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## HOUSE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF EDUCATION TO REPORT TO THE  
LEGISLATURE ON THE VOLUME AND NATURE OF THE GOODS AND  
SERVICES THAT WOULD NEED TO BE DONATED TO SCHOOLS IN REMOTE  
AREAS BEING CONSIDERED FOR CLOSURE IN EXCHANGE FOR TAX  
CREDITS, TO MAKE THOSE SCHOOLS VIABLE.

1           WHEREAS, the current economic crisis has caused a reduction  
2 in services from all state agencies and departments, including  
3 the Department of Education; and  
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5           WHEREAS, the reduced funding for public schools has  
6 resulted in "furlough Fridays" and the possibility of school  
7 closures; and  
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9           WHEREAS, since student populations tend to be smaller in  
10 rural areas, the probability of school closures in these remote  
11 communities is greater; and  
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13           WHEREAS, students in rural areas face greater challenges  
14 and hardships than students in urban areas and a school closure  
15 in a rural area would have greater consequences than in urban  
16 areas; and  
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18           WHEREAS, a tax credit offered to taxpayers who contribute  
19 tangible goods or services to a rural school being considered  
20 for closure would assist these schools in keeping the schools  
21 open; and  
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23           WHEREAS, the amount of the tax credit could be a percentage  
24 of the value of the goods or services donated; and  
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26           WHEREAS, the Department of Education could determine the  
27 value of the goods or services donated and its applicability to  
28 the school and whether a donation of the good or service donated



1 would result in a reduction of the amount of state funds  
2 expended on a public school being considered for closure; and

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4 WHEREAS, the Department of Education could certify:

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- 6 (1) The amount of the donation;
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- 8 (2) That the donation would be used to reduce the amount
- 9 of state funds expended on operating costs for a
- 10 public school being considered for closure; and
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- 12 (3) That the taxpayer has obtained a current and valid
- 13 certificate signed by the Director of Taxation,
- 14 showing that the taxpayer does not owe the State any
- 15 delinquent taxes, penalties, or interest; now,
- 16 therefore,
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18 BE IT RESOLVED by the House of Representatives of the  
19 Twenty-fifth Legislature of the State of Hawaii, Regular Session  
20 of 2010, the Senate concurring, that the Department of Education  
21 is requested to report to the Legislature on the volume and  
22 nature of the goods and services that would need to be donated  
23 to schools in remote areas being considered for closure in  
24 exchange for tax credits in order for those schools to remain  
25 viable; and

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27 BE IT FURTHER RESOLVED, that the Department of Education is  
28 requested to consult with the Department of Taxation in  
29 developing the necessary tax credit certification and tax  
30 reporting procedures; and

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32 BE IT FURTHER RESOLVED that the Department of Education is  
33 requested to report its findings and recommendations, including  
34 proposed legislation to the Legislature no later than twenty  
35 days prior to the convening of the Regular Session of 2011; and

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37 BE IT FURTHER RESOLVED that certified copies of this  
38 Concurrent Resolution be transmitted to the Governor, the  
39 Superintendent of Education, the Chairperson of the Board of  
40 Education, and the Director of Taxation.

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43 OFFERED BY:

*Mele Carroll*  
*Karen Arana*

