STAND. COM. REP. NO. 982

Honolulu, Hawaii March **R**, 2011

RE: S.B. No. 1385 S.D. 2 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 1385, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC SCHOOL LANDS,"

begs leave to report as follows:

The purpose of this bill is to provide additional flexibility and the potential for additional revenue with respect to public school lands by establishing a Public School Lands Trust to generate income from the redevelopment of excess and underused public school lands with which to construct, repair, and retrofit public schools to meet the challenges of the 21st century and beyond.

This measure also establishes a Public School Lands Trust Commission to manage, administer, and exercise control over the Public School Lands Trust.

The Land Use Research Foundation of Hawaii and several concerned individuals supported this bill. The Hawaii State Teachers Association and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported the intent of this measure. The Office of Hawaiian Affairs, Council Chair and two Councilmembers of the Maui County Council, and a concerned individual opposed this bill. The Department of Education (DOE), Department of Land and Natural Resources, Good Beginnings



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Alliance, Mayor of the City and County of Honolulu, and several concerned individuals provided comments.

Your Committee has amended this bill by deleting its contents and replacing them with provisions that:

- (1) Permit, as a three-year pilot project, DOE with the approval of the Board of Education, to lease public school land for up to ten schools for a lease term of not more than 55 years for the purpose of constructing affordable workforce rental housing units;
- Direct proceeds from leases specified in paragraph (1) above to be used for the construction and upgrade of 21st century schools;
- (3) Establish a School Facilities Special Fund to deposit proceeds from leases specified in paragraph (1);
- (4) Establish a School Facilities Advisory Board to advise DOE on, among other things, how best to optimize public school lands;
- (5) Establish a public school construction tax credit for construction undertaken as part of the terms of a lease specified under paragraph (1) above; and
- (6) Require DOE to further develop a systematic process and mechanism to optimize public school lands.

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 S.B. No. 1385, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1385, S.D. 2, H.D. 1, and be referred to the Committee on Water, Land, & Ocean Resources.

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

ROY TAKUMI, Chair



H5CR 902

State of Hawaii House of Representatives The Twenty-sixth Legislature

Record of Votes of the Committee on Education

	Committee Referral:		Date:			
5B 1385 5D2 EDN,	EDN, WLO, FIN			3/16/2011		
□ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: Deass, unamended (as is) X Pass, with amendments (HD) Deast Hold						
Pass short form bill with HD to recommit for future public hearing (recommit)						
EDN Members	Ayes	Ayes (WR)	Nays	Excused		
1. TAKUMI, Roy M. (C)	X					
2. BELATTI, Della Au (VC)	X					
3. AQUINO, Henry J.C.	X	×				
4. AWANA, Karen L.						
5. CHANG, Jerry L.			-	X		
6. HANOHANO, Faye P.		<u>X</u>				
7. MIZUNO, John M.	\times					
8. NAKASHIMA, Mark M.	×					
9. NISHIMOTO, Scott Y.	<u> </u>					
10. SAIKI, Scott K.	×					
11. TAKAI, K. Mark	X /					
12. WOOLEY, Jessica	×					
13. FONTAINE, George R.	X					
14. JOHANSON, Aaron Ling						
TOTAL (14)	11	2		١		
The recommendation is: Adopted Image: Not Adopted If joint referral,						
committee acronym(s)						
Vice Chair's or designee's signature: Alla Q. Belatti						
Distribution: Original (White) Committee Duplicate (Yellow) Chief Clerk's Office Duplicate (Pink) HMSO						