STAND. COM. REP. NO. 1322-26

Honolulu, Hawaii

MAR 23, 2026

RE: S.B. No. 3123
S.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 Judiciary & Hawaiian Affairs, to which was referred S.B. No. 3123, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PRIVATE SUPPORT OF EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to clarify that donor-conditioned educational awards and school-conditioned enrollment at private educational institutions, for which no tuition or other monetary consideration is required or paid by the recipient, are to be considered conditional gifts rather than contractual obligations, unless the parties agree otherwise in writing.

Your Committee received testimony in support of this measure from the Office of the Governor; Hawai'i Community Foundation; Hawai'i Children's Action Network Speaks!; Association of Hawaiian Civic Clubs; Hawaiian Civic Club of Honolulu; Le Jardin Academy; Hawaiian Council; Ali'i Pauahi Hawaiian Civic Club; Hawai'i School for Girls at La Pietra; Nation of Hawai'i; Kamehameha Schools; Saint Louis School; St. Andrew's Schools; Hawai'i Association of Independent Schools; Prince Kūhiō Hawaiian Civic Club; Hawaiian Affairs Caucus of the Democratic Party of Hawai'i; and nine individuals.

Your Committee finds that donor-conditioned educational awards that support private educational efforts are conditional

gifts and do not create contractual obligations. Your Committee further finds that treating such awards as contractual obligations may undermine donor intent, discourage charitable giving, and create uncertainty and inconsistent legal treatment of these awards. This measure clarifies and promotes uniformity regarding the treatment of donor-conditioned educational awards to encourage the continued availability of privately funded educational assistance.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3123, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary &
Hawaiian Affairs,

DAVID A. TARNAS, Chair

State of Hawaii
House of Representatives
The Thirty-third Legislature

HSCR 1322-26

Record of Votes of the Committee on Judiciary & Hawaiian Affairs

Bill/Resolution No.:	Committee Referral:	Date:
SB 3123 SD1	JHA	3/18/2026

☐ The committee is reconsidering its previous decision on the measure.

The recommendation is to: ☒ Pass, unamended (as is) ☐ Pass, with amendments (HD) ☐ Hold
☐ Pass short form bill with HD to recommit for future public hearing (recommit)

JHA Members	Ayes	Ayes (WR)	Nays	Excused
1. TARNAS, David A. (C)	✓			
2. POEPOE, Mahina (VC)	✓			
3. BELATTI, Della Au	✓			
4. COCHRAN, Elle				✓
5. HASHEM, Mark J.				✓
6. KAHALOA, Kirstin	✓			
7. SAYAMA, Jackson D.				✓
8. TAKAYAMA, Gregg	✓			
9. GARCIA, Diamond	✓			
10. SHIMIZU, Garner M.	✓			
TOTAL (10)	7	0	0	3

The recommendation is: ☒ Adopted ☐ Not Adopted
If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____

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