## A BILL FOR AN ACT

RELATING TO THE BEVERAGE CONTAINER SURCHARGE.

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

- 1 SECTION 1. The legislature finds that education is one of 2 the foremost priorities of this state. However, projected 3 budget deficits have led the administration and the teachers' 4 union to agree to eliminate a number of instructional days. 5 elimination of 17 instructional days to lower the number of instructional days to 163 days, the lowest in the nation, has 6 7 received nationwide criticism, including by the U.S. Secretary 8 of Education. 9 Our state is eligible to compete for funds ranging from \$20 10 million to \$75 million through a \$4.35 billion federal grant 11 program for schools called the "Race to the Top" fund. However, 12 school furloughs have jeopardized our state's chances of 13 receiving Race to the Top grants, as the furloughs are perceived 14 as directly contradicting Hawaii's claim of its determination to 15 reform education, one of the criteria to receive the grants. 16 The legislature finds that identifying additional sources
- 17 of revenue to reinstate instructional days would substantiate

- 1 Hawaii's commitment to public education, and improve our state's
- 2 likelihood of receiving Race to the Top funds.
- 3 The purpose of this Act is to:
- 4 (1) Add a 5 cent beverage container surcharge to the
- 5 deposit beverage container fee;
- 6 (2) Establish a furlough elimination special fund into
- 7 which the beverage container surcharge shall be
- 8 deposited; and
- 9 (3) Authorize the department of education to expend moneys
- in the furlough elimination special fund to eliminate
- 11 public school furlough days.
- 12 SECTION 2. Chapter 302A, Hawaii Revised Statutes, is
- 13 amended by adding a new section to be appropriately designated
- 14 and to read as follows:
- 15 "§302A- School furlough elimination special fund. (a)
- 16 There is established in the state treasury a school furlough
- 17 elimination special fund to be administered by the department,
- 18 into which shall be deposited all revenues from the beverage
- 19 container surcharge as authorized by section 342G- . The
- 20 moneys in the school furlough elimination special fund shall be
- 21 administered and used by the department to eliminate public
- 22 school furlough days. Appropriations or authorizations from the



- 1 fund shall be expended by the superintendent. Up to ten per
- 2 cent of the moneys in the special fund may be used by the
- 3 department of education to reimburse the department of health
- 4 for administration costs of collecting the beverage container
- 5 surcharge.
- 6 (b) The department shall provide a report to the governor
- 7 and the legislature no later than twenty days prior to the
- 8 convening of the regular session of 2011 describing all
- 9 expenditures from the school furlough elimination special fund."
- 10 SECTION 3. Chapter 342G, Hawaii Revised Statutes, is
- 11 amended by adding a new section to be appropriately designated
- 12 and to read as follows:
- 13 "§342G- Beverage container surcharge. Beginning on
- 14 September 1, 2010, there shall be added to the fee assessed in
- 15 section 342G-102, a beverage container surcharge to be deposited
- 16 into the school furlough elimination special fund as established
- 17 under section 302A- . The additional surcharge shall be 5
- 18 cents per deposit beverage container."
- 19 SECTION 4. The department of education shall report to the
- 20 legislature on recommendations and implementation of the
- 21 surcharge no later than twenty days prior to the convening of
- 22 the regular session of 2011.



- 1 SECTION 5. New statutory material is underscored.
- 2 SECTION 6. This Act shall take effect upon its approval
- 3 and shall be repealed on June 30, 2013.

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INTRODUCED BY

JAN 2 0 2010

## Report Title:

Beverage Container Surcharge; Public School Furloughs

## Description:

Establishes a 5 cent surcharge on beverage containers, to be used by the Department of Education to eliminate public school furlough days.

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