



STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

**Date:** 03/22/2022

**Time:** 02:00 PM

**Location:** 309 Via Videoconference

**Committee:** House Education

**Department:** Education

**Person Testifying:** Keith T. Hayashi, Interim Superintendent of Education

**Title of Bill:** SB 2816, SD2 RELATING TO EDUCATION GRANTS.

**Purpose of Bill:** Requires the Department of Education to establish and administer the Strong Students Grant Pilot Program to provide grants for eligible education expenses to eligible students. Requires the Department of Education to submit progress reports to the Legislature prior to the 2023 and 2024 regular sessions. Appropriates funds. Effective 7/1/2050. (SD2)

**Department's Position:**

The Hawaii State Department of Education (Department) respectfully provides comments on SB 2816, SD2, to establish a Strong Students Grant Pilot Program.

As a preliminary look, for School Year 2021-2022, approximately 79,000 students enrolled in Department schools have family incomes that qualify them to receive free or reduced-price meals. Given these numbers, the Strong Student Grant Program would require a grant award budget of at least \$79 million when it is fully implemented to provide grants of \$1,000 to eligible students in the same year. This would be larger than some of the Department EDN budget categories. While we acknowledge that the pilot program may begin with a lower cost, the program will need to be available for all eligible students to be equitable.

The eligible education expenses defined are duplicative of expenses already covered by the Department through federal education grants such as the Elementary and Secondary Education Act of 1965, as amended by the Every Student Succeeds Act; the McKinney-Vento Homeless Assistance Act; and the Individuals with Disabilities Education Act.

In addition, the eligible expenses related to therapeutic services including but not limited to occupational, behavioral, physical, speech-language, and audiology therapies and other services or therapies specifically approved by the Department could be in conflict with Section §302A-442, Hawaii Revised Statutes, which assigns the Department of Health and the Department the responsibility for providing these services.

Additionally, the pilot will require the Department to select a third party to build and administer a grant distribution platform which will require additional financial resources in addition to the grant award budget as well as additional staff to oversee the procurement, development, and ongoing administration of the platform. The platform will be challenging to develop to address the requirements of SB 2816, SD2, which include charter school student participation and tax record verification of parents' tax information submissions. These would require the integration of multiple data systems with sensitive data. The grant distribution platform is also required to transfer grant funds from the Department to the parents of participants which may require electronic financial transaction functionality with financial institutions or the establishment of individual financial accounts for recipients to access the grant funds.

The Strong Student Grant Program would divert a significant amount of resources that could otherwise be equitably allocated by the Department for all students.

Thank you for this opportunity to provide testimony on SB 2816, SD2.

DAVID Y. IGE  
GOVERNOR



JOHN S.S. KIM  
CHAIRPERSON

STATE OF HAWAII  
**STATE PUBLIC CHARTER SCHOOL COMMISSION**  
**(‘AHA KULA HO‘ĀMANA)**

<http://CharterCommission.Hawaii.Gov>  
1111 Bishop Street, Suite 516, Honolulu, Hawaii 96813  
Tel: (808) 586-3775 Fax: (808) 586-3776

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FOR: SB2816 SD2 Relating to Education  
DATE: March 22, 2022  
TIME: 2:00 P.M.  
COMMITTEE: Committee on Education  
ROOM: Conference Room 309 & Videoconference  
FROM: Yvonne Lau, Interim Executive Director  
State Public Charter School Commission

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Chair Woodson, Vice Chair Kapela, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony in **SUPPORT of SB2816 SD2** which requires the Department of Education to establish and administer the strong students grant pilot program to provide grants for eligible education expenses to eligible students including public charter school students.

The Commission is deeply grateful for the inclusion of our public charter school students in this pilot program. The Commission is available to work with this committee, the Hawaii Department of Education, and public charter schools in moving this legislation forward.

Thank you for the opportunity to provide this testimony.

DAVID Y. IGE  
GOVERNOR



CRAIG K. HIRAI  
DIRECTOR

GLORIA CHANG  
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**  
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 (OFAM)

**WRITTEN ONLY**  
TESTIMONY BY CRAIG K. HIRAI  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON EDUCATION  
ON  
SENATE BILL NO. 2816, S.D. 2

**March 22, 2022**  
**2:00 p.m.**  
**Room 309 and Videoconference**

RELATING TO EDUCATION GRANTS

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

Senate Bill No. 2816, S.D. 2, requires the Department of Education to:

1) establish and administer the Strong Students Grant Pilot Program (Program) to provide grants for eligible education expenses to eligible students; and 2) submit progress reports to the Legislature prior to the 2023 and 2024 Regular Sessions. Lastly, the measure appropriates an unspecified sum of general funds for FY 23 to establish and administer the Program.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and

- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



david.miyashiro@hawaiikidscan.org  
hawaiikidscan.org

David Miyashiro  
Executive Director

March 22, 2022

Committee on Education  
Rep. Justin H. Woodson, Chair  
Rep. Jeanne Kapela, Vice Chair

Aloha Chair Woodson, Vice Chair Kapela, and Members of the Committee,

**HawaiiKidsCAN strongly supports SB2816 SD2**, which requires the Department of Education to establish and administer the Strong Students Grant Pilot Program to provide grants for eligible education expenses to eligible students; requires the Department of Education to submit progress reports to the Legislature prior to the 2023 and 2024 regular sessions; and appropriates funds.

Founded in 2017, HawaiiKidsCAN is a local nonprofit organization committed to ensuring that Hawaii has an excellent and equitable education system that reflects the true voices of our communities and, in turn, has a transformational impact on our children and our state. We strongly believe that all students should have access to excellent educational opportunities, regardless of family income levels and circumstances.

### **The need for this bill**

The COVID-19 pandemic has been incredibly disruptive to student learning, and schools have a difficult task to address student learning loss, social emotional and mental health challenges, and re-socialization for kids who have experienced trauma and been disconnected from their friends and teachers. Families have also had to bear a heavy burden during the pandemic to support kids, as studies have shown that Hawaii was among the slowest states to return students back for in-person learning.<sup>12</sup>

Unfortunately, this is a perfect storm for families, as the pandemic has had a devastating impact on family stability. The Bank of Hawaii finds that 63% of residents living with at

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<sup>1</sup> <https://www.mercurynews.com/2021/02/23/covid-data-show-california-far-behind-in-reopening-schools/>

<sup>2</sup> <https://cai.burbio.com/school-opening-tracker/>

least one child under age 18 have seen their combined household income decline.<sup>3</sup> Families are facing an impossible task and are desperate for any support.

That is why SB2816 SD2 is so important. The bill is roughly based on a pilot HawaiiKidsCAN has been running on Lanai called Ohana Pods, where parents have received microgrants to help with their children's learning, funded through local and national foundations. The program has distributed \$11,000 in microgrants to parents, with funds being used for critical needs such as learning materials and tutoring services. Overall, our pilot has served 140 participants, including 86 students (ages ranging from 16 months to 17 years) and 54 parents. The program has supported local partners to coordinate and convene families and community leaders to establish learning pods that connect students with needed educational tools and services. As part of the program, a local church on-island set up an afterschool and summer tutoring program that served more than 50 kids from ages 5-17 years old, using their microgrant to hire educators from the local public school.

The program has used the platform ClassWallet to simplify the administration of grants. Families have access to digital wallet credits within the system that can only be spent on approved educational vendors and service providers, and every purchase must be reviewed and approved before made official. This has meant that it is impossible to commit fraud, and families have the flexibility to select the supports that are most helpful to their kids. We selected this platform for our program due to ClassWallet's extensive vendor list and experience administering large grant programs for states.

Here are a few testimonials from parent participants:

- “Aloha! My family and I were so thankful for the opportunity to participate in the ‘Ohana Pods program in 2021! It granted us resources and supplies that we desperately needed but were not able to get for our kids. These resources allowed our children to learn new life skills and even share their new skills and the products thereof with those around them. We are so thankful for this program and pray that it will continue for us and other families on Lanai as well! Thank you so very much, ‘Ohana Pods Program!!!” - Abby
- “The ‘Ohana Pods have been such an amazing program and have been super beneficial for me and my ‘Ohana. I’m grateful to the ‘Ohana Pods for providing opportunities for me and my children to socialize with other pods, providing funds for essential learning tools that I wouldn’t be able to afford myself and for supporting the growth and development of my children. This whole experience

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<sup>3</sup> [https://www.boh.com/siteassets/files/boh\\_f\\_covid-19-study-vol2-executive-summary-121720.pdf](https://www.boh.com/siteassets/files/boh_f_covid-19-study-vol2-executive-summary-121720.pdf)

has been so positive, and if this program was offered again in the future I would, without hesitation, join again!” - Makana

For more information on the Ohana Pods program, please visit [bit.ly/ohanapods](https://bit.ly/ohanapods).

Of course, the pandemic has been a shared challenge across the nation, which is why other states are stepping up to create their own family support programs, including Oklahoma, Nebraska, and North Carolina. This isn't a Democrat or a Republican thing to do: it is the right thing to do.

### **Why this makes sense now**

Respectfully, arguments that families should be able to get their educational needs taken care of exclusively through their schools simply don't match reality. Parents have long had to pay for school supplies and supplemental learning materials, and schools have many of their own critical needs to prioritize. By definition, this funding would not be duplicative, as families would use the funding to address any academic or social-emotional needs they can't already receive from their schools or existing partners. These funds would also not take anything away from school budgets.

We've also heard from high school counselors that the grant program would be helpful for kids who can't afford SAT, ACT, and AP exam costs and retakes. There are many kids and families who deserve and need support.

As a pilot, we do not believe the cost for the program at this time needs to match the \$79 million in the DOE's testimony, as suggested in prior testimony by the Hawaii DOE. An additional allocation of up to \$5 million should be more than sufficient to stand this program up, help real kids and families, and establish a scalable foundation that can be expanded in response to demand. This is an extremely modest request compared with the \$50 million and \$18 million available to families in Idaho and Oklahoma, respectively.

The DOE could also use its federal ESSER stimulus funds for this purpose to address learning loss.

Lastly, this program is about helping kids and families, and would actually take some of the pressure off of the backs of schools and teachers during these challenging times. We've heard from educators who are burnt out and exhausted from having to wear all hats during the pandemic. This bill will be good for kids, parents, educators, and our state.



Now is the time for bold action. In these difficult times, we find it hard to understand the rationale for not giving as many supports as possible to our kids and families.

Mahalo for your consideration,

David Miyashiro  
Founding Executive Director  
HawaiiKidsCAN

# SB2816



## How would the Strong Students Grant Pilot Program (SB2816) work?

TOTAL FUNDING:

**\$5 million**

FUNDS TO FAMILIES:

**\$1,000 per student**

IMPACT:

**4,975 families helped**

ADMIN FEE:

**0.5% (based on ClassWallet) - \$25,000**

## How could families spend their funds?



Computer hardware, internet access or other technological devices or services that are primarily used to meet a participant's educational needs;



Textbooks, curriculum or other instructional materials, including educational software and applications;



Fees for national standardized assessments, advanced placement examinations, examinations related to college or university admissions or industry-recognized certification examinations;



Therapies including but not limited to occupational, behavioral, physical, speech-language and audiology therapies, or other services or therapies specifically approved by the department; and



Supplemental education services, as permitted under the Constitution of the State of Hawaii.

## Why this bill:

The Covid-19 pandemic has been incredibly difficult for families, with parents and guardians needing to step in over and over again as caretakers and educators during the school day due to distance learning and student time in quarantine and isolation. At the same time, many families continue to suffer financially because of the ongoing impact of the pandemic.

Examples: <https://hawaiikids.org/ohana-pods/>



Osa Tui, Jr.  
President  
Logan Okita.  
Vice President  
Lisa Morrison  
Secretary-Treasurer  
Wilbert Holck  
Executive Director

## TESTIMONY BEFORE THE HOUSE COMMITTEE ON EDUCATION

RE: SB 2816 SD2 – RELATING TO EDUCATION GRANTS

TUESDAY, MARCH 22, 2022

OSA TUI, JR., PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Woodson, and Members of the Committee:

The Hawaii State Teachers Association **respectfully opposes SB2816 SD2**, relating to education grants. This bill requires the Department of Education (HIDOE) to establish and administer the Strong Students Grant Pilot Program to provide grants for eligible education expenses to eligible students. It also requires the HIDOE to submit progress reports to the Legislature prior to the 2023 and 2024 regular sessions and appropriates unspecified funds.

HSTA very much appreciates the intent of this bill and fully recognizes the need to provide this support to many of our public and charter school students and their families.

Reliable technology such as internet access and laptops have become common and important educational tools necessary for our students. Given Hawaii's high cost of living and comparatively low wages, the Strong Students Grant Pilot Program could go a long way to helping struggling families provide these necessary tools for their children.

**But this bill, in our view, funnels necessary and much needed funds out of the HIDOE and to private contractors, thus potentially diluting the efficiency of the appropriation. In the hearing before the Senate Committee on Education, the HIDOE testified that to fully fund this program would cost an estimated \$79 million for just one school year.**

We believe those funds would be put to better use if provided directly to the HIDOE to provide these technology tools directly to students, rather than establishing a

potentially complicated and administratively burdensome grant program implemented by a private 3<sup>rd</sup> party.

**As the HODOE noted in their previous testimony, this program and the associated costs are “duplicative of expenses already covered by the Department through federal education grants....” We also note, as does the HODOE, that this program would likely divert a significant amount of resources that could otherwise be used to the benefit of all students.**

**Looked at from another perspective, the funds appropriated in this bill could also potentially be used to support teachers directly by providing funds to purchase classroom supplies, rather than our teachers buying them.**

The Hawaii State Teachers Association very much appreciates the intent of this bill, but ultimately believes it is not the best way to support our financially struggling students or their families. As such, we request you **oppose this bill.**

Malaki 22, 2022

Committee on Education

Rep. Justin H. Woodson, Chair

Rep. Jeanne Kapela, Vice Chair

*Aloha oe* i ka Lunaho‘omalua Woodson a Hope Lunaho‘omalua Kapela,  
a me nā Lālā o ke Komite,  
(Aloha to Chair Woodson, Vice Chair Kapela and Members of the Committee,)

‘O wau Phoenix Maimiti Valentine. Ua hanai ia au ma Mākaha. He puka kula ki‘eki‘e au. He haumāna au me ka lālā o ka papa o HawaiiKidsCAN. Ha‘aheo au e kāko‘o i ka Bila Seneta 2816 SD2.

I'm Phoenix Maimiti Valentine. I was raised in Mākaha. I am a high school graduate. I'm a student and board-member of HawaiiKidsCAN. I am proud to support **SB2816 SD2**.

**SB2816 SD2**, is modeled after pilot program imagined by HawaiiKidsCAN, implemented on the island of Lanai, known as Ohana Pods. Community partners worked together utilizing facilities, public school teachers and more purveyors of education to enhance learning for students from K-12 and in some cases younger. Students excel with encouragement and support as well as necessary educational materials and technology, tutoring and financial aid to test for SAT, ACT. This program is a success.

**SB2816 SD2**, proposes to achieve similar greatness. Efforts to stimulate young minds and engage interest for learning would improve test scores and aptitude in Hawaii. Families, Teachers and most importantly Students need this incentive to do better in the future.

Please vote in favor of **SB2816 SD2**. An investment for enlightenment is worthwhile. Mahalo.

*Aloha nui,*

Phoenix Maimiti Valentine