

STAND. COM. REP. NO.

2040

Honolulu, Hawaii

FEB 04 2008

RE: S.B. No. 2296
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Education, to which was referred S.B.
No. 2296 entitled:

"A BILL FOR AN ACT PROPOSING AMENDMENTS TO THE HAWAII
CONSTITUTION RELATING TO THE ISSUANCE OF SPECIAL PURPOSE
REVENUE BONDS,"

begs leave to report as follows:

The purpose of this measure is to propose constitutional amendments to authorize the State to issue special purpose revenue bonds to assist nonprofit corporations supporting one or more charter schools, community development financial institutions benefiting one or more public charter schools, and charter schools.

Testimony in support of this measure was submitted by Kanu o ka 'Aina Learning 'Ohana, the Hawaii Association of Independent Schools, Kamehameha Schools, and Connections Public Charter School. Comments on the measure were also submitted by the Office of the Governor.

Your Committee finds that public charter schools play a vital role in Hawaii's public education system. Over the years, the Legislature has been committed to supporting and improving charter schools within the State including, pursuant to Act 298, Session Laws of Hawaii 2006, the adoption of proposals recommended by the Task Force on Charter School Governance that was established by Act 87, Session Laws of Hawaii 2005, and efforts to ensure the provision of efficient operations of charter schools within the

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State, pursuant to Act 115, Session Laws of Hawaii 2007. The legislature is committed to continuing to support and grow the charter schools and exploring alternatives for sustaining their continued operations.

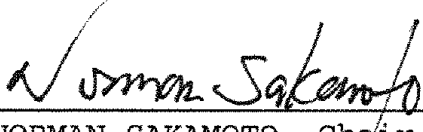
This measure proposes amendments to the Hawaii State Constitution that would allow the State to issue special purpose revenue bonds to assist charter schools, community development financial institutions benefiting charter schools, and nonprofit corporations supporting charter schools. Testimony received raised concerns regarding the propriety of such constitutional amendments and the use of the proceeds from special purpose revenue bonds for such purposes. While mindful of these concerns, your Committee believes that this measure should continue to move forward through the legislative process; however, it also finds that this issue should continue to be explored and monitored to determine its propriety.

Accordingly, your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050; and
- (2) Making technical, nonsubstantive changes for purposes of clarity 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. 2296, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2296, S.D. 1, and be referred to the Committee on Judiciary and Labor.

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



NORMAN SAKAMOTO, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Education
EDU

Bill / Resolution No.:* SB 2290	Committee Referral: EDU, JDL, WAM	Date: 2-1-08		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAKAMOTO, Norman (C)	X			
TOKUDA, Jill N. (VC)	X			
CHUN OAKLAND, Suzanne	X			
GABBARD, Mike	X			
HEE, Clayton				X
NISHIHARA, Clarence K.	X			
TANIGUCHI, Brian T.	X			
SLOM, Sam	X			
TOTAL	7	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes