

STAND. COM. REP. NO. 982

Honolulu, Hawaii
March 18, 2011

RE: S.B. No. 1385
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 1385, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC SCHOOL LANDS,"

begs leave to report as follows:

The purpose of this bill is to provide additional flexibility and the potential for additional revenue with respect to public school lands by establishing a Public School Lands Trust to generate income from the redevelopment of excess and underused public school lands with which to construct, repair, and retrofit public schools to meet the challenges of the 21st century and beyond.

This measure also establishes a Public School Lands Trust Commission to manage, administer, and exercise control over the Public School Lands Trust.

The Land Use Research Foundation of Hawaii and several concerned individuals supported this bill. The Hawaii State Teachers Association and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported the intent of this measure. The Office of Hawaiian Affairs, Council Chair and two Councilmembers of the Maui County Council, and a concerned individual opposed this bill. The Department of Education (DOE), Department of Land and Natural Resources, Good Beginnings

SB1385 HD1 HSCR EDN HMS 2011-3106



Alliance, Mayor of the City and County of Honolulu, and several concerned individuals provided comments:

Your Committee has amended this bill by deleting its contents and replacing them with provisions that:

- (1) Permit, as a three-year pilot project, DOE with the approval of the Board of Education, to lease public school land for up to ten schools for a lease term of not more than 55 years for the purpose of constructing affordable workforce rental housing units;
- (2) Direct proceeds from leases specified in paragraph (1) above to be used for the construction and upgrade of 21st century schools;
- (3) Establish a School Facilities Special Fund to deposit proceeds from leases specified in paragraph (1);
- (4) Establish a School Facilities Advisory Board to advise DOE on, among other things, how best to optimize public school lands;
- (5) Establish a public school construction tax credit for construction undertaken as part of the terms of a lease specified under paragraph (1) above; and
- (6) Require DOE to further develop a systematic process and mechanism to optimize public school lands.

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. 1385, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1385, S.D. 2, H.D. 1, and be referred to the Committee on Water, Land, & Ocean Resources.



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



ROY TAKUMI, Chair



