

STAND. COM. REP. NO.

2974

Honolulu, Hawaii

MAR 18 2008

RE: H.B. No. 2972
H.D. 1
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Education, to which was referred H.B. No. 2972, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to provide for timely construction, expansion, consolidation, and closure of underused public schools in Hawaii through an established process.

Specifically, this measure:

- (1) Establishes the Facilities Alignment Commission;
- (2) Establishes procedures for making recommendations for school alignment through the development of a school facilities plan;
- (3) Establishes school alignment selection criteria; and
- (4) Establishes procedures for hearings and final recommendations by the Facilities Alignment Commission.

Testimony in support of the measure was submitted by the Department of Budget and Finance, The Chamber of Commerce of Hawaii, the Hawaii Leeward Planning Conference, BIA-Hawaii, and the Land Use Research Foundation of Hawaii. Testimony in



opposition of the measure was submitted by the Department of Education.

Your Committee finds that shifts in demographics within regions of the State necessitate the expansion or construction of schools in areas of rapid population growth. Conversely, other areas support facilities that are currently being underutilized due to movement away from urban centers into the suburbs and require consolidation or closure. Your Committee further finds that decisions regarding which schools or areas are affected should be carefully examined, taking into consideration the many interests involved and the potential impacts on the students, the community, the Department of Education, and the State.

Your Committee believes that the dynamic of the current demographic shifts requires a comprehensive approach to determining where and when public schools should be constructed, expanded, consolidated, or even closed. This measure establishes a Facilities Alignment Commission to develop appropriate criteria and make recommendations for areas for new school construction or school expansion, consolidation, or closure. The Facilities Alignment Commission's work can help to revitalize school facilities within the State by more efficiently and effectively utilizing public resources. However, further clarification is necessary to ensure the successful expansion, closure, or consolidation of schools, that funding is channeled to the appropriate needs, and that the Department of Education is tasked with manageable duties and responsibilities.

Accordingly, your Committee has amended this measure by:

- (1) Including as duties of the Facilities Alignment Commission:
 - (A) Exploring funding mechanism alternatives to ensure that funds derived from the consolidation or closure of schools are redirected back to benefit the affected school or schools or the Department of Education, as appropriate;
 - (B) Developing procedures or guidelines for executing memoranda of agreement or memoranda of understanding with the counties, other departments, or entities regarding property on which affected

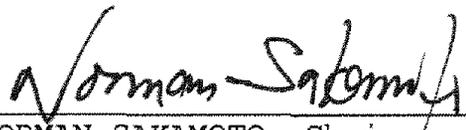


schools are located with regard to those properties disposition; and

- (C) Developing procedures or guidelines, with the assistance of the Department of the Attorney General, regarding boilerplate language, terms, and conditions associated with the sale or lease of property on which affected schools are located;
- (2) Changing the deadline for submission of the school facilities plan by the Department of Education to December 31, 2008, and requiring only public schools in critical areas, including those in high-growth or steadily declining population areas, to be included in the school facilities plan; and
- (3) Making technical, nonsubstantive changes for purposes of clarity and to reflect preferred drafting style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2972, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2972, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Education,



NORMAN SAKAMOTO, Chair



