



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

**Date:** 02/02/2024  
**Time:** 03:00 PM  
**Location:** CR 229 & Videoconference  
**Committee:** Senate Education

**Department:** Education

**Person Testifying:** Keith T. Hayashi, Superintendent of Education

**Title of Bill:** SB 2635 RELATING TO EDUCATION.

**Purpose of Bill:** Appropriates funds to the Department of Education for operational expenses, including the hiring of staff. Declares that the general fund expenditure ceiling is exceeded.

**Department's Position:**

The Hawaii State Department of Education (Department) is very appreciative of the investment in public education this measure makes – \$86.5 million in general funds for Fiscal Year (FY) 25, which will help fill the gaps in the Executive Budget Bill (H.B. No. 1800 and S.B. No. 2234) as introduced. The table below summarizes by broad categories what was included and not included in the Executive Budget Bill compared to the Department's requests.

Request Category	Department Requests FY 25*	Executive Budget Additions FY 25**	Difference
Weighted Student Formula	\$33,016,281	\$0	-\$33,016,281
Student Achievement and Enrichment	\$37,894,528	\$500,000	-\$37,394,528
Special Education and Mental Health Supports	\$19,273,754	\$8,172,245	-\$11,101,509
Teacher and Staff Retention	\$23,400,879	\$18,377,674	-\$5,023,205
Essential Support Services	\$15,488,565	\$10,000,000	-\$5,488,565

Infrastructure	\$21,750,000	\$17,250,000	-4,500,000
Student Meals and Transportation	\$39,266,346	\$39,266,346	\$0
School Safety	\$8,060,912	\$18,000,000	\$9,939,088
<b>Total</b>	<b>\$198,151,265</b>	<b>\$111,566,265</b>	<b>-\$86,585,000</b>

\*The Department Requests are the budget requests put forth by the Department to the Governor for his consideration for inclusion in the Executive Budget during the annual budget development process.

\*\*The Executive Budget Additions are the budget requests approved by the Governor.

As shown in the table, the Executive Budget Bill includes no additional funding for the Weighted Student Formula (WSF), which provides direct funding for schools, although \$33 million was requested. As part of the WSF budget request for FY 25, the Department included funding for small and remote schools. Additionally, related to the category of Student Achievement and Enrichment, the proposed budget does not include additional funding for summer school.

While students – locally, nationally, and internationally – were negatively impacted by the pandemic, Hawaii’s public schools are seeing a stronger and faster recovery than many other states. Our schools and students have made great strides coming out of the pandemic, and further investment is needed because pandemic-related impacts on education are ongoing.

As an amendment to the measure, the Department respectfully requests that the following language be included as a new Section 4 with the current Section 4 being renumbered to Section 5:

“Notwithstanding any law to the contrary, provided that the funds appropriated in this Act may be transferred with the approval of the governor to the Supplemental Appropriations Act of 2024, for program execution and expenditure.”

This language will help to ensure that appropriated funds are incorporated into the Department’s base budget going forward and not just on a one-time basis for FY 25 only. It is imperative that predictable, reliable, and adequate funding is in place to maintain our trajectory.

The Department remains firmly committed to ensuring that all of our graduates are globally competitive and locally committed. With your help and support, we can keep the momentum moving forward for public education and our students.

Thank you for your consideration.



## TESTIMONY FROM THE DEMOCRATIC PARTY OF HAWAII

### SENATE COMMITTEE ON EDUCATION

FEBRUARY 2, 2024

### SB 2635, RELATING TO EDUCATION

POSITION: SUPPORT

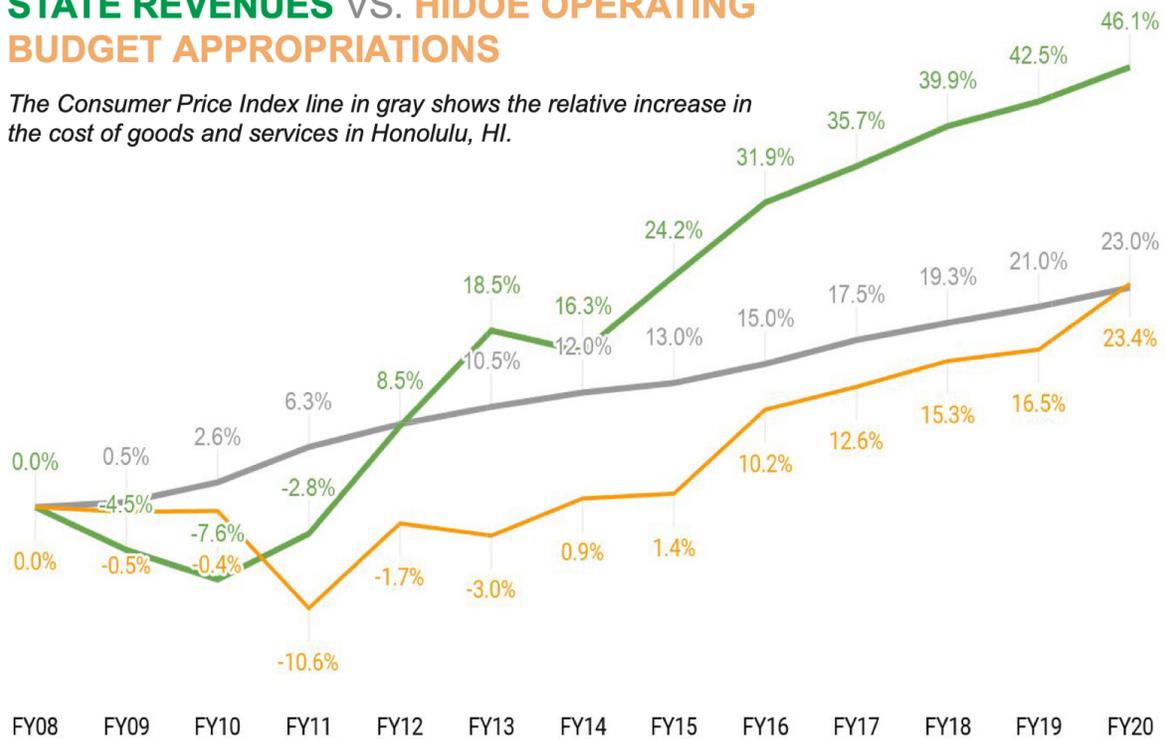
The Democratic Party of Hawaii **supports** SB 2635, relating to education. Pursuant to the “Education” section of the official Democratic Party of Hawaii platform, the party supports “establishing a dedicated funding source to deliver a quality public education and library services to every student, regardless of learning capacity or ability to pay, in an environment conducive to the learning process. These resources shall be made available at every level, from preschool through higher education, including life-long learning.”

Public education is the heartbeat of our democracy and our economy. Last year, the State Legislature dramatically slashed funding for Hawaii’s public school system. **The state legislature’s education operating budget was \$57.1 million less in general funds than what Gov. Josh Green requested for fiscal year 2023-2024 and \$109.7 million less than what was requested for 2024-2025.** Those gaps were even larger when compared with the state Board of Education’s original requests last fall. Moreover, schools received \$434.2 million less than the BOE-approved request of \$536.1 million for the first year of the biennium and \$479 million less than a slightly higher request for the second year. State lawmakers also zeroed out 5 out of 9 categories of lump-sum appropriations for capital improvements and meanwhile approved 117 line-item projects worth \$307 million. These cuts caused some lawmakers to take the unprecedented step of voting “no” on the state budget. Former BOE member Kili Namau’u called the cuts a “travesty.”

Budget cuts crippled the DOE in recent years, leading to reconsideration of whether or not to continue successful learning programs. Arts, Hawaiian cultural, career and technical, foreign language, mental health, and other student support programs have been slashed to maintain an unsustainable testing regime. Unfortunately, when our state’s education budget fails to keep pace with inflation, successful learning centers and categorical programming get placed on the chopping block, while the DOE’s priorities shift from classroom support to programmatic savings. Put simply, when we fail to adequately fund our schools, the DOE must spend more time accounting for basic programs, crowding out concerns about the efficient allocation of funds for individual teacher and student needs, like classroom resources. **This is further exacerbated by pending loss of federal ESSER funds, which must be spent by the end of 2024.**

### STATE REVENUES VS. HIDOE OPERATING BUDGET APPROPRIATIONS

The Consumer Price Index line in gray shows the relative increase in the cost of goods and services in Honolulu, HI.

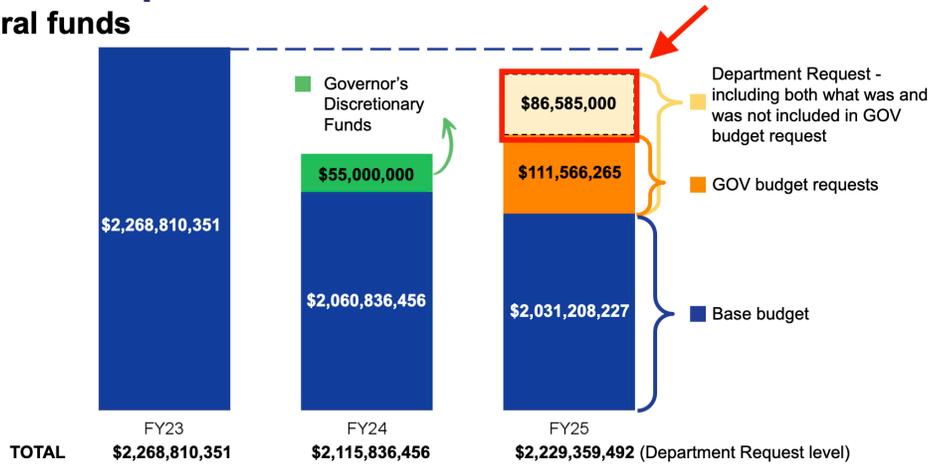


FY08-18 Actual Collections per Department of Taxation; FY19 and FY20 based on Council on Revenues May 23, 2019 projection.

We cannot give up the quest for a fully-funded school system. Our keiki’s and our community’s future depends on our resolve.

## FY24 & FY25 Budget Appropriation & FY25 Requests

### General funds



### Briefing Progress

- Overview
- Federal Funds
- Non-General Funds
- Budget Requests**

## Department's and Governor's Budget Request

### General funds, FY25 by request category

REQUEST CATEGORY	FY25 Department's Request	FY25 Governor's Request	Difference
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Note: Excludes Trade-Off/Transfer

### Briefing Progress

- Overview
- Federal Funds
- Non-General Funds
- Budget Requests**

Mahalo nui loa,

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## **SENATE BILL 2635, RELATING TO EDUCATION**

FEBRUARY 2, 2024 · EDU HEARING

**POSITION:** Support.

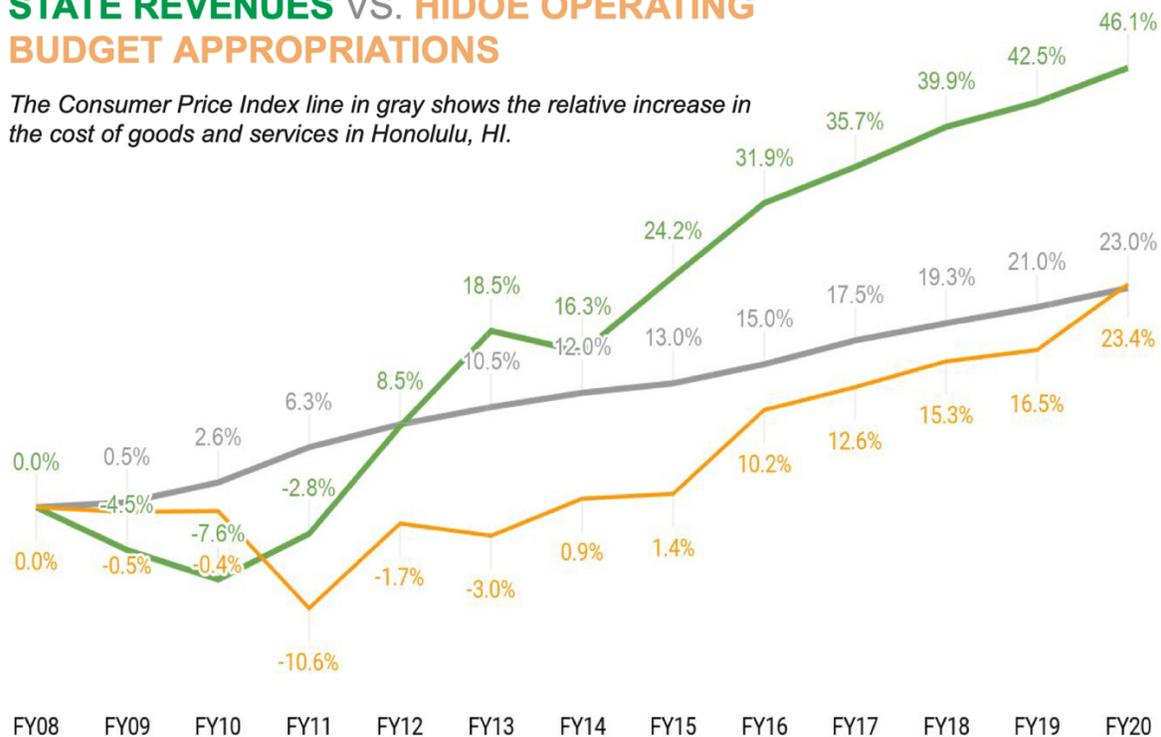
**RATIONALE:** The Democratic Party of Hawai'i Education Caucus **supports** SB 2635, which appropriates funds to the Department of Education for operational expenses, including the hiring of staff, and declares that the general fund expenditure ceiling is exceeded.

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**Kris Coffield · Chairperson, DPH Education Caucus · (808) 679-7454 · [kriscoffield@gmail.com](mailto:kriscoffield@gmail.com)**