

Honolulu, Hawaii

FEB 17

, 2006

RE: S.B. No. 2956
S.D. 1

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

Sir:

Your Committees on Education and Military Affairs and Higher Education, to which was referred S.B. No. 2956 entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

beg leave to report as follows:

The purpose of this measure is to facilitate the construction of new schools by:

- (1) Creating a new school construction special fund to make lease-back payments for new schools constructed with financing agreements;
- (2) Authorizing the Department of Education (DOE) to enter into financing agreements; and
- (3) Making appropriations for repair and maintenance of facilities of the DOE and the University of Hawaii.

Your Committees received testimony in support of this measure from the University of Hawaii, DOE, and one individual.

Your Committees find that there is a continuing backlog of repair and maintenance projects for Hawaii's public schools. In 2001, the Hawaii Opinion Poll on Public Education found that rundown, poorly kept, or inadequate facilities ranked third in the ten biggest problems facing our schools. Student leaders at the 2005 Hawaii Secondary Student Conference passed a resolution supporting the expenditure of funds to relieve the backlog.



The condition of our schools increasingly depends on the availability of funds and effective management of facility needs. It is equally important that our schools be provided with sufficient funds for their operations, which also directly affect student achievement.

Your Committees are committed to improving the quality of education in Hawaii. The first place to start is by ensuring that school facilities are adequate and safe, which requires continuous maintenance and repair. This measure would expedite the DOE's backlog of school maintenance and repairs.

Your Committees have amended this measure by:


- (1) Deleting the appropriations in part III to the University of Hawaii;
- (2) Adding a provision that new school construction financed with moneys from the new school construction special fund shall meet energy-efficient standards; and
- (3) Providing for a \$60,000,000 general fund appropriation to the DOE for maintenance and repairs, and \$92,000,000 from general obligation bonds for capital improvement projects.

Your Committees further find that the University of Hawaii may seek an appropriation to restore appropriations removed from this measure.

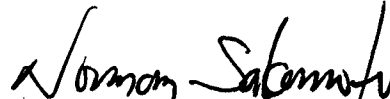
As affirmed by the records of votes of the members of your Committees on Education and Military Affairs and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2956, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2956, S.D. 1, and be referred to the Committee on Ways and Means.



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



CLAYTON HEE, Chair



NORMAN SAKAMOTO, Chair



