



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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IN REPLY REFER TO:

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

HOUSE COMMITTEE ON HOUSING

March 12, 2019 at 9:30 a.m.
State Capitol, Room 423

In consideration of
S.B. 12, S.D. 1
RELATING TO TEACHER HOUSING.

The HHFDC *offers the following comments* on S.B. 12, 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.

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, 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.



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

Date: 03/12/2019
Time: 09:30 AM
Location: 423
Committee: House Housing

Department: Education

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

Title of Bill: SB 0012, SD1 RELATING TO TEACHER HOUSING.

Purpose of Bill: Authorizes the Hawaii housing finance and development corporation to develop and implement a housing voucher program for full-time teachers employed at a hard-to-fill public school, including a public charter school, as identified by the Department of Education. Effective 7/1/2050. (SD1)

Department's Position:

The Department of Education (Department) supports SB 12, SD 1, and offers the following comments.

SB 12 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.

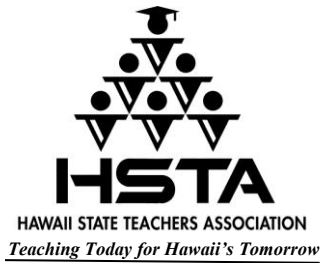
Housing subsidy vouchers can be a tool to increase the Department's teacher retention, especially in hard-to-fill geographic areas. According to a 2016 report by the Learning Policy Institute, housing incentives was one factor for teachers who left the profession in their consideration in returning to 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 it employs 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 voucher 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.



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TESTIMONY BEFORE THE HOUSE COMMITTEE ON HOUSING

RE: SB 12, SD1 - RELATING TO TEACHER HOUSING

TUESDAY, MARCH 12, 2019

COREY ROSENLEE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Brower, and Members of the Committee:

The Hawaii State Teachers Association **supports SB 12, SD1**, relating to teacher housing with suggested amendment to ensure the stipend is monthly.

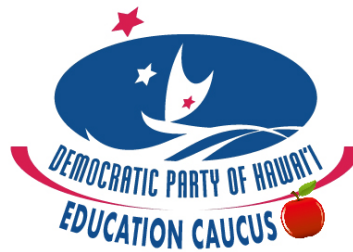
(a) The corporation may develop and implement a housing voucher program for full-time teachers employed by the department of education or at a public charter school. Each housing voucher shall not exceed \$500 per month and may be used toward rent or mortgage payments for the teacher's primary residence.

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 2016-2018, 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 with monthly stipends 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 12, SD 1, RELATING TO TEACHER HOUSING

MARCH 12, 2019 · HOUSE HOUSING COMMITTEE ·
CHAIR REP. TOM BROWER

POSITION: Support.

RATIONALE: The Democratic Party of Hawai'i Education Caucus supports SB 12, SD 1, relating to teacher housing, which authorizes the Hawai'i Housing Finance and Development Corporation to develop and implement a housing voucher program for full-time teachers employed at a hard-to-fill public school, including a public charter school, as identified by the Department of Education.

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.

SB-12-SD-1

Submitted on: 3/11/2019 9:18:22 AM

Testimony for HSG on 3/12/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:



LATE

SB12 SD1
RELATING TO TEACHER HOUSING
House Committee on Housing

March 12, 2019

9:30 a.m.

Room 423

The Office of Hawaiian Affairs (OHA) **SUPPORTS** SB12 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, to be used toward rent or mortgage payments for their primary residences.

Financial incentives, such as that proposed by SB12 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** SB12 SD1. Mahalo nui for the opportunity to testify on this measure.