

JOSH GREEN, M.D.
GOVERNOR



KEITH T. HAYASHI
SUPERINTENDENT

STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/12/2025

Time: 09:00 AM

Location: 430 VIA VIDEOCONFERENCE

Committee: House Housing

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Bill Title: HB 0323, HD1 RELATING TO TEACHER HOUSING.

Purpose of Bill: Establishes the Teacher Housing Assistance Program to provide housing vouchers to certain eligible teachers. Appropriates funds out of the Teachers' Housing Revolving Fund. Effective 7/1/3000. (HD1)

Department's Position:

The Hawai'i State Department of Education (Department) appreciates the opportunity to provide comments regarding HB 323, HD1 relating to teacher housing assistance.

The Department supports efforts to address Hawai'i's teacher recruitment and retention challenges. Our state's high cost of living and a shortage of affordable housing impact our ability to attract and retain qualified educators throughout our school system.

We respectfully request several clarifications to strengthen the bill's implementation. In Section g (2), we recommend amending it to: "Has taught at a public school or public charter school" to ensure that public charter schools are specifically mentioned.

The Department also recommends that, the requirement of "one year prior to the application date" should refer to the year immediately preceding the application.

While the Department supports the intent of this measure, successful implementation would require dedicated staff resources to verify eligibility, process applications, and administer the housing voucher program. The Department appreciates the inclusion of funding in this proposal but asks that any

additional funding or positions not affect the Department's request in its Governor-approved budget.

The Department remains committed to working with the Legislature to develop comprehensive solutions to our educator workforce challenges.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2025**

ON THE FOLLOWING MEASURE:

H.B. NO. 323, H.D. 1, RELATING TO TEACHER HOUSING.

BEFORE THE:

HOUSE COMMITTEE ON HOUSING

DATE: Wednesday, February 12, 2025 **TIME:** 9:00 a.m.

LOCATION: State Capitol, Room 430

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Anne T. Horiuchi or Randall M. Wat, Deputy Attorneys General

Chair Evslin and Members of the Committee:

The Department of the Attorney General (Department) provides the following comments.

The purpose of this bill is to alleviate the financial burden on teachers and improve teacher recruitment and retention by establishing the Teacher Housing Assistance Program to provide housing vouchers to certain eligible teachers. It appropriates funds out of the Teachers' Housing Revolving Fund.

The bill sets forth eligibility criteria for receiving these housing vouchers. See page 5, lines 1-18. One of the eligibility requirements is to "[c]ommit[] to teach at a hard-to-staff school . . . for no less than five consecutive years." Page 5, lines 8-11. However, the bill does not specify the consequences if a teacher fails to fulfill this commitment. For clarity, the Department recommends amending the bill to include provisions addressing the repayment of vouchers in such cases. We suggest inserting the following as new subsections (f) through (h) in the new section to be added to chapter 302A, starting on page 4, line 19:

(f) If a voucher recipient fails to satisfy the work requirements in accordance with subsection (j)(4), the recipient shall repay the total amount of voucher funds received as a loan repayable to the department. The repayment shall be subject to the terms and conditions set by the department, including circumstances under which recipients may be eligible for deferment or forgiveness due to hardship or inability to secure

employment, as well as potential for fees for the collection of delinquent repayment.

(g) Voucher funds repaid by the voucher recipient pursuant to subsection (f) shall be deposited into the teachers' housing revolving fund established pursuant to section 302A-833.

(h) In accordance with chapter 103D, the department may enter into written contracts with collection agencies to collect delinquent repayment of vouchers owed to the department pursuant to subsection (f). A collection agency that enters into a written contract with the department to collect delinquent voucher repayments pursuant to this section may collect a fee from the debtor in accordance with the terms of, and up to the amounts authorized in, the written contract.

The current subsections (f) and (g) should be redesignated as (i) and (j), respectively, and references to subsection (g) on page 3, lines 17 and 21, should be changed to references to subsection (j).

Thank you for the opportunity to provide comments on this bill.



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Ann Mahi
Executive Director

TESTIMONY TO THE HAWAI'I HOUSE COMMITTEE ON HOUSING

Item: HB 323, HD1 – Relating to Teacher Housing

Position: Support

Hearing: Wednesday, February 12, 2025, 9:00 am, Room 430

Submitter: Osa Tui, Jr., President - Hawai'i State Teachers Association

Dear Chair Evslin, Vice Chair Miyake and members of the committee,

The Hawai'i State Teachers Association (HSTA) strongly supports HB 323, HD1 which aims to alleviate the financial burden on teachers by establishing a Teacher Housing Assistance Program. This program will help to address the teacher shortage plaguing our schools and will help ensure our keiki have access to quality education.

HB 323, HD1 offers a direct solution by providing housing vouchers to eligible teachers, helping them with rent, mortgage payments, or down payments on their primary residence. Our high cost of living in Hawai'i, particularly the exorbitant housing costs, is a major factor driving qualified teachers away from our state and discouraging prospective educators from joining our workforce. This financial assistance will make it more feasible for teachers to live and work in Hawai'i and will help reduce the turnover rate and attract new teachers.

By addressing the financial challenges faced by teachers, we can improve recruitment and retention efforts, especially in hard-to-staff schools and underserved communities. This program will not only benefit individual teachers but also strengthen our schools and communities by ensuring that classrooms are staffed with dedicated and qualified professionals.

The HSTA urges the passage of HB 323, HD1 and invest in the well-being of our teachers, who play a vital role in shaping the lives of Hawai'i's future generations. By providing housing assistance, we can attract and retain the best and brightest educators, ultimately benefiting our students and strengthening our public schools.

Mahalo.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Third Legislature, State of Hawaii
The House of Representatives
Committee on Housing

Testimony by
Hawaii Government Employees Association

February 12, 2025

H.B. 323, H.D. 1 – RELATING TO TEACHER HOUSING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO wishes to provide comments on H.B. 323, H.D. 1, which proposes to establish a Teacher Housing Assistance Program to provide housing vouchers to certain eligible teachers and appropriates funds out of the Teachers' Housing Revolving Fund.

Under Act 172, SLH 2023, the legislature identified affordable housing as a key strategy for recruiting and retaining the education workforce; not just teachers. Similarly, the legislature should consider providing a "workforce home assistance program" to make other government employees eligible since they face the same low salaries and high cost of living.

The HGEA represents thousands of employees who work for the DOE and public charter schools who make less than a starting Hawaii teacher's salary. Some of these employees also work in hard-to-staff locations with high turnover. They, too, should benefit from a housing assistance program being administered by the department for which they work. They, too, deserve to be eligible for a housing voucher to assist with rent, mortgage, or a down payment for their primary residence.

Thank you for the opportunity to provide comments on H.B. 323, H.D. 1.

Respectfully submitted,

Randy Perreira
Executive Director



HOUSE BILL 323, HD1, RELATING TO TEACHER HOUSING

FEBRUARY 12, 2025 · HSG HEARING

POSITION: Support.

RATIONALE: The Democratic Party of Hawai'i Education Caucus **supports** HB 323, HD1, relating to teacher housing, which establishes the Teacher Housing Assistance Program to provide housing vouchers to certain eligible teachers and appropriates funds out of the Teachers' Housing Revolving Fund.

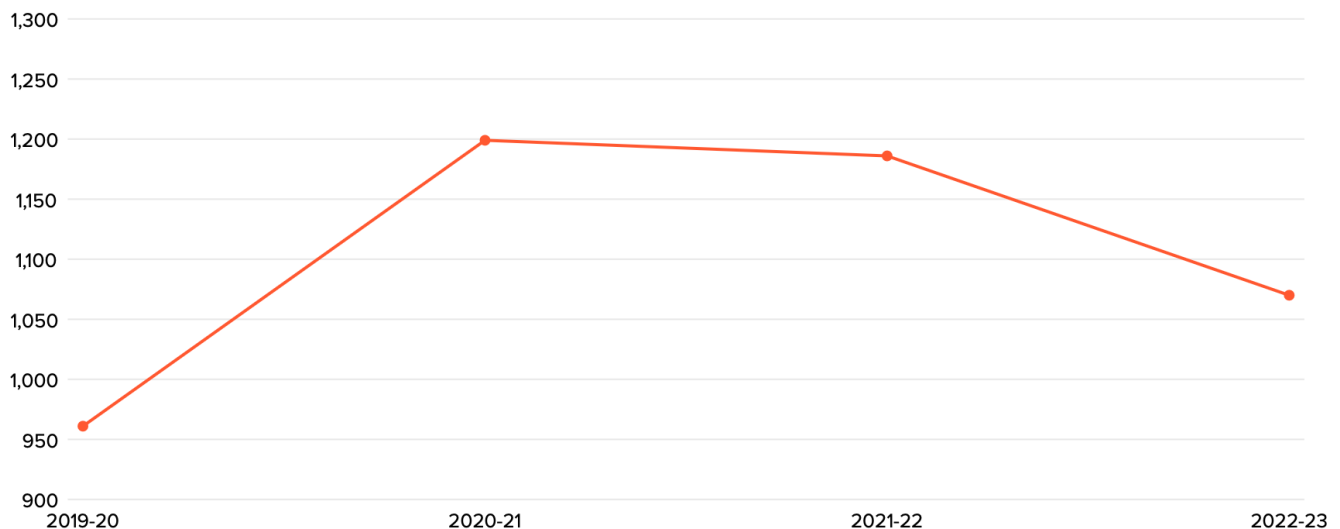
Teachers are the most important professionals in increasing student achievement. According to numerous studies, however, Hawai'i's average teacher salaries are the lowest in the nation when adjusted for cost of living. A 2020 study conducted by APA Consulting on behalf of the Hawai'i Department of Education found that when compared with other high-cost geographic locations, Hawai'i teachers are paid \$7,700 to \$26,000 less than their peers in school districts with similar costs of living, depending on length of service.

While that pay gap is decreasing because of the State Legislature's effort to fund differential pay increases and resolve salary compression in recent years, teachers are still underpaid compared to other professions that require a similar level of education. **Establishing programs to make housing affordable for teachers and other members of the education workforce would help offset the low wages experienced by Hawai'i's educators.**

A 2022 survey by the Annenberg Institute at Brown University placed Hawai'i among the 10 states with the lowest teacher-to-population ratio. Moreover, as *Honolulu Civil Beat* reported in August of last year, voluntary teacher separations remain high, at over 1,000 per year (see chart below).

Voluntary teacher separations, 2019 to 2023

The number of teachers annually leaving the DOE remains high but has started to decline following the pandemic.



DOE has not released data for the 2023-24 school year.

Chart: Megan Tagami/Civil Beat • Source: [Hawaii DOE](#)

These trends are further exacerbated by the aging teacher workforce. The Hawai'i State Teachers Association has repeatedly cautioned against being overly optimistic about positive teacher retention data, **with a wave of experienced educators expected to retire in the next few years.**

We need to find permanent solutions to address our state's ongoing teacher shortage.

Hawai'i residents face some of 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 2024* report found that a full-time worker would need to earn \$44.60/hour—or \$92,768 per year—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 well before the COVID-19 pandemic hit.

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, over 60 percent of households are severely cost-burdened, meaning that they pay more than 30 percent of their income on housing, a number that rises to over 80 percent of extremely low-income households.

A recent survey conducted by the Holomua Collective found that 60 percent of residents face worries about not being able to pay a monthly bill and 63 percent face difficulties in saving money from their paychecks for future emergencies, retirement, or other expenses. A staggering 70 percent of middle-class respondents to Holomua's survey say they will—or are unsure if they will have to—relocate in the coming years. As Holomua Collective states in its report on the findings, “These are the very workers powering Hawai‘i’s economy, now on the brink of leaving their homes behind.” That population includes the teachers who are tasked with educating our keiki.

To deliver the schools our keiki deserve, we must recruit and retain qualified educators. Our children’s future depends on our ability to meet that challenge.

Contact: educationcaucusdph@gmail.com



Strong Support for HB323

Aloha e Representatives, Chair, Vice Chair:

We are testifying on behalf of Locals In My Backyard (LIMBY) Hawai'i. LIMBY Hawai'i is a hui of concerned kama'āina and kānaka working to help develop solutions to our state's housing crisis.

We are concerned that NIMBYism has driven up costs and driven our friends and families out by opposing all development. We are equally concerned that the apparent answer to this, YIMBYism, insists that anything resembling true affordability is impossible so instead they promote building housing that gets bought by overseas investors. ***We know we won't solve our housing woes without building more, but we won't solve them by simply building more.***

The true solution is to create a housing market for locals: one that houses locals first, is tied to local wages, and is managed in trust. We detail real solutions to our housing woes on our website and through our newsletter.

The future for kama'āina and kānaka will be LIMBY or Las Vegas.

We strongly support this bill. Keeping our grossly underpaid teachers here should be a priority and this bill will go some way towards doing so. ***On those grounds, it deserves every member's full support as a stop-gap effort.***

Like other funding legislation for affordable housing, the bill could be improved if integrated into a plan to address the underlying cause of our affordable housing crisis: the speculative structure of our land market.

A better bill would incorporate this program into a comprehensive housing market directing homes purchased through this voucher into a housing trust and acquiring a permanent affordability easement in the property. While we should support teachers, there is no reason to perpetuate our housing problems while we do so.

Makana Hicks-Goo,
Organizer on behalf of LIMBY Hawaii

HB-323-HD-1

Submitted on: 2/10/2025 7:55:55 AM

Testimony for HSG on 2/12/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jessica	Individual	Support	Written Testimony Only

Comments:

Aloha Kākou,

My name is Jess Sobocinski and I am writing in support of this measure. I have been a HIDOE elementary school teacher for the last 3 years, but have wanted to become an elementary school teacher since moving to Hawai‘i in 2013. I only started working as a general education teacher in the 2021-2022 school year largely because I knew that I could not survive on beginning teacher's salary until I was able to pay off my undergraduate student loan debt.

Unfortunately, due to skyrocketing housing costs, I am now barely surviving on my teacher's salary even though I have no debt, a Master's degree in my field, and a decade of professional experience in education. In order to make ends meet, I have to take on additional contract work that pull my energy and focus away from my classroom. In Kona, where I currently live/work housing prices have almost tripled since 2013, and there is no HIDOE-sponsored teacher housing available. It is not mystery why our schools in particular struggle with teacher retention; even the most passionate and dedicated teachers cannot afford to remain in the profession. A reduction in my rent costs of even \$800-\$1,000 a month would greatly reduce my financial burden, allow me to stay in the profession, and help me work towards homeownership so that I could remain in my community and work long-term.

Mahalo,

Jess

**Testimony in Support of HB323
Relating to Teacher Housing**

Aloha Chair Woodsen, Vice Chair La Chica, Chair Evslin, Vice Chair Miyake , Chair Yamashita, Vice Chair Takenouchi and committee members.

My name is Mylia Pax. I am a resident of Honolulu and a student at UH Manoa. I am speaking to express my strong support for HB323, which seeks to provide specific housing support to educators.

As someone who dreamed of being a 5th generation teacher in my family, I see the value in the work that they do. Unfortunately due to the cost of housing in Hawai'i, I was forced to change my career route and pursue a different path. The financial burden of securing stable housing, coupled with the modest salaries educators receive, makes it nearly impossible for many passionate and qualified individuals to commit to teaching in Hawai'i. I have seen firsthand how educators struggle to afford the very communities they serve, leading to high turnover rates and a shortage of experienced teachers in our schools.

I urge you to support this bill as it directly addresses the financial challenges that deter talented individuals from pursuing and remaining in the teaching profession. By providing housing vouchers, HB323 offers a tangible solution that will help alleviate the burden of high living costs, particularly for those serving in hard-to-staff schools.

Mahalo for your time and consideration.

Mylia Pax