



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/10/2026

Time: 02:15 PM

Location: 309 VIA VIDEOCONFERENCE

Committee: EDN

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: HB2147, 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.

Purpose of Bill: Proposes amendments to the Hawaii State Constitution to repeal the counties' exclusive power to tax real property, and to authorize the Legislature to establish a state surcharge on real property taxes levied by the counties on certain residential investment properties, for the purpose of helping to fund public education for all of Hawaii's children and adults.

Department's Position:

The Hawai'i State Department of Education (Department) respectfully provides comments on HB 2147.

The Department appreciates the intent of the measure to help provide more funding for public education. Particularly as there are numerous priority funding areas in need of State support as reflected by the fact that since Fiscal Year (FY) 2010, State general fund support for the Department has been on a downward trend - from 27.14% in FY 2010 to 22.32% for FY 2026, of the total State general fund budget.

HB 2147 proposes to amend Article VIII, Section 3, of the Hawai'i State Constitution to allow the Legislature to establish a surcharge on the counties' taxation of residential investment property valued at \$3 million or more. Under the current State Constitution, duties relating to the taxation of real property are exercised exclusively by the counties, which was ratified by the 1978 Constitutional Convention with almost 52% of the voters voting yes.

At this stage, this is the first step in amending our State Constitution. The measure would still need to be passed by the Legislature and the question placed on the ballot for voters to ratify. Even if the measure is not passed, the measure can still serve as a conduit for discussion on reliable, predictable, and adequate funding for public education.

In the FY 2027 Executive Budget that was submitted to the 2026 Legislature, the Department's proposed general fund operating budget was reduced by -\$28.36 million due to the fiscal constraints facing the State.

Investment in public education stands at a critical crossroads during periods of economic downturns and uncertainty. K-12 education, unlike other critical government services, is the state's investment in its future. What may be considered short-term divestments in education — one, two, or even three years — to address budget constraints, have long-term impacts on a generation of students. These young people graduate high school and mature into adults who will make decisions about whether they will live in Hawai'i and how they will contribute to our community and economic future.

Thank you for the opportunity to provide testimony on HB 2147.

JOSH GREEN, M.D.
GOVERNOR



MAKALAPUA ALENCASTRE, ED. D.
CHAIRPERSON

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
(‘AHA KULA HO‘ĀMANA)

<http://CharterCommission.Hawaii.Gov>
1164 Bishop Street, Suite 1100, Honolulu, Hawaii 96813
Tel: (808) 586-3775 Fax: (808) 586-3776

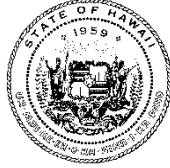
FOR:	HB 2147 PROPOSING AMENDMENTS TO ARTICLES VIII AND X OF THE CONSTITUTION OF THE STATE OF HAWAII TO AUTHORIZE THE LEGISLATURE TO ESTABLISH A SURCHARGE ON RESIDENTIAL INVESTMENT PROPERTY TO INCREASE FUNDING FOR PUBLIC EDUCATION
DATE:	February 10, 2026
TIME:	2:15 P.M.
COMMITTEE:	Committee on Education
ROOM:	Conference Room 309 & Videoconference
FROM:	Ed H. Noh, Ed. D., Executive Director State Public Charter School Commission

Chair Woodson, Vice Chair La Chica, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to offer testimony in **SUPPORT of HB 2147** which proposes an amendment to the Constitution of the State of Hawaii to authorize the Legislature to establish a state surcharge on real property taxes for the purpose of helping to funds public education.

The Commission appreciates the efforts of the Legislature in exploring ways to provide more funding to the public school system, which includes public charter schools. The additional funding and support would allow charter schools to better serve the public school system by providing educational options and alternatives that fit the specific needs and educational interests of certain students and their families.

Thank you for the opportunity to provide this testimony.



STATE OF HAWAII
HAWAII TEACHER STANDARDS BOARD
650 IWILEI ROAD, SUITE 268
HONOLULU, HAWAII 96817

February 10, 2026

WRITTEN TESTIMONY BEFORE THE HOUSE COMMITTEE ON EDUCATION

PERSON TESTIFYING: Mitzie Higa, Licensing Specialist, on behalf of the Hawai'i Teacher Standards Board (HTSB)

DATE: February 10, 2026

TIME: 2:15 pm

LOCATION: Conference Room 309 and Video Conference

TITLE OF BILL: HB 2147 Constitutional Amendment; Public Education; Residential Investment Property Surcharge (ConAm)

POSITION: Supports HB 2147

Chair Woodson and Members of the House Committee on Education:

The Hawai'i Teacher Standards Board supports HB2147, 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.

Our state desperately needs to amend our State Constitution to guarantee ample learning opportunities for our keiki. Every year, we continue to lose approximately 45- 50 percent of our teachers after five years. Not having sufficient funds has contributed to low teacher pay and is the primary driver of teacher turnover, not being able to lower class sizes due to fiscal constraints and not having enough licensed teachers who stay in our public schools, including our public charter schools. A Stanford University analysis found that raising teacher wages by 10 percent reduces high school dropout rates by 3 to 4 percent. Similarly, a Florida study showed that pay raises reduced teacher attrition by as much as 25 percent for hard-to-fill subject areas, with children's learning growth gaining from more exposure to experienced licensed educators.

Furthermore, according to the National School Supply and Equipment Association, public school teachers annually spend \$1.6 billion of their discretionary income on supplementary school supplies and instructional materials, showing the lack of adequate resources in our public schools in Hawai'i. On average, teachers surveyed spent a total of \$485 + on school supplies and instructional materials, with even more spending over \$1,000 of personal income each school year since the pandemic. Insufficient funding has led to our teacher shortage crisis.

We need to right the wrongs of the past and have part of property taxes, from second homes, not owner-occupied homes, go toward our public schools. We continue to be the only state in the nation that doesn't use some part of property taxes to help fund our public schools, keeping our local residents in mind, this

Constitutional Amendment will be a surcharge on investment residential properties over \$3 million in value, that are non-owner occupied homes, thus protecting our local workforce, including our teachers.

These funds could help us retain our licensed teachers and help us maintain the quality of our teacher workforce, attracting and retaining our best and brightest to continue to teach in our public schools, including our public charter schools. We as a state will be able to afford creating smaller class sizes that allow teachers to connect with each of their students, expand whole child education to include career and technical education and the arts, increase resources for our students with special needs, and provide professional pay that reflects the value of our licensed teachers.

At the same time, we can make Hawai'i more affordable. Over the past two decades, the pricing of housing in the islands has skyrocketed, even more since the pandemic. Our state's high cost of housing and renting is driven by real estate speculators using the islands as their personal Monopoly board. In levying a surcharge on investment properties, non-owner occupied residential housing worth \$3 million or over, and incentivizing low-income rentals, we are not only advancing our children's future, but ensuring that they aren't priced out of our state.

Thank you for allowing us to testify on this bill. **We ask for your support for this bill**, that will be put on a ballot, if passed, so those who live here, will be able to weigh in.



1200 Ala Kapuna Street • Honolulu, Hawai'i 96819
Tel: (808) 833-2711 • Fax: (808) 839-7106 • Web: www.hsta.org

Osa Tui, Jr.
President

Logan Okita
Vice President

Cheney Kaku
Secretary-Treasurer

Andrea Eshelman
Executive Director

TESTIMONY TO THE HAWAI'I HOUSE COMMITTEE ON EDUCATION

Item: HB 2147 – Proposing amendments to Articles VIII and X of the Constitution of the State of Hawai'i to authorize the legislature to establish a surcharge on residential investment property to increase funding for public education.

Position: Support

Hearing: Tuesday, February 10, 2026, 2:15 pm, Room 309

Submitter: Osa Tui, Jr., President - Hawai'i State Teachers Association

Dear Chair Woodson, Vice Chair La Chica, and members of the committee,

The Hawai'i State Teachers Association **supports** H.B. 2147 to address the chronic underfunding of our public education system. This persistent lack of resources has led to overcrowded classrooms, aging facilities, and teacher salaries that struggle to remain competitive. These issues undermine the quality of education and the State's ability to maintain a stable, qualified educator workforce.

This constitutional amendment provides a necessary mechanism to generate dedicated revenue by establishing a surcharge on high-value residential investment properties. By focusing on investment properties valued at \$3,000,000 or more—while exempting primary residences and affordable housing—the bill creates a sustainable funding source without burdening local families.

We urge the committee to pass H.B. 2147 to secure a reliable and sustainable future for our public schools. This measure is a vital step toward providing the dedicated resources necessary to modernize aging facilities and ensure that every student in Hawai'i receives the high-quality education they deserve.

Mahalo.



February 10, 2026

The Honorable Justin Woodson, Chair

House Committee on Education

State Capitol, Conference Room 309 & Videoconference

RE: House Bill 2147, 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.

HEARING: Tuesday, February 10, 2026, at 2:15 p.m.

Aloha Chair Woodson, Vice Chair La Chica, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i and its over 10,000 members. HAR **opposes** House Bill 2147, which proposes amendments to the Hawaii State Constitution to repeal the counties' exclusive power to tax real property, and to authorize the Legislature to establish a state surcharge on real property taxes levied by the counties on certain residential investment properties, for the purpose of helping to fund public education for all of Hawaii's children and adults.

While Hawai'i REALTORS® supports education, we are deeply concerned that an additional property tax surcharge for residential investment property will add to the cost of housing and rentals. There's a misconception that such taxation solely affects the wealthy or luxury properties. This surcharge will also directly impact workforce housing, including multi-family units and walk-ups in our State. The repercussions of any surcharge on property tax could be passed on to renters, further adding to the financial burden of residents in our State already grappling with high costs of living and housing.

The Economic Research Organization at the University of Hawai'i's ("UHERO") Hawai'i Housing Fact Book highlights the stark reality that "Hawai'i has the highest home prices in the nation. The median home in Hawai'i is 16% more expensive than California, the next most expensive state, and nearly triple the median US price."¹ The report further adds that, "Hawai'i remains in a severe housing crisis. High prices and mortgage rates have made homeownership unaffordable for most residents. Housing production remains slow, with county and state regulatory barriers posing a major obstacle to new construction."

¹ UHERO. (May 14, 2025). *The Hawai'i Housing Factbook 2025*. <https://uhero.hawaii.edu/wp-content/uploads/2025/05/HawaiiHousingFactbook2025.pdf>



808-733-7060



1259 A'ala Street, Suite 300
Honolulu, HI 96817

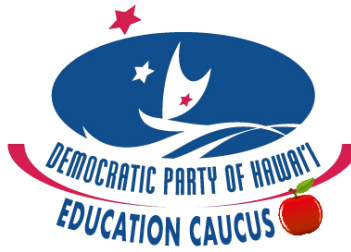


808-737-4977

Increasing the supply of housing in Hawai'i is essential to solving the housing crisis. A residential investment surcharge is counterproductive to efforts to help increase the supply of housing so that our keiki can have a place to call home.

Mahalo for the opportunity to testify on this measure.





HOUSE BILL 2147, RELATING TO 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.

FEBRUARY 10, 2026 · EDN HEARING

POSITION: Support.

RATIONALE: The Democratic Party of Hawai'i Education Caucus supports HB 2147, which proposes amendments to the Hawai'i State Constitution to repeal the counties' exclusive power to tax real property, and to authorize the legislature to establish a state surcharge on real property taxes levied by the counties on certain residential investment properties, to help fund public education for all of Hawai'i's children and adults.

Hawai'i is unique among U.S. states in that it does not fund public schools through local property taxes. Instead, nearly all K-12 education funding comes from state general revenues. According to the Hawai'i State Department of Education and national education finance data, Hawai'i is the only state in the nation that does not use property tax revenue to fund public education, leaving schools reliant on legislative appropriations from the general fund.

Because Hawai'i lacks a local property tax base for schools, the share of public revenue devoted to education is comparatively low. A statewide fiscal review conducted by University of Hawai'i researchers shows that the state allocates about 15.1 percent of state and local expenditures to K-12 education, well below the U.S. average of 21.5 percent and toward the bottom among all

states. This structural funding reality is compounded by Hawai'i's historically low property tax rates, which are among the lowest in the nation according to Kiplinger's 2025 property tax rankings, with an effective rate of around 0.32 percent of assessed value, even while Hawai'i consistently ranks among the states with the highest median home values. Because property tax revenues are not available for schools, the legislature must choose between competing priorities from a constrained general fund, leaving public education without stable, dedicated revenue sources that many other states rely on to support teacher pay, class size reduction, school facilities, and student services.

Under the current structure, Hawai'i's single statewide school district also means that local flexibility and additional revenue capacity—which are typical of school districts that can benefit from robust property tax bases elsewhere—are absent here. Whereas in most states local property taxes account for a large share of school funding, in Hawai'i nearly 85 percent of public school revenues come from the state. The consequences of under-resourced public education are visible in our schools: teacher shortages that leave hundreds of classrooms without qualified instructors, insufficient support for bilingual and special education students, aging facilities in need of repair, and cuts to enrichment programs that nurture the whole child. Without dedicated revenue mechanisms, Hawai'i's public schools are perpetually dependent on annual appropriations that can fluctuate with economic conditions and political pressures, undermining long-term planning and stability.

This measure expands the state's revenue-raising authority to include a surcharge on residential investment property, a targeted approach that would generate funds dedicated to public education while protecting families' primary residences. This constitutional amendment lays the groundwork for a more equitable, predictable, and sustainable funding system for Hawai'i's schools. By ensuring that property owners who benefit from Hawai'i's high-value real estate market contribute to the public education system that supports our future workforce and community, this measure honors both fiscal responsibility and educational equity.

Contact: educationcaucusdph@gmail.com · 808-679-7454

To: House Committee on Education
Re: **HB2147 – Proposing amendments to Articles VIII and X of the Constitution of the State of Hawai'i to Authorize the Legislature to establish a surcharge on residential investment property to increase funding for public education**
Hawai'i State Capitol & Via Videoconference
February 10, 2026, 2:15 PM

Dear Chair Woodson, Vice Chair La Chica, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB2147**. This bill proposes amendments to the Hawai'i State Constitution to repeal the counties' exclusive power to tax real property, and to authorize the Legislature to establish a state surcharge on real property taxes levied by the counties on certain residential investment properties, for the purpose of helping to fund public education for all of Hawai'i's children and adults.

Hawai'i ranks among the lowest of states in percentage of state and local expenditures supporting K–12 education — 15.1% compared to U.S. average 21.5%¹ — leading to chronic underfunding of public schools. This underfunding results in deteriorating facilities, low teacher pay, and inadequate programs and resources.

This bill would provide a new revenue mechanism to help address the chronic underfunding our schools face and help ensure a quality education for all of Hawai'i's children.

By focusing on **residential investment properties**, especially higher-value properties, the surcharge would ensure that those with greater capacity contribute proportionately to an essential public good. This mechanism does not increase taxes on primary residences, protecting local homeowners while targeting resources from owned by investors.

Every dollar invested in quality education returns value through a better-prepared workforce, stronger civic engagement, and healthier communities. Supporting our students means building a stronger future workforce and enhancing Hawai'i's competitiveness and quality of life.

Mahalo for the opportunity to provide this testimony. Please pass this bill.

Sincerely,

Nicole Woo
Director of Research and Economic Policy

¹ <https://www.hawaii.edu/news/2025/01/29/underfunding-hawaii-public-schools/>

TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: Constitutional Amendment; Public Education; Residential Investment Property Surcharge (ConAm)

BILL NUMBER: HB 2147, SB 2464

INTRODUCED BY: HB by PERRUSO, AMATO, BELATTI, GRANDINETTI, IWAMOTO, KAPELA, KUSCH, LOWEN, POEPOE, SOUZA; SB by RHOADS, SAN BUENAVENTURA

EXECUTIVE SUMMARY: Proposes amendments to the Hawai'i State Constitution to repeal the counties' exclusive power to tax real property, and to authorize the Legislature to establish a state surcharge on real property taxes levied by the counties on certain residential investment properties, for the purpose of helping to fund public education for all of Hawai'i's children and adults.

SYNOPSIS: The bill proposes a constitutional amendment to empower the legislature to establish a surcharge on residential investment property valued at three million dollars or greater.

“Residential investment property” is defined as all real property including apartments and condominiums and appurtenances thereto, including buildings, structures, fences and improvements erected on or affixed to such real property, and any fixture that is erected on or affixed to the land, buildings, structures, fences and improvements; and all machinery and other mechanical or other allied equipment, and the foundations thereof, that are dedicated for residential use and that do not serve as the owner's primary residence; provided that the surcharge shall not apply to any affordable housing development that is subject to a regulatory agreement with the State or county.

EFFECTIVE DATE: Upon approval by the electorate.

STAFF COMMENTS: It is contended that public schools have been underfunded, consequently, the constitutional amendment is needed to provide the State the ability to increase funding for public education from surcharges on residential investment property valued at \$3M or more.

“Residential investment property” is broadly defined to include fixtures erected or affixed to real property improvements and mechanical equipment that are dedicated for residential use.

What is troubling is there are no limits on the proposed tax. If the constitutional amendment is approved, legislators are free to implement legislation when it determines funding is needed. It could be the year the amendment is approved, or the next year, or the year after that. They could change it to impose the surcharge on all “residential investment” property as long as the property value is \$3 million or more. They could set the surcharge rate. They could do all these things because the constitutional amendment gives the legislature this power. In other words, once the

amendment passes, the genie is out of the bottle. It may not even be under control of the members now in the legislature, because future legislators (note that this year is an election year) may have different ideas from current members.

We need to ask ourselves if we want to or need to give the genie that much power. If we do, then we only have ourselves to blame for what happens when the genie does come out. If we don't, then we should either kill the constitutional amendment or write strict limits into it.

We are also concerned that voters are and will be unaware that they are voting on a new tax. There is no mention of the word "tax" in the proposed ballot question. Limits should be written into the proposed amendment or the voters should be apprised that they are voting on granting power to the legislature to impose a tax of some kind on an overly broad definition of residential investment property, with no limitations on that power.

The assumption that additional funding is needed is based on declining educational funding statistics and does not address whether the DOE is able to efficiently spend its existing resources. Indeed, the 2023 episode with [DOE proposing to lapse hundreds of millions of dollars in already funded projects because they are unable to get them built](#) underscores this point. Until DOE can actually utilize the money thrown their way, there is little justification for an increase in financial resources.

Digested: 2/7/2026

Feb. 10, 2026, 2:15 p.m.
Hawaii State Capitol
Conference Room 309 and Videoconference

To: House Committee on Education
Rep. Justin H. Woodson, Chair
Rep. Trish LaChica, Vice Chair

From: Ted Kefalas, Director of Strategic Campaigns
Grassroot Institute of Hawaii

TESTIMONY OPPOSING HB2147 — 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.

Aloha chair, vice chair and other committee members,

The Grassroot Institute of Hawaii **opposes** [HB2147](#), which proposes amending the state Constitution in order to facilitate a state property tax on homes that are valued at \$3 million or greater and are not the owner's primary residence.

The stated purpose of this proposal is to benefit public education; however, that is a dramatic break with historical precedent regarding Hawaii's property tax system and the state's method of funding public education. There is a reason that the Hawaii Constitution bars the state from levying property taxes, making it the exclusive domain of the counties and a significant revenue generator for them. Inserting state taxation into this scheme frustrates that intent and opens the door to yet more state capture of county revenues.

As with any proposed tax increase, this proposal threatens to increase the cost of living in Hawaii, as well as add to the burden of Hawaii homeowners at the very moment our counties are searching for ways to offset soaring property taxes due to increased valuations.

The bill's proponents might believe that limiting the tax to homes valued at \$3 million or more will not affect average homeowners, but the effects of a tax hike cannot be segregated from the rest of the economy. What affects one segment of the housing market will ripple through the state's housing market as a whole.

For example, the proposed tax surcharge could incentivize the purchase and construction of housing under the threshold, creating a domino effect that would reduce housing availability and affordability in this “middle” tier.

Furthermore, if land-use, zoning and other regulations continue to go unaddressed, which limits homebuilding, one should not assume that a \$3 million home will remain a high-value investment property in Hawaii rather than a slightly-above-average or even median-cost home.

Over time, the \$3 million threshold envisioned in this bill could slide out of the high-value investment category and become a burden to more and more homeowners, affecting rental prices and increasing the cost of housing in Hawaii.

Hawaii’s residents and businesses need a break from new taxes, tax increases, fees and surcharges. The last attempt to amend the Hawaii Constitution to allow for state property taxes ended in a lawsuit and a poor showing at the polls. Hawaii residents are already “voting with their feet” to flee the state’s high taxation. This is not the time to make Hawaii a more expensive place to live and do business.

Thank you for the opportunity to submit our comments.

Sincerely,

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

HB-2147

Submitted on: 2/9/2026 8:26:47 PM

Testimony for EDN on 2/10/2026 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
John Fitzpatrick	Individual	Support	Remotely Via Zoom

Comments:

Aloha Chair Woodson and the Education Committee,

I support HB 2147 because as a science teacher at the new Kūlanihāko‘i High School, I see every day that while our doors are open, our school is far from finished. Despite being a "state-of-the-art" campus, we are still waiting for the basic infrastructure our students deserve. We currently need **\$25 million to build our gymnasium** and another **\$65 million to complete our athletic complexes**. Without these facilities, our keiki are being denied the full high school experience that students in other districts take for granted.

When you look just down the road at the extreme wealth in **Wailea**, where median home prices exceed \$2.6 million and luxury investment properties are abundant, you cannot tell us there is no money to fully fund schools in Kihei or throughout the state. The wealth exists; what has been missing is the legislative mechanism to tap into it for the benefit of our public education system.

Why HB 2147 is Different and Legally Resilient:

I understand the concerns regarding the 2018 constitutional amendment being struck down. However, HB 2147 is built on a much stronger legal foundation for two critical reasons:

- **No "Gut and Replace":** The primary reason the Supreme Court invalidated previous efforts was the lack of transparency. In *League of Women Voters v. State*, the Court ruled that bills must undergo three distinct readings in their near-final form. By ensuring the House does **not change the language at the last minute**, this bill provides the public with the meaningful notice required by our Constitution. This procedural integrity makes it "court-proof" against the technicalities that ended previous attempts.
- **Targeted Clarity:** Unlike past measures that were criticized for being vague, HB 2147 specifically targets **residential investment properties valued at \$3 million or more**. This clear threshold ensures that the tax falls on those with the greatest means—many of whom do not pay state income tax here—while protecting local families.

Our classes are overcrowded, our teachers are underpaid, and we are not building the 21st-century schools our keiki need to thrive. We cannot continue to tell the students at Kūlanihāko‘i to wait for "next year" while luxury developments continue to rise nearby.

I urge the committee to pass HB 2147 and invest in the future of South Maui and all of Hawaii.

Mahalo for the opportunity to testify,

Fitz



Date: February 10, 2026

To: Representative Justin Woodson, Chair
Representative Trish La Chica, Vice Chair
Members of the House Committee on Education

From: Early Childhood Action Strategy

Re: House Bill 2147, Proposing Amendments to Articles VIII and X of the Constitution of the State of Hawai'i.

Early Childhood Action Strategy (ECAS) is a statewide cross-sector collaborative designed to improve the system of care for Hawai'i's youngest children and their families. ECAS partners work to align priorities for children prenatal to age eight, streamline services, maximize resources, and improve programs to support our youngest keiki.

ECAS supports House Bill 2147 which proposes amendments to the State of Hawai'i's Constitution, authorizing the State Legislature to establish a surcharge on residential investment property to increase funding for public education.

In recent years, communities around the country have voted to establish dedicated taxes, levies, and trust funds in order to adequately fund early childhood education and care. Many of these communities have been highly successful in using these strategies to create new and consistent revenue streams to support early childhood initiatives.

For example, New Mexico passed a constitutional amendment directing a portion of funds generated by oil and gas production to support early childhood education. Meanwhile, Massachusetts established a "millionaire's tax" which adds an additional tax to income over \$1M and dedicated a portion of these tax revenues to fund education efforts.

ECAS is in support of House Bill 2147 as it lays out a funding strategy to support public education across our state, but we respectfully request that the Committee consider amending the measure's language to refer to all local keiki from birth through grade 12.

This would not only allow for revenues generated by these taxes to support keiki in our local pre-k classrooms but would also demonstrate the State's commitment to providing local children with positive experiences as early in their lives as possible. Moreover, with the amount of resources dedicated to supporting children aged k-12, choosing to fund efforts supporting keiki from birth to five would bring a sense of equity to the State's overall care for local children.

Mahalo for the opportunity to submit this testimony.

HOALOHA PROJECT

Serving foster keiki of Hawai'i

Aloha Chair Woodson and Members of the Committee,

Hoaloha Project respectfully offers **strong support** for HB2147. As a nonprofit dedicated to supporting foster and vulnerable youth across our islands, we see firsthand how critical a well-funded public education system is to the stability and success of our keiki. For many keiki—especially those in foster care—schools provide not only academic instruction, but structure, trusted relationships, meals, and access to counseling and support services. When schools are under-resourced, our most vulnerable students feel the impact first.

We understand that concerns have been raised about clarity of the constitutional language, the role of the State in authorizing a surcharge, and the potential impact on housing costs. We believe these concerns can be addressed through careful implementation and transparent communication. HB2147 is narrowly focused on certain high-value residential investment properties and **does not target primary residences or affordable housing**. Establishing a dedicated funding source provides long-term stability beyond annual budget cycles.

At its heart, this measure reflects a simple value: **our keiki must come before the profit margins of investment properties**. When forced to choose between maximizing returns on high-value investment homes and ensuring that children have safe schools, qualified teachers, and essential support services, we believe Hawai'i should choose its keiki. For these reasons, Hoaloha Project respectfully urges your support and passage of HB2147.

Mahalo for your continued commitment to Hawaii's keiki.



Testimony to House Committee on Education
in Support of HB2147

Representative Justin Woodson, Chair
Representative Trish La Chica, Vice Chair
February 9, 2026

My name is Jonathan Y. Okamura, and I am Professor Emeritus in ethnic studies at the University of Hawai‘i at Mānoa. I have conducted research and written on educational inequality and more generally on ethnic inequality in Hawai‘i for almost forty years. Most recently, I co-wrote a research brief on “The Chronic Underfunding of Hawaii’s Public Schools” (<https://hawaiischolars.weebly.com/research-briefs.html>) with my colleagues in Hawai‘i Scholars for Education, Social Justice and Diversity, which is cited in the text of HB2147.

As our brief argues, the primary problem facing the K-12 public schools is their long-term underfunding, which is the main reason why I express my full support of HB 2147. The bill provides a viable means to raise critically needed funds for the public school system without adding to the tax burden of the overwhelming majority of Hawai‘i residents.

As currently written, the provisions in HB2147 would not apply to the vast majority of Hawai‘i homeowners because only residential investment property valued at \$3 million or higher will be affected. Even if someone’s home is valued at \$3 million or more, the bill’s provisions still will not apply if it is the homeowner’s primary residence. The great majority of homeowners will not have to pay the surcharge on their real property tax because the median sales price of a single-family home in Hawai‘i is \$1,128,000, according to a January 2026 Locations report.

Funds are badly needed for the public schools to alleviate the chronic shortage of qualified teachers. For several decades, the schools have been opening each year in need of several hundred teachers, even after actively recruiting teachers from the continental U.S. and hiring emergency hire “teachers.” They are unqualified to be teachers because they lack a state-issued license to teach in Hawai‘i but are allowed in the classroom because of the teacher deficit.

For the 2022-2023 school year, the last year for which data are available, according to the Department of Education Office of Talent Management, almost one-half (47%) of about 1,600 newly hired teachers had only a bachelor’s degree, a proportion very comparable to that in the previous four years. Most of these unlicensed teachers continue to teach because they have three years to complete a state-approved teacher education program.

This practice of the DOE is highly objectionable because Native Hawaiians and Filipino Americans, who are the largest groups in the public schools, and other ethnic minorities, together constitute about 70 percent of public school students. They are being denied equal educational opportunity by the hiring of unqualified teachers that directly results from underfunding K-12 public education. It is no accident that those groups are hugely underrepresented at UH Mānoa.

I kindly request your support of HB2147 because by providing a feasible way to generate greatly needed funds for the public schools, it will foster equal educational opportunity in Hawai‘i, especially for minority students. Thank you for your attention to this request.

HB-2147

Submitted on: 2/9/2026 12:39:16 PM

Testimony for EDN on 2/10/2026 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Colleen Rost-Banik	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Woodson, Vice Chair La Chica, and members of the House Education Committee,

My name is Colleen Rost-Banik and I am writing in strong support of HB2147.

As an Instructor of Sociology at University of Hawai‘i, Mānoa and a member of Hawai‘i Scholars for Education, Social Justice, and Diversity (HSESJD), an all volunteer group of scholars who research and advocate for educational equity in Hawai‘i, I have seen first-hand and researched the drastic underfunding of Hawai‘i’s public education system. As the [HSESJD research brief](#) explains, “Hawai‘i ranks among the lowest of states in percentage of state and local expenditures supporting K-12 education (15.1%), compared to the U.S. average of 21.5%.”

The practice of leaving public education without adequate funds has the greatest impact on low-income families and students who are Native Hawaiian, Pacific Islander, and Filipino. The ramifications of underfunding not only lead to dilapidated facilities but also the shortage of teachers and counselors needed to help our children thrive. Each school year Hawai‘i hires hundreds of emergency hires (without a teaching license) just to fill the most basic roles. Our keiki and our communities deserve much better.

HB2147 provides a way to augment funds for public schools by adding a surcharge on extra homes (not a primary residence) valued at \$3 million or more. This revenue stream for public schools only applies to those who can most afford it, and thus is a fair way to combat the chronic underfunding of public education.

I urge your support of HB2147.

Mahalo for your consideration.
Colleen Rost-Banik, Ph.D.

HB-2147

Submitted on: 2/8/2026 3:30:14 PM

Testimony for EDN on 2/10/2026 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Kori Oros	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Woodson, Vice Chair La Chica and Members of the Committee.

I was recently kicked out of my home on Waimea Point by millionaires who already own an ocean front house at Rock Piles, a house at Diamond Head, and a penthouse at Ala Moana. They told me it was their "forever home," and that they were "private developers," yet the adjacent property on the point that they had purchased approximately 7 years ago was purchased under "Halemanakai." They had displaced a 20 year teacher at that time.

Not only have they taken housing from 3 teachers, (my husband teaches in the community) it appears they claim all of their homes as homes they live in...under Halemanakai?

I strongly support this bill, and furthermore urge you to enforce when people claim to have a home they "live in" but a really just residentially investing in properties. They would be excellent candidates to help fund public education.

Kori Harvey Oros

Grade 3 Teacher - 17 years

Kipapa Elementary

HB-2147

Submitted on: 2/9/2026 11:18:12 AM

Testimony for EDN on 2/10/2026 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Hope McKeen	Individual	Support	Written Testimony Only

Comments:

Dear Chair Woodson, Vice Chair La Chica, and members of the committee,

I am writing to you today as a teacher who sees the daily reality of our state's underfunded public education system. I strongly support H.B. 2147, not just as a policy measure, but as a necessary lifeline for our schools and our students.

Every day, teachers walk into classrooms where the lack of resources isn't just a line item on a budget—it's a lived experience. It looks like overcrowded classrooms where it's difficult to give every child the one-on-one attention they deserve. It looks like aging facilities that are often in desperate need of repair. Most critically, it looks like losing talented colleagues every year because teacher salaries simply haven't kept pace with the cost of living in Hawai'i.

Why This Matters to Me:

- **Stability for Students:** Our keiki deserve a stable, qualified workforce. When we can't retain teachers, the students are the ones who pay the price in lost consistency and mentorship.
- **A Fair Solution:** I appreciate that this amendment focuses on high-value residential investment properties (\$3M+). This protects local families and affordable housing while finally creating a dedicated, sustainable revenue stream for our schools.
- **Modernizing Our Future:** We cannot expect 21st-century results in facilities that are struggling to keep the lights on or the fans running.

This bill represents a vital step toward a future where "quality education" isn't just a goal, but a funded reality. I urge the committee to pass H.B. 2147 and show Hawai'i's educators and students that their future is a priority.

Thank you for your time and for your support of our public schools.

Hope Pualani McKeen

HB-2147

Submitted on: 2/6/2026 8:31:01 PM

Testimony for EDN on 2/10/2026 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Oppose	Written Testimony Only

Comments:

OPPOSE!

HB-2147

Submitted on: 2/8/2026 9:14:11 AM

Testimony for EDN on 2/10/2026 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Mike Landes	Individual	Support	Written Testimony Only

Comments:

Aloha Chair and members of the committee,

I strongly support HB 2147. If we are serious about providing our keiki with the best opportunities, we need to fully fund our public education system. This bill is one necessary part of making that happen, without placing more of a burden on hardworking local families who are trying to get by. As a parent of two public school students who deserve better, I urge you to pass this bill and others that will help to fund our schools and provide better conditions for our students and educators.

Mahalo for your time,

Mike Landes

Kihei

HB-2147

Submitted on: 2/8/2026 10:51:06 AM

Testimony for EDN on 2/10/2026 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Meera Garud	Individual	Support	Written Testimony Only

Comments:

I am writing in strong support of HB2147 which would allow Hawai'i voters to approve a surcharge on residential investment properties valued at \$3M or more. As an educator, I am aware that limited funding forces principals make tough decisions about what positions to keep and what programs to offer. Educators routinely pay for supplies and resources from their own personal income and rely on fundraisers. The proposed surcharge would help address these issues. It would only apply to high value investment properties, not owner occupied homes, so it would have fewer negative economic impacts compared to raising property taxes for everyone.

HB-2147

Submitted on: 2/8/2026 12:27:21 PM

Testimony for EDN on 2/10/2026 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
reynaldo a mozo	Individual	Support	Written Testimony Only

Comments:

Aloha,

I would like to support and urge yours of this bill. Our children, their education and its infrastucture should be adequately funded as a piority. I feel this bill is a great idea and extremely helpful . Please help the working families and children residents of this state can only carry so much of the tax burdens. Its time that those who also create cost of living increases and housing affordability/availability to contribute more to our communities and its keiki's.

Mahalo for your consideration

R. Allen Mozo

HB-2147

Submitted on: 2/8/2026 2:05:46 PM

Testimony for EDN on 2/10/2026 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
cheryl burghardt	Individual	Support	Written Testimony Only

Comments:

With aloha,Chair and committee members,

Please support HB 2147 which proposes amendments to the Hawai‘i State Constitution to repeal the counties' exclusive power to tax real property, and to authorize the Legislature to establish a state surcharge on real property taxes levied by the counties on certain residential investment properties, for the purpose of helping to fund public education for all of Hawai‘i's children and adults.

As a retired educator, I appreciate that we are looking for different ways to fund public education. The need is there, we know that. No one wants more taxes, but the benefits to our community and state from funding education comes back to all of us .

Mahalo for supporting this bill.

Cheryl Burghardt

Nuuanu Oahu

HB-2147

Submitted on: 2/8/2026 4:55:57 PM

Testimony for EDN on 2/10/2026 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Ruta Jordans	Individual	Support	Written Testimony Only

Comments:

Strongly support!

HB-2147

Submitted on: 2/9/2026 11:57:51 AM

Testimony for EDN on 2/10/2026 2:15:00 PM

Submitted By	Organization	Testifier Position	Testify
David Ball	Individual	Support	Written Testimony Only

Comments:

I support this legislation.

David Ball

Waialae-Kahala

The Most Affirmative Upvote for HB2147

Tata Li – ‘Iolani School Class of 2027

Essence

The Essence of this Testimony is simple. Hawai‘i is a special place where the People who live off this ‘āina are a lot more Interdependent than in other places. Our public education system is built in a way to mirror our commitment to the Common Welfare all while the institutional deadlock hardwires Injustice everyday a rich man of an affluent county rests their lives on a system where basic public education of our children, teenagers, and young adults has almost nothing to do with them. I am from ‘Iolani School—arguably among the most privileged schools in this state—, but the fact that private schools like mine are so better performing says something: The Problem is clear, straightforward, and dire: Public schools are underfunded by the very nature of its funding structure. We cannot hope to elevate our children, teenagers, and young adults without focusing first on our very own public education.

The paragraphs following lays out my research, focus, and rebuttals. Mahalo for your consideration.

For Your Information...

Hawai‘i’s public schools suffer chronic underinvestment.

The state ranks *among the lowest nationwide* in per-pupil spending^[1], and nearly 67% of our schools are Title I (high-poverty) schools^[2]. Even before the current budgets, Hawai‘i teachers earned roughly 15.5% less than peers on the mainland with equivalent education^[3]. Coupled with the nation’s highest cost of living, low pay drives one of the *nation’s worst* teacher turnover rates^[4]. Meanwhile, our school buildings and support programs lag badly – one estimate put deferred maintenance at \$3.8 billion (2015)^[5]. The status quo is clear: Hawaii’s system, funded almost entirely by the state General Fund and small special revenues, leaves classrooms without resources.

Hawaii relies *almost entirely* on general state taxes for education.

As the teachers’ association observes, “Hawaii is the only state in the United States that does not use property taxes to fund education,” which contributes to the “lowest percentage of both state and local revenue toward education in the entire nation.”^[6] Unlike counties on the Mainland, our local jurisdictions cannot levy school taxes or maintain separate school budgets; this makes our schools entirely dependent on annual appropriations. RESULT: teacher pay, class sizes, and student services fall behind the nation (and behind what Hawai‘i’s families can afford). Too many students – including special-needs and rural children – see their public

schools shortchanged. The burden has been on all residents via a high General Excise Tax (GET) and other broad taxes, which is increasingly seen as unfair and insufficient^{[7][8]}.

Education funding is a community concern.

A Honolulu parent votes with her child, illustrating that Hawai'i's families unite on this issue. As landlord and activist Kim Coco Iwamoto warns, *"Insufficiently funding public education further exacerbates the economic disparities and injustices we see all around us in Hawaii."*^[9] Likewise, HSTA President Osa Tui observes that it is "unconscionable" for wealthy newcomers and investors to enjoy our islands without "giv[ing] back to our schools"^[10]. From a Rawlsian perspective, justice demands we improve opportunities for the least-advantaged (our keiki from low-income families) – and asking society's wealthiest members to help fund schools is exactly the kind of step that Rawls's "difference principle" would endorse. **Our children's futures** should not be left to chance or to the generosity of a few; they deserve stable, ample funding from a tax base that reflects who truly benefits from Hawai'i's paradise.

Ok, let's look at the Proposed Surcharge

HB2147 wisely targets only luxury non-owner-occupied homes.

Under the bill, the Legislature could impose a surcharge on county property taxes for any **residential investment property** (rental condos, vacation homes, etc.) valued at **≥\$3million**, *excluding* owner-occupied primary residences and any affordable-housing developments^{[11][12]}. This narrow focus ensures that *ordinary families and local homeowners are exempt*. Data show that a large share of such high-end properties are owned by nonresidents or out-of-state investors^{[13][14]}. By contrast, working families who scrimp for a modest condo or house (e.g. under \$600k in Honolulu) are unaffected^[14]. In practice, the surcharge would apply only to the top 1–2% of residential parcels, leaving small landlords and most long-term residents untouched.

The new revenue could be substantial for our state-supported public education. Representative Perruso (the bill's sponsor) projected around **\$100million/year** from this surcharge^[15], while other official estimates range \$40–60 million^[16]. Even the lower figure is significant – it amounts to roughly 3–5% of the DOE's total budget, and could cover dozens of new schools, teacher raises, or program expansions each year. Crucially, these funds would be dedicated *extra* dollars for education, not just a rebranding of existing funding. The constitutional amendment explicitly authorizes the Legislature to *create* this revenue stream for "help[ing] fund public education for all of Hawai'i's children and adults"^[11]. The surcharge is proposed as state revenue but collected via county tax bills; this means counties still set the base tax and receive their usual share, while the state claims only the incremental surcharge for schools. In short, HB2147 adds money *on top* of what we already raise, rather than cutting other county or state programs.

Why can't we just raise the GET tax?

Legislators have explored other revenue options, but these fall short.

For example, some have urged increasing the **General Excise Tax (GET)** to funnel more into education. While a GET hike could raise money, it is a blunt instrument that hits every resident and business equally (or even in a regressive way). GET burdens lower- and middle-income families and local entrepreneurs the most, since everyone pays the tax on goods and services^[7]. By contrast, a surcharge on only the wealthiest properties is *progressive* – it asks those with the broadest shoulders to carry more. Moreover, much of the GET revenue flows into general accounts (and the counties already share in some of it via the County GET surcharges)^[8], so a state-directed GET increase could simply displace other education funding. In fact, a recent Senate proposal to raise the GET by 0.5% for schools was never heard in the House, as members insisted on first auditing and fixing DOE spending^{[17][18]}. This hesitation shows how difficult broad tax hikes are in practice – public trust and legislative will are lacking.

Education Demands Justice

HB2147 is rooted in the principle of shared sacrifice.

Currently, long-time Hawai'i families and local businesses pay for schools indirectly through high taxes and tight budgets, while a new class of very wealthy homeowners lives here essentially tax-free. That disparity contributes directly to inequality. For example, nearly **27% of Hawaii's private land** is now held by out-of-state investors^[13]. These buyers bid up prices (knowing property taxes are low) and then leave homes vacant or rent them at premium rates. Local residents end up with higher housing costs and lower disposable income, yet their schools see no corresponding boost. As one observer put it: “*low taxes on real property [in Hawaii] work against local families*” by inviting out-of-state speculation^[13].

Allowing a surcharge would start correcting that imbalance. Under a Rawlsian “veil of ignorance,” no one would tolerate a system where only some pay for a universal good like education. If we might end up in the shoes of any child or parent, we would want schools well-supported – and we’d expect the community’s richest to shoulder an appropriate share. This is not punishment of success; it’s the principle that *those who benefit most from our state’s natural and economic advantages should help underwrite the public goods everyone relies on*. Representative Della Au Belatti illustrated this vividly: while she and her husband saved 15 years for a modest home under \$600k, others have been able to buy \$27.5 million penthouses in Honolulu overnight^[14]. The value they seek from Hawaii (and the extra cost locals face as a result) justifies asking them to contribute to schools. In John Rawls’s terms, this surcharge is a minimally burdensome way to improve the position of the least advantaged (students from struggling families) without unduly harming the already well-off.

Key Reasons to Support HB2147

- **Directly Addresses Underfunding.** This surcharge targets the *root cause* of chronic shortfalls. Only by tapping new revenue can we realistically raise teacher salaries (now among the nation’s lowest after cost-of-living)^[20], reduce class sizes, repair schools, and expand programs like

special ed and free meals. Previous constitutional attempts failed, and the DOE's nearly \$2 billion budget is already stretched to its limit[1][6]. A new revenue stream is essential.

- **Progressive and Targeted.** The tax would fall *only* on high-end “investment” homes (with a \$3 million threshold)[11]. Ordinary local homeowners, small landlords, and working families are exempt. By design, it spares middle-income owners and focuses on those most able to pay. This minimizes any burden on everyday Hawaiians while still raising substantial funds.
- **Equity for All Counties.** Since nonresident ownership is a statewide phenomenon (high-value homes exist on Oahu, Maui, Kaua'i, Hawai'i Island), this is a **statewide solution**. It ensures that all counties participate in education funding according to wealth, just as Oahu contributes the lion's share of GET. It avoids penalizing any single county's residents; the surcharge only hits luxury properties wherever they are.
- **Accountability and Public Buy-In.** When more citizens pay into education, public accountability tends to rise. Currently, only “outsiders” would pay this tax; but they have little vote in local affairs. Requiring even a small contribution from them helps to align interests. Broadly, the measure has co-sponsors in the Legislature and supporters in the community (teachers, parents, advocates) because people see it as fair. Voters would have final say at the ballot, ensuring transparency of this policy decision.

Common Objections and Rebuttals

- *“The Legislature will just take the money and use it elsewhere.”* Critics note there is no absolute guarantee any new revenue will reach classrooms[21]. But this amendment **itself** specifies the surcharge is *for public education*. By law, any surcharge enacted under this authority would be dedicated to school funding. In addition, Hawai'i is already moving toward more transparency: recent bills mandate regular financial audits of DOE[18]. We can and should further require that surcharged funds be ring-fenced for schools. (For example, other states have education trust funds or bonds that ensure accountability.) Ultimately, voters must trust their legislators – and if lawmakers misuse these funds, the public will know and can demand corrections.
- *“It will drive up housing costs or rents.”* There is concern owners will pass the surcharge on to renters, worsening affordability[22]. In reality, rental pricing in Hawai'i is driven overwhelmingly by supply and demand, not marginal tax changes[23]. As investor-landlord Iwamoto notes, even small apartment owners set rents by market rates, not by their tax bill[23]. A surcharge on only the priciest homes (\$3M+) – often vacation condos or properties distant from jobs – would have **negligible impact** on typical rents. If anything, discouraging speculative buyers might free up some units for local residents over time. Crucially, the proposal exempts any project under an affordable-housing agreement[24], so it cannot be used on the very homes that serve working families.
- *“This violates home-rule and county budgets.”* The Hawai'i Constitution does currently assign property-tax authority exclusively to counties[19]. This amendment would *partially* lift that restriction (only for the special surcharge described). In practice, counties continue collecting their regular property taxes as before – those revenues are mostly unchanged and counties still fund local services from them. The surcharge is just an overlay: counties would collect it but remit it for education. It's worth noting that counties already benefit from shared taxes (they get a

portion of state GET and Transient Accommodations Tax revenue^[8]). In fairness, the state also funds many county needs (roads, emergency services) beyond basic shares. Creating a small shared revenue source for the largest real-estate speculators does not strip counties of essential income; it merely asks the state and counties to co-invest in schools.

- “A constitutional amendment is too much – it’s essentially a new tax.” Voters may be wary of any new tax measure, given Hawai‘i’s high living costs. But Hawai‘i’s children already deserve the investment that many other states provide through property taxes. This amendment is a *constitutional authorization* only – it lets the Legislature create a surcharge if and how it chooses by statute. This is prudent: it ensures a thorough public debate and a future legislative deliberation on the exact rate and implementation. The ballot question will be explicit about *who* pays (all nonresident home owners above \$3M) and *why* (to fund education). In the end, giving voters this choice is more democratic than the status quo of quietly ignoring school needs.

February 9, 2026

Representative Justin Woodson, Chair and Trish La Chica, Vice Chair

Re: Testimony in support of HB 2147
Hearing on February 10, 2026, 2:15 pm

Dear Chair Woodson, Vice Chair La Chica, and Education Committee Members:

I am a professor, educational researcher, Chair of the Department of Educational Psychology at the University of Hawai'i at Mānoa, Kalani High School graduate, and mother of two sons who attended Hawai'i public schools, I was also the founding president of the non-profit organization Parents for Public Schools of Hawai'i. **I writing in strong support of HB 2147.**

I am part of the Hawai'i Scholars for Education, Social Justice, and Diversity, a volunteer group of educational scholars who conducts, reviews, and disseminates research related to education and social justice in Hawai'i. We wrote a research brief on the chronic underfunding of education in Hawai'i (https://hawaiiischolars.weebly.com/uploads/1/3/5/6/135637363/hsej_highlights_research_brief_5_proof4_250113.pdf). Our brief points out that Hawai'i ranks among the lowest of all states in percentages of state and local expenditures supporting K-12 education. **Despite the rising cost of living in Hawai'i, funding for public education has decreased.** For example, in 2024, despite a budget surplus, funding for public education decreased by 7%.

Research shows that funding matters in education. There is clear evidence that quality education is expensive and there are few low-cost alternatives to well-funded schools. It is a myth that the teacher shortage has ended. **Salary differentials, which are not permanent, redistributed the educator workforce and addressed some needs, but did not solve the teacher shortage.** Comparing all factors that schools can control, research indicates that teachers have the greatest impact on student learning and achievement. Increased funding can address teacher recruitment, preparation, and attrition.

Adequate funding of public education is an equity issue, as Native Hawaiian and Filipino students make up the largest groups of students in our public education. These groups are among those who are the most underrepresented in higher education. Increased funding can assure that all students have an opportunity to succeed in school and life.

HB 2147 proposes an amendment to the Hawai'i State Constitution which would allow the legislature to establish a state surcharge on real property taxes on residential investment properties valued \$3 million dollars or more to support public education in our State. It targets those who clearly are not the "average Hawai'i resident" to invest in the future of our local community by supporting public education, while they make money for themselves from land and property in Hawai'i.

It is time to make a bold change that can dramatically increase educational funding at a time when Hawai'i's families need support. **Most children in Hawai'i attend public schools. Please invest in their and our shared future and support HB 2147.**

Aloha,



Lois A. Yamauchi, PhD
Professor and Mānoa resident