



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

LATE

Date: 02/06/2019
Time: 02:55 PM
Location: 229
Committee: Senate Education

Department: Education

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

Title of Bill: SB 1445 RELATING TO EDUCATION.

Purpose of Bill: Provides public school teachers and educational officers who have completed a year's satisfactory service with an annual incremental increase in salary.

Department's Position:

Thank you for the opportunity to provide comments on S.B. 1445.

Although the Department of Education ("Department") supports additional compensation for its teachers, educational officers, and other employees, it is unable to support S.B. 1445, which would reestablish repealed statutory provisions for annual increment and longevity step salary increases for the Department's teachers and educational officers.

While the Department appreciates and recognizes the legislative intent of this bill, it is contrary to Act 87, SLH 2016, signed into law on June 21, 2016, that repealed the unnecessary and obsolete statutory sections of Section 302A-626 and reaffirmed that such salary adjustments shall be determined through the collective bargaining process.

For historical purpose, there was prior statutory language enacted in 1953 related to annual increments and longevity step salary increases before the passage of Act 171, SLH 1970, the Collective Bargaining in Public Employment law (i.e., Chapter 89, HRS). Prior to collective bargaining, salary increases were determined by statutes implemented via legislation. Following the implementation of Hawaii's collective bargaining law, all such matters related to wages, annual salary increments, and longevity steps became mandatory subjects of negotiation under HRS, §89-9(a).

Again, the Department supports additional compensation for its employees, but for the reasons summarized above, the Department is unable to support S.B. 1445.

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.

DAVID Y. IGE
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FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY RODERICK K. BECKER
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON EDUCATION
ON
SENATE BILL NO. 1445**

LATE

**February 6, 2019
2:55 p.m.
Room 229**

RELATING TO EDUCATION

This measure amends Chapter 302A, HRS, to establish annual increment and step salary increases for Department of Education teachers and educational officers.

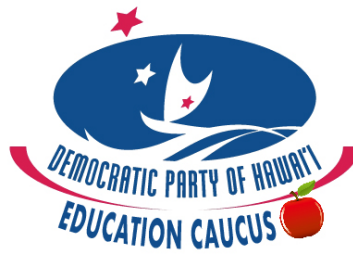
The Department of Budget and Finance has concerns on this measure. Wages, which include incremental and longevity steps and movements between steps within the salary range, are mandatory subjects of bargaining pursuant to the collective bargaining (CB) law contained in Chapter 89, HRS. Consequently, adding such a provision would conflict with current CB law.

A similar statutory provision was repealed in 2016. The repealed provision was initially enacted under a different section number in 1953 before public sector CB was established. At the time of its enactment, salary schedule increases were determined by statutes implemented via legislation. This continued throughout the next two decades, with the addition of the terms "increments" and "longevity steps" to the schedules.

Following the implementation of the CB law, and by amendment of Chapter 89 in 1986, annual increments and longevity steps were made mandatory subjects of negotiation. As a result, these types of increases should be negotiated through CB.

For your information, the annual cost for a step movement is about \$36 million for Unit 5 and about \$2 million for Unit 6. It is noted that even though a similar provision to the one proposed persisted in the statutes after the implementation of the current CB until 2016, step awards were not granted unless specifically negotiated during CB.

Thank you for your consideration of our comments.



SENATE BILL 1445, RELATING TO EDUCATION

FEBRUARY 6, 2019 · SENATE EDUCATION
COMMITTEE · CHAIR SEN. MICHELLE N. KIDANI

POSITION: Support.

RATIONALE: The Democratic Party of Hawai'i Education Caucus supports SB 1445, relating to education, which provides public school teachers and educational officers who have completed a year's satisfactory service with an annual incremental increase in salary.

Hawai'i is suffering from a chronic teacher shortage crisis. According to the Hawai'i Department of Education, our state's teacher shortage stood at 1,029 teacher positions overall for the 2018-2019 school year, 252 of which were for special education. Additionally, we continue to lose approximately 50 percent of new hires after five years. In fact, the number of teachers exiting the teaching profession has increased by more than 80 percent since 2010.

Low teacher pay is the primary driver of teacher turnover. Numerous studies, including those performed by WalletHub.com and EdBuild, have found that Hawai'i's teacher pay ranks last in the nation when adjusted for cost of living. Moreover, a 2019 Economic Policy Institute analysis found that in our state, teachers earn 19.1 percent lower pay compared with other college graduates.

Research also shows that as teacher pay increases, so, too, does student achievement. A Stanford University analysis found that raising teacher wages by 10 percent reduces high school

dropout rates by 3 percent to 4 percent. Similarly, a Florida study showed that pay raises reduced teacher attrition by as much as 25 percent for hard-to-fill subject areas, with children's learning growth gaining from more exposure to experienced educators.

To deliver the schools our keiki deserve, we must pay teachers what they're worth. While some may argue that this measure conflicts with collective bargaining, we believe that guaranteeing annual step increases is a move toward offering the professional salaries that will incentivize teaching as a career and, hopefully, keep educators in our classrooms for many years to come.