

STAND. COM. REP. NO.

2071

Honolulu, Hawaii

FEB 08 2018

RE: S.B. No. 2922

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 2922 entitled:

"A BILL FOR AN ACT PROPOSING AMENDMENTS TO ARTICLES VIII AND X OF THE CONSTITUTION OF THE STATE OF HAWAII TO AUTHORIZE THE LEGISLATURE TO ESTABLISH A SURCHARGE TO INCREASE FUNDING FOR PUBLIC EDUCATION,"

begs leave to report as follows:

The purpose and intent of this measure is to propose amendments to the Constitution of the State of Hawaii to advance the State's goal of providing a quality education for the children of Hawaii by authorizing the Legislature to establish, as provided by law, a surcharge on residential investment property and visitor accommodations.

Your Committee received testimony in support of this measure from the Department of Education; Hawaii State Teacher Association; HE'E Coalition; Young Progressives Demanding Action - Hawaii; Hawai'i Alliance for Progressive Action; Hawaii Children's Action Network; IMUAlliance; Special Education Advisory Council; Americans for Democratic Action, Hawai'i; Hawaii Appleseed Center for Law and Economic Justice; Civic Education Council; HawaiiKidsCAN; and numerous individuals. Your Committee received testimony in opposition to this measure from the Maui County Council Chair Mike White, American Resort Development Association Hawai'i, Rental By Owner Awareness Association, Coalition for Equal Taxation, and two individuals. Your Committee received comments



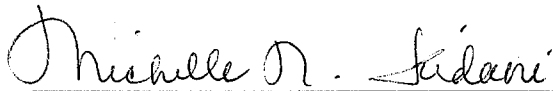
on this measure from the City and County of Honolulu and Tax Foundation of Hawaii.

Your Committee finds that Hawaii's public schools are severely underfunded. At \$12,855 per child, Hawaii trails mainland school districts of similar size when adjusting for cost of living. This lack of adequate funding has resulted in an inability to repair and renovate deteriorating facilities, higher class sizes, a lack of adequate classroom supplies, elimination of arts and career and technical education courses, budget cuts for special education and English language learner programs, and an increasing number of vacant teacher positions statewide.

Your Committee further finds that Hawaii is the only state that does not fund education through property taxes. A surcharge on investment properties and visitor accommodations will provide much needed funding for the State's public schools and will bring Hawaii's education funding policy closer to the funding enjoyed by school districts in other states and with a similar size of enrollment. This measure gives Hawaii's citizens the opportunity to vote on whether to amend the Constitution of the State of Hawaii to facilitate that surcharge.

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. 2922 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

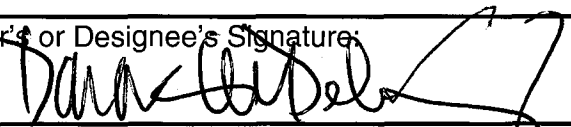
Respectfully submitted on  
behalf of the members of the  
Committee on Education,

  
MICHELLE N. KIDANI, Chair



The Senate  
 Twenty-Ninth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Education**  
**EDU**

Bill / Resolution No.:* <i>SB 2922</i>	Committee Referral: <i>EDU, JOC</i>	Date: <i>2/5/18</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIDANI, Michelle N. (C)	/			
KAHELE, Kaiali'i (VC)				/
DELA CRUZ, Donovan M.	/			
ESPERO, Will	/			
KIM, Donna Mercado				/
<b>TOTAL</b>	<b>3</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes