

Honolulu, Hawaii

March 21, 2007

RE: S.B. No. 1820
S.D. 1
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 1820, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION,"

begs leave to report as follows:

The purpose of this bill is to increase the availability of school facilities and therefore improve the learning environment for Hawaii's students by allowing the Board of Education (BOE) more flexibility in acquiring new school design and construction projects. Specifically, this bill:

- (1) Authorizes BOE to enter into financing agreements with the concurrence of the Director of Finance and without the approval of the Comptroller; and
- (2) Creates a new account within the State Educational Facilities Improvement Special Fund for lease payments required by financing agreements entered into by BOE.

The Maui Land & Pineapple Company, Inc., and several concerned individuals testified in support of this bill. The Department of Education (DOE) supported the intent of this measure. The Department of Budget and Finance and Department of Accounting and General Services opposed this bill.



Your Committee has amended this bill by:

- (1) Clarifying that DOE, rather than BOE, is authorized to enter into financing agreements;
- (2) Restricting the use of lease payments to new schools included within DOE's current six-year capital improvements program, which are DOE priority projects;
- (3) Clarifying that DOE may enter into contracts, leases, lease-purchase agreements, or other transactions necessary for the acquisition of public school facilities with the concurrence of the Director of Finance; and
- (4) Making technical, nonsubstantive amendments for 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 S.B. No. 1820, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1820, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

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

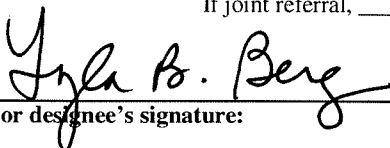


ROY TAKUMI, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Education

Bill/Resolution No.: SB 1820 SDI		Date: 3-14-07		
Committee Referral: EDN, EIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration				
EDN Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)	✓			
2. BERG, Lyla B., Ph.D. (VC)	✓			
3. BERTRAM, Joe, III	✓			
4. CABANILLA, Rida T.R.				✓
5. CHANG, Jerry L.	✓			
6. NISHIMOTO, Scott Y.	✓			
7. SAIKI, Scott K.	✓			
8. SHIMABUKURO, Maile S. L.	✓			
9. TAKAI, K. Mark	✓			
10. TAKAMINE, Dwight Y.	✓			
11. WAKAI, Glenn	✓			
12. CHING, Corinne W.L.	✓			
13. FINNEGAN, Lynn		✓		
TOTAL	11	1		1
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:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office				