

JAN 17 2025

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# A BILL FOR AN ACT

RELATING TO EDUCATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that there has been  
2 improvement in reducing the State's shortage of kindergarten  
3 through grade twelve teachers. The department of education  
4 reported one hundred sixty-six unfilled positions in the  
5 2024-2025 academic year, a staggering decrease from the more  
6 than one thousand unfilled positions reported during the  
7 2022-2023 academic year.

8           Despite this, education officials remain concerned about  
9 future teacher shortages. Specifically, the legislature finds  
10 that the State does not have a sustainable way to grow and  
11 retain its teacher pool. Moreover, another wave of teacher  
12 retirements is expected in the coming year.

13           While other states facing teacher shortages have used the  
14 sale of lottery tickets to help provide a sustainable,  
15 supplemental funding source for education, the legislature finds  
16 that, for Hawaii, an appropriate solution is the establishment



1 of a rounding-up program, in which residents may designate  
2 additional educational funding amounts on their utility bills.

3 Accordingly, the purpose of this Act is to establish a  
4 rounding up for teachers program, in which residents may round  
5 up the amount due on an electrical or water bill and designate  
6 those additional amounts to be used to provide additional  
7 compensation for teachers.

8 SECTION 2. Chapter 54, Hawaii Revised Statutes, is amended  
9 by adding a new section to part II to be appropriately  
10 designated and to read as follows:

11 "§54- Rounding up for teachers program. (a) Each  
12 board shall provide an option on each customer's utility bill  
13 for the customer to voluntarily:

14 (1) Round up the total amount of the customer's water  
15 utility bill to the nearest dollar amount; or

16 (2) Contribute a specific donation amount of the  
17 customer's choice,

18 with the proceeds to be deposited into the rounding up for  
19 teachers' salaries special fund established pursuant to  
20 section 302A- .



1        (b) Each option described in subsection (a)(1) and (2)  
2 shall appear as a line item on the utility bill. The board  
3 shall clearly indicate that:

4        (1) Any moneys contributed will be deposited into the  
5 rounding up for teachers' salaries special fund for  
6 the purpose of providing additional compensation for  
7 department of education teachers; and

8        (2) Participation in the program is voluntary."

9        SECTION 3. Chapter 269, Hawaii Revised Statutes, is  
10 amended by adding a new section to part III to be appropriately  
11 designated and to read as follows:

12        "§269-        Electric utilities; rounding up for teachers

13 program. (a) Each electric utility shall provide an option on  
14 each customer's utility bill for the customer to voluntarily:

15        (1) Round up the total amount of the customer's electric  
16 utility bill to the nearest dollar amount; or

17        (2) Contribute a specific donation amount of the  
18 customer's choice,

19 with the proceeds to be deposited into the rounding up for  
20 teachers' salaries special fund established pursuant to section  
21 302A-        .

1        (b) Each option described in subsection (a) (1) and (2)  
2 shall appear as a line item on the utility bill. The electric  
3 utility shall clearly indicate that:

4        (1) Any moneys contributed will be deposited into the  
5 rounding up for teachers' salaries special fund for  
6 the purpose of providing additional compensation for  
7 department of education teachers; and

8        (2) Participation in the program is voluntary.

9        (c) Any moneys collected pursuant to this section shall  
10 not be considered revenue of the electric utilities and,  
11 accordingly, shall not be subject to state or county taxes,  
12 including the general excise tax under chapter 237, the public  
13 service company tax under chapter 239, the public utility fee  
14 under section 269-30, and the public utility franchise tax under  
15 chapter 240."

16        SECTION 4. Chapter 302A, Hawaii Revised Statutes, is  
17 amended by adding a new section to part III, subpart B, to be  
18 appropriately designated and to read as follows:

19        **"§302A-        Rounding up for teachers' salaries special**  
20 **fund.** (a) There is established within the state treasury the



1 rounding up for teachers' salaries special fund, into which  
2 shall be deposited:

3 (1) All moneys received pursuant to sections 54- and  
4 269- ; and

5 (2) Any other appropriations, grants, or donations  
6 received by the department and designated for deposit  
7 into the fund.

8 (b) Subject to appropriation by the legislature, the  
9 department may use moneys in the fund to provide additional  
10 compensation for teachers, including through increases in  
11 salaries or bonuses.

12 (c) The board shall adopt rules pursuant to chapter 91 to  
13 establish policies and procedures for the expenditure of moneys  
14 from the fund.

15 (d) Any moneys deposited into the fund shall be in  
16 addition to and shall not supplant any portion of the base  
17 budget of the department of education."

18 SECTION 5. There is appropriated out of the general  
19 revenues of the State of Hawaii the sum of \$ or so  
20 much thereof as may be necessary for fiscal year 2025-2026 to



S.B. NO. 610

1 assist the counties in implementing section 2 of this Act;  
2 provided that the moneys shall be expended as follows:

- 3 (1) County of Hawaii \$
- 4 (2) County of Kauai \$
- 5 (3) County of Maui \$
- 6 (4) City and county of Honolulu \$

7 The sums appropriated shall be expended by the respective  
8 county for the purposes of this Act and shall constitute the  
9 State's share of the cost of the mandated program under article  
10 VIII, section 5, of the state constitution.

11 SECTION 6. New statutory material is underscored.

12 SECTION 7. This Act shall take effect on July 1, 2025;  
13 provided that sections 2 and 3 shall take effect on July 1,  
14 2026.

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INTRODUCED BY: *Kurt Ferrel*



# S.B. NO. 610

**Report Title:**

Electric Utilities; County Boards of Water Supply; DOE;  
Teachers; Compensation; Round Up; Special Fund; Appropriation

**Description:**

Establishes the rounding up for teachers' salaries special fund, to be administered by the Department of Education. Requires electric utilities and county boards of water supply to provide an option for customers to voluntarily round up their bill to the nearest dollar or provide a specific contribution amount. Deposits the proceeds into the rounding up for teachers' salaries special fund. Appropriates moneys.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

