STAND. COM. REP. NO.

449

Honolulu, Hawaii

FEB 1 6 2007

RE: S.B. No. 1820

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

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

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

begs leave to report as follows:

The purpose of this measure is to authorize the Department of Education to enter into financing agreements without the approval of the Director of Budget and Finance or the Comptroller, and to create a separate account within the State Education Facilities Improvements Special Fund to be called the Lease Payments for Schools Account.

The Director and the President of the Kihei Community Association, and one individual submitted testimony in support of this measure. The Department of Education submitted testimony in support of the intent of this measure. The Department of Budget and Finance submitted testimony in opposition.

Your Committee finds that public schools in Hawaii are suffering from severe overcrowding, which negatively impacts the learning potential of students. An alternate way of financing new school projects without using general obligation bonds needs to be implemented. Partnerships between public schools and private developers are a cost-effective and timely way to finance new school construction to help alleviate overcrowding.

This measure will provide the Board of Education with more autonomy in the acquisition of new school design and construction



projects by establishing a separate account that is subject to legislative approval for the payment of lease-purchase agreements.

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 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

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

NORMAN SAKAMOTO, Chafi

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Education EDU

Bill / Resolution No.:*	II / Resolution No.:* Committee		Referral: D		Pate:	
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The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313						
Members		Aye	Aye (WR)	Nay	Excused	
SAKAMOTO, Norman (C)		X				
TOKUDA, JIII N. (VC)		X				
CHUN OAKLAND, Suzanne		X	•		·	
HEE, Clayton					/	
NISHIHARA, Clarence K.					X	
TANIGUCHI, Brian T.		X = 0.2				
GABBARD, Mike		Х				
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TOTAL		<u>り</u>	Ý	Ø	2	
Recommendation: Adopted Not Adopted						
Chair's or Designee's Signature:						
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency						