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# A BILL FOR AN ACT

RELATING TO TEACHER COMPENSATION.

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

1           SECTION 1. The legislature finds that the recruitment and  
2 retention of qualified teachers is essential to the success of  
3 Hawaii's public education system. The State continues to face a  
4 chronic teacher shortage, which undermines student learning and  
5 achievement. For the 2018-2019 school year, the department of  
6 education experienced a qualified teacher shortage of one  
7 thousand twenty-nine positions.

8           The legislature further finds that research indicates that  
9 competitive and equitable compensation correlates with greater  
10 success in recruiting and retaining qualified educators. Yet,  
11 numerous studies have shown that Hawaii's teacher salaries are  
12 the lowest in the nation when adjusted for the State's high cost  
13 of living.

14           The legislature also finds that teacher salaries are  
15 unequal when experienced senior teachers are aligned with less  
16 senior teachers in their placement within the existing salary  
17 schedules. Unfair pay scales have driven experienced senior



1 teachers to either retire early or leave the profession, due to  
2 the perception that their experience and dedication to public  
3 education and the teaching profession will never be adequately  
4 valued and recognized.

5 The legislature further finds that an increasing number of  
6 school districts around the country are utilizing compensation  
7 methods and strategies designed to improve the recruitment and  
8 retention of qualified teachers.

9 The legislature additionally finds that subsection (c) of  
10 section 302A-624, Hawaii Revised Statutes, is outdated and  
11 conflicts with the intent of this Act, and should be repealed.

12 The purpose of this Act is to:

13 (1) Repeal section 302A-624(c), Hawaii Revised Statutes;  
14 and

15 (2) Fund an experimental modernization project pursuant to  
16 section 78-3.5, Hawaii Revised Statutes, to address  
17 compensation equity issues and to make the necessary  
18 discretionary salary adjustments for approximately  
19 eight thousand seven hundred experienced senior  
20 teachers by recognizing their professional service to



1           the department of education through discretionary  
2           salary adjustments.

3           SECTION 2. Section 302A-624, Hawaii Revised Statutes, is  
4 amended to read as follows:

5           "**§302A-624 Teachers' salary schedule.** (a) The salary  
6 schedule for all teachers of the department shall be negotiated  
7 pursuant to section 89-9.

8           (b) All teachers shall meet the following requirements:

9           (1) A teacher shall earn at least five credits within a  
10 three-year cycle to receive increment or longevity  
11 step increases in the third year of the three-year  
12 cycle;

13           (2) A teacher who fails to meet the requirement set forth  
14 in paragraph (1) shall not be eligible for any  
15 increment or longevity step increases until the  
16 teacher earns the credit requirement for the three-  
17 year cycle;

18           (3) Any credit earned in excess of any three-year credit  
19 requirement may not be carried over beyond the three-  
20 year cycle; and



1           (4) Credits earned may be in the form of in-service,  
2                    university, or other credits approved by the  
3                    department.

4           ~~[(c) A teacher shall be required to spend at least one~~  
5 ~~year in Class III before going on to Class IV, at least one year~~  
6 ~~in Class IV before going on to Class V, at least one year in~~  
7 ~~Class V before going on to Class VI, and at least one year in~~  
8 ~~Class VI before going on to Class VII.]~~

9           ~~[(d)]~~ (c) In the case of promotion from a teaching  
10 position to an educational officer, the employee shall receive  
11 compensation at the lowest step of the higher grade that exceeds  
12 the employee's existing compensation by at least eight per cent  
13 if such a step exists.

14           ~~[(e)]~~ (d) Effective July 1, 2006, the minimum hourly or  
15 minimum per diem rate for substitute teachers shall be  
16 determined by the legislature as follows; provided that any  
17 individual in Class I, II, or III who works less than a full  
18 seven-hour work day shall be compensated on a pro-rated, hourly  
19 basis:



- 1           (1) Class I: other individuals who do not possess a  
2           bachelor's degree shall be compensated at a rate of  
3           not less than \$125 for a full work day;
- 4           (2) Class II: individuals with a bachelor's degree shall  
5           be compensated at a rate of not less than \$136 for a  
6           full work day; and
- 7           (3) Class III: department of education teachers, or  
8           licensed or highly qualified teachers, shall be  
9           compensated at a rate of not less than \$147 for a full  
10          work day.

11          [~~(f)~~] (e) Effective July 1, 2008, the board shall provide  
12 wage adjustments for substitute teachers. The wage adjustments  
13 shall be comparable to the across-the-board wage adjustments for  
14 teachers that are negotiated for bargaining unit (5) subject to  
15 legislative approval, pursuant to section 89C-5. The board may  
16 also adjust hours, benefits, and other terms and conditions of  
17 employment for substitute teachers."

18          SECTION 3. There is appropriated out of the general  
19 revenues of the State of Hawaii the sum of \$                    or so  
20 much thereof as may be necessary for fiscal year 2022-2023 to  
21 fund an experimental modernization project pursuant to section



1 78-3.5, Hawaii Revised Statutes, as negotiated between the  
2 superintendent of education and the exclusive representative of  
3 collective bargaining unit (5) in a memorandum of understanding  
4 to address compensation equity issues and make the necessary  
5 discretionary salary adjustments for approximately eight  
6 thousand seven hundred teachers whose current base salary does  
7 not reflect their years of professional service; provided that  
8 the moneys shall not be released until the memorandum of  
9 understanding is executed between the superintendent of  
10 education and the exclusive representative of collective  
11 bargaining unit (5).

12 The sum appropriated shall be expended by the department of  
13 education for the purposes of this Act.

14 SECTION 4. There is appropriated out of the general  
15 revenues of the State of Hawaii the sum of \$ or so  
16 much thereof as may be necessary for fiscal year 2022-2023 for  
17 charter schools (EDN 600) to fund an experimental modernization  
18 project pursuant to section 78-3.5, Hawaii Revised Statutes, as  
19 negotiated between the governing boards of state public charter  
20 schools and the exclusive representative of collective  
21 bargaining unit (5) in a memorandum of understanding to address



1 compensation equity issues and make the necessary discretionary  
2 salary adjustments for teachers whose current base salary does  
3 not reflect their years of professional service; provided that  
4 the moneys shall not be released until the memorandum of  
5 understanding is executed between the governing boards of state  
6 public charter schools and the exclusive representative of  
7 collective bargaining unit (5).

8 The sum appropriated shall be expended by the state public  
9 charter school commission for the purposes of this Act.

10 SECTION 5. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12 SECTION 6. This Act shall take effect on July 1, 2022.



**Report Title:**

Department of Education; Charter Schools; Teacher Compensation;  
Experimental Modernization Project; Appropriation

**Description:**

Makes an appropriation to fund an experimental modernization project pursuant to section 78-3.5, Hawaii Revised Statutes, to make necessary discretionary salary adjustments. Repeals section 302A-624, subsection (c), Hawaii Revised Statutes.  
(SD1)

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