

Honolulu, Hawaii

APR 04 2007

RE: H.B. No. 19  
H.D. 2  
S.D. 2

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B.  
No. 19, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to make improvements to the  
educational facilities and programs provided by the Department of  
Education.

Specifically, this measure:

- (1) Provides for the timely construction, expansion,  
consolidation, and closure of public schools by:
  - (A) The establishment of a facilities alignment  
commission that shall:
    - (i) Establish criteria for the selection of public  
schools to be constructed, expanded,  
consolidated, or closed; and
    - (ii) Based on the criteria, recommend to the Board  
of Education a list of schools that should be  
constructed, expanded, consolidated, or  
closed; and



- (B) Directing the Board of Education to proceed with the process of constructing, expanding, consolidating, and closing schools according to the recommendations of the facilities alignment commission; and
- (2) Establishes the framework and criteria for the Department of Education to implement smaller learning communities.

Prior to a hearing on this measure, your Committee circulated a proposed S.D. 2 of this measure that would establish a comprehensive school impact fee program for financing new and expanding existing Department of Education educational facilities in partnership with private developers of residential properties.

Your Committee has received comments in opposition to the proposed S.D. 2 from the Governor's Policy Office and the Land Use Research Foundation of Hawaii. The Department of Education submitted comments on the proposed S.D. 2.

Your Committee finds that Act 246, Session Laws of Hawaii 2005, established the school impact fee working group. The primary charge of the working group was to develop recommendations to implement alternative methods for financing new or expanding existing Department of Education educational facilities. In December 2006, the working group submitted its report entitled Hawaii School Impact Fee Study. The proposed S.D. 2 implements the recommendations contained in the study for the development of new or expanding existing school facilities in partnership with developers of residential properties.

Accordingly, your Committee has amended this measure by deleting its contents and inserting in its place the contents of the proposed S.D. 2 that:

- (1) Requires the Department of Education to establish school impact districts;
- (2) Requires the Department of Education to establish appropriate student generation rates by housing type and school level for determining projected facilities needs for each school impact district;

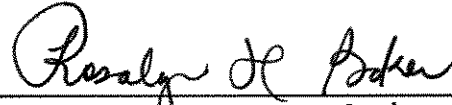


- (3) Requires any developer of residential properties, whether single-family or multi-family dwellings, to dedicate land or fees in lieu of land dedication for new school facilities, including a determination on the amount of land or fees in lieu that will be required of the developer;
- (4) Establishes a school impact fee per single-family or multi-family dwelling for the development of new or expansion of existing school facilities; and
- (5) Establishes accounting and expenditure requirements relating to:
  - (A) The purposes and locations where fees in lieu of school land dedication may be allocated and expended;
  - (B) The purposes and locations where school impact fees may be allocated and expended;
  - (C) Credits for land dedications or fees in lieu of dedication or school impact fees that a developer may have made prior to the effective date of this measure; and
  - (D) Refunding of any fees in lieu or school impact fees that are not expended for the purpose for which they were assessed within twenty years of collection of the moneys.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 19, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 19, H.D. 2, S.D. 2.



Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,




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ROSALYN H. BAKER, Chair



The Senate  
Twenty-Fourth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">HB 19 HD2, SD1</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">EDU, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">3/30/07</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312         </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311         </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310         </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313         </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani				/
FUKUNAGA, Carol	/			
HOOSER, Gary L.	/			
KIM, Donna Mercado	/			
MENOR, Ron	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred			/	
WHALEN, Paul				/
<b>TOTAL</b>	8	0	1	2
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted           <input type="checkbox"/> Not Adopted         </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; margin-top: 10px;">  </div>				
<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">           Distribution:            Original            File with Committee Report         </div> <div style="text-align: center;">           Yellow            Clerk's Office         </div> <div style="text-align: center;">           Pink            Drafting Agency         </div> </div>				

\*Only one measure per Record of Votes