

STAND. COM. REP. NO. 790

Honolulu, Hawaii

MAR 05 2021

RE: S.B. No. 815
S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 815, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION FUNDING,"

begs leave to report as follows:

The purpose and intent of this measure is to establish statutory provisions that ensure that the State's public education system has a stable base of annual funding.

More specifically, this measure:

- (1) Establishes maintenance of effort provisions for the Department of Education;
- (2) Establishes a public education stabilization trust fund, into which an amount of general excise tax revenues equal to the difference between the level of state appropriations to the Department of Education from the preceding fiscal year and the current fiscal year shall be deposited, if the appropriation in the current fiscal year is less than the appropriation in the preceding fiscal year;
- (3) Authorizes the Governor to temporarily suspend the maintenance of effort provisions under certain circumstances;



- (4) Establishes reporting requirements; and
- (5) Appropriates moneys into and out of the public education stabilization trust fund.

Your Committee received written comments in support of this measure from the Board of Education, Department of Education, Hawaii State Teachers Association, Kamehameha Schools, Democratic Party of Hawaii Education Caucus, and one individual.

Your Committee received written comments in opposition to this measure from the Department of Budget and Finance.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii and He'e Coalition.

Your Committee finds that a vibrant public education system enables the fulfillment of educational goals and aspirations of the State's students. Your Committee further finds that ensuring stability and predictability in the Department of Education's level of funding is critical for maintaining the Department's capacity to meet constantly evolving learning needs.

Your Committee has amended this measure by:

- (1) Removing a provision that conflicted with other provisions in the measure by prohibiting appropriations to the Department of Education for a current fiscal year to be less than appropriations for the preceding fiscal year;
- (2) Removing a provision requiring the aggregate proportion of the Department of Education's annual appropriations from general funds over the preceding ten years to be maintained as the appropriation to the Department if state appropriations to the Department decreased from a preceding fiscal year;
- (3) Adding a provision requesting the Revisor of Statutes to substitute appropriate section numbers for letters used in designating the new sections established by section 3 of the measure; and



- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 815, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 815, S.D. 2.

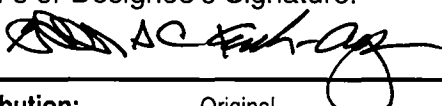
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:
SB 815, SD 1	EDU, WAM	2/26/21
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input type="checkbox"/> Pass, unamended 2312		
<input checked="" type="checkbox"/> Pass, with amendments 2311		
<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
DELA CRUZ, Donovan M. (C)	X	
KEITH-AGARAN, Gilbert S.C. (VC)	X	
ENGLISH, J. Kalani	X	
INOUE, Lorraine R.	X	
KANUHA, Dru Mamo	X	
KIDANI, Michelle N.	X	
MORIWAKI, Sharon Y.	X	
SHIMABUKURO, Maile S.L.		X
TANIGUCHI, Brian T.	X	
WAKAI, Glenn	X	
FEVELLA, Kurt	X	
TOTAL	10	1
Recommendation:		
<input checked="" type="checkbox"/> Adopted		
<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
		Goldenrod Committee File Copy

*Only one measure per Record of Votes