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GOVERNOR



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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 SENATE COMMITTEE ON EDUCATION  
ON  
SENATE BILL NO. 2816

**February 4, 2022**  
**3:00 p.m.**  
**Room 229 and Videoconference**

RELATING TO EDUCATION GRANTS

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

Senate Bill No. 2816 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.



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

**Date:** 02/04/2022

**Time:** 03:00 PM

**Location:** CR 229 & Videoconference

**Committee:** Senate Education

**Department:** Education

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

**Title of Bill:** SB 2816 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.

**Department's Position:**

The Hawaii State Department of Education (Department) supports the intent of SB 2816 to establish a Strong Students Grant Pilot Program and respectfully provides comments.

The amount of funds needed for this program will be large. 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 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.

The adjusted gross income criteria of \$50,000 and \$75,000 do not take into account the number of children in the family. To be equitable, families that have higher adjusted gross incomes but more children should be prioritized and not placed in the third award group of a first-come-first-served.

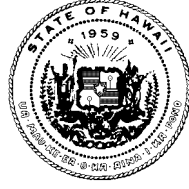
The eligible education expenses defined are duplicative of expenses already covered by the Department through federal education grants such as the Elementary and

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.

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.

DAVID Y. IGE  
GOVERNOR



CATHY BETTS  
DIRECTOR

JOSEPH CAMPOS II  
DEPUTY DIRECTOR

STATE OF HAWAII  
**DEPARTMENT OF HUMAN SERVICES**

P. O. Box 339  
Honolulu, Hawaii 96809-0339

February 3, 2022

TO: The Honorable Michelle N. Kidani, Chair  
Committee on Education

FROM: Cathy Betts, Director

SUBJECT: **SB 2816 - RELATING TO EDUCATION GRANTS**

HEARING: Friday, February 4, 2022, 3:00 P.M.  
Via Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent and offers comments.

**PURPOSE:** The purpose of this bill is to establish and administer the strong students grant pilot program to provide grants for eligible education expenses to eligible students who qualify for a grant under the program. Eligible education expenses include 1) computer hardware, internet access or other technology to meet a participant's educational need; 2) textbooks, curriculum, or other instructional materials including educational software and applications; 3) fees for national standardized assessments, advance placement exams, exams related to college or university admissions, or industry recognized certification exams; 4) 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 5) supplemental education services.

The DHS Division of Vocational Rehabilitation (DVR) provides Pre-Employment Transition Services (Pre-ETS) to over 950 students with disabilities (SWD) in partnership with the Department of Education to complement as well as offer additional services for students

with disabilities. These services include job exploration counseling, work-based learning experiences, counseling on post-secondary enrollment, work readiness training, and instruction on self-advocacy. These students also may qualify and apply for individualized DVR services promoting the transition from school to post-school activities. DVR services include, and are not limited to post-secondary education, vocational training, competitive integrated employment, supported employment, and continuing and adult education through their individualized plan for employment. The educational expenses provided through this bill will strengthen and reinforce the foundation needed as students with disabilities exit high school and continue to pursue their educational and or employment goals.

Thank you for the opportunity to provide comments on this bill.

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 Relating to Education Grants  
DATE: February 4, 2022  
TIME: 3:00 P.M.  
COMMITTEE: Committee on Education  
ROOM: Conference Room 229 & Videoconference  
FROM: Yvonne Lau, Interim Executive Director  
State Public Charter School Commission

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Chair Kidani, Vice Chair Kim, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony in **SUPPORT of SB2816** 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.miyashiro@hawaiikidscan.org  
hawaiikidscan.org

David Miyashiro  
Executive Director

February 4, 2022

Committee on Education  
Senator Michelle N. Kidani, Chair  
Senator Donna Mercado Kim, Vice Chair

Aloha Chair Kidani, Vice Chair Kim, and Members of the Committee,

**HawaiiKidsCAN strongly supports SB2816**, 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 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> With a significant number of students still at home due to quarantine and isolation protocols, families continue to be called upon to serve as caretakers and educators during the school day.

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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/>



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 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 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

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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)

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

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.

Now is the time for bold action. We respectfully urge the legislature to provide much-needed relief to our kids and families.

Mahalo for your consideration,

David Miyashiro  
Founding Executive Director  
HawaiiKidsCAN

**SB-2816**

Submitted on: 2/1/2022 5:25:24 PM

Testimony for EDU on 2/4/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| chelsea pang        | Individual          | Support                   | No                                |

Comments:

- Families deserve some help, and SB2816 would make a huge difference for kids and families. Through platforms like ClassWallet, the Strong Students Grant pilot program would help families afford and access vital supports such as learning materials and tutoring services. This program would empower families to help address student learning loss.

**SB-2816**

Submitted on: 2/2/2022 7:51:50 AM

Testimony for EDU on 2/4/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Levani Lipton       | Individual          | Support                   | No                                |

Comments:

Dear Senators,

I'm submitting testimony in support of SB2816. We have many students in need. Giving them an opportunity through supplementary financial support for educational costs could make the difference in their future careers and well-being and success. We need to close the gap on educational disparities. This is one mechanism to help facilitate a much larger social change. Please support SB2816.

Mahalo,  
Levani Lipton

**SB-2816**

Submitted on: 2/2/2022 3:11:02 PM

Testimony for EDU on 2/4/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Vickie Parker Kam   | Individual          | Support                   | No                                |

Comments:

As a teacher I support

**LATE**

**SB-2816**

Submitted on: 2/3/2022 3:47:37 PM

Testimony for EDU on 2/4/2022 3:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Remote Testimony Requested</b> |
|---------------------|---------------------|---------------------------|-----------------------------------|
| Susan Pcola_Davis   | Individual          | Support                   | No                                |

Comments:

Strongly support