

## SB2534 RELATING TO PUBLIC SCHOOL FACILITIES

Senate Committee on Ways and Means

February 29, 2012 9:15 a.m. Room 211

The Office of Hawaiian Affairs (OHA) offers the following comments on SB2534, which would establish the school facilities special fund into which all proceeds from public school lands and facilities would be deposited. OHA points out that the bill's proposal to restrict the use of revenues generated on public trust land solely to public schools violates the State's obligation and standing policy to provide OHA with a pro-rata share of public land trust revenue.

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. Notably, SLIMS only provides public land trust status for *state* lands, not county lands. Therefore, we are unable to ascertain how many acres of county lands set aside for public school uses are ceded. However, of the 254 public schools in Hawai'i, at least 79 schools sit fully or partially on public trust land.

Section 5(f) of the Admission Act, Article XII of the Hawai'i Constitution, Chapter 10 of the Hawai'i Revised Statutes, Act 178 (2006), and Executive Order 06-06 impose trust obligations with respect to the public land trust on all state agencies. Act 178 sets OHA's interim share of public land trust revenues at \$15.1 million per year. Executive Order 06-06 requires state agencies to transfer 20 percent of the revenues generated from their use of public trust land in order to meet OHA's annual \$15.1 million public land trust payment.

To ensure these obligations are satisfied, we recommend that the following provision be added to Section 1:

Nothing in this section shall diminish the revenues owed to the office of Hawaiian affairs pursuant to Act 178, session laws of Hawaii 2006, or any other law providing for the office of Hawaiian affairs' pro rata portion of the public land trust, pursuant to article XII, section 6, of Hawaii's constitution.

Mahalo for the opportunity to testify on this important measure.

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February 29, 2012

TO: HONORABLE SENATORS DAVID IGE, CHAIR, MICHELLE KIDANI, VICE

CHAIR AND SENATE COMMITTEE ON WAYS AND MEANS

SUBJECT: SUPPORT OF S.B. 2534, SD1, RELATING TO PUBLIC SCHOOL FACILITIES.

Establishes the school facilities special fund. Requires that income generated by the public land development corporation from public school lands and facilities be

deposited into the school facilities special fund for the purposes of new

construction, upgrades, and retrofit and upgrade of public school facilities. (SD1)

## **HEARING**

DATE: Wednesday, February 29, 2012

TIME: 9:15 AM

PLACE: Conference Room 211

Dear Chair Ige, Vice Chair Kidani and Members of the Committee:

The General Contractors Association (GCA) is an organization comprised of over six hundred (600) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is celebrating its 80<sup>th</sup> anniversary this year; GCA remains the largest construction association in the State of Hawaii. GCA is submitting testimony **support** of S.B. 2534, SD1 Relating to Public School Facilities.

The purpose of S.B. 2534, SD1 proposes to add a new section to the Hawaii Revised Statutes which would create a school facilities special fund whose funds will consist of proceeds from leases, permits, interest income generated from public school lands and facilities, and other revenue generated from the non-permanent disposition of public school lands and facilities. The bill limits the use of the fund exclusively for the new construction and upgrade of twenty-first century school facilities, and the retrofit and upgrade of existing school facilities that meet twenty-first century standards. The measure does not define twenty-first century school. The Department of Education in conjunction with the Board of Education would be in charge of the fund.

Per the testimony of the Hawaii Institute for Public Affairs there are a number of characteristics that describe a twenty-first century school which support individual project and technology-based learning, including, among other characteristics, special school designs that incorporate flexible spaces; facilities that accommodate community uses during non-school hours and maximize benefits; and natural lighting and good air quality. These are all qualities that would improve the learning environment for Hawaii's children.

GCA is in support of this measure's concept and its commitment to improving the public school facilities of Hawaii's children.

Thank you for the opportunity to testify on this measure.



Testimony of John White Executive Director The Pacific Resource Partnership

Senate Committee on Ways and Means Senator David Y. Ige, Chair Senator Michelle N. Kidani, Vice Chair

> Wednesday, February 29, 2012 9:15 a.m. Conference Room 211

SB 2534, SD1 – Relating to Public School Facilities

Aloha Chair Ige, Vice Chair Kidani, and Members of the Committees:

My name is John White, Executive Director of the Pacific Resource Partnership (PRP), a labor-management consortium representing over 240 signatory contractors and the Hawaii Regional Council of Carpenters, formerly the Hawaii Carpenters Union.

PRP would like to submit comments on SB 2534, SD1 – Relating to Public School Facilities, which establishes the school facilities special fund. The measure requires that income generated by the public land development corporation from public school lands and facilities be deposited into the school facilities special fund for the purposes of new construction, upgrades, and retrofit and upgrade of public school facilities.

PRP supports the concept of the redevelopment of excess school land to fund school facility upgrades and new 21<sup>st</sup> century school development and that the proceeds from development to be overseen by the Department of Education [in consultation with the Board of Education] for the new construction and renovation.

Thank you for the opportunity to share our views with you and we respectfully ask for your support on SB 2534, SD1.