

OFFICE OF THE LIEUTENANT GOVERNOR
Ke Ke'ena O Ka Hope Kia'aina

TO: Chair Justin Woodson
Vice Chair Lisa Marten
Members of the House Committee on Education

FROM: Sylvia Luke, Lieutenant Governor

RE: Testimony for H.B. 960 – Relating to the School Facilities Authority

DATE: February 2, 2023

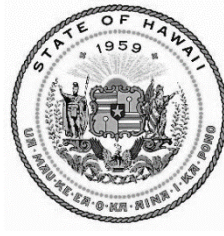
Thank you for the opportunity to provide testimony in **strong support of H.B. 960** which transfers \$200 million of general funds previously appropriated to the School Facilities Authority of the Department of Education to the school facilities special fund.

The Legislature passed Act 257, Session Laws of Hawaii 2022 which appropriated \$200 million for fiscal year 2022 – 23 for the School Facilities Authority to expand access to pre-Kindergarten to eligible children in our state. The changes proposed in H.B. 960 make technical amendments to designate that the funds be deposited into the school facilities special fund and clarify that the appropriation shall lapse on June 30, 2024.

Thank you for the opportunity to provide testimony in support of H.B. 960.

JOSH GREEN, M.D.
GOVERNOR

CHAD K. FARIAS
EXECUTIVE DIRECTOR



STATE OF HAWAII
SCHOOL FACILITIES AUTHORITY
75 AUPUNI STREET, STE. BASEMENT
HILO, HAWAII 96720

February 02, 2023

Testimony providing SUPPORT of HB960
RELATING TO THE SCHOOL FACILITIES AUTHORITY

REPRESENTATIVE JUSTIN WOODSON, CHAIR
HOUSE COMMITTEE ON EDUCATION

Hearing Date: 02/02/2023

Room Number 415

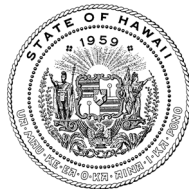
The School Facilities Authority (SFA) is in **support** of H.B. 960, RELATING TO THE SCHOOL FACILITIES AUTHORITY.

The need for increasing the available pre-kindergarten facilities in the State is important to the education, welfare, and economic future of our working families. The SFA is committed to doing its part in reaching the goals set by the Legislature through Act 46 SLH2020 in utilizing the funds appropriated through Act 257 SLH2022.

The SFA appreciates the flexibility and consideration by the Legislature to move the fund appropriated in Act 257 SLH2022 into the SFA special fund. Doing so would provide flexibility and timing to allow the SFA to work with our program partners to determine how best to serve our keiki through the construction of pre-kindergarten classrooms.

Thank you for the opportunity to provide testimony.

JOSH GREEN, M.D.
GOVERNOR



LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON EDUCATION
ON
HOUSE BILL NO. 960

February 2, 2023
2:00 p.m.
Room 309 and Videoconference

RELATING TO THE SCHOOL FACILITIES AUTHORITY

The Department of Budget and Finance (B&F) offers comments on House Bill (H.B.) No. 960, which amends Act 257, SLH 2022, by depositing the \$200,000,000 in general funds appropriated to the School Facilities Authority into the School Facilities Special Fund (SFSF) and appropriating the same amount out of the SFSF in FY 23.

H.B. No. 960 as drafted would adversely impact the State of Hawai'i's efforts to meet American Rescue Plan Elementary and Secondary School Emergency Relief program maintenance of effort (MOE) requirements which extends through FY 23. State funds appropriated for school facilities construction and renovation are not counted as support for elementary and secondary education in the MOE formula. Consequently, it is strongly recommended that the deposit be made in FY 24 instead.

B&F also notes that the present special fund allowable uses may not accommodate all of the developing plans to increase pre-kindergarten classroom capacity. Amendments to Section 302A-1706, HRS, "School facilities special fund" may be necessary.

Thank you for your consideration of our comments.



‘ŌNAEHANA KULANUI O HAWAI‘I

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

LATE

Testimony Presented Before the
House Committee on Education
February 2, 2023 at 2:00 p.m.

By

Kalbert K. Young

Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

HB 960 – RELATING TO THE SCHOOL FACILITIES AUTHORITY

Chair Woodson, Vice Chair Marten, and Members of the Committee:

Thank you for the opportunity to testify on this measure, which transfers \$200,000,000 of general funds previously appropriated to the School Facilities Authority of the Department of Education to the school facilities special fund. The University of Hawai'i (UH) supports recent efforts to expand access to affordable and quality early care and education opportunities throughout the State. In collaboration with key stakeholders, including the School Facilities Authority, UH is working on expanding its availability and offerings of early learning programs on a number of its campuses. And while we are still developing how these facilities and programs can be sustained, we believe that State support of early childhood programs and facilities – wherever they may be located – are valuable to advancing educational development and learning for Hawai'i keiki.

Providing additional flexibility in the timeline will allow the School Facilities Authority to continue the construction, renovation, improvement and expansion of prekindergarten classrooms across the State. The measure could also contemplate enabling the School Facilities Authority to either contract, or transfer to, other state agencies appropriation in order to further accelerate the development of new facilities.

Mahalo for the opportunity to provide testimony on this bill.

HB-960

Submitted on: 2/1/2023 6:43:18 PM

Testimony for EDN on 2/2/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Pcola_Davis	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose giving the Office of Facility Management any more funding until there is an actual plan for spending. Who, what, when, where, how AND **WHY**?

HB-960

Submitted on: 2/1/2023 10:44:31 PM

Testimony for EDN on 2/2/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shauna Springer	Individual	Support	Written Testimony Only

Comments:

Kāko‘o wau! I support!