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# A BILL FOR AN ACT

RELATING TO SCHOOL CLOSURES OR CONSOLIDATIONS.

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

1           SECTION 1. School closures and consolidations are driven  
2 by scales of economy but are always accompanied by school and  
3 community resistance based on assorted legitimate concerns.  
4 School closures or consolidations can be best accomplished  
5 effectively if the benefits to the system are balanced with  
6 benefits to the individual schools and communities.

7           The purpose of this Act is to mandate the department of  
8 education to conduct a cost benefit analysis to determine the  
9 expected cost savings of closure or consolidation, and to  
10 require that fifty per cent of the actual fiscal savings be  
11 retained by the new configuration of affected schools for a  
12 period of not less than five years. The fiscal savings shall be  
13 computed by adding the total costs of the affected schools in  
14 the last year of operation at individual schools.

15           SECTION 2. Chapter 302A, Hawaii Revised Statutes, is  
16 amended by adding a new section to be appropriately designated  
17 and to read as follows:



1           "§302A- School closures or consolidations. (a) The  
 2 department, in consultation with the department of land and  
 3 natural resources and any other governmental agencies, shall  
 4 conduct a cost benefit analysis to determine the expected cost  
 5 savings of a school closure or school consolidation. The  
 6 department shall submit a report on its analysis, findings, and  
 7 recommendations on each proposed school closure or school  
 8 consolidation to the board of education for its review and  
 9 approval.

10           (b) If any school closure or school consolidation occurs,  
 11 fifty per cent of the actual fiscal savings shall be retained by  
 12 the new configuration of affected schools for a period of not  
 13 less than five years. For purposes of this section, fiscal  
 14 savings shall be computed by adding the total costs of the  
 15 affected schools in the last year of operation at individual  
 16 schools."

17           SECTION 3. New statutory material is underscored.

18           SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

*Bial*

JAN 22 2007

*B/R*



**Report Title:**

DOE; DLNR; School Closure or Consolidation

**Description:**

Requires the department of education to conduct a cost benefit analysis and determine the cost savings of school closures or consolidations. Requires fifty per cent of the actual fiscal savings to be retained by the new configuration of affected schools for a period of not less than five years.

