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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
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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. 3094

February 4, 2022
3:00 p.m.
Room 229 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 appropriates: 1) \$2,453,917 in general funds in FY 22 for the purpose of building a virtual school to allow for distance learning; and 2) \$2,700,000 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: 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 3094 MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF EDUCATION FOR A VIRTUAL SCHOOL.

Purpose of Bill: Provides an emergency appropriation for a department of education virtual school and authorizes the director of finance to issue general obligation bonds.

Department's Position:

The Hawaii State Department of Education (Department) supports SB 3094, which provides an emergency appropriation for the Department to build a virtual school. 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 of a virtual school. The virtual school will serve as a center of 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.

The virtual school 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, the virtual school 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.

SB-3094

Submitted on: 2/1/2022 11:21:01 AM

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

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Erin Mendelson	Individual	Support	No

Comments:

Dear Chair Kidani and Senator Kim,

Covid has impacted and changed how public schools have to operate. As a K-12 public school teacher, I have experienced a bit of whiplash as policies, variants, and absences have impacted the learning in my classroom. For some families, the risks and unpredictable schedules of in-person instruction are too much. Distance learning works very well for some students. With less social pressures and a structured online program, many learners are accessing learning and making gains with this modality. It is too burdensome to ask each district to provide online options for their students. A statewide program would be more equitable. With the right leadership and educators, a virtual school could provide 21 century learning that meets the needs of more students. During these troubling times, families need options.

Thank you,

Erin Mendelson

SB-3094

Submitted on: 2/1/2022 2:49:13 PM

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

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Salena Lee	Individual	Support	No

Comments:

I support Bill SB3094 MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF EDUCATION FOR A VIRTUAL SCHOOL.

Provides an emergency appropriation for a department of education virtual school and authorizes the director of finance to issue general obligation bonds.

SB-3094

Submitted on: 2/3/2022 3:43:25 PM

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



Submitted By	Organization	Testifier Position	Remote Testimony Requested
Susan Pcola_Davis	Individual	Oppose	No

Comments:

Oppose with comments/questions. I begin with this.

On December 10, 2015 the Every Student Succeeds Act was put into place. Since the beginning of the pandemic, from the DOE's own data, every student has not had an opportunity to succeed. Some of this lies in the laps of the Department some lies in the laps of the Board of Education, because families were not provided the support for Distance Learning in 2020-2021. There was no plan. It was chaotic. Only a certain number of Stirve distance learning licenses were purchased.making it disperative. First come, first served were admitted into the state run distance learning (500+ students).

So there was NO every student succeeds possible.

Who decides?

- While in-person education overall has shown to be more effective for students, it has become clear that an option to attend school virtually should be made available for those for whom **an in-person education would prove to be too difficult.**

The allocation of \$2.5M for the purpose of building a virtual school to allow for distance learning. Building a virtual schools from the ground up OR using existing space to accomodate the needs of establishing a headquarters for distance learning.

Also the other part of the bill states **for the purpose of renovations and electrical upgrades for a virtual school for the department of education. So is it a building or renovations to an existing space.**

Tell me, will distance learning be available for families that want to participate or will it be run like the fiasco of the beginning of this year. The DOE must admit it was unprepared and created chaos for so many families.

Will summer school students be able to also use distance learning?

Until the department makes it crystal clear that distance learning will be provided to all families who request it, we will continue to have disparity.

The purpose of this Act is to appropriate funds for fiscal year 2021-2022 to build a virtual school to allow for distance learning.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of **\$2,453,917** or so much thereof as may be necessary for fiscal year 2021-2022 for the purpose of **building a virtual school to allow for distance learning.**

The sum appropriated shall be expended by the department of education.

SECTION 4. The director of finance is authorized to issue general obligation bonds in the sum of **\$2,700,000** or so much thereof as may be necessary and the same sum or so much thereof as may be necessary is appropriated for fiscal year 2021-2022 **for the purpose of renovations and electrical upgrades for a virtual school for the department of education.**

Total: \$5.2M