



**STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE**

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HONOLULU, HAWAII 96810-0150

**WRITTEN ONLY**

**TESTIMONY BY LAUREL A. JOHNSTON  
ACTING DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON EDUCATION  
ON  
SENATE BILL NO. 2383**

**January 31, 2018  
2:45 p.m.  
Room 229**

**RELATING TO EDUCATION**

Senate Bill No. 2383 amends Section 302A-706, HRS, to include both public school teachers and school psychologists in the National Certification Incentive Program established within the Department of Education (DOE). Furthermore, the measure specifies that the funds necessary to pay for teacher incentive programs, bonuses, and other compensation required by law or collective bargaining beyond regular wages, shall not be paid out of a charter school's facilities funding or per pupil funding. The measure indicates that the funding requests for these amounts for each charter school shall be a separate line item in the General Appropriations Act and the Supplemental Appropriations Act. The measure also makes unspecified appropriations for Supplemental FY 2019.

The Department of Budget and Finance provides the following comments. If enacted, the measure would provide the public charter schools with additional funding for items that DOE public schools are not currently allocated. The DOE currently absorbs most of the costs for incentive programs, bonuses, and other compensation within its appropriated budget.

The measure also provides for an additional \$5,000 bonus annually under a new subparagraph, 302A-706(a)(5). However, it is unclear if this is meant to provide an additional bonus amount over and beyond what is currently provided by statute or to continue the bonus for eligible teachers and school psychologists identified under 302A-706(a)(4) even though the school that the teacher or school psychologist is employed at no longer meets the criteria under 302A-706(a)(4).

On a technical matter, the measure appears to appropriate funding twice for the bonuses for the public charter schools. The first appropriates funds to be expended by DOE and the second appropriates funds to be expended by the Hawaii State Public Charter School Commission.

It should be noted that House Bill No. 1900, the Executive Supplemental Appropriations Act for FY 2019, recommends additional funding as follows:

For Charter Schools -- \$95,000 for national board-certified teacher incentives and \$667,050 for hard-to-staff incentives; and

For DOE Schools -- \$904,384 for hard-to-staff incentives.

Thank you for your consideration of our comments.

DAVID Y. IGE  
GOVERNOR



CATHERINE PAYNE  
CHAIRPERSON

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

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FOR: SB 2383 Relating to Education  
DATE: January 31, 2018  
TIME: 2:45 P.M.  
COMMITTEE: Committee on Education  
ROOM: Room 229  
FROM: Sione Thompson, Executive Director  
State Public Charter School Commission

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Chair Kidani, Vice Chair Kahele, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony in **SUPPORT of SB 2383**, which provides teacher incentive funds as a separate budgetary appropriation. This proposed amendment to the charter school law, Chapter 302D, HRS, would allow for a permanent solution that would fully fund teacher incentive pay for charter school teachers who teach in hard-to-staff areas and who have earned National Board certification.

The current Master Agreement between the Board of Education and the Hawaii State Teachers Association requires that teachers in specific geographic areas be paid an annual differential of \$3,000. The proposed Supplemental Executive Budget provides \$667,050 for charter schools to pay the hard-to-fill incentive. The Commission looks forward to working with the administration, the Legislature, and charter schools in securing the funding for this incentive this legislative session.

National Board Certified teachers represent another group of teachers charter schools are required to provide an incentive to. Section 302A-706, HRS, establishes the teacher national board certification incentive program which provides a \$5,000 bonus to teachers who maintain national board certification. Incentives are also provided for completion of the certification program and an additional \$5,000 is provided to national board certified teachers who teach at a designated hard-to-fill area.

For the 2017-2018 school year, there are currently sixteen teachers in eleven charter schools who have current national board certification. Of these sixteen teachers, three teachers work in designated hard-to-fill areas.

The Commission is grateful that this full amount was provided for in the Supplemental Executive Budget request this year and would appreciate the continued support of the Legislature in approving this funding.

The Commission also appreciates the efforts of this committee in providing a permanent solution to this funding challenge through the amendment proposed in this measure. The Commission looks forward to collaborating with this committee and the Legislature as a whole in advancing this important legislation.

Thank you for the opportunity to provide this testimony.

**SB-2383**

Submitted on: 1/31/2018 4:18:37 PM

Testimony for EDU on 1/31/2018 2:45:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Staci Gonzales		Support	No

Comments:

We in the DOE have had significant difficulty recruiting and retaining highly qualified school psychologist to fill our positions. I believe that this national certification bonus would provide an incentive for highly qualified school psychologists to come to Hawaii and stay employed within the DOE.