

STAND. COM. REP. NO.

234

Honolulu, Hawaii

FEB 13 2007

RE: S.B. No. 611
S.D. 1

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

Madam:

Your Committees on Education and Water, Land, Agriculture,
and Hawaiian Affairs, to which was referred S.B. No. 611 entitled:

"A BILL FOR AN ACT RELATING TO ASSET MANAGEMENT,"

beg leave to report as follows:

The purpose of this measure is to allow the Department of
Education to own and control all of the lands and facilities being
used for public schools in Hawaii.

Specifically, this measure transfers all public lands and
facilities used for public schools to the Department of Education
and empowers the Board and the Department of Education to acquire,
sell, lease, transfer, hypothecate, develop, and enter into
agreements for the improvement of lands and facilities under its
control for the support of the public schools.

Testimony in support of this measure was submitted by the
Department of Education (DOE), the City and County of Honolulu,
and the Land Use Research Foundation of Hawaii. Testimony in
opposition to the measure was submitted by the Department of Land
and Natural Resources and the Office of Hawaiian Affairs.

Your Committees find that the DOE is tasked with ensuring the
provision of quality education in appropriate facilities to
students throughout the State. This task is difficult, at best,
when attempting to balance the interests of teachers and students
and working within budgetary constraints. As a result, the State
must explore additional alternatives to increased funding to

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provide adequate public schools and public school facilities in Hawaii.

Your Committees further find that many western states utilize a system whereby lands provided for public schools are managed in a trust to benefit or generate revenues for the public schools. Your Committees believe that authorizing the DOE and the Board of Education (Board) to manage public school lands and facilities would allow the DOE to leverage underutilized land assets for redevelopment, joint venture, revenue production, or other related opportunities. Increased authority over public school lands and facilities will allow the DOE to better utilize its assets to provide for current and future needs, including the construction of new schools, expansion of teacher housing, or improving school facilities.

Your Committees recognize the concerns raised by the testimony provided, including the fact that the measure also encompasses ceded lands and revenues from ceded lands in contradiction of the Admission Act. In addition, the measure would allow public lands under the DOE's control to be sold or exchanged or transferred for private lands, thus diminishing the public lands that are held in trust not only for the public schools. Lands under the DOE's control should be managed, but not disposed of when such lands, including those which the DOE is not utilizing, should be returned to the public trust for other important uses.

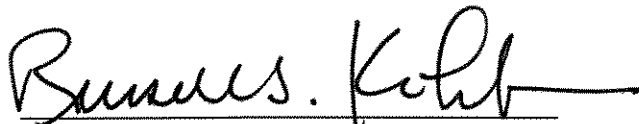
Accordingly, your Committees have amended this measure by:

- (1) Removing the Board's authority to sell, exchange, or transfer public school lands under its control;
- (2) Requiring the Board to transfer any surplus or unused public school lands to the Department of Land and Natural Resources for inclusion in the inventory of public lands in the public land trust;
- (3) Changing the effective date of the Act to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical, nonsubstantive changes for purposes of clarity and style.



As affirmed by the records of votes of the members of your Committees on Education and Water, Land, Agriculture, and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 611, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 611, 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
Water, Land, Agriculture, and
Hawaiian Affairs,



RUSSELL S. KOKUBUN, Chair




NORMAN SAKAMOTO, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Education
EDU

Bill / Resolution No.:* <i>SB 611</i>	Committee Referral: <i>EDU/WAH, WAAH</i>	Date: <i>02/02/07</i>		
<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			
HEE, Clayton	X			
NISHIHARA, Clarence K.				X
TANIGUCHI, Brian T.				X
GABBARD, Mike	X			
TOTAL	<i>5</i>			<i>2</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center;"></div>				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes

The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Water, Land, Agriculture and Hawaiian Affairs
WAH

Bill / Resolution No.:*	Committee Referral:	Date:		
SB611	EDU/WAH, WAM	2-2-07		
<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
KOKUBUN, Russell S. (C)	X			
TOKUDA, Jill N. (VC)	X			
FUKUNAGA, Carol	X			
HEE, Clayton	X			
SLOM, Sam	X			
TOTAL	5			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

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