



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/14/2023
Time: 02:15 PM
Location: 309 VIA VIDEOCONFERENCE
Committee: House Education

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: HB 1117, HD1 RELATING TO TEACHER RENTAL HOUSING.

Purpose of Bill: Authorizes HHFDC to assist DOE in developing teacher housing projects and contract or sponsor an experimental or demonstration housing project with any state department or agency. Appropriates funds for deposit into the dwelling unit revolving fund. Authorizes DOE to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. Permits a private entity to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below a threshold as determined by DOE. Effective 6/30/3000. (HD1)

Department's Position:

The Hawaii State Department of Education (Department) supports the intent of HB1117, HD1 and provides comments.

The Department supports the creation of teacher housing as a means to attract and retain teachers. The Department also appreciates the consideration of the concerns raised with the initial legislation and the changes made to this bill. At this moment, the Department has one temporary position managing 54 rental units for teachers transferred to the Department by the Hawaii Housing Authority in 2008. No funds are appropriated to fix and maintain these units each year. \$8.5M is required to renovate these 54 units.

The Department seeks the future support of the legislature should this legislation become law. Full time positions, annual appropriations and a new property

management branch needs to be established to manage the scale of teacher housing envisioned by HB 1117, HD1.

Thank you for the opportunity to provide comments on this measure.



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
February 14, 2023

The Honorable Representative Justin H. Woodson, Chair
House Committee on Education
The Thirty-Second Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Woodson and Committee Members:

SUBJECT: HB1117 HD1 RELATING TO TEACHER RENTAL HOUSING.

The Hawaii State Council on Developmental Disabilities **SUPPORTS HB1117 HD1**, which authorizes HHFDC to assist DoE in developing teacher housing projects and contract or sponsor a development housing project with any state department or agency. Appropriates funds for deposit into the dwelling unit revolving fund. Requires DoE to lease land and contract with private entities for development, management, maintenance, or revitalization of teacher housing. Permits DoE to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below 95 percent.

It is well known that Hawai'i public schools are in need of qualified general education teachers. Data has also shown there is a greater need for special education teachers. For the past four school years, unfilled special education teacher positions have risen annually. There is a lack of special education teachers who have completed a state-approved teacher education program willing to fill those positions, and an increasing number of teachers with non-state-approved teacher education program credentials assigned to these positions.

The Council supports initiatives that will help incentivize teachers to stay in Hawai'i to teach at our public schools. We also thank the legislature for including eligible non-teachers, such as individuals with disabilities, if the occupancy of teacher housing falls below 95 percent.

Thank you for the opportunity to submit testimony in **support of HB 1117 HD1**.

Sincerely,

Daintry Bartoldus
Executive Administrator

JOSH GREEN, M.D.
GOVERNOR



CATHY K. IKEDA
CHAIRPERSON

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
(‘AHA KULA HO‘ĀMANA)

<http://CharterCommission.Hawaii.Gov>
1164 Bishop Street, Suite 1100, Honolulu, Hawaii 96813
Tel: (808) 586-3775 Fax: (808) 586-3776

FOR: HB 1117 HD1 RELATING TO TEACHER RENTAL HOUSING
DATE: February 14, 2023
TIME: 2:15 P.M.
COMMITTEE: Committee on Education
ROOM: Conference Room 309 & Videoconference
FROM: Yvonne Lau, Interim Executive Director
State Public Charter School Commission

Chair Woodson, Vice Chair Marten, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to **provide Testimony in support of HB 1117 HD1** which authorizes HHFDC to assist DOE in developing teacher housing projects and contract or sponsor an experimental or demonstration housing project with any state department or agency. Appropriates funds for deposit into the dwelling unit revolving fund. Authorizes DOE to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. Permits a private entity to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below a threshold as determined by DOE.

The Commission supports efforts to make teaching in Hawaii more attractive and affordable. Public Charter Schools are facing the same challenges and shortages that the DOE is facing and efforts made to attract people into the field of education are welcomed.

Thank you for the opportunity to provide this testimony.

JOSH GREEN, M.D.
GOVERNOR



DENISE ISERI-MATSUBARA
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

IN REPLY PLEASE REFER TO:

677 QUEEN STREET, SUITE 300
HONOLULU, HAWAII 96813
PHONE: (808) 587-0620
FAX: (808) 587-0600

Statement of
DENISE ISERI-MATSUBARA
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON EDUCATION

February 14, 2023 at 2:15 p.m.
State Capitol, Room 309

In consideration of
H.B. 1117 HD1
RELATING TO TEACHER RENTAL HOUSING.

HHFDC *offers comments* on H.B. 1117 HD1, which authorizes HHFDC to assist in the planning of rental housing projects for teachers employed by the Department of Education (DOE) and public charter schools and appropriates funds into HHFDC's Dwelling Unit Revolving Fund (DURF) for the development of such housing.

HHFDC recognizes the need for more housing for teachers and wants to support this effort.

The DOE has both the statutory authority and a revolving fund established specifically for a teacher housing program under Chapter 302A-832 and Chapter 302A-833 of the Hawaii Revised Statutes. Under these statutory provisions, the DOE can discriminate and build for a specific market -- their teachers.

HHFDC can assist with its financing programs to the extent allowable by law. HHFDC struggles with fulfilling its current responsibilities, which includes managing the infrastructure in the Villages of Kapolei as well as Waiahole Valley, and currently lacks the capacity to assist with planning and development in this case. But, to the extent that our financing programs can assist, we are happy to work with the DOE or School Facilities Authority (SFA) as long as the use of the funding programs complies with all applicable federal and state laws.

Thank you for the opportunity to provide testimony.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-SECOND LEGISLATURE, 2023**

ON THE FOLLOWING MEASURE:

H.B. NO. 1117, H.D. 1, RELATING TO TEACHER RENTAL HOUSING.

BEFORE THE:

HOUSE COMMITTEE ON EDUCATION

DATE: Tuesday, February 14, 2023 **TIME:** 2:15 p.m.

LOCATION: State Capitol, Room 309

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Ciara W.K. Kahahane, Deputy Attorney General

Chair Woodson and Members of the Committee:

The Department of the Attorney General provides the following comments on this bill.

This bill authorizes Hawaii Housing Finance and Development Corporation to assist the Department of Education (DOE) in developing teacher housing projects, appropriates funds into the Dwelling Unit Revolving Fund for the development of rental housing for teachers, and adds a new section to chapter 302A, Hawaii Revised Statutes, to allow DOE to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. To better effectuate the purpose of this bill, we recommend amendments to the wording of the proposed section 302A-__ in section 4 on page 4, line 8, through page 5, line 3.

First, we suggest amendments to the provisions of this bill that allow available units in a teacher housing project to be rented to eligible non-teacher tenants if occupancy falls below a certain threshold. The proposed section 302A-__(b) on page 4, lines 13-16, permits a "project owner" to rent available units to non-teacher tenants if the occupancy of teacher housing units by teachers falls below a certain threshold. "Project owner" is defined at page 5, lines 1-3, as "any private entity who enters into a contract to lease land for teacher housing pursuant to this section." This definition of "project owner" could be difficult to apply in certain circumstances, for example, if DOE were to lease land from Private Entity A, then sublease the same parcel to Private Entity

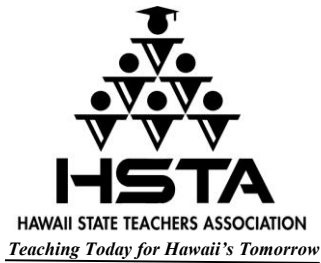
B to construct teacher housing. In this situation, using the definition in the bill, both private entities could be considered the "project owner." To avoid issues like the one just described and provide DOE with greater flexibility to structure the operations of each teacher housing project, we recommend that the wording at page 5, lines 1-3, be deleted in its entirety, and that page 4, lines 13-16, be amended to read as follows:

(b) If the occupancy of teacher housing units by teachers falls below a percentage threshold as [~~established by the department through rules in a project, the project owner may rent~~] determined by the department through administrative rules, the available units may be rented to eligible non-teacher tenants.

Second, because any potential concerns under federal and state fair housing laws would arise during the tenant selection process and other operations of a teacher housing project, we suggest that page 4, lines 19-21, be amended to read as follows:

(d) All teacher housing developed pursuant to this section shall be rented and operated in compliance with all applicable federal and state fair housing laws.

Thank you for the opportunity to provide these comments.



1200 Ala Kapuna Street ♦ Honolulu, Hawaii 96819
Tel: (808) 833-2711 ♦ Fax: (808) 839-7106 ♦ Web: www.hsta.org

Osa Tui, Jr.
President
Logan Okita
Vice President
Lisa Morrison
Secretary-Treasurer
Ann Mahi
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON EDUCATION

RE: HB 1117 HD1 - RELATING TO TEACHER RENTAL HOUSING

TUESDAY, FEBRUARY 14, 2023

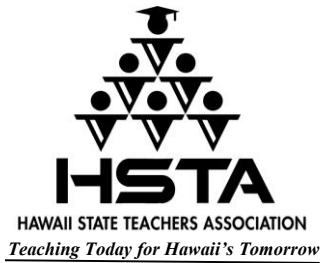
OSA TUI, JR., PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Woodson and Members of the Committee:

The Hawaii State Teachers Association **supports HB 1117, HD1**, relating to teacher rental housing. This bill authorizes HHFDC to assist DOE in developing teacher housing projects and contract or sponsor an experimental or demonstration housing project with any state department or agency. Appropriates funds for deposit into the dwelling unit revolving fund. Authorizes DOE to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. Permits a private entity to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below a threshold as determined by DOE.

Hawai'i continues to suffer from a shortage of licensed teachers with over 1000 vacancies each year. 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 of Education 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.** Establishing a teacher rental housing program is a good first step. 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 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.



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Osa Tui, Jr.
President
Logan Okita
Vice President
Lisa Morrison
Secretary-Treasurer
Ann Mahi
Executive Director

Add to these struggles the spike in inflation we've seen in the last year, and ever-rising housing costs. According to Locations Hawaii, the median home cost in Hawaii at the end of 2021 was \$1.02 million. The median rent for a one-bedroom apartment in Honolulu is more than \$1,600 and a two-bedroom is \$2,180. As homes are sold, teachers who rent then struggle to find affordable replacement housing.

Thus, a teacher rental housing program will, as long as it is affordable for teachers, assist them in attaining sustainable and stable residency, while staying 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 teachers, the Hawaii State Teachers Association asks your committee to **support** this bill.

February 14, 2023

The Honorable Justin Woodson, Chair

House Committee on Education

State Capitol, Conference Room 309 & Videoconference

RE: House Bill 1117, HD1, Relating to Teacher Rental Housing

HEARING: Tuesday, February 14, 2023, at 2:15 p.m.

Aloha Chair Woodson, Vice Chair Marten and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i and its over 11,000 members. HAR **supports** House Bill 1117, HD1, which authorizes HHFDC to assist DOE in developing teacher housing projects and contract or sponsor an experimental or demonstration housing project with any state department or agency. Appropriates funds for deposit into the dwelling unit revolving fund. Authorizes DOE to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. Permits a private entity to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below a threshold as determined by DOE. Effective 6/30/3000.

According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawai'i, the state needs up to 45,497, housing units to meet demand in Hawai'i by 2030.¹ Ultimately, we have a housing supply problem, and we need creative solutions to build more housing at all price points, including for teachers. Land cost is a big part of the development costs; therefore, utilizing public school lands to build teacher housing is a creative approach to help teachers with their housing needs.

For the foregoing reasons, Hawai'i Association of REALTORS® supports this measure. Mahalo for the opportunity to testify.

¹ Department of Business, Economic Development & Tourism. (2019). *Hawaii Housing Demand 2020-2030*. <https://files.hawaii.gov/dbedt/economic/reports/housing-demand-2019.pdf>



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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

The Thirty-Second Legislature, State of Hawaii
House of Representatives
Committee on Education

Testimony by
Hawaii Government Employees Association

February 14, 2023

H.B. 1117 – RELATING TO TEACHER RENTAL HOUSING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO wishes to provide comments on H.B. 1117, which authorizes the Hawaii Housing Finance and Development Corporation (HHFDC) to assist Department of Education (DOE) in developing teacher housing projects and contract or sponsor an experimental or demonstration housing project with any state department or agency. Appropriates funds for deposit into the dwelling unit revolving fund. Authorizes DOE to lease land and contract with private entities for the development, management, or revitalization of teacher housing. Permits a private entity to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below a threshold as determined by DOE.

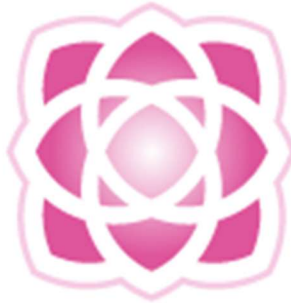
The HGEA represents thousands of employees who work for the DOE and public charter schools who make less than a starting Hawaii teacher's salary. They, too, should benefit from housing projects being developed by the DOE. They also deserve to be considered for affordable rental housing outright and not as possible eligible tenants if occupancy of teacher housing falls below a certain threshold determined by the DOE.

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. 1117.

Respectfully submitted,

Randy Perreira
Executive Director



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON
EDUCATION
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 309
TUESDAY, FEBRUARY 14, 2023 AT 2:15 P.M.

To The Honorable Justin H. Woodson, Chair
The Honorable Lisa Marten, Vice Chair
Members of the Committee on Education

SUPPORT HB1117 RELATING TO TEACHER RENTAL HOUSING

The Maui Chamber of Commerce **SUPPORTS HB1117** which authorizes HHFDC to assist DOE in developing teacher housing projects and contract or sponsor an experimental or demonstration housing project with any state department or agency; appropriates funds for deposit into the dwelling unit revolving fund; authorizes DOE to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing; and permits a private entity to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below a threshold as determined by DOE.

The Chamber notes that Hawai'i continues to suffer from a shortage of licensed teachers with over 1000 vacancies each year. 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.

In Hawai'i, 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 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.

For these reasons, we **support HB1117**.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

HB-1117-HD-1

Submitted on: 2/10/2023 2:19:09 PM

Testimony for EDN on 2/14/2023 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
cheryl B.	Individual	Support	Written Testimony Only

Comments:

I SUPPORT this bill and appreciate that the legislature continues to find ways to assist educators on our islands. As a retired educator, who rents, I can personally say that an opportunity to have help would have made my early years teaching here a bit easier. This being said, this housing should not be such to cause an extra burden on the educator . These ideas are great and supported and would like to remind the legislature that raising educator pay is a path to continue to work towards.

HB-1117-HD-1

Submitted on: 2/12/2023 7:34:58 PM

Testimony for EDN on 2/14/2023 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Please support HB1117 HD1.

HB-1117-HD-1

Submitted on: 2/13/2023 12:15:37 PM

Testimony for EDN on 2/14/2023 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
De Austin	Individual	Comments	Written Testimony Only

Comments:

The Honorable Representative Troy N. Hashimoto, Chair House Committee on Housing

The Thirty-Second Legislature State Capitol State of Hawai'i

Honolulu, Hawai'i 96813

Dear Representative Hashimoto and Committee Members:

SUBJECT: HB1117 Relating to Teacher Rental Housing,

I am in support of this measure as the state of Hawai'i sorely needs teachers, and currently, the annual salaries do not provide enough of a financial foundation to attract and retain teachers. Providing affordable housing, guaranteed for teachers, is a step in the right direction.

I would prefer that the Department of Education's involvement in the development of housing is extremely limited. The DOE is not a building contractor nor construction engineering company, and although the bill states that a private entity (non-DOE) would be allowed to contract with the DOE for these projects, it would make more sense to me that the DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION would take the lead on this, and that the DOE would support or assist. In a testimony submitted for comments only, this same entity pointed out that "Development of teacher housing must be carefully planned and funded" and "our programs and resources are subject to Fair Housing laws, and therefore, HHFDC needs assurance that any housing occupancy preferences do not violate these laws."

I would want for some assurance that the DOE is not making contracting or development decisions. It is not in their area of expertise, as an organization. Take note of the [10 year wait for a middle school classroom in 2017](#), the 36 portable classrooms on Maui High School campus which are essentially permanent classrooms with aging components, [and how their crowded campus never got new buildings](#), [the roof falling down on an Oahu high school](#), and of course, the debacle of the over/underpass safety issues with Kulanikahoi High School in Kihei, Maui. This project should not be under the wing of the DOE.

The bill states the DOE "makes contracts" for the purposes of building, development, revitalization, etc. Why cannot the state do this on its own, without the involvement of the DOE?

It is because of budgeting, and perhaps the DOE has the funding potential? Perhaps budgets should be restructured, so the HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION can do what its name says it does: develop housing.

Respectfully,

D. Austin

Educator

Council Chair
Alice L. Lee



Director of Council Services
Traci N. T. Fujita, Esq.


Councilmembers
Tom Cook
Gabe Johnson
Tasha Kama
Tamara Paltin
Keani N.W. Rawlins-Fernandez
Shane M. Sinenci
Yuki Lei K. Sugimura
Nohelani U'u-Hodgins

Deputy Director of Council Services
David M. Raatz, Jr., Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

February 13, 2023

TO: The Honorable Representative Justin H. Woodson, Chair,
and Members of the House Committee on Education

FROM: Alice L. Lee
Council Chair 

SUBJECT: **HEARING OF FEBRUARY 14, 2023; TESTIMONY IN SUPPORT OF
HB 1117, HD1, RELATING TO TEACHER RENTAL HOUSING**

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this measure is allow the Hawaii Housing Finance and Development Corporation to plan and help create rental housing projects for teachers.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

1. There is a severe teacher shortage which is exacerbated by the lack of affordable rental housing available for teachers in Hawaii.
2. Attracting and retaining quality teachers is critically important to the future of a healthy society.
3. Providing more opportunities for teacher housing will enhance teachers' ability to remain in Hawaii to educate our children.
4. This measure furthers the following objective of the Maui County General Plan (at page 52 of the Countywide Policy Plan):
"Encourage the State to attract and retain school administrators and educators of the highest quality."

For the foregoing reasons, I **support** this measure.