STAND. COM. REP. NO. 3213

Honolulu, Hawaii

MAR 2 1 2024

RE: H.B. No. 2384

H.D. 2 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Education, to which was referred H.B. No. 2384, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE SCHOOL FACILITIES SPECIAL FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Change the means of financing for a portion of funds appropriated for deposit into the School Facilities Special Fund to expand pre-kindergarten student capacity within the State from general funds to general obligation bond funds; and
- (2) Repeal the funds appropriated into and out of the School Facilities Special Fund by Act 257, Session Laws of Hawaii 2022, as amended.

Your Committee received testimony in support of this measure from the Department of Budget and Finance.

Your Committee received comments on this measure from the School Facilities Authority.

Your Committee finds that Act 175, Session Laws of Hawaii 2023, amended Act 257, Session Laws of Hawaii 2022, to extend the general fund appropriation into the School Facilities Special Fund by one fiscal year. Extending the lapse date of the appropriation will provide sufficient time to encumber the amended general fund and new general obligation bond fund appropriations. Further by reducing the amount of general funds appropriated for deposit into the School Facilities Special Fund in fiscal year 2023-2024, the State can efficiently balance its budget while ensuring continued funding for projects such as pre-kindergarten facilities. Therefore, this measure ensures adequate funding needed to ensure the availability of facilities for public education across the State.

Your Committee has amended this measure by:

- (1) Replacing the School Facilities Authority with the Department of Education as the administrator of the School Facilities Special Fund;
- (2) Designating the Department of Education, rather than the School Facilities Authority, as the expending agency for the appropriation; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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 H.B. No. 2384, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2384, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

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

MICHELLE N. KIDANI, Chair

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Education EDU

Bill / Resolution No.:*	Committee	Committee Referral:		Date:		
HB2384 HD2	EDU,	NAM	3	/18/20:	24	
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)		/				
HASHIMOTO, Troy N.		/				
RICHARDS, III, Herbert M.	"Tim"					
FEVELLA, Kurt	····	/				
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TOTAL		5				
Recommendation:						
Adopted Not Adopted						
Chair's or Designee's Signature:						
Distribution: Original File with Committee		ellow 's Office	Pink Drafting Agency			

*Only one measure per Record of Votes