DAVID Y. IGE GOVERNOR



DR. CHRISTINA M. KISHIMOTO SUPERINTENDENT

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

> Date: 03/17/2021 Time: 03:00 PM Location: CR 229 & Videoconference Committee: Senate Education Senate Housing

Department:	Education
Person Testifying:	Dr. Christina M. Kishimoto, Superintendent of Education
Title of Bill:	HB 0525, HD2 RELATING TO TEACHER HOUSING.
Purpose of Bill:	Clarifies that DOE may construct housing for teachers on a public school campus. Requires that housing units constructed or acquired on a school campus after 6/30/2021, be rented at an affordable cost to new teachers or teachers teaching in a rural or hard-to-staff location, with priority given to teachers employed full-time at the school where the housing unit is located. Effective 7/1/2050. (HD2)

Department's Position:

The Hawaii State Department of Education (Department) supports HB 525, HD 2.

From a recruitment and retention standpoint, the Department supports more opportunities to increase low-cost or no-cost teacher housing options statewide.

A January 2020 compensation study contracted by the Department revealed that 78 percent of survey respondents indicated that the lack of housing availability negatively impacted teacher retention in Hawaii. Additionally, a December 2020 comparison report developed for the Department on teacher recruitment revealed that similarly situated school districts in other states provide greater opportunities for low- to no-cost teacher housing for full-time employees. Furthermore, this report reveals that focus groups of current and former Department teachers echoed the need for not only more affordable housing opportunities, but inventory both in geographically isolated areas and in higher priced rental locations.

Thank you for this opportunity to provide testimony on HB 525, HD 2.

The Hawai'i State Department of Education is committed to delivering on our promises

to students, providing an equitable, excellent, and innovative learning environment in every school to engage and elevate our communities. 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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> Corey Rosenlee President Osa Tui Jr.

Vice President Logan Okita Secretary-Treasurer

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Wilbert Holck Executive Director

TESTIMONY BEFORE THE SENATE COMMITTEE ON EDUCATION and THE COMMITTEE ON HOUSING

RE: HB 525, HD2- RELATING TO TEACHER HOUSING

WEDNESDAY, MARCH 17, 2021

COREY ROSENLEE, PRESIDENT HAWAII STATE TEACHERS ASSOCIATION

Chair Kidani, Chair Chang, and Members of the Committees:

The Hawaii State Teachers Association <u>supports HB 525, HD2</u>, relating to teacher housing. This bill clarifies that DOE may construct housing for teachers on a public school campus. Requires that housing units constructed or acquired on a school campus after 6/30/2021, be rented at an affordable cost to new teachers or teachers teaching in a rural or hard-to-staff location, with priority given to teachers employed full-time at the school where the housing unit is located. Effective 7/1/2050. (HD2)

Hawai'i continues to suffer from a shortage of licensed teachers. Financial incentives and affordable options for teacher housing are key strategies 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. Housing is a big portion of each teacher's paycheck.

IF we concentrate on retaining our teachers, the Department 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. Building more teacher housing, especially for our new teachers, and establishing affordable teacher rental housing is helpful. 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





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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 attention 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, building more teacher housing, as long as it is affordable for teachers, will assist them in attaining sustainable and stable residency, while staving off crushing debt burdens. It would also make the teaching profession more attractive by increasing educators' ability to find affordable housing that won't take their whole paycheck.

To take care of the needs of our hardworking public school educators in Hawai'i', the Hawaii State Teachers Association asks your committee to **<u>support</u>** this bill.





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

The Thirty-First Legislature, State of Hawaii The Senate Committee on Education Committee on Housing

Testimony by Hawaii Government Employees Association

March 17, 2021

H.B. 525, H.D. 2 - Relating to Teacher Housing

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO wishes to provide comments on H.B. 525, H.D. 2, which proposes to establish a teachers' housing program administered by the Hawaii Department of Education, establish a teachers' housing revolving fund, and allow the department to construct a teacher housing facility on any campus of a public school.

The HGEA represents thousands of employees who work for the DOE and make less than a starting Hawaii teacher's salary. Some of these employees also work in rural or hard-tostaff locations. They, too, should benefit from a housing program being administered by the department for which they work and deserve to be considered for affordable rental housing. If rental housing will be made available for teachers, then the legislature should also consider providing "workforce housing" for other government employees regardless of jurisdiction.

Thank you for the opportunity to provide comments on H.B. 525, H.D. 2.

Respectfully submitted,

Randy Perreira Executive Director





March 17, 2021

The Honorable Michelle Kidani, Chair Senate Committee on Education

The Honorable Stanley Chang, Chair Senate Committee on Housing Via Videoconference

RE: H.B. 525, HD2, Relating to the Department of Education

HEARING: Wednesday, March 17, 2021, at 3:00 p.m.

Aloha Chair Kidani, Chair Change, and Members of the Joint Committees,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawai'i Association of REALTORS[®] ("HAR"), the voice of real estate in Hawai'i, and its over 10,000 members. HAR **supports** House Bill 525, HD2, which clarifies that the Department of Education ("DOE") may construct housing for teachers on a public school campus. Requires that housing units constructed or acquired on a school campus after 6/30/2021, be rented at an affordable cost to new teachers or teachers teaching in a rural or hard-to-staff location, with priority given to teachers employed full-time at the school where the housing unit is located.

According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawai'i, the State needs up to 46,000 housing units to meet demand in Hawai'i by 2030. Ultimately, we have a housing supply problem, and we need creative solutions to build more housing at all price points, including for teachers. Land costs is a big part of the development costs, so by utilizing public school lands to build teacher housing would help address this large cost.

Furthermore, the National Association of REALTORS[®] Profile of Home Buyers and Sellers found that for first-time homebuyers, saving for the down payment was the most difficult task in the buying process. To put this in perspective, the following is the median sales price in January 2021, for a single-family home, based on a 20% conventional loan:

County:	Median Sales Price:	20% Downpayment:
Hawai'i Island	\$450,000	\$90,000
Kaua'i	\$1,030,500	\$206,100
Maui	\$980,000	\$196,000
Oʻahu	\$883,000	\$176,600

Additionally, according to the Profile Report, student loans and high rent costs were debts that delayed savings for a down payment. By renting at an affordable rate for teachers, this would help our teachers save for a down payment.

Furthermore, at a time when our economy is hurting, this is a creative and budget-neutral approach to tackle the solution of housing and helping our teachers.

Mahalo for the opportunity to testify.

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Uploaded via Capitol Website

March 16, 2021

TO: HONORABLE MICHELE KIDANI, CHAIR, HONORABLE DONNA MERCADO KIM, VICE CHAIR, COMMITTEE ON EDUCATION. HONORABLE STANLEY CHANG, CHAIR, HONORABLE DRU KANUHA, VICE CHAIR, COMMITTEE ON HOUSING.

SUBJECT: SUPPORT OF H.B. 525 H.D.2, RELATING TO TEACHER HOUSING.

Clarifies that DOE may construct housing for teachers on a public school campus. Requires that housing units constructed or acquired on a school campus after 6/30/2021, be rented at an affordable cost to new teachers or teachers teaching in a rural or hard-to-staff location, with priority given to teachers employed full-time at the school where the housing unit is located.

HEARING

DATE:Wednesday, March 17, 2021TIME:3:00 p.m.PLACE:Capitol Room 229

Dear Chairs Kidani and Chang, Vice Chairs Mercado Kim and Kanuha, and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of approximately five hundred (500) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. Our mission is to elevate Hawaii's construction industry and strengthen the foundation of our community.

GCA <u>Supports</u> H.B. 525 H.D.2, which clarifies that DOE may construct housing for teachers on a public school campus. Requires that housing units constructed or acquired on a school campus after 6/30/2021, be rented at an affordable cost to new teachers or teachers teaching in a rural or hard-to-staff location, with priority given to teachers employed full-time at the school where the housing unit is located.

Developing teacher housing on select public school campuses is an innovative way to address the teacher shortage from multiple angles. Not only will this lower the cost of housing for teachers, but also help with teacher retention.

Thank you for this opportunity to testify in support of this measure.

HB-525-HD-2

Submitted on: 3/12/2021 12:04:18 PM Testimony for EDU on 3/17/2021 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kenneth R. Conklin, Ph.D.	Individual	Support	No

Comments:

A recently published news report described how three teachers from the Philippines were recruited and are now teaching on the island of Lana'i. What a wonderful way to solve a teacher shortage, especially in a rural community where newcomers -- especially foreigners -- would have a very hard time finding housing. I'm sure that the housing element was a very important component that induced them to come.

HB-525-HD-2 Submitted on: 3/12/2021 1:11:59 PM Testimony for EDU on 3/17/2021 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Shirley David	Testifying for St. Michael the Archangel Parish	Support	No

Comments:

Senator Kadoni and members of the Education Committee, and Representative Chang and members of the Housing Committee.

The need to build motr affordable housing for our low and middle residents is well documented. The cost of land and lack of infrastructure is a major inhibitor. If homes can be built on school land and rented at a reasonable cost, to our teachers, it would make an impact on the housing situation. It would also be an incentive for new teachers to stay as they pay off student loans and start saving for a home of their own. During my volunteer work assisting teachers in the classroom, I talked to teachers who only stayed for one or two years then moved to the mainland where they could find more affordable housing.

On behalf of the advocacy committee at St. Michael's Parish, Kailua Kona, I urge to to vote yes on HB525 HD2

<u>HB-525-HD-2</u>

Submitted on: 3/12/2021 3:11:03 PM Testimony for EDU on 3/17/2021 3:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Golojuch, Sr.	Individual	Support	No

Comments:

I support HB525. We need to do everything possible to support our teachers.

Mike Golojuch, Sr.