

Honolulu, Hawaii

**FEB 12**, 2026

RE: H.B. No. 2147  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Education, to which was referred H.B. No. 2147 entitled:

"A BILL FOR AN ACT PROPOSING AMENDMENTS TO ARTICLES VIII AND X OF THE CONSTITUTION OF THE STATE OF HAWAII TO AUTHORIZE THE LEGISLATURE TO ESTABLISH A SURCHARGE ON RESIDENTIAL INVESTMENT PROPERTY TO INCREASE FUNDING FOR PUBLIC EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to propose amendments to the Hawaii State Constitution to:

- (1) Repeal the counties' exclusive power to tax real property; and
- (2) Authorize the Legislature to establish a state surcharge on real property taxes levied by the counties on residential investment properties valued at \$3,000,000 or more to increase funding for public education.

Your Committee received testimony in support of this measure from the State Public Charter School Commission; Hawai'i Teacher Standards Board; Hawai'i State Teachers Association; Democratic Party of Hawai'i Education Caucus; Hawai'i Children's Action Network Speaks!; Early Childhood Action Strategy; Hoaloha Project;



and numerous individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS; Grassroot Institute of Hawaii; and one individual. Your Committee received comments on this measure from the Department of Education and Tax Foundation of Hawaii.

Your Committee finds that article X, section 1, of the Hawaii State Constitution requires the State to provide a system of public education. Your Committee notes that Hawaii is unique compared to the other states because the State, rather than a county of local level jurisdiction, is responsible for public education, resulting in funding for public education in Hawaii being primarily sourced from the general revenues of the State.

Your Committee further finds that public education in the State is not adequately funded. This inadequate funding has played an influential role for many families in Hawaii choosing to enroll their children in private schools, resulting in Hawaii having one of the highest rates of private school enrollment in the nation. Your Committee believes that a surcharge on certain residential investment property will provide additional funding for the State to better meet its educational responsibilities and prepare all students to meet the social and economic demands of the twenty-first century.

Your Committee has amended this measure by:

- (1) Including a definition of "surcharge";
- (2) Changing the effective date to July 1, 3000; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 2147, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2147, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.



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

  
JUSTIN H. WOODSON, Chair



HSCR 206-26

Bill/Resolution No.: HB 2147		Committee Referral: EDN, JHA, FIN		Date: 2/10/26	
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.					
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)					
EDN Members		Ayes	Ayes (WR)	Nays	Excused
1. WOODSON, Justin H. (C)		/			
2. LA CHICA, Trish (VC)		/			
3. AMATO, Terez		/			
4. EVSLIN, Luke A.		/			
5. GARRETT, Andrew Takuya		/			
6. KAPELA, Jeanne		/			
7. KILA, Darius K.		/			
8. OLDS, Ikaika		/			
9. MURAOKA, Christopher L.		/			
10. SOUZA, Kanani		/			
TOTAL (10)		10			
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature: _____ Trish LaChica					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					