

STAND. COM. REP. NO.

2484

Honolulu, Hawaii

FEB 17

, 2006

RE: S.B. No. 2836
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Education and Military Affairs, to which
was referred S.B. No. 2836 entitled:

"A BILL FOR AN ACT RELATING TO THE STATE EDUCATIONAL
FACILITIES IMPROVEMENT FUND,"

begs leave to report as follows:

The purpose of this measure is to increase the amount of
money deposited into the State Educational Facilities Improvement
Special Fund (SEFI Fund).

Testimony in support of this measure was submitted by the
Department of Education. The Department of Budget and Finance
submitted testimony in opposition to this measure. The Hawaii Tax
Foundation submitted comments.

Your Committee finds that there is a compelling need to
immediately fund the backlog of repair and maintenance projects in
the public schools because Hawaii's children deserve a quality
education in a clean, safe environment. This backlog is currently
estimated at \$525,000,000 and includes recurring major and minor
repairs, maintenance, nonrecurring projects, and emergency
repairs. Your Committee notes that this measure will address the
repair and maintenance backlog by increasing the amount of money
deposited into the SEFI fund for one year.

Your Committee has amended this measure to require the amount
of \$140,000,000 from all general excise tax revenues realized by
the State and \$220,000,000 from the proceeds of general obligation

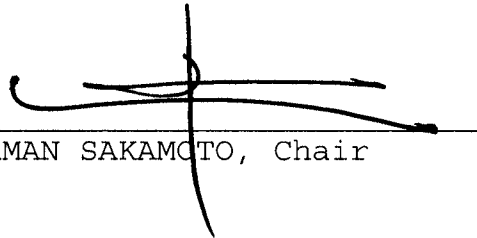
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bonds authorized for the fiscal year to be deposited in the state treasury as a credit to the SEFI Fund.

As affirmed by the record of votes of the members of your Committee on Education and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2836, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2836, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Education and
Military Affairs,

A handwritten signature in black ink, appearing to read 'Norman Sakamoto', is written over a horizontal line. The signature is stylized with a vertical stroke that crosses the horizontal line.

NORMAN SAKAMOTO, Chair



