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Honolulu, Hawaii FEB 10 2021

RE: S.B. No. 468

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 468 entitled:

"A BILL FOR AN ACT RELATING TO SCHOOL IMPACT FEES,"

begs leave to report as follows:

The purpose and intent of this measure is to repeal the school impact fee exemptions for nonresidential development and housing subject to the transient accommodations tax when seeking development in a designated school impact district requiring county subdivision approval, county building permit, or condominium property regime approval of the project.

Your Committee received comments on this measure from the Department of Education and Tax Foundation of Hawaii.

Your Committee finds that the collection of school impact fees are necessary in areas of high growth to accommodate the increase in new families and school enrollments. Traditionally, certain types of development were exempt from school impact fees. However, nonresidential development and housing subject to transient accommodations tax within these emerging communities are found to impact the pace and scale of residential development, increasing the need for more public schools. This measure ensures that as communities grow through residential and other types of development, the resulting need for schools to be built and operate will be met.

Your Committee notes that the Department of Education has expressed concerns regarding its authority to collect school impact fees. Your Committee requests that the Committee on Judiciary consider the concerns expressed by the Department of Education as this measure proceeds.

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. 468 and recommends that it pass Second Reading and be referred to your Committees on Ways and Means and Judiciary.

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

The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Education EDU

Bill / Resolution No.:*	Committee Referral: Date: Date: OZ/05/2021				
58468	EDU,	WAM	JDC	02/05	12021
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
KIDANI, Michelle N. (C)		/			
KIM, Donna Mercado (VC)					
DELA CRUZ, Donovan M.					
KANUHA, Dru Mamo					
FEVELLA, Kurt		/			
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TOTAL	_	5	-		
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes