system
2 shall be paid by the University of Hawaii;

3 (2) \$1,500 upon completing the certification program of
4 the National Board for Professional Teaching
5 Standards; and

6 (3) A reimbursement of the remainder of the national board
7 certification application fee upon achievement of
8 national board certification.

9 (b) The incentive program shall include a mentoring
10 component that encourages and enables national board-certified
11 teachers to assist other teachers and share their teaching
12 expertise.

13 (c) For the purposes of this section, "teacher educator"
14 means a faculty member in the University of Hawaii system who
15 teaches in a teacher preparation program."

16 PART VIII

17 SECTION 24. The purpose of this part is to appropriate
18 funds for the Hawaii educator loan program established under
19 section 304-20.6, Hawaii Revised Statutes.

20 SECTION 25. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$100,000, or so much
22 thereof as may be necessary for fiscal year 2006-2007, to be



1 deposited in the Hawaii educator loan program special fund
2 established pursuant to section 304-20.6, Hawaii Revised
3 Statutes.

4 The sum appropriated shall be expended by the University of
5 Hawaii for the purposes of this part.

6 PART IX

7 SECTION 26. If any provision of this Act, or the
8 application thereof to any person or circumstance is held
9 invalid, the invalidity does not affect other provisions or
10 applications of the Act, which can be given effect without the
11 invalid provision or application, and to this end the provisions
12 of this Act are severable.

13 SECTION 27. It is the intent of this Act not to jeopardize
14 the receipt of any federal aid nor to impair the obligation of
15 the State or any agency thereof to the holders of any bond
16 issued by the State or by any such agency, and to the extent,
17 and only to the extent, necessary to effectuate this intent, the
18 governor may modify the strict provisions of this Act, but shall
19 promptly report any such modification with reasons therefor to
20 the legislature at its next session thereafter for review by the
21 legislature.



S.B. NO. 3194

1 SECTION 28. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 29. This Act shall take effect on July 1, 2006;
4 provided that sections 8 and 9 shall apply to taxable years
5 beginning after December 31, 2005.

6

INTRODUCED BY:

Nomom Satomfi
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D. D. D. D.
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Report Title:

Education; Omnibus Education Improvement

Description:

Establishes income tax credit and incremental salary increases for teachers. Creates a comprehensive evaluation process for teachers. Establishes temporary teacher licensing for Department of Defense-licensed teachers. Establishes a master teaching program. Enhances national board certification incentive program. Appropriates funds for various teacher incentive programs.

