

STAND. COM. REP. NO.

408

Honolulu, Hawaii

FEB 19 2021

RE: S.B. No. 816  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 816 entitled:

"A BILL FOR AN ACT RELATING TO A STATE LOTTERY,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Create a state lottery;
- (2) Create the state lottery commission, state lottery account, and lottery administration account; and
- (3) Require certain amounts of lottery revenues to be deposited into the administrative account, general fund, and special funds for university facilities and operations and public school operations.

Your Committee received testimony in support of this measure from four individuals. Your Committee received testimony in opposition to this measure from the Honolulu Police Department, Department of Commerce and Consumer Affairs, Department of the Prosecuting Attorney for the City and County of Honolulu, Hawaii Family Forum, and four individuals. Your Committee received comments on this measure from the Department of Education, Department of Budget and Finance, University of Hawai'i System, and Tax Foundation of Hawaii.



Your Committee finds that compared to other states, Hawaii is unique because the State, rather than a county or local level jurisdiction, is responsible for the full cost and administration of public education. As a result, funding for public education in Hawaii is primarily sourced from the State's general fund. Your Committee further finds that public education in Hawaii is not adequately funded and continuous underfunding of public schools undermines the State's goal of providing a quality education to all of Hawaii's children. This measure creates a lottery to provide a new means for funding Hawaii's public education system and ensure that the State will be able to prepare children to meet the social and economic demands of the twenty-first century.

Your Committee has amended this measure by:

- (1) Specifying that the earliest date that the lottery may commence is prior to January 1, 2023, rather than prior to January 1, 2022; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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. 816, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 816, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

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

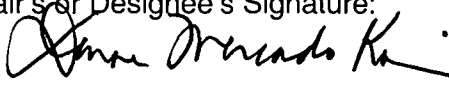


MICHELLE N. KIDANI, Chair



The Senate  
 Thirty-First Legislature  
 State of Hawai'i

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

Bill / Resolution No.:*	Committee Referral:	Date:		
<b>SB 816</b>	<b>EDU, JDC/WAM</b>	<b>02/10/2021</b>		
<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 type="checkbox"/> Pass, unamended 2312	<input checked="" 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)	/			
KIM, Donna Mercado (VC)			/	
DELA CRUZ, Donovan M.	/			
KANUHA, Dru Mamo	/			
FEVELLA, Kurt	/			
<b>TOTAL</b>	<b>4</b>		<b>1</b>	
Recommendation:				
<input checked="" type="checkbox"/> Adopted <span style="margin-left: 200px;"><input type="checkbox"/> Not Adopted</span>				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes