

Date: 03/16/2011

Committee: House Education

Department: Education

Person Testifying: Kathryn S. Matayoshi, Superintendent of Education

Title of Bill: SB 1385,SD2(sscr778) RELATING TO PUBLIC SCHOOL LANDS.

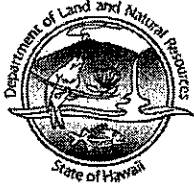
Purpose of Bill: Establishes the public school lands trust to provide for the maximum use of public school lands in order to generate income to improve public school facilities and infrastructure to meet the challenges of the 21st century and beyond. Requires that any sale of land from the public school lands trust be approved by no less than two thirds of each house of the legislature.
Effective 07/01/2050. (SD2) (\$)

Department's Position: The DOE appreciates the intent of the bill and agrees that adequate funding continues to be a challenge. However, the DOE has major concerns regarding the bill's implementation and practicality:

1. The fractured nature of current ownership of school lands, between the counties and the state makes consolidation of lands under a single entity challenging.
2. The relative value of schools lands are undetermined and may not be substantial enough to generate any substantial revenue.
3. Under the State Constitution, the Department of Land and Natural Resources already has the responsibility for development as the Landowner for the State. The creation of a separate school land trust may be duplicative.

4. Trustees of the proposed trust would have a fiduciary duty to the trust, to maximize the value of trust assets, that may not be in the best interest of the DOE or students.

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
WILLIAM J. AILA, JR.
Chairperson**

**Before the House Committee on
EDUCATION**

**Wednesday, March 16, 2011
2:00 PM
State Capitol, Conference Room 309**

**In consideration of
SENATE BILL 1385, SENATE DRAFT 2
RELATING TO PUBLIC SCHOOL LANDS**

Senate Bill 1385, Senate Draft 2 authorizes the creation of a public school lands trust tasked with the management of public school trust lands for the purpose of maximizing the use of public school lands to generate income to fund improvements of school infrastructure. In addition, the bill provides for the transfer of title of all lands under state or county ownership, set aside by executive order to the Department of Education (DOE), to the trust for no compensation. The bill also provides for the creation of a public school lands trust commission (Commission) to manage, administer and exercise control over the public school trust lands. The Department of Land and Natural Resources (Department) has concerns with this bill as written.

The administrative responsibility for the Commission is placed with the Department. The Department is extremely concerned with this provision. As these lands would not generate income immediately, this would impose a tremendous administrative burden on the Department, which it currently cannot afford. The Department continues to face severe budget cutbacks. The Department's general fund appropriations and special fund revenues have dropped significantly over the last several years, and the Department lost more than 10% of its positions over the past three years. The bill imposes duties that would require a substantial amount of staff time and funding. The Department simply does not have the resources and staffing necessary to undertake the additional duties that would be required under this bill.

Furthermore, the Department would like to note that the Commission is akin to a development authority, but the bill does not provide the Commission with special powers as granted to similar development agencies. This may hamper the Commission in its ability to successfully develop the lands and fully realize revenue generation potential.

WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

GUY H. KAULUKUKUI
FIRST DEPUTY

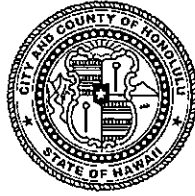
WILLIAM M. TAM
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

OFFICE OF THE MAYOR
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 300 * HONOLULU, HAWAII 96813
PHONE: (808) 768-4141 * FAX: (808) 768-4242 * INTERNET: www.honolulu.gov

PETER B. CARLISLE
MAYOR



March 16, 2011

The Honorable Roy Takumi, Chair
House Committee on Education
Twenty-Sixth Legislature
Regular Session of 2011
State of Hawaii

RE: Testimony of Mayor Peter Carlisle on S.B. 1385, S.D. 2, Relating to Public School Lands

Chair Takumi and members of the House Committee on Education, Mayor Peter Carlisle submits the following testimony with strong concerns regarding S.B. 1385, S.D. 2.

The purpose of this bill is to establish a public school land trust composed of all lands under the management of the state department of education as of July 1, 2011, except for lands owned by the Department of Hawaiian Home Lands, the federal government and any private persons or entities. Lands owned by the state and the counties would be included in the public school land trust. Deeds documenting the transfers are to be executed no later than July 1, 2013. The purpose of the trust is to maximize the use of the lands and to generate income to construct, repair, and retrofit public schools.

Although I certainly support the funding of public education, I do have concerns about the loss of over 900 acres of lands currently owned by the City and County of Honolulu without compensation or consideration. A significant portion of public schools on Oahu, sit on land owned by the county; the Department of Education has the use of a possessory interest in the school facilities and grounds located on county land. However, as the Department of Education (DOE) has on occasion relinquished its possessory interest in these properties as the DOE has realigned its schools to meet district demands. When those properties have been returned to the county, we have been able to find other uses for them which improve the surrounding communities or assist the county in carrying out its functions. Furthermore, the counties could also develop any land returned to it by the DOE upon school closures and generate revenues for the county, which is tasked with providing basic services such as police, fire and sewer services, road maintenance, and trash pick up, and which also faces with a budget deficit.

Besides the loss of county lands without any compensation, this bill fails to take into account that some county lands taken by this bill may not be sufficiently delineated or are unsuitable for development. Twenty-five of the schools on county land sit on parcels that also contain a park or playground with no legal division between the park portion of the TMK parcel

and the school portion. As this bill provides that all lands under the management of the state DOE automatically transfers the county lands to the public school land trust upon the creation of the commission, it is unclear how a determination is made under the bill of exactly where the school ends and the park begins. So it is unclear to the county, the exact portion of parcels would actually be transferred to the land trust upon the creation of the commission. If the whole TMK parcel is being transferred, then the issue of whether a public park should be developed to create a revenue stream must be broached. If the park remains a park, it is unlikely to generate much revenue and will require revenue to maintain. Under these circumstances, it seems to be inadvisable to structure a bill which automatically takes all parcels of land without some kind of case by case review to determine which parcels are appropriate for development and which parcels are not. We would much prefer an approach in which the county retained ownership of the land and would work jointly with the commission to identify suitable county school lands for development, with proceeds being jointly shared between the land trust and the county.

Furthermore, although the TMK parcel can be subdivided, it is also unclear who will bear the costs of subdividing the parcel. It seems patently unfair to expect the counties to bear the costs of subdividing these parcels after the land is being taken away by operation of law without any compensation or consideration.

In closing I would note, that the Honolulu City Council has unanimously passed Resolution 11-60 urging the state legislature to shelve S.B. 1385 for many of the same reasons, I have noted above.

For these reasons, I respectfully ask that this bill be held and thank you for this opportunity to present these comments.

EDNtestimony

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 15, 2011 7:22 PM
To: EDNtestimony
Cc: jobiem@oha.org
Subject: Testimony for SB1385 on 3/16/2011 2:00:00 PM
Attachments: SB1385 SD2 Public School Lands Trust.pdf

Testimony for EDN 3/16/2011 2:00:00 PM SB1385

Conference room: 309
Testifier position: oppose
Testifier will be present: Yes
Submitted by: Clyde Namuo
Organization: OHA
Address:
Phone:
E-mail: jobiem@oha.org
Submitted on: 3/15/2011

Comments:



SB 1385, SD 2
RELATING TO PUBLIC LANDS
House Committee on Education

March 16, 2011

2:00 p.m.

Room 309

The Office of Hawaiian Affairs **OPPOSES** SB 1385 SD 2, which transfers title of public land held by the Department of Education (DOE) to a public school land trust. Because the public school land trust is given the authority to sell public land under certain circumstances, including ceded land and public trust land, OHA opposes this bill.

A review of the State Land Information Management System (SLIMS) shows that at least 1,515 acres of *state* land set aside for public education purposes are part of the public land trust, and therefore are ceded lands. Of the 254 public schools in Hawai'i, at least 79 schools sit fully or partially on ceded land. Another 42 schools sit fully or partially on land transferred to the State via Admission Act section 5(a); although this land is not part of the public land trust, much of it is likely ceded land.

It is possible that more than these 121 schools could be situated on ceded land because SLIMS generally provides public land trust status for *state* land only, not county land. Therefore, we are unable to ascertain how many acres of county land set aside for public school uses are ceded, but it is likely that some schools sit on ceded land under the control of the counties.

OHA maintains that the state cannot diminish the ceded lands corpus until the Native Hawaiian people's claim to ceded lands has been resolved. See, e.g., P.L. 103-150 (1993) ("the Republic of Hawaii . . . ceded 1,800,000 acres of crown, government and public lands of the Kingdom of Hawaii, without the consent of or compensation to the Native Hawaiian people of Hawaii or their sovereign government").

At a minimum the bill should be explicit in stating that the sale or gift of any public school trust lands or exchange of such lands is subject to the provisions of Act 176 (2009 Session Laws) that identify the legislative approval process that must be followed and the information that must be included in any resolution proposing the sale, gift or exchange of lands held by the State.

Finally, OHA further notes that Admission Act section 5(f), Hawai'i Constitution, article XII, Chapter 10, Hawai'i Revised Statutes, Act 178, SLH (2006), and Executive Order 06-06 impose trust obligations with respect to public trust land on all state agencies. Restricting the use of revenues generated on public trust land solely for the use of public schools would violate the state's obligations.

Therefore, OHA urges the committee to HOLD SB 1385, SD 2. Mahalo for the opportunity to testify on this important measure.

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White

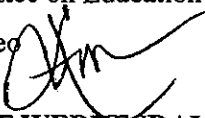


Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/council

March 14, 2011

TO: The Honorable Roy M. Takumi, Chair
House Committee on Education

FROM: Danny A. Mateo 
Council Chair

SUBJECT: **HEARING OF WEDNESDAY, MARCH 16, 2011; TESTIMONY IN OPPOSITION TO SB 1385, SD2, RELATING TO PUBLIC SCHOOL LANDS**

Thank you for the opportunity to testify in opposition to this important measure. The purpose of this measure is to provide for the maximum use of public school lands in order to generate income to improve public school facilities and infrastructure.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I oppose this measure for the following reasons:

1. This measure proposes that title to public school lands held by the counties shall be transferred to a public school lands trust, without compensation. While I support finding ways to fund school infrastructure that can meet modern educational demands, this measure, if enacted, could result in the loss of many parks in the County of Maui that are not only used by our public schools, but also by the rest of the community. There are numerous schools in Maui County that are adjacent to county parks. The loss of these vital parks would be extremely detrimental to the residents of Maui County.
2. The County of Maui is responsible for the maintenance and upkeep of the parks adjacent to public schools. Appropriating money for grounds keeping is not a priority for the Department of Education. If these parks are not selected for sale or redevelopment through the process proposed by the bill, it is not clear who will be responsible for maintaining the parks. If that responsibility becomes the responsibility of the Department of Education, many parks may fall into disrepair.
3. The measure proposes to allow for the sale or redevelopment of public school lands with minimal safeguards for the community. The proposed redevelopment process only requires two public hearings, despite the significant impacts that redevelopment may have on the surrounding community.

For the foregoing reasons, I oppose this measure.

Council Chair
Danny A. Mateo



Director of Council Services
Ken Fukuoka

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
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www.mauicounty.gov/council

March 14, 2011

TO: Honorable Roy M. Takumi, Chair
House Committee on Education

FROM: Joseph Pontanilla, Council Vice- Chair

A handwritten signature in black ink, appearing to read "Joseph Pontanilla", is written over the printed name in the "FROM:" field.

DATE: Wednesday March 16, 2011

SUBJECT: **OPPOSITION OF SB 1385 SD2 RELATING TO PUBLIC SCHOOL LANDS**

Thank you for the opportunity to testify in opposition of this measure. I provide this testimony as an individual member of the Maui County Council.

I oppose **SB 1385 SD2** for the reasons cited in testimony submitted by Maui County Council Chair Danny A. Mateo and urge you not to support this measure.

11:03:14: kbm/JP: SB 1385 SD2

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White



Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/council

March 14, 2011

TO: Honorable Roy Takumi, Chair
House Committee on Education

FROM: Robert Carroll
Council Member, East Maui

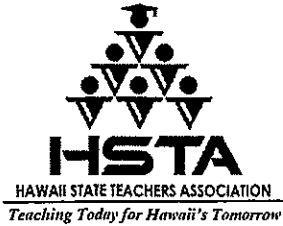
DATE: Wednesday, March 16, 2011
At: 2:00p
Conference Room 309
State Capitol

SUBJECT: **OPPOSITION TO SB 1385 S.D. 2, RELATING TO PUBLIC SCHOOL LANDS**

I oppose SB 1385, S.D. 2, for the reasons cited in testimony submitted by Maui County Council Chair Danny Mateo and urge you to oppose this measure.

Sincerely,


Robert Carroll
Councilmember, East Maui



1200 Ala Kapuna Street 2 Honolulu, Hawaii 96819
Tel: (808) 833-2711 2 Fax: (808) 839-7106 2 Web: www.hsta.org

Wii Okabe
President

Karolyn Mossman
Vice President

Joan Kamila Lewis
Secretary-Treasurer

Alvin Nagasako
Executive Director

**TESTIMONY BEFORE THE HOUSE COMMITTEE ON
EDUCATION**

RE: SB 1385, SD1 -- RELATING TO PUBLIC SCHOOL LANDS.

Wednesday, March 16, 2011

**WIL OKABE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION**

Chair Takumi and Members of the Committee:

The Hawaii State Teachers Association (HSTA) supports the concept and intent to provide funding for public education through SB 1385, SD2. It goes without saying that our school facilities are in dire need of repair, maintenance and improvement of systems and infrastructure to meet the twenty-first century challenges in technology and education.

HSTA believes that the administering of the sales of public lands should be done fairly and in accordance with statute. It is also with belief that all sales may not generate the revenues necessary to meet the challenges to modernize our school infrastructures and systems necessary to prepare and educate our students for the global society they will work in and therefore will need to depend on funding beyond this trust.

Thank you for the opportunity to present testimony.



888 Milliani Street, Suite 601
Honolulu, Hawaii 96813-2991

Telephone: 808.543.0000
Facsimile: 808.528.4059

www.hgea.org

The Twenty-Sixth Legislature, State of Hawaii
House of Representatives
Committee on Education
Testimony by
Hawaii Government Employees Association
March 16, 2011

S.B. 1385, S.D. 2 – RELATING TO PUBLIC SCHOOL LANDS

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the intent of S.B. 1385, S.D.2.

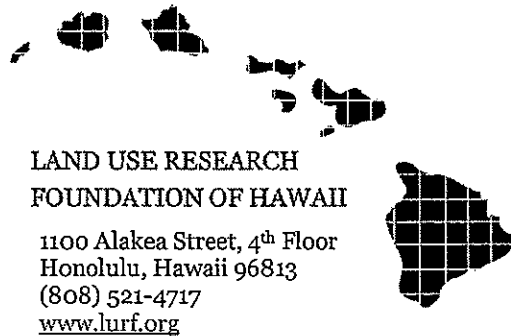
As written, this bill will help to generate income to improve public school facilities and infrastructure to meet the needs of the twenty-first century and beyond, but we also recognize the potential conflict in the use of the income derived from public trust lands owned by the trust that must be address.

We appreciate the opportunity to present our testimony on this bill.

Respectfully submitted,

Leiomalama Desha
Executive Assistant





LAND USE RESEARCH
FOUNDATION OF HAWAII

1100 Alakea Street, 4th Floor
Honolulu, Hawaii 96813
(808) 521-4717
www.lurf.org

March 16, 2011

Representative Roy Takumi, Chair and Representative Della Au Belatti, Vice Chair
House Committee on Education

Support of SB 1385, SD2, Relating to Public School Lands. (Establishes the public school lands trust to provide maximum use of public school lands in order to generate income to improve public school facilities and infrastructure.)

Wednesday, March 16, 2011, at 2:00 p.m. in CR 309

My name is Dave Arakawa, and I am the Executive Director of the Land Use Research Foundation of Hawaii (LURF), a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources and public health and safety.

SB 1385, SD2. This bill establishes the public school lands trust to provide for the maximum use of public school lands in order to generate income required to improve public school facilities and infrastructure, and create a learning environment which will maximize student achievement and prepare students to meet the challenges of the 21st century and succeed in today's highly competitive economy.

Background. SB 1385, SD2 recognizes that the considerable amount of underutilized public school lands on the State's 257 school campuses may be used as a resource (e.g., redeveloped) to enable the building of public school infrastructure to make classes fit for twenty-first century learning. The beneficiaries would Hawaii's public school children, especially the native Hawaiian population, which currently comprises 28% of the students in the State's public school system.

LURF's Position. LURF supports this bill because it establishes an innovative method through which the State may use its assets to obtain funding to benefit Hawaii's public school children. LURF has consistently supported creative legislation, especially legislation targeted to further education in this State. In 2007, LURF testified in support of legislation proposed to establish a two-year pilot project within a designated complex area which would authorize reallocation of resources within the schools in the complex area to achieve greater efficiency and cost-effectiveness. Other prior education-related efforts by the State Department of Education (DOE), LURF and other stakeholders over the past years include:

- **SB 292 (2005) proposal to grant DOE Asset Management authority.** In 2005, pursuant to SB 972, the legislature considered the establishing the authority of the Board and the DOE to own and administer all of the lands and facilities being used for the public schools of Hawaii.

- **SB 611 (2007) proposal to transfer lands and facilities to DOE.** In 2007, a similar version was presented as SB 611, which proposed to transfer all public lands and facilities in use for public schools to the DOE. That bill also empowered the Board and the DOE 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.
- **DOE Advisory Council: SB 611 (2007).** SB 611 was the result of one of the working groups from the DOE Advisory Council, which was created to evaluate the merits of the DOE's various proposals being implemented, and to make recommendations on establishing measurable goals and objectives.
- **SB 690 (2007) proposal for DOE cost-benefit analysis and additional school funding based on savings from school closures or consolidation.** This proposal would have required the DOE to do a cost-benefit analysis to determine the cost savings of school closures or consolidations, and would have required that 50% of the savings be retained by the affected schools for a period of not less than five years.

As noted in LURF's 2007 testimony in support of the above measures (and confirmed by DOE News Release dated October 18, 2010), the DOE currently has approximately the same number of students enrolled in public schools today (+/-180,000) as it did 30 years ago, the difference being that the concentration of the student population has moved. This creates situations such as with the present bill, where existing assets are underutilized and provides opportunities to reposition these real estate assets for future needs. Possibilities include redevelopment of the site for a new school; allowing for mixed use with a redeveloped school and possibly teacher housing; or providing for new revenue sources based on long term leasing of the property.

The following are various other initiatives that the DOE, other stakeholders, and the Legislature may wish to pursue in the future:

- **Capital Improvement Projects ("CIP") Public Private Partnership Group.** One of the working groups from the DOE Advisory Council was the CIP Public Private Partnership group, which explored "non-traditional" alternatives for building new schools, or redeveloping existing schools. The term "non-traditional" was meant to describe the processes or methods not presently being used by the DOE.
- **Common School Fund Program.** The idea of giving the DOE the power and authority to own the land under the school facilities is based on the "Common School Fund" programs or "Land Grant Schools" on the mainland. Many of the school lands in the western United States were provided by Congress to each of the states via "land grants" at the time each state joined the United States. The land grants were originally made for a single explicitly stated purpose - to support common schools and similar public institutions. These granted lands are generally known as "Common School Fund Lands," and are held by the states, together with any permanent funds and revenues generated from the lands, and all of those assets are generally viewed as a "trust." Most of the western states manage the Common School Fund Lands, either for use as school sites, or to generate revenues for the schools. The corpus of the trust is determined by the value of the land, any permanent funds and any revenues generated by the lands. Hence, the trust land managers in those states approach their management responsibilities under the same array of rules and enforcement mechanisms that surround any legal trustee with fiduciary duties.
- **Management of DOE lands as "trust" lands for the benefit of DOE schools and programs.** The prior Hawaii legislation listed above was based on an idea similar to the "Common School Fund Lands program -- that the existing DOE school lands could be used to create a trust for the DOE public schools. Somewhat like Kamehameha

Schools Bishop Estate ("KSBE"), the DOE lands could then be managed as a "trust," and the DOE will have the ability to leverage underutilized land assets for redevelopment, joint venture, revenue production, and other opportunities similar to KSBE or any other real estate corporation. Considering the need to attract and retain teachers, and the prospects of a fixed-guide-way system for Oahu, the bill would allow for the repositioning of some of the "underutilized school sites" in the City's Primary Urban Center to be redeveloped to provide teacher housing and/or generate income for the DOE as a center for a mixed-use transit oriented development ("TOD").

Conclusion. LURF supports SB 1385, SD2 as an inventive means of using underutilized assets to generate funding for the benefit of public school children, and hopes that this Committee moves it forward.

Thank you for this opportunity to present testimony regarding this matter.



Hearing date:
Wednesday,
March 16,
2:00 p.m.
House Committee
on Education,
Room 309

To: Representative Roy Takumi, Chair
Representative Della Au Belatti, Vice Chair

From: Elisabeth Chun, Executive Director
Good Beginnings Alliance

Date: Wednesday, March 16, 2011, 2:00 p.m.
Conference Room 309

Subject: **SB 1385 SD2:** Establishes the public school lands trust to provide for the maximum use of public school lands in order to generate income to improve public school facilities and infrastructure to meet the challenges of the 21st century and beyond. Requires that any sale of land from the public school lands trust be approved by no less than two thirds of each house of the legislature. Effective 07/01/2050. (SD2)

The Good Beginnings Alliance is a policy and advocacy organization focused on Hawaii's youngest children and their families. We strive to ensure a nurturing, safe and healthy development for all children from pre-birth to age eight. We believe all children deserve safe and supportive environments that meet their needs as they grow and develop. Good Beginnings is also a member of One Voice for Hawaii's Children (www.onevoiceforchildren.net), an alliance of organizations and individuals committed to the development of an effective and equitably funded early childhood system that gives all young children the opportunity to arrive at kindergarten safe, healthy and ready to succeed. The following information is provided to help you in your decision-making process.

Preschool attendance by our public school kindergarten students has dropped two straight years and is now at 59% for the current school year. We believe this is due to the economic challenges facing our families and the reductions in preschool subsidies for low income children. We are concerned with this decrease as 85% of a child's brain development takes place before age 5 based on the quality of his or her early learning experiences. Thus, the potential of this bill to construct elementary school campuses that contain an early learning component (e.g., a P-6 school) would be of great benefit to our young children and families in Hawaii.

Mahalo for your consideration. For more information contact: Good Beginnings Alliance; phone: 531-5502; lchun@goodbeginnings.org

Owen Miyamoto
3209 Paty Drive
Honolulu, HI 96822-1439

March 15, 2011

Honorable Roy M. Takumi, Chair
Honorable Della Au Belatti, Vice Chair
Honorable Members of the House Committee on Education

I am submitting comments in support for SB 1385, SD2 Relating to Public School Lands

I am a member of the Technical Review Committee for the Hawaii 3R's Program, which provides funding for small projects to repair, remodel and restore our public schools. I am not speaking on its behalf. The Technical Review Committee examines proposals from the school. Funding has been provided through Senator Inouye's efforts and each project must leverage the financial contribution with the sweat equity of volunteers. Private sector contributors provide additional funding.

It is clear that the 3R's program cannot possibly meet the huge backlog of repairs and upgrades needed for the school system. Further, the deficit of the federal budget makes it unlikely that the US government can be counted on continuing its support.

Although the details of how the proposed Public Schools Land Trust will operate need clarification, it represents an opportunity to capture revenues from lands and facilities that are presently unused. The recent announcement by the Department of Education to close underutilized schools adds urgency to early planning for the most effective use of vacated facilities to produce the revenues proposed by SB1385, SD2. Using school buildings, such as Lilookalani Elementary for office space is probably not the most efficient use of an old structure. However, with careful planning and organizing, there are clearly locations with potential higher and best use, which could result in needed revenues for our schools. Possibly, language could be added to the legislation authorizing a pilot program to test the concept. The use of private sector involvement would provide development start up costs.

I urge your favorable action to approve SB 1385, SD2. Thank you for the opportunity to present my views.


Owen Miyamoto

House Committee on Education
Wednesday, Mar 16, 2011
2:00 p.m. Conference Room 309

Re: SB 1385 SD 2 Public School Land Trust

I support the proposed amendment is to do a pilot project first. If this amendment succeeds, we'll have a brand new concept for constructing and funding schools.

JoAnn Farnsworth, M.S.
1555 Kalaniiki Street
Honolulu, HI
96821

Be a Voice for Hawai'i's Children

IN SUPPORT OF SB 1385 - SD2 RELATING TO PUBLIC SCHOOL LANDS

Committee on Education

Date: March 16, 2011 Time: 2:00 p.m.

I fully support the formation of a new land trust or similar entity as a means of strategically improving the management of public school lands.

At present, public school lands represent one of the largest underutilized resources in the State of Hawaii. In an era in which the DOE is forced to make agonizingly difficult decisions for the sake of several hundred thousand dollars we simply cannot allow this potential revenue to go unrealized. Although many both inside and outside the DOE recognize the untapped earnings potential, at present there is no mechanism in place to systemically assess and optimize this resource. We need dedicated expert capacity to address this important issue and we need to guarantee that resulting revenues are indeed reinvested in our school system in a strategic way.

As Hawaii embarks on a major transformation of its public school curriculum it is essential that our school facilities be viewed strategically as fully consistent with and supportive of that effort. As the governing body of Hawaii's public schools, the Board of Education needs dedicated expertise as they set out to renovate and rebuild Hawaii's schools to a standard consistent with 21st century learning. This bill would provide the BOE with just such expertise.

Some may say that DLNR can already address this concern. DLNR does indeed have the authority to withdraw lands under Executive Order to DOE where the lands are abandoned or no longer needed for the intended purpose. In such cases DLNR could in fact develop that land yet all the revenues would go to the general fund (if trust lands) or Land Division's special fund (if non-trust lands). The obvious drawback of this approach is that either way Hawaii would not see the monies reinvested in its public schools.

Others may say that the DOE can simply carry on as they are on a "case by case" basis. With essentially no current capacity to perform this function it would likely be many decades before the DOE, as currently configured, could make significant progress. As in the case of DLNR, there is equally no guarantee that resulting monies wouldn't simply be used to offset

smaller allocations from the General Fund as opposed to being applied to more “highly leveraged” projects.

Revenues from a dedicated land trust or similar entity would flow on a merit-driven basis directly toward projects that most help bring our schools up to 21st century standard. This would no doubt have a positive impact on student outcomes as well as on the culture within our public schools. Most states west of the Mississippi have land trusts or similar bodies. The model is therefore not new but has been successfully functioning in a number of different formats for many years throughout the U.S.

While structural change is never an easy thing to affect I believe that we can no longer ignore this wasting asset that could instead be utilized to further our collective efforts to bring Hawaii’s public schools into the 21st century.

Thank you for your time and consideration,

Bill Reeves

belatti4-Joal

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 15, 2011 11:07 PM
To: EDNtestimony
Cc: swartzg001@hawaii.rr.com
Subject: Testimony for SB1385 on 3/16/2011 2:00:00 PM

Testimony for EDN 3/16/2011 2:00:00 PM SB1385

Conference room: 309
Testifier position: oppose
Testifier will be present: No
Submitted by: gregory swartz
Organization: Individual
Address:
Phone:
E-mail: swartzg001@hawaii.rr.com
Submitted on: 3/15/2011

Comments:

All lands not needed by the DOE should be returned to the State, the county or other authority. Revenues from use of this surplus land should be allocated to the general funds. Taking land from the counties under the legal authority of this bill is unconstitutional. This is a terrible bill, putting the DOE on the level of an entirely separate State/county government with no controls.