



1200 Ala Kapuna Street ♦ Honolulu, Hawaii 96819
Tel: (808) 833-2711 ♦ Fax: (808) 839-7106 ♦ Web: www.hsta.org

Corey Rosenlee
President
Osa Tui Jr.
Vice President
Logan Okita
Secretary-Treasurer
Wilbert Holck
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON
EDUCATION

RE: SB757 RELATING TO THE ISSUANCE OF SPECIAL PURPOSE
REVENUE BONDS TO ASSIST LE JARDIN ACADEMY, INC

WEDNESDAY, FEBRUARY 17, 2021

COREY ROSENLEE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Kidani, and Members of the Committee

The Hawaii State Teachers Association **opposes SB757.**

SB757 would issue special purpose revenue bonds in a total amount not to exceed \$25,000,000, for the purpose of assisting Le Jardin Academy.

Public money should not be used for private institutions. The Hawaii DOE already does not have enough funding each year in order to meet its own needs. The DOE commissioned Jacob's study estimated that the total price tag for "top priority" projects, such as additional classroom space to account for overcrowding or basic repair and maintenance to make schools safer, is \$7 billion, and that figure would rise to \$11 billion when accounting for all levels of priorities.

In 2019 the DOE requested \$783 million for CIP projects and the legislature approved \$281 million.

For the next two years the Governor has only requested \$150 million per year for CIP projects for the DOE, which will not keep up with the huge demand.

This bill if it were to pass would setup a dangerous precedent of funding private school facilities, and therefore HSTA asks you to oppose this bill.

HSTA is including pictures of our current facilities at our public schools as a reference.



1200 Ala Kapuna Street ♦ Honolulu, Hawaii 96819
Tel: (808) 833-2711 ♦ Fax: (808) 839-7106 ♦ Web: www.hsta.org

Corey Rosenlee
President

Osa Tui Jr.
Vice President

Logan Okita
Secretary-Treasurer

Wilbert Holck
Executive Director



DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

ROBERT YU
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 SENATE COMMITTEE ON EDUCATION
ON
SENATE BILL NO. 757

February 17, 2021
3:15 P.M.
Via Videoconference

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST LE JARDIN ACADEMY, INC.

The Department of Budget and Finance offers the following comments on Senate Bill No. 757 which authorizes the issuance of Special Purpose Revenue Bonds (SPRB) to assist the Le Jardin Academy, Inc., a Hawaii nonprofit corporation, in financing or refinancing the costs of planning, designing, constructing, reconstructing, renovating, acquiring, equipping, and improving educational and education-related facilities pursuant to Part VIII, Chapter 39A, Hawaii Revised Statutes.

The Department would like to inform the Legislature and prospective SPRB parties that should the legislation be approved, approval of the SPRB issuance and conduit loan will require further review of the financing proposal to ensure compliance with all federal, state and credit underwriting requirements. For additional information, please consult our FAQ located at the following link: <http://budget.hawaii.gov/wp-content/uploads/2012/11/SPRB-FAQ.pdf>.

Thank you for your consideration of our comments.

LATE

SB-757

Submitted on: 2/17/2021 3:33:56 PM
Testimony for EDU on 2/17/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Earl Kim	Individual	Support	No

Comments:

Aloha Members of the Senate Education Committee,

I see that my colleague from HSTA misunderstands the request that LJA submitted for SPRBs. Unlike bonds issued for State projects, LJA is solely responsible for debt service payments. This borrowing is not at the expense of our public schools.

1. LJA is looking for approval on a bill authorizing up to **\$25m in SPRBs** in this legislative cycle.
2. Still, by authorizing SPRBs, the **greater public will immediately benefit**.
 - Bonds would be used to enhance and expand LJAs facilities to have an **impact across Ko'olaupoko** over the next five years
 - LJA has a **history of partnering** with our **neighboring public schools and community-based organizations** to provide innovative and extraordinary learning experiences to all students*
 - Program spaces are being designed with **community impact** in mind.
3. In sum:
 - **Serving More Students:** expanding enrollment to 1,000 as schools consolidate and families seek an LJA experience
 - **Building Community, Connecting Families:** moving our preschoolers to a more secure and familial location on the main campus
 - **Elevating Instruction:** creating creative space--shared with our greater community--specifically for the visual and performing arts as well as design/fabrication
 - **Expanding Access to Extraordinary Opportunities:** providing competition-grade facilities for watersports, soccer and tennis that serve students beyond the boundaries of LJA through innovative community-partnerships
 - **Enhancing Sustainability:** creating a food service facility designed with healthy consumption and sustainability in mind

*Our past collective impact programs include: the Chelsea FC (Soccer) Academy at LJA, Wild Kids (Sustainability Action Club), Aulea Swim Club, Ka Ulu Koa Volleyball

Club, Mobile Plastics Recycling Maker Space, Summer School, Summer Enrichment, Robotics, Kawainui-Hā• mā• kua Restoration work, and others. In addition, we expect to be announcing new partnerships that provide broader access to instrumental music for all children and a residential workshop to study and experience land use issues.

I'm excited about the approach and opportunities that LJA is taking to make the lives of students across our region richer and to help our communities to thrive. I hope we can count on your sponsorship and continued support!

LATE

SB-757

Submitted on: 2/17/2021 3:51:48 PM

Testimony for EDU on 2/17/2021 3:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Wendy Cook	Individual	Support	No

Comments:

1. LJA is looking for approval on a bill authorizing up to **\$25m in SPRBs** in this legislative cycle. To be clear, **LJA is solely responsible** for the debt service.

2. Still, by authorizing SPRBs, the **greater public will immediately benefit**.

- Bonds would be used to enhance and expand LJAs facilities to have an **impact across Ko'olaupoko** over the next five years
- LJA has a **history of partnering** with our **neighboring public schools and community-based organizations** to provide innovative and extraordinary learning experiences to all students*
- Program spaces are being designed with **community impact** in mind.

3. In sum:

- **Serving More Students:** expanding enrollment to 1,000 as schools consolidate and families seek an LJA experience
- **Building Community, Connecting Families:** moving our preschoolers to a more secure and familial location on the main campus
- **Elevating Instruction:** creating creative space--shared with our greater community--specifically for the visual and performing arts as well as design/fabrication
- **Expanding Access to Extraordinary Opportunities:** providing competition-grade facilities for watersports, soccer and tennis that serve students beyond the boundaries of LJA through innovative community-partnerships
- **Enhancing Sustainability:** creating a food service facility designed with healthy consumption and sustainability in mind

Please pass this bill.