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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 FINANCE
ON
SENATE BILL NO. 3094, S.D. 2, H.D. 1

April 5, 2022
1:30 p.m.
Room 308 and Videoconference

**MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF
EDUCATION FOR A VIRTUAL SCHOOL**

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

Senate Bill No. 3094, S.D. 2, H.D. 1, appropriates: 1) an unspecified amount in general funds in FY 22 for the purpose of building a virtual school to allow for distance learning; and 2) an unspecified amount in general obligation bonds in FY 22 for the purpose of renovations and electrical upgrades for a virtual school for the Department of Education.

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: 04/05/2022

Time: 01:30 PM

Location: 308 Via Videoconference

Committee: House Finance

Department: Education

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

Title of Bill: SB 3094, SD2, HD1 MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF EDUCATION FOR A VIRTUAL SCHOOL.

Purpose of Bill: Makes an emergency appropriation for a department of education virtual school and authorizes the director of finance to issue general obligation bonds. Effective 7/1/2051. (HD1)

Department's Position:

The Hawaii State Department of Education (Department) supports SB 3094, SD2, HD1 which provides an emergency appropriation for the Department to build a virtual school and looks forward to working with the Legislature and the Hawaii State Board of Education on establishing a virtual school and expanding educational opportunities to public school students across the state. The Department also appreciates the support of this bill as it is a part of the Governor's 2022 Legislative Package.

The sudden suspension of in-person instruction due to the onset of the COVID-19 pandemic in March 2020 necessitated an unexpected and immediate transition to virtual learning. While the Department advocates for in-person learning, it does acknowledge that some students thrive in virtual learning. Thus, the concept of virtual learning must evolve from addressing the need to provide other modes of learning for health and safety reasons to providing diverse learning experiences based on students' strengths, needs, and interests.

The Department is using the experiences gained over the past two years to refine and expand its virtual educational program and appreciates the Legislature's support in moving us towards that greater vision for a virtual learning concept. Having a central place for virtual learning will serve as a base for innovation for teaching and learning,

where curricular materials; instructional strategies; assessments and evaluation tools; and practices to address students' academic, social, emotional, and behavioral needs in a virtual setting are developed, implemented, and refined to increase student engagement and achievement. This will require facilities that will allow for flexible classrooms, broadcasting to multiple sites via consistent internet access, and multiple classes taught concurrently across the grade levels.

A central place for virtual learning will provide endless possibilities to support the needs and demands of a technology-rich world. Virtual learning will be harnessed to increase students' opportunities to learn challenging content and engage in specialized programs such as the Kaiapuni program, especially for students in remote rural areas where offerings may be limited at the home school. By providing students with the right tools and resources, virtual learning will reduce the opportunity gap that currently exists as a result of the location and size of schools and increase equity in access to content that may not otherwise be available to them.

Thank you for the opportunity to testify in support of this measure.



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TESTIMONY BEFORE THE HOUSE COMMITTEE ON FINANCE

RE: SB3094,SD2 HD1 – MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF EDUCATION TO THE DEPARTMENT OF EDUCATION FOR A VIRTUAL SCHOOL

TUESDAY, APRIL 5, 2022

OSA TUI, JR., PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Luke, and Members of the Committee:

The Hawaii State Teachers Association **supports SB3094 SD2 HD1, but respectfully request an amendment.** This bill provides an emergency appropriation for a Department of Education virtual school and authorizes the Director of Finance to issue general obligation bonds.

We have stayed neutral on this bill thus far, but we do support having a virtual school, especially during these pandemic times, but we have some major concerns **due to another bill (SB2183) that has been moving through the legislature. The HD1 in that bill provides that the requirement will not apply to “teachers,” though prior iterations did not, thus, now we can support SB3094, but want the legislature to ensure that any teacher jobs within this virtual school are HTSB licensed teachers, and are residents of Hawaii. We should NOT be outsourcing our state jobs, especially our teaching jobs.**

At the latest Board of Education (BOE) meeting, they told the Department of Education (DOE) that they need more details about their plans for the virtual school, that the DOE has not yet provided specific enough plans to the BOE. Thus, we want to ensure that the BOE has approved any of the plans for a virtual school, **including that teachers, and DOE employees of this virtual school must reside in the state of Hawaii, and all teachers are licensed by the Hawaii Teacher Standards Board as well.**

The Hawaii State Teachers Association urges the committee to include language that ensures any virtual school funded by this emergency appropriation be staffed by Hawaii-based licensed teachers.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

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The Thirty-First Legislature, State of Hawaii
House of Representatives
Committee on Finance

Testimony by
Hawaii Government Employees Association

April 5, 2022

S.B. 3094, S.D. 2, H.D. 1 — MAKING AN EMERGENCY APPROPRIATION
TO THE DEPARTMENT OF EDUCATION FOR A VIRTUAL SCHOOL

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports S.B. 3094, S.D. 2, H.D. 1, which provides an emergency appropriation for a department of education virtual school and authorizes the director of finance to issue general obligation bonds.

One of the biggest challenges facing school administrators during the COVID-19 pandemic is responding to the various requests from students and parents for in person learning, distance learning, or a hybrid of both. There is the constant pivoting, the need to support and train teachers to instruct via multiple platforms, and the added preparation and staffing for asynchronous and blended learning options. They have very little guidance from the complex and state level offices so principals are left figuring out what would be the most ideal learning environment for their students and then making it happen. In the meantime, public schools continue to lose students to private schools, charter schools, and home schooling.

A virtual school built and run by the department would relieve the principals of having to stand up virtual options within their own school. Many administrators have not been able to focus on their school's curriculum because of the multitude of additional COVID-related duties placed upon them. As schools return to pre-pandemic activities, this would allow our school leaders to return to their primary role as instructional leaders for the students who are there for in-person learning.

Thank you for the opportunity to testify in support of S.B. 3094, S.D. 2, H.D. 1.

Respectfully submitted,

Randy Perreira
Executive Director