

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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Honolulu, Hawaii 96813
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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

January 31, 2019 at 9:30 a.m.
State Capitol, Room 423

In consideration of
H.B. 649
RELATING TO TEACHER HOUSING SUBSIDIES.

HHFDC does not have the appropriate staff and expertise to administer a housing voucher program of this nature, and therefore opposes H.B. 649.

Thank you for the opportunity to testify.



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

Date: 01/31/2019
Time: 09:30 AM
Location: 423
Committee: House Housing

Department: Education

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

Title of Bill: HB 0649 RELATING TO TEACHER HOUSING SUBSIDIES.

Purpose of Bill: Establishes the teacher home assistance program within 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 in hard-to-fill schools and whose household income does not exceed eighty percent of the area's median income. Appropriates funds.

Department's Position:

The Department of Education (Department) supports HB 649, with comments.

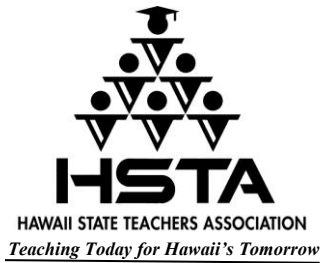
HB 649 aligns with Goal 2 of the Department's Strategic Plan of focusing on increasing the pipeline of new teachers entering the education profession and increasing teacher retention rates.

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 may help to ease some of the financial burden, magnified by high cost of living in Hawaii. Should the bill pass, the Department will collaborate with the Hawaii Housing Finance and Development Corporation (HHFDC), but defers to the HHFDC on implementation concerns about this measure. The Department also seeks clarification whether housing subsidy vouchers would be considered taxable income, and defers to the appropriate department for this analysis.

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 home assistance program.

Thank you for this opportunity to provide testimony. 1/30

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 COMMITTEES ON HOUSING

RE: HB 649 - RELATING TO TEACHER HOUSING SUBSIDIES

THURSDAY, JANUARY 31, 2019

COREY ROSENLEE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Brower and Members of the Committee:

The Hawaii State Teachers Association **strongly supports HB 649**, relating to teacher housing subsidies.

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 HODOE 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 subsidies program that would provide up to \$10,000 as a housing voucher for teachers will help us keep our teachers especially in those hard-to-fill areas. 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 subsidies 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 Hawaii's hardworking teachers, the Hawaii State Teachers Association asks your committee to **support** this bill.



O`ahu County Committee on Legislative Priorities (OCCLP)

COMMITTEE ON HOUSING
Rep. Tom Brower, Chair
Rep. Scot Z. Matayoshi, Vice Chair

DATE: Tuesday, January 31, 2019

TIME: 9:30 a.m.

PLACE: Conference Room 423, State Capitol

RE: HB 649 Relating to Teacher Housing Subsidies

Aloha mai kakou Chair Brower, Vice Chair Matayoshi, and Members of the Senate Committee on Housing:

The O`ahu County Committee on Legislative Priorities (OCCLP) of the Democratic Party of Hawai`i (DPH) hereby submits its testimony in **SUPPORT of HB 649 relating to Teacher Housing Subsidies.**

HB 649 establishes the teacher home assistance program within 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 in hard-to-fill schools and whose household income does not exceed eighty percent of the area's median income. HB 649 appropriates funds for this program.

DPH believes that the future of our State as well as our Country depends upon an educated and knowledgeable citizenry. DPH supports the prioritization of our resources toward providing quality public education and library services to every student, regardless of learning capacity or ability to pay, in an environment conducive to the learning process. These resources shall be made available at every level, from pre-school through higher education, including life-long learning.

Education shall be respected as a valuable resource and those pursuing a profession in education shall be compensated with a competitive wage based on National standards while taking into consideration our State's cost of living. DPH supports hiring the most qualified teachers, administrators and specialists for our educational system. DPH also supports partnerships with universities and colleges that prepare educators and provide advanced degrees

in Hawai'i or elsewhere who provide practicum support and or access. *Democratic Party of Hawai'i Platform (2018), p. 2, ln. 50-52, p.3, ln. 1-10.*

Given that this measure provides vouchers for teacher housing, OCCLP supports this measure as teacher housing may be considered as part of teachers' competitive wage based on National standards while taking into consideration our State's cost of living

For these reasons, the OCCLP supports and urges the passage of HB 649 out of the Committee on Housing.

Mahalo nui loa
Me ka `oia`i`o

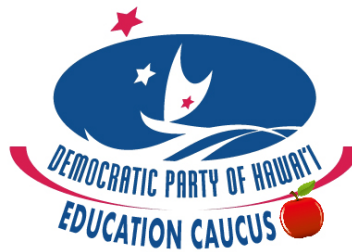
/s/ Melodie Aduja

Melodie Aduja

Chair, O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i

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HOUSE BILL 649, RELATING TO TEACHER HOUSING SUBSIDIES

JANUARY 31, 2019 · HOUSE HOUSING COMMITTEE
· CHAIR REP. TOM BROWER

POSITION: Support.

RATIONALE: The Democratic Party of Hawai'i Education Caucus supports HB 649, relating to teacher housing subsidies, which establishes a teacher home assistance program to provide housing vouchers to full-time teachers, who teach in a hard-to-fill school and have a household income that 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.

HB-649

Submitted on: 1/28/2019 6:57:59 PM

Testimony for HSG on 1/31/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ann S Freed	Individual	Support	No

Comments:

Aloha Chair, Vice Chair and members,

With the shortage teachers, particularly teachers who will commit to stay in Hawaii, this is a really good idea. Strongly support,

Ann S. Freed

Mililani, HI 96789

HB-649

Submitted on: 1/29/2019 9:30:30 AM

Testimony for HSG on 1/31/2019 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Elise Carmody	Individual	Support	No

Comments:

I think this is an excellent idea. We are constantly losing our best and brightest to the mainland because the cost of living here is way beyond a teacher's income. It is truly a shame that the majority did not vote to increase property taxes to support schools. A housing subsidy could help.