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# A BILL FOR AN ACT

RELATING TO EDUCATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that article X, section  
2 1, of the Constitution of the State of Hawaii requires the State  
3 to provide a system of public education. Compared to other  
4 states, Hawaii is unique because the State, rather than a county  
5 or local level jurisdiction, is responsible for public  
6 education. As a result, funding for public education in Hawaii  
7 is primarily sourced from the general fund of the State.

8           The legislature further finds that adequate funding is  
9 crucial to providing each of Hawaii's children with a high-  
10 quality educational opportunity. Yet, some studies found that  
11 education funding in Hawaii may be lagging in comparison to  
12 districts of similar size and cost of living. For example,  
13 according to a 2017 department of business, economic  
14 development, and tourism analysis of real property tax in the  
15 State, as a share of combined state and local government  
16 expenditures, Hawaii's education expenditures are 27.3 per cent  
17 and rank lowest in the nation.



1           The legislature additionally finds that underfunding public  
2 schools could undermine the State's goal of providing a quality  
3 education to all of Hawaii's children. Insufficient education  
4 funding results in higher class sizes, a lack of adequate  
5 classroom supplies, elimination of arts, career, and technical  
6 education courses, budget cuts for special education and English  
7 language learner programs, and an increasing number of vacant  
8 teacher positions. To prepare children to meet the social and  
9 economic demands of the twenty-first century, it is necessary to  
10 understand the amount of funding needed to support student  
11 learning.

12           The purpose of this Act is to require the department of  
13 education to contract with a third-party consultant to perform a  
14 study on the adequacy of education funding in Hawaii; provided  
15 that the consultant specializes in school finance and has  
16 previous experience conducting studies of public education  
17 systems in multiple states.

18           SECTION 2. (a) The department of education shall contract  
19 with a third-party consultant that specializes in school finance  
20 to perform a study of the adequacy of education funding in  
21 Hawaii. The third-party consultant shall have previous



1 experience conducting studies of education systems in multiple  
2 states.

3 (b) The study shall:

4 (1) Employ the evidence-based method to evaluate the  
5 adequacy of school funding, but may include the  
6 professional judgement method in its analysis;

7 (2) Identify variables most closely associated with a  
8 high-quality education and estimate the amount of  
9 additional funding needed to provide all public school  
10 students in Hawaii with an equal educational  
11 opportunity;

12 (3) Compare Hawaii teacher salaries with teacher salaries  
13 in school districts of similar size and cost of living  
14 to determine compensation characteristics that impact  
15 the department of education's ability to recruit and  
16 retain effective teachers; and

17 (4) Assess the equity of funding between schools  
18 throughout the Hawaii public school system.

19 (c) The department of education shall submit to the  
20 legislature a copy of the study, along with a report of its  
21 findings and recommendations, including any proposed



1 legislation, no later than twenty days prior to the convening of  
2 the regular session of 2021.

3 SECTION 3. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of \$ or so much  
5 thereof as may be necessary for fiscal year 2019-2020 for the  
6 department of education to contract with a third-party  
7 consultant that specializes in school finance to perform a study  
8 of the adequacy of education funding in Hawaii.

9 The sum appropriated shall be expended by the department of  
10 education for the purposes of this Act.

11 SECTION 4. This Act shall take effect on July 1, 2052.



**Report Title:**

DOE; Education; Adequacy Study; Appropriation

**Description:**

Requires the Department of Education to contract with a third-party consultant that specializes in school finance to study the adequacy of education funding in Hawaii. Appropriates moneys for the study. (SB78 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

