A BILL FOR AN ACT

RELATING TO SUBSTITUTE TEACHERS.

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

1 In 2005, the legislature enacted Act 70, SECTION 1. 2 Session Laws of Hawaii 2005 (Act 70), which required the 3 department of education to develop a classification and 4 compensation schedule for public school substitute teachers. 5 Act 70 was prompted by years of litigation in which substitute 6 teachers claimed they were not being paid the specified rate 7 determined by the legislature in 1996. The legislature provided temporary relief to substitute teachers, by specifying payment 8 9 of more than the disputed \$112.53 they were being paid in 2005 10 by the department, and required the department to recommend a 11 classification and compensation schedule to the 2006 12 legislature. 13 Pursuant to Act 70, the department of education created a 14 substitute teacher task force (task force), which included 15 representatives from the Hawaii State Teachers Association, Hawaii Government Employees Association, office of human 16 17 resources, substitute teachers, and parents. The task force

recognized the important role that substitute teachers play in

2006-1520 SB3197 SD1 SMA.doc

18

- 1 providing quality education to students when regular classroom
- 2 teachers are absent or unable to perform their duties.
- 3 On any given day, about one thousand substitute teachers
- 4 are employed by the department of education to carry out the
- 5 duties of Hawaii's ten thousand regular, full-time teachers. In
- 6 the final report entitled "A Report to the Legislature on the
- 7 Department of Education's Response to Act 70," it was noted that
- 8 there were approximately 4,568 substitute teachers employed by
- 9 the department of education during school year 2004-2005. The
- 10 significant role of public school substitute teachers cannot be
- 11 underestimated.
- 12 The department of education recommended that salary
- 13 increases for substitute teachers should be across-the-board,
- 14 regardless of class, and reflect current negotiated rates by
- 15 various bargaining units. To be consistent with the 1996 law,
- 16 which established the salary schedules for regular, full-time
- 17 teachers, the legislature believes that rate increases for
- 18 substitute teachers should be based on rate increases for
- 19 licensed class II teachers as determined through collective
- 20 bargaining.
- On December 16, 2005, in Garner v. DOE (Civil No.
- 22 03-1-000305) and Kliternick v. Hamamoto (Civil No.

- 1 05-1-0031-01), Judge Karen Ahn ruled that under section
- 2 302A-624(e), Hawaii Revised Statutes, as enacted in 1996, the
- 3 department of education failed to pay substitute teachers a per
- 4 diem salary based on the annual step salary rate established for
- 5 a licensed class II teacher established by bargaining unit 5.
- 6 As of June 30, 2005, that rate was \$146.09 per day. Judge Ahn
- 7 further ruled that the department of education was obligated to
- 8 pay the per diem compensation prescribed by law during the
- 9 period from November 8, 2000, to June 30, 2005, amounting to
- 10 approximately \$14,300,000. Total claims against the department,
- 11 including attorney's fees and costs, as well as related unpaid
- 12 wages for part-time teachers whose pay was based on erroneous
- 13 substitute teacher rates, total approximately \$24,000,000.
- In light of Judge Ahn's ruling, the legislature
- 15 acknowledges that Act 70 was intended to establish a temporary
- 16 solution of providing adequate compensation to substitute
- 17 teachers.
- 18 The legislature finds that it is now time to finally put
- 19 this matter to rest. Years of litigation between Hawaii's
- 20 substitute teachers and the department of education has created
- 21 significant strain between substitute teachers and the
- 22 department of education, resulting in declining substitute

- 1 teacher morale, distrust between substitute teachers and the
- 2 department, and voluntary attrition of substitute teachers,
- 3 ultimately adversely impacting the quality and availability of
- 4 substitute teachers serving the department of education.
- 5 The legislature further finds that this Act is essential to
- 6 finally resolve the costly and harmful litigation between the
- 7 two parties, and to create a clean slate between the substitute
- 8 teachers and the department of education in order to provide the
- 9 highest quality teaching and work environment for Hawaii's
- 10 substitute teachers and students.
- 11 The legislature also finds that this Act is consistent with
- 12 the department of education's recommendation that salary
- 13 increases should be across-the-board regardless of the class.
- 14 The per diem rate of class I, II, and III teachers are to be
- 15 adjusted upward to match the salary or wage increases that are
- 16 provided to licensed class II teachers in bargaining unit 5 in
- 17 the collective bargaining agreement between the Hawaii State
- 18 Teachers Association and the department of education.
- 19 The purpose of this Act is to:
- 20 (1) Determine the classification and compensation rates
- 21 for substitute teachers that are consistent with the

```
1
              compensation rates determined by the legislature in
2
              1996; and
3
         (2)
              Settle all legal claims between substitute teachers
 4
              and the department of education.
         SECTION 2. Section 302A-624, Hawaii Revised Statutes, is
5
6
    amended by amending subsection (e) to read as follows:
               Effective July 1, [2005,] 2006, the minimum hourly or
7
8
    minimum per diem rate for substitute teachers shall be
9
    determined by the legislature [; provided that the department
10
    shall develop a classification and compensation schedule that is
11
    not restricted to the minimum compensation rates but may exceed
12
    them; ] as follows; provided [further] that any individual in
13
    class I, II or III who works less than a full seven-hour work
14
    day shall be compensated on a pro-rated, hourly basis [as
15
    follows]:
16
              Class I: other individuals who do not possess a
         (1)
17
              bachelor's degree shall be compensated at a rate of
18
              not less than [\$119.80] $125 for a full work day;
19
         (2)
             Class II: individuals with a bachelor's degree shall
20
              be compensated at a rate of not less than [\$130] $136
21
              for a full work day; and
```

1 (3) Class III: department of education teachers, or 2 licensed or highly qualified teachers, shall be compensated at a rate of not less than [\$140] \$147 for 3 4 a full work day. Notwithstanding any other law to the contrary, the per diem 5 rates established in paragraphs (1), (2), and (3) shall be 6 adjusted to match the salary or wage increases provided to 7 licensed class II teachers under a collective bargaining 8 9 agreement executed under chapter 89 for bargaining unit 5." SECTION 3. There is appropriated out of the general 10 revenues of the State of Hawaii the sum of \$, or so 11 much thereof as may be necessary for fiscal year 2006-2007, for 12 13 the purpose of resolving the claims of substitute teachers in Garner v. Department of Education and Kliternick v. Hamamoto and 14 to resolve the claims of all other personnel who were underpaid 15 based upon pay rates that were calculated in violation of 16 17 \$302A-624(e), Hawaii Revised Statutes. SECTION 4. The sum appropriated shall be expended by the 18 19 department of education for the purposes of this Act. SECTION 5. Statutory material to be repealed is bracketed 20 21 and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2006.

2006-1520 SB3197 SD1 SMA.doc

22

583197,501

Report Title:

Substitute Teachers; Compensation Formula; Appropriation

Description:

Establishes that the compensation of substitute teachers shall be tied to the salary or wage increases provided to licensed class II teachers of the department of education. (SD1)