



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

Date: 03/19/2019

Time: 02:00 PM

Location: 309

Committee: House Lower & Higher
Education

House Housing

Department: Education

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

Title of Bill: SB 0114, SD1 RELATING TO TEACHER HOUSING.

Purpose of Bill: Establishes the teacher home assistance program to be administered by the Hawaii Housing Finance and Development Corporation to provide housing vouchers to full-time teachers employed by the Department of Education, including teachers at public charter schools, who teach at a hard-to-fill school, as determined by the Department of Education, and whose household income does not exceed 80% of the area median income. Appropriates funds. Effective 7/1/2050. (SD1)

Department's Position:

The Department of Education (Department) supports SB 0114, SD 1. We also offer the following comments.

SB 114, SD 1 aligns with Goal 2 of the Department's Strategic Plan of focusing on increasing the pipeline of new teachers entering the education profession and increasing teacher retention rates.

Housing subsidy vouchers can be a tool to increase the Department'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 for teachers who left the profession in their consideration in returning to the field of education. The financial assistance provided through the voucher program would help to ease some of the financial burden, magnified by high cost of living in Hawaii.

The Department also notes that hard-to-fill schools may also employ half-time teachers. Based on the proposed language, only those individuals working as full-time (1.0 FTE) teachers would be eligible for the housing assistance program.

Thank you for the opportunity to provide testimony on this measure.

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.



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 LOWER & HIGHER EDUCATION
HOUSE COMMITTEE ON HOUSING

March 19, 2019 at 2:00 p.m.
State Capitol, Room 309

In consideration of
S.B. 114, S.D. 1
RELATING TO TEACHER HOUSING.

The HHFDC *offers the following comments* on S.B. 114, S.D. 1. HHFDC does not have the appropriate staff and expertise to administer a housing voucher program for full-time teachers employed at a hard-to-fill public or charter school whose household income does not exceed 80 percent of the area median income.

Following the Senate subject matter committee hearing on this bill, HHFDC consulted with the Hawaii Public Housing Authority on its housing voucher program staffing and workload. Their program ID responsible for this function, HMS 222, has 22.50 full time equivalent (FTE) federally-funded positions to process vouchers for approximately 1,722 families. Presumably, there are fewer full-time teachers in hard-to-fill public or charter schools who meet the income criteria set forth in this bill, so HHFDC would require a lesser, but commensurate number of positions and the associated General Fund appropriations for personal services to staff this proposed teacher housing voucher program, on top of the appropriation of funds needed to fund the vouchers themselves.

Thank you for the opportunity to testify.



SB 114 SD1
RELATING TO TEACHER HOUSING
House Committee on Lower & Higher Education
House Committee on Housing

March 19, 2019

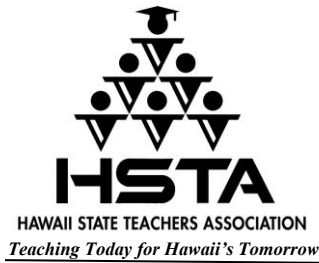
2:00 p.m.

Room 309

The Office of Hawaiian Affairs (OHA) **SUPPORTS** SB114 SD1, which would authorize the Hawai'i Housing Finance and Development Corporation to develop and implement a housing voucher program for full-time teachers employed at hard-to-fill Department of Education and public charter schools, and whose household income does not exceed eighty per cent of the area median income, to be used toward rent, mortgage, or down payment expenses for their primary residences.

Financial incentives, such as that proposed by SB114 SD1, would help to address the state's shortage of qualified teachers in hard-to-fill schools, many of which serve predominantly Native Hawaiian communities. Hawai'i continues to suffer from a general shortage of qualified teachers; as a result, the Department of Education (DOE) is often forced to rely on emergency hires and substitute teachers to fill teacher vacancies. Public school teacher recruitment and retention challenges are especially heightened for hard-to-fill schools, defined in the current Hawai'i State Teacher's Association contract as those located in the Hāna, Kea'au, Lāna'i, Moloka'i, Ka'ū, Nānākuli, Pāhoa and Wai'anae complexes. **As the substantial majority of these schools are located in rural regions with high concentrations of Native Hawaiian families, the qualified teacher shortage may particularly impact Native Hawaiian public school students.** By providing housing incentives to full-time qualified teachers at such hard-to-fill schools, this measure's proposed voucher program can serve as a much-needed tool to better meet the educational needs of Native Hawaiian students and their classmates.

For these reasons, OHA urges the Committee to **PASS** SB114 SD1. Mahalo nui for the opportunity to testify on this measure.



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Corey Rosenlee
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Vice President
Logan Okita
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Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON LOWER & HIGHER
EDUCATION AND THE COMMITTEE ON HOUSING

RE: SB 114, SD1 - RELATING TO TEACHER HOUSING

TUESDAY, MARCH 19, 2019

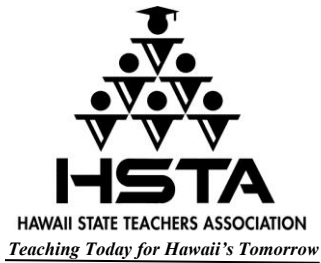
COREY ROSENLEE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Woodson, Chair Bower, and Members of the Committees:

The Hawaii State Teachers Association **strongly supports and proposes an amendment to SB 114**, relating to teacher housing.

We urge you to add the following language to **§201H- Teacher home assistance program**. (a) There is established a teacher home assistance program to be administered by the corporation. (b) The corporation shall provide housing vouchers to full-time teachers employed by the department of education, including teachers at public charter schools, who teach in a hard-to-fill school, as determined by the department of education, **and whose household income does not exceed eighty one hundred per cent of the area median income**.

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, and now 352 SPED SATEP vacancies for 2018-2019 as report to the BOE by the HIDOE. Last year in 2018-2019 we saw yet another increase in SATEP vacancies of 1,029 teachers. 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 and 1,114 in 2018-2019, with only 294 due to retirement. Similarly in-state SATEP hires decreased from 404 to 387 from 2016-



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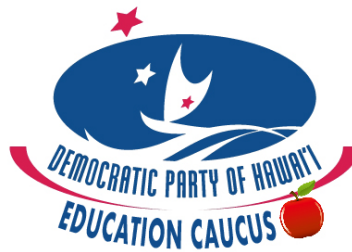
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2018, while out-of-state SATEP hires increased from 508 to 572. Teacher attrition is worse in high-poverty areas. In the Nanakuli-Waianae Complex Area, for example, an astounding 18 out of 19 SPED teachers hired for the 2017-2018 school year did not 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. IF we concentrate on retaining our teachers, the HIDOE would not have to focus so much on the recruitment of teachers.

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 and dental care. Thus they cannot devote their full attending to their students and the preparation of lessons and grading that they usually complete after school once their students have left for the day. Instead, they are rushing off to their second or even third jobs when they would much rather concentrate on their teaching duties and their students. **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.**

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



SENATE BILL 114, SD 1, RELATING TO TEACHER HOUSING

MARCH 19, 2019 · HOUSE LOWER AND HIGHER
EDUCATION AND HOUSING COMMITTEES · CHAIRS
REP. JUSTIN H. WOODSON AND REP. TOM
BROWER

POSITION: Support.

RATIONALE: The Democratic Party of Hawai'i Education Caucus supports SB 114, SD 1, relating to teacher housing, which establishes the teacher home assistance program to be administered by the Hawai'i Housing Finance and Development Corporation to provide housing vouchers to full-time teachers employed by the Department of Education, including teachers at public charter schools, who teach at a hard-to-fill school, as determined by the Department of Education, and whose household income does not exceed 80 percent of the area median income.

Currently, Hawai'i teachers experience the lowest salaries for their profession in the nation, when those salaries are adjusted for the cost of living. At the same time, island housing and rental prices are continuing to skyrocket. According to the Honolulu Board of Realtors, the median single-family home price in Honolulu hit a record \$812,500 in September of 2018, for example, while an analysis of rental values performed by ATTOM Data Solutions released earlier this year found that Honolulu's rentals are the second-least affordable in the country relative to wages.

The average Hawai'i public school teacher earns approximately \$58,000, which, on O'ahu qualifies as "low income", per the U.S. Department of Housing and Urban Development. Until teacher pay is significantly increased—as it should be—we believe housing assistance may help curb Hawai'i's teacher shortage crisis, which now stands at 1,029 positions statewide.

March 19, 2019

The Honorable Justin Woodson, Chair
House Committee on Lower & Higher Education

The Honorable Tom Brower, Chair
House Committee on Housing
State Capitol, Room 309
Honolulu, Hawaii 96813

RE: S.B. 114, SD1, Relating to Teacher Housing

HEARING: Tuesday, March 19, 2019, at 2:00 p.m.

Aloha Chair Woodson, Chair Brower, and Members of the Joint Committees,

I am Ken Hiraki Government Affairs Director, testifying on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its over 9,500 members. HAR **supports** Senate Bill 114, SD1, which establishes the teacher home assistance program to be administered by the Hawai'i Housing Finance and Development Corporation to provide housing vouchers to full-time teachers employed by the Department of Education, including teachers at public charter schools, who teach at a hard-to-fill school, as determined by the Department of Education, and whose household income does not exceed 80% of the area median income.

According to a 2017 study by the Joint Center for Housing Studies of Harvard University, Honolulu had the 4th highest rent amongst the 100 largest cities in the United States. As a State, Hawai'i has the highest cost burden at 50.8% of Hawaii's renters. Cost burdened households pay more than 30% of their income for housing, including utilities. Of that share, 27.1% are severely cost-burdened, where they spend more than 50% of their income on housing. As such, many of our Hawai'i residents, including teachers, cannot afford the high costs of housing and living in Hawai'i.

As such, we believe this is a creative approach to help teachers with Hawaii's high costs of housing, which in turn will help with teacher retention and recruitment.

Mahalo for the opportunity to testify.

SB-114-SD-1

Submitted on: 3/15/2019 9:13:09 PM

Testimony for LHE on 3/19/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lois Crozer	Individual	Support	No

Comments:

SB-114-SD-1

Submitted on: 3/18/2019 1:17:01 PM

Testimony for LHE on 3/19/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeff Gilbreath	Hawaiian Community Assets	Support	No

Comments:

Our organization supports programs that will assist our teachers and their households earning \$75,000 annually or less in accessing housing that is truly affordable for them. Similar programs have been put in place at the Federal level, including HUD's Good Neighbor Next Door program which provides financial resources and support to teachers, fire fighters, police officers, and first responders interested in purchasing homes as 1st-time homebuyers. A State program to support our teachers with housing affordability as this bill does would pay dividends with our ability to retain quality teachers and best educate our next generation.

SB-114-SD-1

Submitted on: 3/18/2019 1:58:34 PM

Testimony for LHE on 3/19/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Howe	Individual	Support	No

Comments:

DAVID Y. IGE
GOVERNOR



JOHN S.S. KIM
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

FOR: SB 114 SD1 Relating to Teacher Housing
DATE: March 19, 2019
TIME: 2:00 P.M.
COMMITTEE: Committee on Lower and Higher Education
Committee on Housing
ROOM: Conference Room 309
FROM: Sione Thompson, Executive Director
State Public Charter School Commission

Chair Woodson, Chair Brower, and members of the Committees:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony in **SUPPORT of SB 114 SD1**, which provides a teacher home assistance program to provide housing vouchers to full-time teachers who teach in a hard-to-fill area and are employed by the Department of Education and in public charter schools. The Commission is grateful for the inclusion of public charter schools in this measure.

The Commission further appreciates the Legislature’s efforts and willingness to address teacher recruitment and retention, especially in the hard-to-fill areas of the state. The Commission looks forward to collaborating with the Legislature, other affected stakeholders, and public charter schools in moving this legislation forward.

Thank you for the opportunity to provide this testimony.