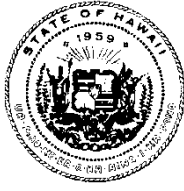


DAVID Y. IGE  
GOVERNOR



CRAIG K. HIRAI  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM  
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION  
677 QUEEN STREET, SUITE 300  
Honolulu, Hawaii 96813  
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of  
**Craig K. Hirai**  
Hawaii Housing Finance and Development Corporation  
Before the

**HOUSE COMMITTEE ON EDUCATION**

February 12, 2018 at 2:10 p.m.  
State Capitol, Room 309

In consideration of  
**H.B. 2166, H.D. 1**  
**RELATING TO HOUSING VOUCHERS.**

HHFDC *appreciates the intent* of H.B. 2166, H.D. 1 but defers to the Department of Education on the extent of the demand for the proposed housing voucher program and funding for the program.

Thank you for the opportunity to testify.

DAVID Y. IGE  
GOVERNOR



CATHERINE PAYNE  
CHAIRPERSON

STATE OF HAWAII  
STATE PUBLIC CHARTER SCHOOL COMMISSION  
(‘AHA KULA HO‘ĀMANA)

<http://CharterCommission.Hawaii.Gov>  
1111 Bishop Street, Suite 516, Honolulu, Hawaii 96813  
Tel: (808) 586-3775 Fax: (808) 586-3776

**LATE**

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FOR: HB 2166 HD 1 Relating to Housing Vouchers  
DATE: February 12, 2018  
TIME: 2:10 P.M.  
COMMITTEE: House Committee on Education  
ROOM: Conference Room 309  
FROM: Sione Thompson, Executive Director  
State Public Charter School Commission

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Chair Woodson, Vice-Chair Kong, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony in **SUPPORT of HB 2166 HD1**, which establishes a housing voucher program for full-time teachers who are employed by the Department of Education and in public charter schools.

The Commission appreciates the Legislature’s efforts and willingness to support teachers and their commitment to serving our public school students. The Commission looks forward to collaborating with this committee, other affected stakeholders, and public charter schools in moving this legislation forward.

Thank you for the opportunity to provide this testimony.



STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

**LATE**

**Date:** 02/12/2018

**Time:** 02:10 PM

**Location:** 309

**Committee:** House Education

**Department:** Education

**Person Testifying:** Dr. Christina M. Kishimoto, Superintendent of Education

**Title of Bill:** HB 2166, HD1 RELATING TO HOUSING VOUCHERS.

**Purpose of Bill:** Authorizes the Hawaii Housing Finance and Development Corporation to establish a housing voucher program for full-time classroom teachers employed by the Department of Education or by a public charter school. (HB2166 HD1)

**Department's Position:**

The Hawaii State Department of Education (HIDOE) is in support of HB 2166. In addition, HB 2166 should include an appropriation to fund the housing voucher program.

The HIDOE is focusing on increasing the pipeline of new teachers coming into the profession, but is also concentrating on increasing teacher retention rates. If teachers stayed longer in the profession there would be less vacancies to fill. Housing subsidy vouchers can be a tool to increase the HIDOE's teacher retention, especially in hard-to-fill geographic areas. According to a 2016 report by the Learning Policy Institute housing incentives was one factor that had teacher's who left the profession consider returning.

The bill aligns with Goal 2 of the HIDOE's Strategic Plan in that this program would help with improving teacher recruitment and retention. The financial assistance provided through the voucher program would help to ease some of the financial burden due to the high cost of living in the state.

The Hawaii State Department of Education seeks to advance the goals of the Strategic Plan which is focused on student success, staff success, and successful systems of support. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at [www.hawaiipublicschools.org](http://www.hawaiipublicschools.org).

**HB-2166-HD-1**

Submitted on: 2/9/2018 5:02:31 PM

Testimony for EDN on 2/12/2018 2:10:00 PM

**LATE**

| <b>Submitted By</b> | <b>Organization</b>        | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|----------------------------|---------------------------|---------------------------|
| Melodie Aduja       | OCC Legislative Priorities | Support                   | No                        |

Comments:

**PRESENTATION OF THE  
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES**

**DEMOCRATIC PARTY OF HAWAII**

TO THE COMMITTEE ON EDUCATION

THE HOUSE OF REPRESENTATIVES

TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

Monday, February 12, 2018

2:10 p.m.

Hawaii State Capitol, Conference Room 309

**RE: Testimony in Support** of HB 2166 HD1, RELATING TO HOUSING VOUCHERS

To the Honorable Justin H. Woodson, Chair; the Honorable Sam Satoru Kong, Vice-Chair and the Members of the Committee on Education:

Good afternoon, my name is Melodie Aduja. I serve as Chair of the Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on House Bill No.2166 HD1, relating to housing vouchers for full-time classroom teachers.

The OCC Legislative Priorities Committee is in favor of House Bill No. 2166 HD1 and support its passage.

House Bill No. 2166 HD1 is in alignment with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it authorizes the Hawaii Housing Finance and Development Corporation to establish a housing voucher program for full-time classroom teachers employed by the Department of Education or by a public charter school.

The DPH Platform states that "[e]ducation shall be respected as a valuable resource and those pursuing a profession in education shall be compensated with a **competitive wage based on national standards while taking into consideration the state's cost of living**. We support hiring the most qualified individuals to be teachers and administrators for our educational system. We also support and value the universities and colleges that prepare educators and provided advanced degrees." (Platform of the DPH, P. 6, Lines 310-314 (2016)).

Given that House Bill No. 2166 HD1 provides for housing vouchers for full-time classroom teachers, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ **Melodie Aduja**

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: [legislativepriorities@gmail.com](mailto:legislativepriorities@gmail.com), Tel.: (808) 258-8889



**LATE**

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Corey Rosenlee  
President  
Justin Hughey  
Vice President  
Amy Perruso  
Secretary-Treasurer  
Wilbert Holck  
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON  
EDUCATION

RE: HB 2166, HD1 - RELATING TO HOUSING VOUCHERS

MONDAY, FEBRUARY 12, 2018

COREY ROSENLEE, PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Woodson and Members of the Committee:

The Hawaii State Teachers Association **supports and suggests amendments for HB 2166, HD1**, relating to housing vouchers.

Hawai'i continues to suffer from a shortage of qualified teachers. According to the DOE's STRIVE HI accountability reports, for the 2017-2018 school year, the state saw 1,011 SATEP vacancies, up from 920 SATEP vacancies in 2016-2017, including a slight increase in SPED SATEP vacancies, from 290 in 2016-2017 to 311 in 2017-2018. As we have noted to the Board of Education at previous hearings, SPED teacher attrition has led to a situation in which 1 out of every 6 SPED teachers have not completed a state-sanctioned teacher training program. Our teacher shortage problem is further clarified in the DOE's 2016-2017 Employment Report, which shows that teacher resignations increased from 781 in 2015-2016 to 850 in 2016-2017. Similarly in-state SATEP hires decreased from 404 to 387 over that time span, while out-of-state SATEP hires increased from 508 to 572. Teacher attrition is worse in high-poverty areas. In the Nanakuli-Waianae Complex Area, for example, an astounding 18 out of 19 SPED teachers hired for the 2017-2018 school year do not have a special education license.

Financial incentives are a key strategy for the recruitment and retention of teachers, particularly given that Hawai'i's teacher salaries continue to trail the nation when adjusted for cost of living. To recruit and retain effective educators, policymakers must find ways to lessen the financial burden of being a public school teacher. Establishing a housing voucher program is a good first step. In the islands, where new housing rarely becomes available, the percentage of renters who face

cost burdens—financial handicaps incurred by people spending over 30 percent of their income on housing—is roughly 57 percent, according to the National Low Income Housing Coalition. Many of those cash-strapped renters are state educators, who are chronically underpaid. To make ends meet, many teachers are forced to pick up second and third jobs, live in cramped studio apartments, and cut back on necessities like medical care. Thus, a housing voucher program would assist teachers in attaining sustainable and stable residency, while staving off crushing debt burdens. It would also make the teaching profession more attractive by increasing educators’ purchasing power through the subsidization of rent and mortgages in the state with the nation’s highest housing costs.

That said, we urge your committee to amend this measure’s applicability. Currently, the housing voucher program imagined by this bill applies to “classroom teachers,” which is not a legal term. "Teachers," as defined in HRS §302A-101, means “a person whose duties in the public educational system are primarily teaching or instruction of students or related activities centered primarily on students and who is in close and continuous contact with students, and shall include but not be limited to classroom teachers, school librarians, counselors, registrars, and special education teachers.” We oppose the codification of any distinction between classroom teachers and non-classroom teachers in state law and urge you to amend the measure to include all teachers, who are all covered by the same salary scale.

To take care of the needs of Hawai’i’s hardworking teachers, the Hawaii State Teachers Association asks your committee to **support** this bill.

**LATE**



46-063 Emepela Pl. #U101 Kaneohe, HI 96744 · (808) 679-7454 · Kris Coffield · Co-founder/Executive Director

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**TESTIMONY FOR HOUSE BILL 2166, HOUSE DRAFT 1, RELATING TO TEACHER HOUSING**

**House Committee on Education  
Hon. Justin H. Woodson, Chair  
Hon. Sam Satoru Kong, Vice Chair**

**Monday, February 12, 2018, 2:10 PM  
State Capitol, Conference Room 309**

Honorable Chair Woodson and committee members:

I am Kris Coffield, representing IMUAlliance, a nonpartisan political advocacy organization that currently boasts over 400 members. On behalf of our members, we offer this testimony in support of, with proposed amendments for House Bill 2166, HD 1, relating to teacher housing.

Hawai'i residents face the highest housing costs in the nation, at more than twice the national average. Researchers who authored the National Low Income Housing Coalition's *Out of Reach 2017* report found that a full-time worker would need to earn \$35.20/hour to afford a two-bedroom apartment at fair market value in our state, with Honolulu experiencing a 67 percent increase in fair market rent between 2005 and 2015. Average rent for a two-bedroom unit surpassed \$2,000 in recent years, with minimum wage workers needing to log 116 hours per week to afford a modest one-bedroom apartment at fair market value and 139 hours per week to afford a two-bedroom—a number that is equivalent to working 20 hours a day with no days off year-round. In the past three years alone, Honolulu rent has increased by more than 25 percent. While 43 percent of Hawai'i residents are renters (a number that does not include individuals and families renting outside of the regulated rental market), they earn an average wage of \$15.64/hour, scarcely enough to meet their basic needs. One out of every four households in Hawai'i report that they are “doubling up” or are three paychecks or less away from being homeless, per the Hawai'i Appleseed Center for Law and Economic Justice. Additionally, 54 percent of households are cost-burdened, meaning that they pay more than 30 percent of their income for housing costs, a number that rises to 83 percent of extremely low-income households. Homelessness is directly tied to our state's exorbitant cost of living and penchant for catering to people who use the islands as their own



private Monopoly board. We beseech you to seek innovative ways of making Hawai'i more affordable for our economically disadvantaged neighbors, too many of whom are teachers.

Our state's cost of housing has skyrocketed over the last decade, leaving many families searching for affordable alternatives, in shelters, or on the streets. For context, the median price of condominiums on O'ahu increased 6 percent in the summer of 2017 to a record \$425,000, while the median price for single-family homes increased by 3 percent to \$795,000, according to the Honolulu Board of Realtors, a number that they expect to increase by at least another 5 percent in 2018. Average fair market rent for two-bedroom apartments in *outlying* communities in the City and County of Honolulu now exceeds \$2,000, with the cost of a four-bedroom home in urban Honolulu now exceeding \$1.1 million. At least 43 percent of residences in Hawai'i are owner unoccupied, according to the National Low-Income Housing Coalition, meaning that nearly 50 percent—and by some estimates over half—of Hawai'i's homes are likely investment properties.

At the same time, for the 2017-2018 school year, the Hawai'i State Department of Education report 1,011 teacher vacancies. The number of new teachers hired who have not completed a state approved teacher education program has increased from 125 for the 2011-2012 school year to 294 for the 2016-2017 school year. Over the same period, the number of teacher resignations has increased from 624 in 2011-2012 to 850 in 2015-2016, while the total number of voluntary teacher separations has increased from 934 in 2011-2012 to 1,170 in 2016-2017. In short, hundreds of teachers are leaving the workforce each year at an accelerating pace, while the DOE does not have enough trained and licensed teachers in waiting to fill the holes they leave. The culprit for our state's escalating teacher shortage crisis? Primarily, Hawai'i's last-in-the-nation teacher pay (adjusted for cost of living). Inasmuch as a teacher housing program provides a financial benefit tantamount to raising teacher pay, it is worth noting that studies have shown that as teacher pay increases, so, too, does student achievement. A Stanford University study found that "raising teacher wages by 10 percent reduces high school dropout rates by 3 percent to 4 percent," while a Florida study showed that pay raises reduced teacher attrition by as much as 25 percent for hard-to-fill subject areas, with children's learning growth gaining from more exposure to experienced educators. Recently, the Hawai'i State Teachers Association performed a study of teacher compensation in comparison with mainland peer districts. HSTA discovered that teachers' wages are \$4,000 to \$26,000 below that of their mainland peers. Put simply, to reduce teacher turnover, we must pay educators what they're worth. When we don't, they simply can't afford to create a life in the islands.

The time for deliberation is over. It's time to act. Experts at DBEDT now estimate that Hawai'i needs 66,000 new housing units by the year 2025 to keep up with demand, more than 80 percent of which is needed for people who qualify for affordable housing—which many Hawai'i teachers do, even at the 80 percent of area median income threshold often used for qualification purposes. In Honolulu, 80 percent of AMI for a single person equates to \$58,640, according to the Hawai'i Housing Finance and Development Corporation, which is almost exactly equivalent to the

average salary of Hawai'i's public school teachers. Yet, for every 100 extremely low-income renters on O'ahu, there exist only 40 affordable rentals, according to the Urban Institute, of which only 11 are "naturally affordable," meaning they are affordable without federal subsidies. Though our state is committed to a goal of building 22,500 affordable rental housing units in the next 10 years, figures from the Hawai'i Housing Finance and Development Corporation show that in 2015 and 2016, we added only approximately 1,000 affordable rental units to our state's inventory, with further plans finalized for a mere 3,240 more affordable rentals by 2022, not nearly enough to meet the needs of our state's hardworking families.

That said, we note that this measure creates a distinction between classroom and non-classroom teachers, applying the proposed housing program only to classroom teachers. Such a distinction is not found in state law. Instead, under HRS §302A-101, teacher "means a person whose duties in the public educational system are primarily teaching or instruction of students or related activities centered primarily on students and who is in close and continuous contact with students, and shall include but not be limited to classroom teachers, school librarians, counselors, registrars, and special education teachers." Moreover, all teachers included under the definition in HRS §302A-101 are members of bargaining unit (5) and subject to the same salary scale. Therefore, **we urge your committee to amend this measure by eliminating the distinction between classroom and non-classroom teachers and, in turn, applying the proposed housing program to all teachers included under HRS §302A-101.**

Teachers need housing now. Mahalo for the opportunity to testify in support of this bill.

Sincerely,  
Kris Coffield  
*Executive Director*  
IMUAlliance

**HB-2166-HD-1**

Submitted on: 2/10/2018 10:55:45 AM

Testimony for EDN on 2/12/2018 2:10:00 PM

**LATE**

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Jeff Gilbreath      |                     | Support                   | No                        |

Comments: