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# A BILL FOR AN ACT

RELATING TO TEACHERS.

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

1       SECTION 1. The legislature finds that retaining highly  
2 qualified teachers in the public schools is critical to  
3 achieving the State's educational goals. To this end, the  
4 legislature supports initiatives and programs that combat the  
5 high teacher attrition rates within the department of education  
6 and endeavor to develop and retain quality teachers.

7       The purpose of this Act is to provide incentives for the  
8 recruitment and retention of public school teachers.

9                                   **PART I**

10       SECTION 2. The legislature finds that the cost and  
11 availability of housing can greatly impact the recruitment and  
12 retention of teachers, especially in geographically isolated  
13 communities and in schools plagued with hard-to-fill vacancies.  
14 In addition, the high cost of housing in Hawaii creates added  
15 economic stress on younger teachers who are among those most  
16 likely to leave the profession.

1           The legislature further finds that the current condition of  
2 state-owned teacher housing mandates that units undergo  
3 extensive repair and renovation, which will require a consistent  
4 maintenance program and dedicated oversight and support  
5 personnel when the program is transferred from the Hawaii  
6 housing finance and development corporation to the department of  
7 education.

8           The purpose of this part is to address shortages in teacher  
9 housing by:

- 10           (1) Establishing a teacher housing allowance program;
- 11           (2) Establishing a home ownership for educators program  
12                 and a second mortgage revolving trust fund; and
- 13           (3) Appropriating funds for the repair and maintenance of  
14                 existing teacher housing.

15           SECTION 3. Chapter 302A, Hawaii Revised Statutes, is  
16 amended by adding four new sections to be appropriately  
17 designated and to read as follows:

18           "§302A-A Teacher housing allowance program. (a) The  
19 department shall establish a teacher housing allowance program  
20 to provide housing allowances to teachers employed to teach at  
21 public schools in the State. The amount of the housing

1 allowance shall be a maximum of \$300 per month for the first  
2 three years of employment with the department.

3 (b) The department shall establish priorities for and  
4 administer the teacher housing allowance program and shall adopt  
5 rules pursuant to chapter 91 necessary for the program's  
6 implementation.

7 **§302A-B Home ownership for educators program.** (a) There  
8 is established a home ownership for educators program for  
9 qualified teachers and other employees of the department to be  
10 administered by the department.

11 (b) The department shall offer a deferred-interest second  
12 mortgage to qualified educators, and their spouses if the  
13 property will be owned jointly, at the time they purchase a  
14 residential dwelling unit. The deferred-interest second  
15 mortgage shall be due, together with deferred interest, at the  
16 earlier of:

- 17 (1) The sale of the property;  
18 (2) Other conveyance of the property;  
19 (3) Six months after the purchaser ceases to be qualified;  
20 (4) The refinancing of any mortgage on the dwelling unit  
21 that increases the principal;

1       (5) Six months after the purchaser ceases to occupy the  
2           unit full-time; or

3       (6) Fifteen years from the date of the purchase.

4       (c) The deferred-interest second mortgage shall not exceed  
5 the lesser of one-half of the purchase price or \$125,000. The  
6 interest on the second mortgage shall be equal to a percentage  
7 of the increase between:

8       (1) The purchase price and the gross sale price on an  
9           arms-length sale to an unrelated third party; or

10       (2) The fair market value of the property as determined by  
11           an appraiser selected by the department.

12 The State's percentage shall be the principal amount of the  
13 second mortgage divided by the purchase price.

14       (d) The department shall adopt rules pursuant to chapter  
15 91 to carry out this section.

16       **§302A-C Qualifications for home ownership for educators**  
17 **program.** A qualified educator of the department shall be  
18 eligible to participate in the program if the educator:

19       (1) Is an active, full-time educator in the Hawaii public  
20           school system;

- 1       (2) Resides on the property purchased under this subpart  
2           as the educator's permanent and primary residence for  
3           at least nine months during a twelve-month period; and  
4       (3) Together with a spouse, if any, or the spouse  
5           individually, does not own other real estate.

6       **§302A-D Home ownership for educators second mortgage**

7       **revolving trust fund.** (a) There is established the home  
8       ownership for educators second mortgage revolving trust fund,  
9       into which shall be deposited:

- 10       (1) Appropriations made by the legislature to the fund;  
11       (2) All contributions from public or private partners;  
12       (3) All interest earned on or accrued to moneys deposited  
13           in the fund; and  
14       (4) Any other moneys made available to the fund from other  
15           sources.

16       (b) Moneys in the fund shall be used:

- 17       (1) To provide deferred-interest second mortgages for  
18           Hawaii public school educators as provided in 302A-B;  
19           or  
20       (2) For any other purpose deemed necessary to carry out  
21           the home ownership for educators program."

1 SECTION 4. There is appropriated out of the general  
2 revenues of the State of Hawaii the sum of \$ or so  
3 much thereof as may be necessary for fiscal year 2009-2010 and  
4 the same sum or so much thereof as may be necessary for fiscal  
5 year 2010-2011 for the teacher housing allowance program  
6 established under this part.

7 The sums appropriated shall be expended by the department  
8 of education for the purposes of this part.

9 SECTION 5. There is appropriated out of the general  
10 revenues of the State of Hawaii the sum of \$ or so much  
11 thereof as may be necessary for fiscal year 2009-2010 and the  
12 same sum or so much thereof as may be necessary for fiscal year  
13 2010-2011 to be deposited into the home ownership for educators  
14 second mortgage revolving trust fund established under section  
15 302A-D, Hawaii Revised Statutes.

16 SECTION 6. There is appropriated out of the homeownership  
17 for educators second mortgage revolving trust fund the sum of  
18 \$ or so much thereof as may be necessary for fiscal  
19 year 2009-2010 and the same sum or so much thereof as may be  
20 necessary for fiscal year 2010-2011 for making second mortgage  
21 loans to be utilized for the home ownership for educators  
22 program pursuant to chapter 302A, Hawaii Revised Statutes.

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

3 SECTION 7. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$ or so  
5 much thereof as may be necessary for fiscal year 2009-2010 and  
6 the same sum or so much thereof as may be necessary for fiscal  
7 year 2010-2011 for management of the teacher housing program and  
8 for renovation, repair, and maintenance costs necessary to bring  
9 existing units to acceptable levels of habitation.

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

12 SECTION 8. The department of education shall report to the  
13 legislature no later than twenty days prior to the convening of  
14 the regular sessions of 2010 and 2011 on the status of the  
15 current teacher housing programs and on the costs, feasibility,  
16 and benefits of new initiatives to address shortages in teacher  
17 housing, including second mortgage loan programs or other home  
18 loan guarantee programs.

19 **PART II**

20 SECTION 9. The legislature finds that peer review programs  
21 offer an opportunity for new teachers to benefit from both the

1 pedagogical skills and "in the classroom" observations of their  
2 more experienced colleagues.

3 The purpose of this part is to require the department of  
4 education to expand its induction and mentoring program to all  
5 schools, complex areas, and districts and include a peer review  
6 program for new teachers.

7 SECTION 10. Chapter 302A, part III, Hawaii Revised  
8 Statutes, is amended by adding a new section to be appropriately  
9 designated and to read as follows:

10 "§302A-E Teachers; peer review program. (a) All new  
11 teachers shall participate in a peer review program for the  
12 first five years of employment with the department; provided  
13 that the five-year period may be shortened or extended at the  
14 recommendation of the peer reviewer and with the concurrence of  
15 the teacher.

16 (b) The department of education shall expand its induction  
17 and mentoring program to all schools, complex areas, and  
18 districts and include a peer review program pursuant to  
19 subsection (a). The department shall develop and administer  
20 standards for the peer reviewers to follow and shall select the  
21 peer reviewers from retired department teachers who held a valid  
22 teaching certificate or license at the date of their retirement.



1 (c) New teachers who receive satisfactory peer reviews  
2 under the standards established pursuant to subsection (b) may  
3 receive step increases during their participation in the peer  
4 review program, subject to negotiations pursuant to section  
5 89-9."

6 SECTION 11. 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 2009-2010 and  
9 the same sum or so much thereof as may be necessary for fiscal  
10 year 2010-2011 for the peer review program established pursuant  
11 to section 302A-E, Hawaii Revised Statutes.

12 The sums appropriated shall be expended by the department  
13 of education for the purposes of this part.

#### 14 **PART III**

15 SECTION 12. The legislature finds that attracting  
16 experienced out-of-state teachers is one means of addressing the  
17 teacher shortage in Hawaii. Under current department of  
18 education bargaining unit contract and school code provisions, a  
19 maximum of six years of prior teaching experience is allowable  
20 for salary replacement credit for full-time teaching experience  
21 in a recognized public or private school in the United States.

1 The purpose of this part is to provide an incentive for  
2 experienced teachers to relocate to Hawaii by extending the  
3 six-year cap to a maximum of ten years.

4 SECTION 13. (a) The department of education shall review  
5 the procedures necessary and establish a timetable to amend the  
6 provisions of bargaining unit (6) contract, article XVII(F), and  
7 department of education school code 5200(A) compensation, to  
8 increase from six years to ten years the number of years of  
9 prior teaching experience allowable for salary placement credit  
10 for full-time experience in a recognized public or private  
11 school (K-12) in the United States (including territories,  
12 possessions or Department of Defense Schools overseas); provided  
13 that the ten-year cap shall apply to teachers:

14 (1) Entering the service of the department in hard-to-fill  
15 vacancies in geographically isolated schools; and

16 (2) Holding national board certification.

17 (b) The department shall report to the legislature no  
18 later than twenty days prior to the convening of the regular  
19 session of 2010 on the procedures required and the timetable to  
20 implement the amendments in subsection (a).

21 **PART IV**

1 SECTION 14. The legislature further finds that teacher  
2 induction programs can cut teacher attrition in half and improve  
3 teacher effectiveness. Research indicates that among beginning  
4 teachers nationally, forty-one per cent who do not receive  
5 induction support change schools or leave the profession  
6 altogether after their first year, compared to only eighteen per  
7 cent of teachers who participate in effective induction  
8 programs.

9 The purpose of this part is to require the department of  
10 education to report on its teacher induction and mentoring  
11 program.

12 SECTION 15. The department of education shall report to  
13 the legislature no later than twenty days prior to the convening  
14 of the regular session of 2010 on teacher retention rates for  
15 the most recent five-year period, the current status of its  
16 teacher induction and mentoring program, and its progress in:

- 17 (1) Providing an effective transition into the teaching  
18 career for first-year and second-year teachers;
- 19 (2) Ensuring that mentors provide intensive individualized  
20 support and assistance to each of the participating  
21 beginning teachers;

- 1           (3) Providing continuous program improvement through
- 2                   ongoing research, development, and evaluation; and
- 3           (4) Ensuring professional success and retention of new
- 4                   teachers.

**PART V**

6           SECTION 16. The legislature finds that to fully address

7 the teacher shortage in public schools, the State must take a

8 comprehensive approach to ensure that an adequate supply of new

9 teachers are being trained, and once trained and hired, efforts

10 are made to retain these teachers.

11           The purpose of this part is to require the department of

12 education to report on statewide efforts to reduce teacher

13 shortages.

14           SECTION 17. The department of education shall report to

15 the legislature no later than twenty days prior to the convening

16 of the regular session of 2010 on statewide efforts to reduce

17 teacher shortages, which shall include, but not be limited to:

- 18           (1) A review of any previous plans developed within the
- 19                   past six years to address the teacher shortage in
- 20                   Hawaii, and the success or failure of the plans to
- 21                   achieve reductions in teacher shortages;



**Report Title:**

Teachers; Omnibus; Appropriations

**Description:**

Provides incentives for the recruitment and retention of public school teachers. (SD2)