

January 29, 2014

The Honorable Roy M. Takumi, Chair and Members, Committee of Education House of Representatives Twenty-Seventh Legislature State Capitol Honolulu, HI 96813

RE: HB 2257 RELATING TO DEPARTMENT OF EDUCATION SUPERINTENDENT'S SALARY

Kaneohe Ranch strongly supports HB 2257. As a member of Hawaii Business Roundtable, I know firsthand that high quality public education is critical to attract and grow jobs in Hawaii. I am encouraged by the recent gains in K-12 student learning that have moved our state from the bottom in the nation to nearing the middle of the pack. Getting to this point has taken hard work and steady leadership.

Investing in leadership provides among the best returns for us as a state. Passage of this bill will allow the Board of Education greater latitude to exercise its judgment as Hawaii's education policy body in setting the State Superintendent's salary.

I would underscore the justification associated with the bill. The current salary cap of \$150,000 is not consistent with the duties and responsibilities of the position, nor in alignment with national norms. The majority of superintendents serving school districts of 25,000 or more students – of which our district is seven times larger – make \$260,000 on average.

Over the years, considerable and appropriate public discussion has ensued with regards to the salaries of high profile public employees. In my opinion, public school reform is so critical that the Superintendent of Schools should be among our highest paid public employees. However, I recognize that this decision is best left to the Board of Education, as the entity tasked with overseeing the performance of Hawaii's public schools. I call on the Legislature to give the Board the flexibility needed to recruit and retain outstanding talent into this critical position.

Respectfully submitted,

H. huten D'Oli

H. Mitchell D'Olier Chair

GOVERNOR



STATE OF HAWAI'I BOARD OF EDUCATION P.O. BOX 2360 HONOLULU, HAWAI'I 96804

LATE TESTIMONY

House Committee on Education Representative Roy Takumi, Chairperson Representative Takashi Ohno, Vice Chairperson

> Wednesday, January 29, 2014 2:00 p.m. Hawai'i State Capitol, Room 309

Testimony of Don G. Horner, Chairperson

Testimony in <u>SUPPORT of HB 2257</u>, Relating to the Department of Education Superintendent's Salary

Thank you for the opportunity to submit testimony. The Board of Education SUPPORTS HB 2257.

The current salary for the Superintendent of Education has not been adjusted since 2001. The current salary is well below national norms.

The proposed increase of the salary cap from \$150,000 to \$250,000 is based upon a comprehensive review of similar positions and responsibilities.

The current Superintendent's contract expires June 30, 2014. If the current salary of \$150,000 was adjusted for inflation the current salary would be \$199,995.

The Superintendent oversees in excess of 20,000 full-time employees and a larger number of part-time employees. The Department of Education is accountable for in excess of \$2.4 billion of federal and state expenditures. The ability to recruit and retain effective educational leadership has a direct impact on the quality of education for approximately 180,000 students within our state.

Lastly, the proposed adjustment reflects the fact that in 2010, the Hawaii State Legislature approved HB 2434 increasing the Superintendent of Education's salary to \$250,000 which was subsequently vetoed.

The supporting data is attached.

Thank you for the opportunity to provide testimony in support of HB 2257.

AN AFFIRMATIVE ACTION AND EQUAL OPPORTUNITY EMPLOYER

Comparative data based on Consumer Price Index (CPI), student enrollment, salary distribution

	Current	CPI (avg. 2.4%)	Mean minimum scheduled salary (Enrollment 25,000 or more)	75th Percentile (Enrollment 25,000 or more)
Superintendent	\$150,000.00	\$199,994.77	\$226,651.00	\$260,000.00

*Source: National Survey of Salaries and Wages in Public Schools 2010-2011 by the Educational Research Service.

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Ranking of the 15 largest school districts in the United States

Ranking	School District	Salary	Additional Compensation
1	New York City Public Schools	\$250,000.00	
2	Los Angeles Unified School District	\$330,000.00	Car/driver, bonus if student and graduation rates rise
3	Chicago Public Schools	\$250,000.00	
4	Miami-Dade County Public Schools	\$275,000.00 -\$320,000	
5	Clark County School District (Las Vegas, Nevada)	\$250,000.00 bonus up to \$20,000	Life insurance; \$4,000 after hours pay; 31 days vacation, car allowance
6	Broward County Public Schools (Fort Lauderdale, Florida)	\$290,000.00	\$77,800
7	Houston Independent School District	\$300,000.00	
8	Hillsborough County Public Schools (Tampa, Florida)	\$257,958.00	
9	Hawaii Public Schools	\$150,000.00	
10	Orange County Public Schools (Orlando, Florida)	\$230,000.00	
11	Fairfax County Public Schools (Fairfax, Virginia)	\$292,000.00	Deferred comp \$15,000
12	Palm Beach County School District (Palm Beach, Florida)	\$225,000.00	
13	Gwinnett County Public Schools (North Atlanta, Georgia)	\$387,934.00	\$18,000 transportation allowance; retirement supplement
14	Dallas Independent School District	\$328,000.00	Up to \$75,000 per annum- performance bonus, up to 3 professional memberships, student based incentive \$125,000, retention incentiv \$50,000, travel expenses for District business, \$500 car allowance in lieu of mileage cell phone \$250, term life in \$500,000, \$10,000 moving expenses, \$6,000 transition expenses, \$1,000,000 liabilit insurance
		\$275,000.00	\$16,500 for retirement, \$1,100/per day up to 10 consulting days, provide
15	*The table ranks 1 st the largest public school system		security if appropriate

*The table ranks 1st, the largest public school system, New York City Public Schools with a student population of 1,036,053 through the 15th largest public school system, Wake County Schools with a student population of 149,508.
