# A BILL FOR AN ACT

PROPOSING AMENDMENTS TO ARTICLES VII AND X OF THE CONSTITUTION OF THE STATE OF HAWAII TO AUTHORIZE THE LEGISLATURE TO ESTABLISH A SURCHARGE ON RESIDENTIAL INVESTMENT PROPERTY AND VISITOR ACCOMMODATIONS TO INCREASE FUNDING FOR PUBLIC EDUCATION.

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

- 1 SECTION 1. The legislature finds that Hawaii's public
- 2 schools are underfunded. Compared to school districts of
- 3 similar size in other states, Hawaii ranks two hundred twenty-
- 4 seventh in per-pupil funding before adjusting for cost of
- 5 living. At \$11,823 per student, Hawaii education spending
- 6 trails major private schools, which average \$15,173 in per-pupil
- 7 spending. Hawaii also ranks last nationally in capital
- 8 improvement expenditures for public schools, appropriating about
- 9 \$300 per pupil, compared to averages in other states of \$1,200
- 10 to \$1,500.
- 11 The legislature further finds that chronic underfunding of
- 12 public schools undermines the State's goal of providing a public
- 13 education to all of Hawaii's children. Specifically,
- 14 insufficient education funding results in delayed repairs to
- 15 school facilities; overheated classrooms; higher class sizes; a



- 1 lack of adequate classroom supplies; elimination of arts,
- 2 career, and technical education courses; budget cuts for special
- 3 education and English language learner programs; and an
- 4 increasing number of vacant teacher positions throughout the
- 5 State.
- 6 The purpose of this Act is to propose amendments to the
- 7 Constitution of the State of Hawaii to advance the State's goal
- 8 of providing a public education for the children of Hawaii by
- 9 authorizing the legislature to establish a surcharge on
- 10 residential investment property and visitor accommodations.
- 11 SECTION 2. Article VII of the Constitution of the State of
- 12 Hawaii is amended by adding a new section to be appropriately
- 13 designated and to read as follows:
- 14 "SURCHARGE ON RESIDENTIAL INVESTMENT PROPERTY
- 15 Section Notwithstanding any provision of this
- 16 constitution to the contrary, the State shall not be prohibited
- 17 from establishing a surcharge on residential investment property
- 18 pursuant to Article X, Section 1."
- 19 SECTION 3. Article X, section 1, of the Constitution of
- 20 the State of Hawaii is amended to read as follows:

#### 1 "PUBLIC EDUCATION

- Section 1. The State shall provide for the establishment,
- 3 support and control of a statewide system of public schools free
- 4 from sectarian control, a state university, public libraries and
- 5 such other educational institutions as may be deemed desirable,
- 6 including physical facilities therefor. There shall be no
- 7 discrimination in public educational institutions because of
- 8 race, religion, sex or ancestry; nor shall public funds be
- 9 appropriated for the support or benefit of any sectarian or
- 10 nonsectarian private educational institution, except that
- 11 proceeds of special purpose revenue bonds authorized or issued
- 12 under section 12 of Article VII may be appropriated to finance
- 13 or assist:
- 1. Not-for-profit corporations that provide early
- 15 childhood education and care facilities serving the general
- 16 public; and
- 17 2. Not-for-profit private nonsectarian and sectarian
- 18 elementary schools, secondary schools, colleges and
- 19 universities.
- The legislature may establish, as provided by law, a
- 21 surcharge on residential investment property and visitor



- 1 accommodations to fund a public education for all of Hawaii's
- 2 children."
- 3 SECTION 4. The question to be printed on the ballot shall
- 4 be as follows:
- 5 "Shall the legislature be authorized to establish, as
- 6 provided by law, a surcharge on residential investment
- 7 property and visitor accommodations to fund a public
- 8 education for all of Hawaii's children?"
- 9 SECTION 5. New constitutional material is underscored.
- 10 SECTION 6. This amendment shall take effect upon
- 11 compliance with article XVII, section 3, of the Constitution of
- 12 the State of Hawaii.

## Report Title:

Public Education; Residential Investment Property Surcharge; Visitor Accommodation Surcharge; Constitutional Amendment

#### Description:

Proposes amendments to the Constitution of the State of Hawaii to advance the State's goal of providing a public education for the children of Hawaii by authorizing the legislature to establish, as provided by law, a surcharge on residential investment property and visitor accommodations. (SD2)

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