THE SENATE THE TWENTY-FIFTH LEGISLATURE REGULAR SESSION OF 2010

COMMITTEE ON WAYS AND MEANS

Senator Donna Mercado Kim, Chair Senator Shan S. Tsutsui, Vice Chair

NOTICE OF DECISION MAKING

DATE: Wednesday February 24, 2010

TIME: 10:00 am

PLACE: Conference Room 211

State Capitol

415 South Beretania Street

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The following measure(s) were previously heard by the Senate standing committee on Education and Housing.

SB 2115 (SSCR2031) Testimony Status	RELATING TO PREAUDITS FOR PROPOSED PAYMENTS. Clarifies that the department of education is required to preaudit proposed payments of \$10,000 or more. Allows the University of Hawaii and the department of education to preaudit sample populations for proposed payments of less than \$10,000 to determine the propriety of expenditures and compliance with applicable laws, executive orders, and rules, as their respective chief financial officers determine to be appropriate. Extends the date until which the University of Hawaii and the department of education shall have autonomous authority over their accounting systems and other purchasing responsibilities and duties.	EDH/HRE, WAM
SB 2117, SD1 (SSCR2055) Testimony Status	RELATING TO EDUCATION. Repeals the school-level minor repair and maintenance account. Requires the DOE to annually report to the director of finance and the legislature the total amount of funds in the school-level minor repair and maintenance special fund that will carry over to the following fiscal year. (SD1)	EDH, WAM
SB 2172, SD1 (SSCR2027) Testimony Status	RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST KAIMUKI CHRISTIAN SCHOOL. Authorizes the issuance of special purpose revenue bonds for Kaimuki Christian School. (SD1)	EDH, WAM
SB 2256, SD1 (SSCR2146) Testimony Status	RELATING TO THE DEPARTMENT OF EDUCATION. Authorizes the DOE to adopt rules governing traffic and parking conditions on roadways and areas under the jurisdiction of the DOE, including rules for the assessment of parking fees. Provides that parking fees collected shall be deposited into the same fund into which fees and charges collected for the use of school facilities are deposited; provided that parking fees collected by a school shall be deposited to	EDH, WAM

the credit of that school's nonappropriated local school fund account.

(SD1)

RELATING TO ELECTRONIC WARRANT VOUCHERS. EDH/HRE, WAM SB 2257, SD1 Allows the department of education, department of accounting and (SSCR2030) general services, and the University of Hawaii to accept electronically mailed warrant vouchers for bills of materials, supplies, and incidentals **Testimony** as original documentation, the receipt of which authorizes payment to **Status** be made to each individual to whom the State is indebted. (SD1) SB 2277, SD1 RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY. EDH, WAM Removes most procedural requirements preliminary to hearings for (SSCR2145) evictions of tenants of public housing projects and requires instead the Hawaii public housing authority to submit written notice, in **Testimony** accordance with federal law, to delinquent tenants. Clarifies that for **Status**

SB 2349, SD1 RELATING TO EXTRACURRICULAR ACTIVITIES. EDH, WAM

federal low-income housing, hearings shall be conducted by an

Allows home-schooled students to participate on an equal basis in (SSCR2144) extracurricular activities offered at the public school they would **Testimony** otherwise be required to attend if they meet certain requirements. Requires DOE to consult with the Athletic Directors and Coaches **Status** Association of Hawaii during its rule-making process. Takes effect 7/1/2050. (SD1)

RELATING TO EDUCATION. EDH, WAM SB 2431, SD1

Directs the department of education to create an internet-based. (SSCR2325) publicly accessible system for reporting student test scores and other indices of the performance of students and of the public education **Testimony**

system. (SD1) Status

eviction board. (SD1)

SB 2434, SD1 RELATING TO SALARIES. EDH, WAM

Sets the cap on the superintendent of education's salary to the salary of (SSCR2143) the highest paid school-, district-, or state-level administrator in the department. Sets the cap on the salary of the deputy superintendent, **Testimony** assistant superintendents, complex area superintendents, and state **Status** librarian at ninety per cent, eighty-five per cent, eighty per cent, and eighty per cent of the superintendent's salary, respectively. Takes

effect 7/1/2050. (SD1)

RELATING TO TRANSPORTATION OF SCHOOL CHILDREN. SB 2452, SD1 EDH, WAM

Requires the DOE to provide or subsidize the cost of suitable (SSCR2142) transportation to and from school for K-12 students or students in special education classes at public schools, except those in the **Testimony** Honolulu departmental district. Increases the fuel tax to finance the **Status** cost of providing or subsidizing the cost of school transportation.

(SD1)

RELATION TO EDUCATION. EDH/LBR, WAM SB 2470, SD1

Requires all public schools, including charter schools, to implement a (SSCR2140) minimum of two hundred days of classroom instruction per school

year. (SD1) **Testimony**

Status

SB 2567, SD1

RELATING TO EDUCATION.

EDH, WAM

(SSCR2324)

Testimony

Status

Requires the DOE to approve one set of teaching materials, that are consistent with Race to the Top fund selection criteria, to be used by all public schools, except upon approval of a waiver; require standardsbased curriculum to include the set of teaching materials; collaborate with certain organizations to select and approve the set of teaching materials; and report findings to the legislature. (SD1)

SB 2575, SD1

RELATING TO HOUSING.

EDH/TIA, WAM

(SSCR2189)

Testimony

Status

Creates an anti-speculation capital gains tax on profits from the sale of real property held for less than twenty-four months, excluding the sale of real property that is owned by a resident and provides affordable housing rentals for a minimum period of time and other exceptions. (SD1)

SB 2576, SD1

RELATING TO HOUSING.

EDH, WAM

(SSCR2224)

Testimony

Requires new residential developments in school impact districts to be subject to all statutes, ordinances, charter provisions, and rules relating to school impact fees and school impact districts. (SD1)

Status

SB 2578

RELATING TO TAXATION.

EDH, WAM

(SSCR2273)

Testimony

Status

Establishes a refundable ohana residential housing income tax credit for qualified taxpayers who purchase a qualified principal residence on or after April 1, 2010, and before January 1, 2012, that is payable to the qualified taxpayer in two equal installments over the immediately following two taxable years.

SB 2588

RELATING TO THE CHARTER SCHOOL ADMINISTRATIVE OFFICE.

EDH, WAM

EDH, WAM

(SSCR2320)

Testimony

Status

Requires the charter school administrative office to withhold funds for its operational expenses, including salaries for staff and the executive director. The total amount of withheld funds shall be determined by the review panel and shall not exceed two per cent of the total charter school general fund appropriation.

SB 2591, SD1

(SSCR2272)

Testimony

Status

RELATING TO THE HAWAII TEACHER STANDARDS BOARD.

Implements recommendations for the Hawaii teacher standards board by requiring the board to include expenditure information in the annual report; authorizing the board to delegate to the executive director powers and duties; adding additional licensure renewal requirements and verification of meeting licensure renewal requirements; requiring the board to determine if fees shall be raised; requiring the board to develop a comprehensive plan for transferring nonessential functions and duties to other agencies; requiring the board to review its teacher license renewal process; and requiring the board and the department of education to clarify their respective powers, duties, responsibilities.

(SD1)

SB 2592, SD1

RELATING TO THE GENERAL EXCISE TAX.

EDH, WAM

(SSCR2226)

Testimony

Status

Allows a general excise tax exemption to qualified persons or firms who receive rental income on newly constructed or moderately or substantially rehabilitated housing projects from households that meet certain residency and annual income criteria. Effective 7/1/2050. (SD1)

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SB 2593, SD1

(SSCR2329)

RELATING TO THE HAWAII HOUSING FINANCE AND
DEVELOPMENT CORPORATION.
Requires the Hawaii housing finance and development corporation to conduct periodic reviews of housing projects certified for a general

Testimony conduct periodic reviews of housing projects certified for a general excise tax exemption to determine whether the housing projects have met eligibility criteria required by law and rule. Effective 7/1/2050. (SD1)

SB 2594, SD1 RELATING TO HOUSING. EDH, WAM

Adds a residency requirement for households in a newly constructed or moderately or substantially rehabilitated housing project developed by a qualified person or firm in order for that person or firm to be considered to receive a general excise tax exemption. Effective

7/1/2050. (SD1)

SB 2595, SD1 RELATING TO HOUSING. EDH, WAM

(SSCR2225)

Requires that the gross annual income of households in a housing project developed by a qualified person or firm be calculated according to the United States Department of Housing and Urban Development's method of calculation for determining eligibility for the federal housing choice voucher (section 8) program, in order for the person or

firm to be considered to receive a general excise tax exemption.

Effective 7/1/2050. (SD1)

SB 2709, SD1 RELATING TO ENVIRONMENTALLY SENSITIVE PRODUCTS. EDH/ENE, WAM

Adds the design for the environment program of the United States
Environmental Protection Agency and the EcoLogo program
administered by TerraChoice Environmental Marketing Inc. as
additional programs whose approved cleaning and maintenance
products will be given first preference by the DOE in the purchase and

products will be given first preference by the DOE in the purchase an use of cleaning and maintenance products in public schools. (SD1)

SB 2786, SD1 RELATING TO THE DEPARTMENT OF EDUCATION. EDH, WAM

(SSCR2331) Requires the department of education to establish and implement a searchable budget database website that will be made publicly

<u>Testimony</u> available no later than 07/01/2011. (SD1)

Status

SB 2797, SD1 RELATING TO VOLUNTARY EMPLOYEES' BENEFICIARY EDH/LBR, WAM ASSOCIATION TRUSTS.

(SSCR2058) Extends voluntary employees' beneficiary association trusts (VEBA) to
Testimony July 1, 2012. Retains amendments unrelated to VEBA made to
sections 89-6 and 89-9, Hawaii Revised Statutes, since the enactment

of Acts 202 and 245, Session Laws of Hawaii 2005, upon the repeal and reenactment of those sections on the sunset date of Act 245 (2005).

(SD1)

SB 2828, SD1 RELATING TO EDUCATION. EDH, WAM

(SSCR2229) Clarifies the law for determining school impact fees for financing new or expanding existing department of education schools or facilities.

Takes offeet 7/1/2050 (SD1)

<u>Testimony</u> Takes effect 7/1/2050. (SD1)

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SB 2874 (SSCR2275) Testimony Status	RELATING TO TAXATION. Creates a blank fill-in amount for the school-level minor repairs and maintenance special fund and the libraries special fund income tax check-off boxes.	EDH, WAM
SB 2889 (SSCR2159) Testimony Status	RELATING TO EDUCATION. Transfers all land and facilities thereon used by the department of education to operate the Keakealani outdoor education center to the Volcano school of arts and sciences.	EDH/WTL, WAM
SB 2960 (SSCR2223) Testimony Status	RELATING TO THE DEPARTMENT OF EDUCATION. Restructures the department of education into two major divisions – the academic achievement division and the administration division – and establishes two senior deputy superintendent positions to head the divisions.	EDH, WAM
SB 2109, SD1 (SSCR2054) Testimony Status	RELATING TO LOW-INCOME HOUSING. Establishes a program for granting low-income housing tax credit loans in lieu of low-income housing tax credits administered by the Hawaii housing finance and development corporation. Authorizes issuance of general obligation bonds to fund the loans. Applies to qualified low-income buildings placed in service after 12/31/2010. (SD1)	EDH, WAM
SB 2451, SD1 (SSCR2227) Testimony Status	RELATING TO EDUCATION. Requires remote schools to be allocated funds using categorical allotments, rather than through the weighted student formula. Defines a remote school as any public school that is a high school located at least a one-hour drive away from the next nearest high school or a high school located on the island of Lanai, Molokai, or Niihau. Takes effect	EDH, WAM

Decision making meeting only, no public testimony will be accepted.

Persons wishing to comment should submit their comments in one of the following ways:

- By Email: Comments may be emailed if less than 5 pages in length, to the Committee at WAMTestimony@Capitol.hawaii.gov . Please indicate the measure, date and time of the hearing. Email sent to individual offices or any other Senate office will not be accepted.
- In person: 1 copy of their Comments to the committee clerk, Room 210, State Capitol.

7/1/2050. (SD1)

By fax: Comments may be faxed if less than 5 pages in length, to the Senate Sergeant-At-Arms Office at 586-6659 or 1-800-586-6659 (toll free for neighbor islands), at least 24 hours prior to the hearing. When faxing, please indicate to which committee the comments is being submitted and the date and time of the hearing

FOR AMENDED HEARING NOTICES: If the notice is an amended notice, measures that have been deleted are stricken through and measures that have been added are underscored. If there is a measure that is both underscored and stricken through, that measure has been deleted from the agenda.

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If you require special assistance or auxiliary aids or services to participate in the public hearing process (i.e., sign or foreign language interpreter or wheelchair accessibility), please contact the committee clerk 24 hours prior to the hearing so arrangements can be made.

FOR FURTHER INFORMATION, PLEASE CALL THE COMMITTEE CLERK AT 586-6800.

Senator Donna Mercado Kim Chair