A BILL FOR AN ACT

RELATING TO TEACHER RENTAL HOUSING.

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

PART I

SECTION 1. The legislature finds that there is a severe shortage of qualified teachers in public-school classrooms throughout the State. Each year, the department of education looks for roughly one thousand two hundred teachers to fill vacancies. For the 2018-2019 school year, there were one thousand twenty-nine vacancies throughout the State, up from one thousand eleven during the 2017-2018 school year, and nine hundred twenty during the 2016-2017 school year. While there are teachers to fill all public-school classrooms, about six hundred of those classrooms are staffed by long-term substitutes, rather than a full-time teacher.

The legislature further finds that the high cost of living and a lack of affordable housing in Hawaii are some of the contributing factors of teachers leaving the profession or leaving the State entirely. According to the Employment Report published by the department of education, in the 2017-2018
school year, 51.8 per cent of teachers who resigned cited "leaving Hawaii" as their primary reason for resigning, while fourteen per cent resigned for a non-teaching or non-education related job.

The high cost of living in Hawaii coupled with a lack of affordable housing makes recruiting and retaining qualified teachers one of the most pressing matters of the State. Providing financial incentives such as affordable housing for teachers is a means for the department of education to recruit and retain qualified teachers by lessening the financial burden many teachers are experiencing in the State.

The purpose of this Act is to:

(1) Authorize the Hawaii housing finance and development corporation to assist the department of education in providing affordable rental housing for teachers;

(2) Authorize the Hawaii housing finance and development corporation to contract or sponsor with any state or county agency for such housing;

(3) Appropriate funds out of the dwelling unit revolving fund for the development of rental housing for teachers;
(4) Require the department of education to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing; and

(5) Permit the private owners to lease teacher housing to other eligible tenants under certain circumstances.

PART II

SECTION 2. Section 201H-12, Hawaii Revised Statutes, is amended to read as follows:

1. By amending subsection (a) to read:

"(a) The corporation, in its own behalf or on behalf of any federal, state, or county agency, may:

(1) Clear, improve, and rehabilitate property;

(2) Plan, develop, construct, and finance housing projects, including mixed-use developments; and

(3) In cooperation with any state or county department or agency, including the department of education and department of accounting and general services, plan facilities and rental housing projects for teachers employed by the department of education and public charter schools and related infrastructure as an
integral part of its housing projects, including mixed-use developments, using all its innovative powers toward achieving that end expeditiously and economically; provided that facilities developed in cooperation with the department of education comply with the department of education's educational objectives and requirements.

For purposes of this subsection, "mixed-use developments" means a development that contains affordable residential dwelling units that may be combined with governmental, educational, commercial, cultural, institutional, or industrial uses; is approved by the county in which the project is located; and is subject to: chapter 104; title 40 United States Code sections 3141, 3142, 3143, 3144, 3146, and 3147; or a project labor agreement by law or contract in the construction of the project.

2. By amending subsection (e) to read:

"(e) The corporation may contract or sponsor with any state or county department or agency, housing authority, or person, subject to the availability of funds, an experimental or demonstration housing project designed to meet the needs of elders; the disabled; displaced or homeless
persons; low- and moderate-income persons; teachers or other
government employees; or university and college students and
faculty."

SECTION 3. There is appropriated out of the general
revenues of the State of Hawaii the sum of $ or so
much thereof as may be necessary for fiscal year 2020-2021 to be
deposited into the dwelling unit revolving fund.

SECTION 4. There is appropriated out of the dwelling unit
revolving fund the sum of $ or so much thereof as may
be necessary for fiscal year 2020-2021 for the development of
rental housing for teachers pursuant to section 302A-, Hawaii
Revised Statutes; provided that if the department of education
does not identify and approve land for the development of rental
housing for teachers by December 31, 2020, the sum appropriated
may be expended for the purposes of section 201H-191, Hawaii
Revised Statutes.

The sum appropriated shall be expended by the Hawaii
housing finance and development corporation for the purposes of
this Act.

PART III
SECTION 5. Chapter 302A, Hawaii Revised Statutes, is amended by adding a new section to subpart E of part III to be appropriately designated and to read as follows:

"§302A- Teachers' housing; leasing and occupancy; rules.

(a) The department shall lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing as necessary to effectuate this subpart.

(b) If the occupancy of teacher housing units by teachers falls below ninety-five per cent of total units in a project, the project owner may rent the available units to eligible non-teacher tenants.

(c) The department shall adopt rules pursuant to chapter 91 for the purposes of this section.

(d) For the purposes of this section "project owner" means any private entity who enters into a contract to lease land for teacher housing pursuant to this section."

PART IV

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.
SECTION 7. This Act shall take effect upon its approval; provided that section 3 and section 4 of this Act shall take effect on July 1, 2020.

INTRODUCED BY: [Signatures]
Report Title:
Hawaii Housing Finance and Development Corporation; Department of Education; Teacher Housing; Appropriations

Description:
Authorizes the Hawaii housing finance and development corporation to assist the department of education in developing teacher housing projects and contract or sponsor with any state department or agency. Appropriates funds for deposit into the dwelling unit revolving fund. Requires the department of education to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. Permits a project owner to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below 95 per cent.

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