
A BILL FOR AN ACT

RELATING TO EDUCATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to establish the
2 Hawaii educational expenditure trust fund as a means to make
3 additional funds available for use by the department of
4 education for increasing educational opportunities for students
5 and supporting the department's programs. The trust fund will
6 serve as a repository for state funds and private contributions
7 from corporations and other businesses, foundations,
8 individuals, and other interested parties.

9 The trust fund will be used to supplement existing funding
10 for department of education programs. The legislature's intent
11 is for the department of education, under the direction of its
12 superintendent of education, to maintain and expend various
13 moneys for the educational benefit of the students in the Hawaii
14 public school system.

15 SECTION 2. Chapter 302A, Hawaii Revised Statutes, is
16 amended by adding a new section to be appropriately designated
17 and to read as follows:



1 "§302A- Hawaii educational expenditure trust fund;
2 established. (a) There is established the Hawaii educational
3 expenditure trust fund as a separate fund of the department.
4 Moneys received from the State or county, tax remittances, fee
5 assessments, private contributions of cash and other property,
6 and the income and capital gains earned by the trust fund shall
7 constitute the trust fund assets. The department shall be
8 responsible for determining the moneys that would be deposited
9 into the trust fund.

10 (b) The department shall have the sole responsibility for
11 the administration and expenditure of moneys from the trust fund
12 for the purposes of this chapter.

13 (c) The purpose of the trust fund is to serve as a
14 repository for moneys intended for improving the education of,
15 and supporting the programs benefiting, the students of the
16 Hawaii public school system.

17 (d) The aggregate principal sum deposited in the trust
18 fund, and any income and capital gains earned by the trust fund
19 but not expended for grantmaking or administration, shall be
20 invested by the superintendent in the State's investment pool to
21 maximize the rate of return on investment of the trust fund



1 consistent with the objective of preserving the trust fund's
2 principal. The department may hire investment managers either
3 within or outside of the department.

4 (e) In the event of the termination of the trust fund, the
5 unspent appropriations made by the State, if any, shall be
6 distributed to EDN100 (department of education, school-based
7 budgeting).

8 (f) The trust fund may receive contributions, grants, or
9 gifts from corporations or other businesses, foundations,
10 government, individuals, and other interested parties.

11 (g) The trust fund may receive contributions, grants, or
12 gifts in cash or otherwise from all sources. The public and
13 private sectors shall work together as partners in securing
14 contributions for the trust fund. The State may allocate moneys
15 to the trust fund by legislative appropriation.

16 (h) There may be an endowment component of the trust fund,
17 as deemed necessary by the superintendent.

18 (i) The superintendent shall oversee the administration
19 and expenditure of funds for the following activities:

20 (1) Grantmaking to raise awareness of the trust fund;



- 1 (2) Allocation of funds for the operations of the
- 2 department;
- 3 (3) Allocation of funds for the education of public school
- 4 students;
- 5 (4) Allocation of funds for programs that support the
- 6 education of public school students;
- 7 (5) Allocation of funds for public school facilities;
- 8 (6) Allocation of funds for the benefit of public
- 9 education;
- 10 (7) Allocation of funds for programs that support and
- 11 benefit public school students; and
- 12 (8) Administration of the trust fund; provided that the
- 13 department may choose to hire a third party to
- 14 administer the trust fund.
- 15 (j) The superintendent shall develop policies, plans, and
- 16 a strategy for the trust fund; publicize the trust fund; and
- 17 solicit public and private moneys for the trust fund."

18 SECTION 3. New statutory material is underscored.

19 SECTION 4. This Act shall take effect on June 30, 3000.



H.B. NO. 1048 H.D. 1

Report Title:

Department of Education; Hawaii Educational Expenditure Trust Fund

Description:

Establishes the Hawaii educational expenditure trust fund as a separate fund of the department of education for improving the education of, and supporting the programs benefiting, the students of the Hawaii public school system. Effective 6/30/3000. (HD1)

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