# A BILL FOR AN ACT

RELATING TO EDUCATION.

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

- 1 SECTION 1. The legislature finds that the State's
- 2 department of education is the only public education system in
- 3 the country that is wholly state funded. This singular funding
- 4 status has resulted in the department of education facing unique
- 5 challenges to utilizing funds provided by the federal government
- 6 to offset the negative economic impacts of the coronavirus
- 7 disease 2019 (COVID-19) pandemic.
- 8 The legislature also finds that the states that receive
- 9 certain federal funds, including moneys from the Elementary and
- 10 Secondary School Emergency Relief Funds established by the
- 11 Coronavirus Aid, Relief, and Economic Security Act, Public Law
- 12 116-136 (CARES Act), and the Coronavirus Response and Relief
- 13 Supplemental Appropriations Act, 2021, Public Law 116-260
- 14 (CRRSAA), are required to assure that they will maintain support
- 15 for education programs during fiscal years 2019-2020 and 2020-
- 16 2021 by meeting certain benchmarks.

- 1 The legislature further finds that the CARES Act created
- 2 the federal Education Stabilization Fund. The legislature also
- 3 finds that the State, through the department of education, must
- 4 comply with the provisions of the federal Education
- 5 Stabilization Fund as set forth in section 18006 of the CARES
- 6 Act to receive and expend CARES Act and CRRSAA moneys, which, in
- 7 part, requires the department of education to continue to pay
- 8 its employees. In accepting and expending federal CARES Act and
- 9 CRRSAA moneys, it is the legislature's intent that the
- 10 department of education employees who are subject to a
- 11 collective bargaining agreement continue to receive their pay.
- 12 The legislature also finds that the State, through the
- 13 department of education, must also comply with the "maintenance
- 14 of effort" provisions set forth in section 18008 of the CARES
- 15 Act. These provisions require funding for public education to
- 16 be maintained at the same funding levels as in fiscal years
- 17 2017, 2018, 2019, for those funds that are part of the CARES Act
- 18 and at a proportional funding level for the CRRSAA.
- 19 The legislature declares that it does not support any
- 20 attempts by the superintendent to seek a waiver from the

- 1 Secretary of Education, in that the State is not currently
- 2 experiencing a precipitous decline in revenues.
- 3 The purpose of this Act is to appropriate certain federal
- 4 moneys received by the State to the department of education to
- 5 offset any budget reductions that have been identified or
- 6 proposed by the department of education and the governor that
- 7 would result in the reduction of personnel who are subject to a
- 8 collective bargaining agreement executed pursuant to chapter 89,
- 9 Hawaii Revised Statutes, and who are employed at the school
- 10 level, including any budget reduction that results in a layoff,
- 11 furlough, or pay reduction.
- 12 SECTION 2. There is appropriated out of the elementary and
- 13 secondary school emergency relief fund moneys received by the
- 14 State from the Coronavirus Aid, Relief, and Economic Security
- 15 Act, Public Law 116-136, and the Coronavirus Response and Relief
- 16 Supplemental Appropriations Act, 2021, Public Law 116-260, the
- 17 sum of \$104,175,932 or so much thereof as may be necessary for
- 18 fiscal year 2021-2022 and the same sum or so much thereof as may
- 19 be necessary for fiscal year 2022-2023 to offset any budget
- 20 reductions that have been identified or proposed by the
- 21 department of education and the governor that would result in

- 1 the reduction of personnel who are subject to a collective
- 2 bargaining agreement executed pursuant to chapter 89, Hawaii
- 3 Revised Statutes, and who are employed at the school level,
- 4 including any budget reduction that results in a layoff,
- 5 furlough pay reduction; provided that:
- 6 (1) The moneys appropriated shall not be expended for any7 other purpose;
- 8 (2) The funds appropriated shall not be released to or 9 expended by the department of education unless the 10 board of education and the superintendent of education 11 certify in writing that the board, superintendent, and 12 department agree to the conditions set forth in this 13 Act and that the funds shall only be used for salaries 14 and wages of department of education officers and 15 employees who are subject to a collective bargaining 16 agreement executed pursuant to chapter 89, Hawaii Revised Statutes, and who are employed at the school 17 18 level;
  - (3) Section 37-41.5, Hawaii Revised Statutes, shall not apply to moneys appropriated by this Act; and

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## S.B. NO. S.D. 1 Proposed

(4)	Moneys appropriated by this Act for fiscal year 2021
	2022 shall not lapse at the end of that fiscal year;
	provided further that all moneys appropriated by this
	Act that are unencumbered as of June 30, 2023, shall
	lapse.
The	sums appropriated shall be expended by the department
of educat	ion for the purposes of this Act.
	The

SECTION 3. This Act shall take effect on July 1, 2021.

S.B. NO. S.D. 1 Proposed

### Report Title:

Department of Education; State Programs; ESSER Funds; Personnel Costs; Appropriation

#### Description:

Appropriates elementary and secondary school emergency relief fund (ESSER funds) moneys received by the State from the Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136, and the Coronavirus Response and Relief Supplemental Appropriations Act, 2021, Public Law 116-260, to offset any budget reductions that are identified or proposed by the department of education and the governor that would result in the reduction of personnel who are subject to a collective bargaining agreement pursuant to chapter 89, Hawaii Revised statutes, and who are employed at the school level, including any budget reduction that results in a layoff, furlough, or pay reduction. Requires the board of education and superintendent of education to certify in writing that the board of education, superintendent, and department of education agree to the conditions established by this Act, including that the funds appropriated shall be used only for salaries and wages of officers and employees who are subject to a collective bargaining agreement and are employed at the school level. Provides that moneys from the appropriation shall lapse at the end of the fiscal biennium. (Proposed SD1)

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