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# A BILL FOR AN ACT

RELATING TO TEACHER COMPENSATION.

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

1           SECTION 1. The legislature finds that the retention of  
2 qualified teachers is essential to the success of Hawaii's  
3 public education system. The legislature further finds that  
4 research indicates that competitive and equitable compensation  
5 correlates with greater success in retaining qualified  
6 educators. Yet, numerous studies have shown that Hawaii's  
7 teacher salaries are the lowest in the nation when adjusted for  
8 the State's high cost of living, which contributes to the  
9 State's chronic teacher shortage. Low teacher salaries deter  
10 excellent teachers from remaining within demanding teaching  
11 fields. For the 2018-2019 school year, the department of  
12 education experienced a qualified teacher shortage of one  
13 thousand twenty-nine positions. For the 2019-2020 school year,  
14 the department of education experienced a qualified teacher  
15 shortage of nine hundred seventy-three positions.

16           The legislature further finds that there exists inequity  
17 and pay compression in teacher salaries wherein experienced



1 senior teachers are aligned with less senior teachers in their  
2 placement within the existing teacher salary schedules. This  
3 pay inequity impacts teacher recruiting and retention, thus  
4 contributing to the chronic teacher shortage. These inequity  
5 and compression issues affect approximately seven thousand  
6 teachers whose current base salary does not reflect the value of  
7 their experience accrued through years of professional,  
8 contributable service to the State of Hawaii.

9 Finally, the legislature finds that an increasing number of  
10 school districts around the country are utilizing additional  
11 compensation methods and strategies to improve the recruitment  
12 and retention of qualified teachers.

13 Accordingly, the purpose of this Act is to fund an  
14 experimental modernization project pursuant to section 78-3.5,  
15 Hawaii Revised Statutes, to address the pay compression issues  
16 amongst teachers in the State.

17 SECTION 2. There is appropriated out of the general  
18 revenues of the State of Hawaii the sum of \$ or so  
19 much thereof as may be necessary for fiscal year 2020-2021 to  
20 fund an experimental modernization project pursuant to section  
21 78-3.5, Hawaii Revised Statutes; provided that the experimental



1 modernization project shall provide for an automatic annual  
2 increase in teacher salaries.

3 The sum appropriated shall be expended by the department of  
4 education for the purposes of this Act.

5 SECTION 3. This Act shall take effect on July 1, 2020.

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INTRODUCED BY: \_\_\_\_\_

*[Handwritten signatures of legislators, including names like "Noble E. Lou" and "Dang Carnas"]*



# H.B. NO. 2696

**Report Title:**

Department of Education; Teacher Compensation; Experimental Modernization Project; Appropriation

**Description:**

Appropriates funds to DOE for an experimental modernization project to address pay compression issues amongst teachers.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

