

STAND. COM. REP. NO.

159

Honolulu, Hawaii

February 9, 2017

RE: H.B. No. 180

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Education, to which was referred H.B. No. 180 entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION FUNDING,"

begs leave to report as follows:

The purpose of this measure is to provide a funding mechanism for the most urgent needs of the Department of Education by establishing an education surcharge on residential investment properties and visitor accommodations, the proceeds of which would be deposited into a Quality Education Special Fund, subject to the ratification of a state constitutional amendment.

The Graduate Student Organization of the University of Hawaii at Manoa, Hawaii Alliance for Progressive Action, Hawaii State Teachers Association, Hawaii Children's Action Network, Hawaii Island School Garden Network, Parents for Public Schools of Hawaii, IMU Alliance, Hawaii Democratic Party Labor Caucus, Democratic Party of Hawaii, and numerous concerned individuals supported this measure. The Special Education Advisory Council supported the intent of this measure. The Mayor's Office of the County of Hawaii, Hawaii Lodging & Tourism Association, Rental By Owner Awareness Association, Building Industry Association of Hawaii, Chamber of Commerce Hawaii, American Resort Development Association Hawaii, Maui Chamber of Commerce, Hawaii Association of Realtors, Wyndham Vacation Ownership, Coalition for Equal Taxation, and a concerned individual opposed this measure. The Department of Budget and Finance, City and County of Honolulu, Tax

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Foundation of Hawaii, and several concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Renaming the Quality Education Special Fund as the Education Special Fund;
- (2) Clarifying that the moneys in the Education Special Fund shall be used to develop and deliver instructional services to students in accordance with statewide educational policy; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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 H.B. No. 180, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 180, H.D. 1, and be referred to your Committee on Judiciary.

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



ROY M. TAKUMI, Chair



