



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTY-FIRST LEGISLATURE, 2022**

ON THE FOLLOWING MEASURE:

H.B. NO. 1834, RELATING TO EDUCATION.

BEFORE THE:

HOUSE COMMITTEE ON PANDEMIC AND DISASTER PREPAREDNESS

DATE: Tuesday, February 1, 2022 **TIME:** 10:00 a.m.

LOCATION: State Capitol, Room 309 and Via Videoconference

TESTIFIER(S): Holly T. Shikada, Attorney General, or
Kevin M. Richardson, Deputy Attorney General

Chair Ichiyama and Members of the Committee:

The Department of the Attorney General (Department) provides the following comments.

The bill requires the Department of Education (DOE) to establish and administer the strong students grant pilot program to provide grants for eligible education expenses to eligible students. The bill further appropriates funds received by the State from the Elementary and Secondary School Emergency Relief Fund (ESSER funds), established by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act), Public Law 116-260, for the pilot program.

The Department submits that the appropriation in this bill does not appear to comply with federal guidance for spending the ESSER funds and puts the State at risk of being found in violation of the CARES Act or the CRRSA Act. According to the guidance issued by the United States Department of Education, section 180003(d) of the CARES Act and section 313(d) of the CRRSA Act authorize a local education agency's use of funds for a broad range of allowable activities listed in the section but do not authorize a state legislature to limit a local education agency's use of funds appropriated through the CARES Act or the CRRSA Act. (*See Frequently Asked Questions – Elementary and Secondary School Emergency Relief Programs Governor's Emergency Education Relief Programs*, U.S. Department of Education, May 26, 2021, at 15. Website:

https://oese.ed.gov/files/2021/05/ESSER.GEER_FAQs_5.26.21_745AM_FINALb0cd6833f6f46e03ba2d97d30aff953260028045f9ef3b18ea602db4b32b1d99.pdf). For federal purposes, the DOE is considered both a State Education Agency, as well as a Local Education Agency. The bill's directive to the DOE to utilize the ESSER funds to establish and administer the pilot program effectively limits the DOE's ability to allocate these funds and may be found to be in violation of the CARES Act or the CRRSA Act.

The Department respectfully asks the Committee to hold this bill, or to amend the bill to appropriate funds from a source other than the ESSER funds.

Thank you for the opportunity to provide our comments.



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/01/2022

Time: 10:00 AM

Location: 309 Via Videoconference

Committee: House Pandemic & Disaster
Preparedness

Department: Education

Person Testifying: Keith T. Hayashi, Interim Superintendent of Education

Title of Bill: HB 1834 RELATING TO EDUCATION.

Purpose of Bill: Requires the DOE to establish and administer the strong students grant pilot program to provide grants for eligible education expenses to eligible students. Requires the DOE to submit progress reports to the legislature prior to the 2023 and 2024 regular sessions. Appropriates funds received by the State from the Elementary and Secondary School Emergency Relief Fund, established by the Coronavirus Aid, Relief, and Economic Security Act and Coronavirus Response and Relief Supplemental Appropriations Act, for the pilot program.

Department's Position:

The Hawaii State Department of Education (Department) offers comments on HB 1834 to establish and administer a Strong Students Grant Pilot Program.

While the Department appreciates the intent to provide federal resources directly to families of public school students who meet income eligibility requirements, the appropriation of the Elementary and Secondary School Emergency Relief Fund (ESSER) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136 received by the Department is inconsistent with federal guidance from May 26, 2021, items A-6 and A-7: https://oese.ed.gov/files/2021/05/ESSER.GEER_FAQs_5.26.21_745AM_FINALb0cd6833f6f46e03ba2d97d30aff953260028045f9ef3b18ea602db4b32b1d99.pdf

The Department received \$43,385,229 in ESSER from the CARES Act and expended the majority of those funds to respond to the immediate need to switch from in-person to virtual learning. This includes the deployment of computing equipment, broadband devices, and the

related licenses for all students which lacked connectivity. The balance of the CARES ESSER funds have been budgeted to pay for health and safety expenses and on-line learning management system needs.

The second tranche of ESSER funds totalling \$183,595,211 was provided through the Coronavirus Response and Relief Supplemental Appropriations Act. The Department has expended roughly half of the funds to implement current year summer learning activities, address critical budget shortfalls, and offset base budget reductions. Without these funds to help offset the significant general fund reductions in the State budget that have resulted from the pandemic, our overburdened schools would suffer severe budget reductions.

The most recent status on programming and expenditures can be found on the Department's website:

<https://www.hawaiipublicschools.org/ConnectWithUs/Organization/Budget/Pages/Federal-COVID-Relief-Funding-for-Education.aspx>

Thank you for this opportunity to provide comments on HB 1834.



**Testimony to the House Committee on Pandemic & Disaster Preparedness
Tuesday, February 1, 2022, at 10:00 A.M.
Conference Room 309 & Videoconference**

RE: HB 1834 Relating to Education

Chair Ichiyama, Vice Chair Eli, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 1834, which requires the Department of Education to establish and administer the strong students grant pilot program to provide grants for eligible education expenses to eligible students.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

With the COVID-19 pandemic still affecting the health of our community, our economy and our classrooms, there needs to be measures in place to help our children and families. The Strong Students Grant pilot program would help struggling families who may be out of work or still struggling due to the pandemic access vital supports such as learning materials and tutoring services.

Learning loss and time out of the classroom the past two years have not been fully understood or researched yet, but they may have devastating impacts on our children. This program would empower families to help address student learning loss and set our children up for success.

The data is there to show that this program works. Pilot programs have been successful in places like Lanai, and several states have launched programs to provide direct funding relief to families.

Thank you for the opportunity to testify.



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David Miyashiro
Executive Director

February 1, 2022

Committee on Pandemic & Disaster Preparedness

Rep. Linda Ichiyama, Chair

Rep. Stacelynn K.M. Eli, Vice Chair

Aloha Chair Ichiyama, Vice Chair Eli, and Members of the Committee,

HawaiiKidsCAN strongly supports HB1834 which requires the DOE to establish and administer the strong students grant pilot program to provide grants for eligible education expenses to eligible students; requires the DOE to submit progress reports to the legislature prior to the 2023 and 2024 regular sessions; appropriates funds received by the State from the Elementary and Secondary School Emergency Relief Fund, established by the Coronavirus Aid, Relief, and Economic Security Act and Coronavirus Response and Relief Supplemental Appropriations Act, for the pilot program.

Founded in 2017, HawaiiKidsCAN is a local nonprofit organization committed to ensuring that Hawaii has an excellent and equitable education system that reflects the true voices of our communities and, in turn, has a transformational impact on our children and our state. We strongly believe that all students should have access to excellent educational opportunities, regardless of family income levels and circumstances.

The COVID-19 pandemic has been incredibly disruptive to student learning, and schools have a difficult task to address student learning loss, social emotional and mental health challenges, and re-socialization for kids who have experienced trauma and been disconnected from their friends and teachers. Families have also had to bear a heavy burden during the pandemic to support kids, as studies have shown that Hawaii was among the slowest states to return students back for in-person learning.¹² With a significant number of students still at home due to quarantine and isolation protocols, families continue to be called upon to serve as caretakers and educators during the school day.

¹ <https://www.mercurynews.com/2021/02/23/covid-data-show-california-far-behind-in-reopening-schools/>

² <https://cai.burbio.com/school-opening-tracker/>

Unfortunately, this is a perfect storm for families, as the pandemic has had a devastating impact on family stability. The Bank of Hawaii finds that 63% of residents living with at least one child under age 18 have seen their combined household income decline.³ Families are facing an impossible task and are desperate for any support.

That is why HB1834 is so important. The bill is roughly based on a pilot HawaiiKidsCAN has been running on Lanai called Ohana Pods, where parents have received microgrants to help with their children's learning, funded through local and national foundations. The program has distributed \$11,000 in microgrants to parents, with funds being used for critical needs such as learning materials and tutoring services. Overall, our pilot has served 140 participants, including 86 students (ages ranging from 16 months to 17 years) and 54 parents. The program has supported local partners to coordinate and convene families and community leaders to establish learning pods that connect students with needed educational tools and services. As part of the program, a local church on-island set up an afterschool and summer tutoring program that served more than 50 kids from ages 5-17 years old, using their microgrant to hire educators from the local public school.

The program has used the platform ClassWallet to simplify the administration of grants. Families have access to digital wallet credits within the system that can only be spent on approved educational vendors and service providers, and every purchase must be reviewed and approved before made official. This has meant that it is impossible to commit fraud, and families have the flexibility to select the supports that are most helpful to their kids. We selected this platform for our program due to ClassWallet's extensive vendor list and experience administering large grant programs for states.

Here are a few testimonials from parent participants:

- “Aloha! My family and I were so thankful for the opportunity to participate in the ‘Ohana Pods program in 2021! It granted us resources and supplies that we desperately needed but were not able to get for our kids. These resources allowed our children to learn new life skills and even share their new skills and the products thereof with those around them. We are so thankful for this program and pray that it will continue for us and other families on Lanai as well! Thank you so very much, ‘Ohana Pods Program!!!” - Abby
- “The ‘Ohana Pods have been such an amazing program and have been super beneficial for me and my ‘Ohana. I’m grateful to the ‘Ohana Pods for providing

³ https://www.boh.com/siteassets/files/boh_f_covid-19-study-vol2-executive-summary-121720.pdf

opportunities for me and my children to socialize with other pods, providing funds for essential learning tools that I wouldn't be able to afford myself and for supporting the growth and development of my children. This whole experience has been so positive, and if this program was offered again in the future I would, without hesitation, join again!" - Makana

Of course, the pandemic has been a shared challenge across the nation, which is why other states are stepping up to create their own family support programs, including Oklahoma, Nebraska, and North Carolina. This isn't a Democrat or a Republican thing to do: it is the right thing to do. Experts have affirmed that federal funds can indeed be spent for this purpose, as these types of programs help to address learning loss.⁴

Now is the time for bold action. We respectfully urge the legislature to provide much-needed relief to our kids and families.

Mahalo for your consideration,

David Miyashiro
Founding Executive Director
HawaiiKidsCAN

⁴ <https://www.forbes.com/sites/marqueriteroza/2021/12/06/an-idea-for-this-moment-districts-can-pay-families-to-help-get-students-and-schools-back-on-track/?sh=628aec3f92a0>

January 30, 2022

Committee on Pandemic & Disaster Preparedness

Rep. Linda Ichiyama, Chair

Rep. Stacelynn K.M. Eli, Vice Chair

Aloha Chair Ichiyama, Vice Chair Eli, and Members of the Committee,

I am a community member and a retired educator from Lānaʻi. I'm asking you to please support HB1834.

Lānaʻi families continue to suffer through the COVID-19 pandemic. Families struggle with distance learning, childcare, and quarantine/isolation. On Lānaʻi we have a program called 'OhanaPods. With the help of HawaiiKidsCan our Lānaʻi community has been able to provide safe learning environments for children.

Children are able to meet safely in small groups with an adult. They remain with the same group, participating in a wide range of activities. STEM experiments are popular and meetings are conducted outside as much as possible. Some pods focus on academics with tutors who are available to help with homework. A few of the pods include special needs students as well as ELL students.

On Lānaʻi we have always struggled with teacher retention, lack of qualified substitute teachers, and resources which are more readily available on other islands. I can only imagine how challenging it is for educators and students to function in this school environment.

'Ohana Pods help by providing children with learning opportunities which leads to student achievement. HB1834 will definitely make a difference for kids and families. Through platforms like ClassWallet, the Strong Students Grant pilot program would help families afford needed supports such as learning materials and tutoring services. 'Ohana Pods would empower families to help address student learning loss.

Respectfully,

Diane Preza

HB-1834

Submitted on: 1/28/2022 2:28:12 PM

Testimony for PDP on 2/1/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
chelsea pang	Individual	Support	No

Comments:

Background / Talking Points

- The COVID-19 pandemic has been incredibly difficult for families, with parents and guardians needing to step in over and over again as caretakers and educators during the school day due to distance learning and student time in quarantine and isolation. At the same time, many families continue to suffer financially because of the ongoing impact of the pandemic.
- Families deserve some help, and HB1834 would make a huge difference for kids and families. Through platforms like ClassWallet, the Strong Students Grant pilot program would help families afford and access vital supports such as learning materials and tutoring services. This program would empower families to help address student learning loss.

Pilot programs have been successful in places like Lanai, and a number of states have launched programs to provide direct funding relief to families. In Hawaii, we look out for each other, and passing HB1834 would do just that.

HB-1834

Submitted on: 1/31/2022 1:03:21 PM

Testimony for PDP on 2/1/2022 10:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Blessy Anne Jeril	Individual	Support	No

Comments:

Dear Chair,

I am a community member from Lanai city and I'm proud to support HB1834

Programs like the ohana pod had helped us to provide school resources and gave an opportunity for the curious young mind to learn, grow and experiment together.

It is a great support and a huge initiative.

Thank you

Blessy Anne