

OFFICE OF THE LIEUTENANT GOVERNOR
Ke Ke'ena O Ka Hope Kia'aina

TO: Chair Kyle Yamashita
Vice Chair Lisa Kitagawa
Members of the House Committee on Finance

FROM: Sylvia Luke, Lieutenant Governor

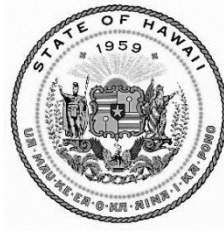
RE: Testimony for H.B. 960 – Relating to the School Facilities Authority

DATE: February 24, 2023

Thank you for the opportunity to provide testimony in **strong support of H.B. 960, H.D. 1 with a proposed technical amendment to deposit the monies in fiscal year 2024 instead of 2023 to ensure the State's federal maintenance of effort requirements are not impacted.** H.B. 960 transfers \$200 million of general funds previously appropriated to the School Facilities Authority of the Department of Education to the school facilities special fund.

The Legislature passed Act 257, Session Laws of Hawaii 2022 which appropriated \$200 million for fiscal year 2022 – 23 for the School Facilities Authority to expand access to pre-Kindergarten to eligible children in our state. The changes proposed in H.B. 960 make technical amendments to designate that the funds be deposited into the school facilities special fund, however we support an amendment to deposit the funds in fiscal year 2024.

Thank you for the opportunity to provide testimony in support of H.B. 960.



STATE OF HAWAII
SCHOOL FACILITIES AUTHORITY
75 AUPUNI STREET, STE. BASEMENT
HILO, HAWAII 96720

February 24, 2023

**TESTIMONY PROVIDING SUPPORT OF HB960 HD1
RELATING TO THE SCHOOL FACILITIES AUTHORITY**

REPRESENTATIVE KYLE YAMASHITA, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: 02/24/2023

Room Number 308

The School Facilities Authority (SFA) is in **support** of H.B. 960 HD1, RELATING TO THE SCHOOL FACILITIES AUTHORITY.

The need for increasing the available pre-kindergarten facilities in the State is important to the education, welfare, and economic future of our working families. The SFA is committed to doing its part in reaching the goals set by the Legislature through Act 46 SLH2020 in utilizing the funds appropriated through Act 257 SLH2022.

The SFA appreciates the flexibility and consideration by the Legislature to move the fund appropriated in Act 257 SLH2022 into the SFA special fund. Doing so would provide flexibility and timing to allow the SFA to work with our program partners to determine how best to serve our keiki through the construction of pre-kindergarten classrooms.

The SFA also supports the recommendation made by Budget and Finance to move the date of the deposit into the special fund as noted in their prior testimony to the House Education committee. The SFA respectfully requests that an appropriation ceiling be set, equivalent to the deposited amount, for the SFA special fund to allow for the use of the deposited fund.

Thank you for the opportunity to provide testimony.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Finance
February 24, 2023 at 1:30 p.m.

By

Kalbert K. Young

Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

HB 960 HD1 – RELATING TO THE SCHOOL FACILITIES AUTHORITY

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Thank you for the opportunity to testify on this measure, which transfers \$200,000,000 of general funds previously appropriated to the School Facilities Authority of the Department of Education to the school facilities special fund. The University of Hawai'i (UH) supports recent efforts to expand access to affordable and quality early care and education opportunities throughout the State. In collaboration with key stakeholders, including the School Facilities Authority, UH is working on expanding its availability and offerings of early learning programs on a number of its campuses. And while we are still developing how these facilities and programs can be sustained, we believe that State support of early childhood programs and facilities – wherever they may be located – are valuable to advancing educational development and learning for Hawai'i keiki.

Providing additional flexibility in the timeline will allow the School Facilities Authority to continue the construction, renovation, improvement and expansion of prekindergarten classrooms across the State. The measure could also contemplate enabling the School Facilities Authority to either contract, or transfer to, other state agencies appropriation in order to further accelerate the development of new facilities.

Mahalo for the opportunity to provide testimony on this bill.



STATE OF HAWAII
Executive Office on Early Learning
2759 South King Street
HONOLULU, HAWAII 96826

February 22, 2023

TO: Representative Kyle T. Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair
House Committee on Finance

FROM: Yuuko Arikawa-Cross, Director
Executive Office on Early Learning

SUBJECT: Measure: H.B. No. 960 H.D. 1 – RELATING TO THE SCHOOL FACILITIES
AUTHORITY
Hearing Date: Friday, February 24, 2023
Time: 1:30 Pm
Location: Conference Room 308

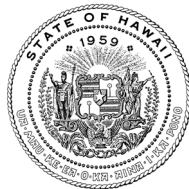
EXECUTIVE OFFICE ON EARLY LEARNING'S POSITION: Support

EOEL supports H.B. No. 960 H.D. 1 and defers to the School Facilities Authority.

EOEL is committed to increasing access to affordable and high-quality early learning opportunities and is working collaboratively across stakeholders, including the SFA. EOEL appreciates the flexibility this bill affords the SFA regarding construction of pre-kindergarten classrooms.

We look forward to continuing to work with the Legislature to support increasing access to affordable quality early learning programs and services in the State. Thank you for the opportunity to testify on this bill.

JOSH GREEN, M.D.
GOVERNOR



LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 960, H.D. 1

February 24, 2023
1:30 p.m.
Room 308 and Videoconference

RELATING TO THE SCHOOL FACILITIES AUTHORITY

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill (H.B.) No. 960, H.D. 1, which amends Act 257, SLH 2022, by depositing the \$200,000,000 in general funds appropriated to the School Facilities Authority into the School Facilities Special Fund (SFSF) and appropriates an undetermined amount out of the SFSF in FY 23.

H.B. No. 960, H.D. 1, as drafted would adversely impact the State of Hawai'i's efforts to meet American Rescue Plan Elementary and Secondary School Emergency Relief program maintenance of effort (MOE) requirements which extends through FY 23. State funds appropriated for school facilities construction and renovation are not counted as support for elementary and secondary education in the MOE formula. Consequently, it is strongly recommended that the deposit be made in FY 24 instead.

B&F also notes that the present special fund allowable uses may not accommodate all of the developing plans to increase pre-kindergarten classroom capacity. Amendments to Section 302A-1706, HRS, "School facilities special fund" may be necessary.

Thank you for your consideration of our comments.



Committee on Finance
Representative Kyle Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair

February 24, 2023

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

We support HB 960 HD1, which transfers \$200 million of general funds previously appropriated to the Schools Facilities Authority.

We support the additional flexibility provided by the transfer of general funds to the school facilities special fund to facilitate renovation and building of early learning facilities.

Hui for Excellence in Education, or “HE’E,” promotes a child-centered and strength-based public education system in which families, communities and schools are valued and empowered to help every student succeed. HE’E works to bring diverse stakeholders together to harness collective energy, share resources, and identify opportunities for progressive action in education.

Thank you for the opportunity to testify. Our support represents at least a 75% consensus of our voting membership.

Sincerely,

Cheri Nakamura
HE’E Coalition Director



Academy 21
American Civil Liberties Union
Alliance for Place Based Learning
Castle Complex Community Council
Coalition for Children with Special Needs
Education Institute of Hawai'i
*Faith Action for Community Equity
Fresh Leadership LLC
Girl Scouts Hawaii
Harold K.L. Castle Foundation
*HawaiiKidsCAN
*Hawai'i Afterschool Alliance
*Hawai'i Appleseed Center for Law and Economic Justice
*Hawai'i Association of School Psychologists
Hawai'i Athletic League of Scholars
*Hawai'i Children's Action Network
Hawai'i Nutrition and Physical Activity Coalition
Hawai'i Scholars for Education and Social Justice
* Hawai'i State PTSA
Hawai'i State Student Council
Hawai'i State Teachers Association
Hawai'i P-20
Hawai'i 3Rs
Head Start Collaboration Office
It's All About Kids
*INPEACE
Joint Venture Education Forum
Junior Achievement of Hawaii
Kamehameha Schools
Kanu Hawai'i
Kaua'i Ho'okele Council
Keiki to Career Kaua'i
Kupu A'e
*Leaders for the Next Generation
Learning First
McREL's Pacific Center for Changing the Odds
Native Hawaiian Education Council
Our Public School
*Pacific Resources for Education and Learning
*Parents and Children Together
*Parents for Public Schools Hawai'i
Special Education Provider Alliance
*Teach for America
The Learning Coalition
US PACOM
University of Hawai'i College of Education
*Youth Service Hawai'i

Voting Members () Voting member organizations vote on action items while individual and non-voting participants may collaborate on all efforts within the coalition.*



Kamehameha Schools®

House Committee on Finance

Time: 1:30 p.m.

Date: February 24, 2023

Where: Conference Room 308

TESTIMONY

By Dr. Wai‘ale‘ale Sarsona
Kamehameha Schools

RE: HB 960, HD1, Relating to the School Facilities Authority

E ka Luna Ho‘omalu Yamashita, ka Hope Luna Ho‘omalu Kitagawa, a me nā lālā o ke Kōmike Waiwai o ka Hale o nā Lunamaka‘āinana, aloha kākou. My name is Dr. Wai‘ale‘ale Sarsona, Vice President of Hi‘ialo at Kamehameha Schools.

Kamehameha Schools **supports** HB 960, HD1, which transfers \$200,000,000 of general funds previously appropriated to the School Facilities Authority of the Department of Education to the school facilities special fund. This measure also appropriates an unspecified amount of funds out of the school facilities special fund for the School Facilities Authority to expand access to eligible children for pre-kindergarten.

The enactment of Act 46 (2020) launched Hawai‘i on a path forward to ensure that every three- and four-year-old has access to early learning by year 2032. We are still recovering from the negative impacts of the pandemic in this sector, which resulted in the statewide decrease in capacity to provide childcare by 12%, including 2,850 fewer preschool seats. Our keiki cannot afford to lose any more.

Last session, and through Act 257 (2022), the Legislature made a significant advancement in ensuring that every three- and four-year-old has access to early learning by year 2032 by appropriating \$200 million to the School Facilities Authority (SFA) to expand access to pre-kindergarten to eligible children across the state. This measure will ensure a more expeditious expansion of pre-kindergarten throughout Hawai‘i to quickly serve keiki and families in need of early learning. **Please advance this measure.**

Founded in 1887, Kamehameha Schools is an educational organization striving to restore our people through education and advance a thriving Lāhui where all Native Hawaiians are successful, grounded in traditional values, and leading in the local and global communities. We believe that community success is individual success, Hawaiian culture-based education leads to academic success and local leadership drives global leadership. Hānai i ke keiki; ola ka lāhui.

‘A‘ohe ‘ulu e loa‘a i ka pōkole o ka lou. There is no success without preparation.

TO: Representative Kyle T. Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair
House Committee on Finance

FROM: Robert G. Peters, Chair
Early Learning Board

SUBJECT: Measure: H.B. No. 960 H.D. 1 – RELATING TO THE SCHOOL FACILITIES
AUTHORITY
Hearing Date: Friday, February 24, 2023
Time: 1:30 Pm
Location: Conference Room 308

EARLY LEARNING BOARD POSITION: Support

The Early Learning Board (ELB) supports H.B. No. 960 H.D. 1 and defers to the School Facilities Authority.

ELB supports EOEL's commitment to increasing access to affordable and high-quality early learning opportunities and its collaborative work across stakeholders, including the SFA. The ELB appreciates the flexibility this bill affords the SFA regarding construction of pre-kindergarten classrooms.

We look forward to continuing to work with the Legislature to support increasing access to Affordable, quality early learning programs and services in the State. Thank you for the opportunity to testify on this bill.