

MAR 11 2022

SENATE CONCURRENT RESOLUTION

URGING THE DEPARTMENT OF EDUCATION TO PROVIDE AND PUBLISH
INFORMATION RELATED TO FEDERAL IMPACT AID.

1 WHEREAS, the United States Department of Defense is not
2 meeting its financial obligations to Hawaii's public schools;
3 and
4

5 WHEREAS, pursuant to section 3 of United States Public Law
6 81-874, the Department of Defense is required to pay impact aid
7 to the State to offset the financial burden on the State's
8 public education system of non-taxable military lands and non-
9 payment of income and general excise tax by military personnel;
10 and
11

12 WHEREAS, according to the Department of Education, however,
13 in fiscal year 2019, the federal impact aid reimbursement paid
14 to the State was only 12.91 percent of the total per-pupil cost
15 of educating eleven thousand to fourteen thousand military
16 students; and
17

18 WHEREAS, when reimbursing tuition for federally connected
19 students attending approved overseas schools, the Department of
20 Defense Education Activity office calculates reimbursement rates
21 using the "full cost recovery method", in compliance with
22 Government Accountability Office guidelines; and
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24 WHEREAS, applying this same methodology of full cost
25 recovery to military students in Hawaii, the Department of
26 Defense owes the State approximately \$170,687,000 to
27 \$217,238,000 for fiscal year 2019 alone; and
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29 WHEREAS, state income tax and general excise tax are the
30 primary sources of funding for the Department of Education; and
31

32 WHEREAS, when Department of Defense families utilize the
33 State's public education system without paying full, or any,



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1 income or excise taxes, and the Department of Defense does not
2 fully reimburse the State for these students' educational costs,
3 Hawaii residents and taxpayers effectively, and unfairly,
4 substantially subsidize the military students' education; and
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6 WHEREAS, over time, this amounts to several billion dollars
7 owed by the Department of Defense to the State for costs borne
8 by Hawaii's residents; and
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10 WHEREAS, an annual report to the Legislature and the public
11 is thus needed to hold the Department of Defense accountable for
12 moneys owed; now, therefore,
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14 BE IT RESOLVED by the Senate of the Thirty-first
15 Legislature of the State of Hawaii, Regular Session of 2022, the
16 House of Representatives concurring, that the Department of
17 Education is requested, no later than twenty days prior to the
18 convening of the Regular Session of 2023 and no later than
19 twenty days prior to the convening of each Regular Session
20 thereafter, to report to the Legislature and publish on the
21 department's website a summary of the federal impact aid owed
22 and paid by the United States Department of Defense pursuant to
23 section 3 of United States Public Law 81-874; and
24

25 BE IT FURTHER RESOLVED that the Department of Education is
26 requested to include the following in its annual reports and
27 online publications:
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- 29 (1) The total number of federally connected and military
30 students attending Department of Education schools and
31 the per-pupil cost of the students' education;
32
- 33 (2) The full cost recovery method calculation for federal
34 impact aid reimbursement owed for the year, in
35 compliance with Government Accountability Office
36 guidelines;
37
- 38 (3) The basic support payment calculation for federal
39 impact aid reimbursement owed for the year; and
40
- 41 (4) The total amount of federal impact aid paid that year
42 by the Department of Defense; and



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2 BE IT FURTHER RESOLVED that a certified copy of this
3 Concurrent Resolution be transmitted to the Superintendent of
4 Education.
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OFFERED BY:

James Acasis

