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Osa Tui, Jr.
President
Logan Okita
Vice President
Lisa Morrison
Secretary-Treasurer
Ann Mahi
Executive Director

TESTIMONY BEFORE THE SENATE COMMITTEE ON WAYS & MEANS

RE: HB 960 HD1 SD1- RELATING TO THE SCHOOL FACILITIES AUTHORITY

TUESDAY, APRIL 4, 2023

OSA TUI, JR., PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Dela Cruz and Members of the Committee:

The Hawai'i State Teachers Association **supports HB 960 HD1 SD1**, relating to the school facilities authority. The bill transfers \$200,000,000 of general funds previously appropriated to the school facilities authority of the department of education to the school facilities special fund. Appropriates an unspecified amount of funds out of the school facilities special fund **for the school facilities authority to expand access to eligible children for pre-kindergarten**

We know well the importance of early learning and that it begins in preschool. High quality early education represents one of the best investments we can make for our collective future, especially that of our young keiki. To facilitate the demand for public preschools in Hawai'i we believe it is important to aim for a preschool on every elementary school campus across the state, including our public charter schools. The School Facilities Authority is ready to build these.

Building preschool facilities on already existing and operating elementary school campuses will help in terms of time and money as both the land and infrastructure are readily available for construction of preschools. What's more, once the preschools are built and operating, it could provide convenience for families with multiple young children, as well as the potential to share resources and staff across the campus.

We need to expand public preschool. Now is the time to move quickly ahead. Families across Hawai'i cannot wait any longer for early learning and preschool options for their keiki.

Passing this bill would provide flexibility and timing to allow the SFA to work with their program partners to determine how best to serve our keiki through the construction of pre-kindergarten classrooms.

The Hawai'i State Teachers Association asks your committee to **support this bill** to provide early learning opportunities for all pre-school keiki across our state.



**WRITTEN TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-SECOND LEGISLATURE, 2023**

ON THE FOLLOWING MEASURE:

H.B. NO. 960, H.D. 1, S.D. 1, RELATING TO THE SCHOOL FACILITIES AUTHORITY.

BEFORE THE:

SENATE COMMITTEE ON WAYS AND MEANS

DATE: Tuesday, April 4, 2023

TIME: 10:30 a.m.

LOCATION: State Capitol, Room 211

TESTIFIER(S): **WRITTEN TESTIMONY ONLY.**

(For more information, contact Anne T. Horiuchi,
Deputy Attorney General, at (808) 586-1255)

Chair Dela Cruz and Members of the Committee:

The Department of the Attorney General (Department) offers the following comments.

This bill amends Act 257, Session Laws of Hawaii 2022, to transfer \$200,000,000 in general funds appropriated for fiscal year 2022-2023 from the School Facilities Authority (Authority) of the Department of Education to the School Facilities Special Fund, to amend that appropriation period to be for fiscal year 2023-2024 instead of fiscal year 2022-2023, and to add an appropriation of an unspecified amount of money out of the School Facilities Special Fund for fiscal year 2023-2024 to the Authority to expand access to pre-kindergarten by eligible children.

The Department first notes that because the bill explicitly states that the appropriation out of the School Facilities Special Fund is for fiscal year 2023-2024, it is unnecessary to restate the lapse date on page 2, lines 9-10, of the bill. We suggest revising the bill on page 2, lines 4-10, as follows:

The sum appropriated shall be expended by the school facilities authority for the purposes of this Act[; ~~provided that the appropriation authorized by this Act shall not lapse at the end of the fiscal biennium for which the appropriation is made; provided further that all moneys from the appropriation unencumbered as of June 30, 2024, shall lapse as of that date~~].

The Department further notes that the statutory framework of the Authority provides that it is "responsible for all public-school development, planning, and construction related to capital improvement projects assigned by the legislature, governor, or board of education." Section 302A- 1703(a), Hawaii Revised Statutes (HRS). We understand that the Authority is considering establishing pre-kindergarten facilities at sites other than school facilities.

In anticipation of questions regarding the propriety of constructing pre-kindergarten facilities at sites other than school grounds, the Department recommends three statutory amendments to clarify the scope of the Authority's powers, to ensure that the purpose of expanding access to pre-kindergarten by eligible children can be achieved by the appropriation in this bill.

First, amend the definition of the term "project" in section 302A-1701, HRS (for the purpose of this recommendation, only the suggested change is underscored):

"Project" means the development and construction of new school facilities, including infrastructure; access and other support for new school facilities; pre-kindergarten facilities; major renovation of school facilities; public-private partnership projects; new capital improvement projects funded by the legislature for completion by the authority; acquisition of real property, personal property, or mixed property for new school facilities; and planning, development and leasing of public school land or facilities to private partners pursuant to section 302A-1151.1.

Second, amend the Authority's powers as provided in section 302A-1703(c)(7), HRS (for the purpose of this recommendation, only the suggested change is underscored):

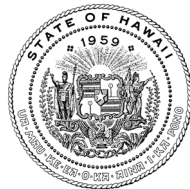
- (7) Enter into partnerships with qualified persons, including public-private partnerships, as defined in the authority's rules, to acquire, construct, reconstruct, rehabilitate, improve, alter, or provide for the construction, reconstruction, improvement, or alteration of any project[;], including pre-kindergarten facilities; and sell, assign, transfer, convey, exchange, lease, or otherwise dispose of or encumber any project; and in the case of the sale of any project, accept a purchase money mortgage in connection therewith;

Third, amend the scope of the permitted expenditures out of the School Facilities Special Fund in section 302A-1706(c), HRS (for the purpose of this recommendation, only the suggested change is underscored):

(c) The school facilities special fund shall be administered by the authority and used to fund any school development, planning, or construction project, including pre-kindergarten facilities, within the jurisdiction of the authority.

We respectfully ask the Committee to consider our comments.

JOSH GREEN, M.D.
GOVERNOR



LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
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
Ka 'Oihana Mālama Mo'ohelu a Kālā
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

WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
HOUSE BILL NO. 960, H.D. 1, S.D. 1

April 4, 2023
10:30 a.m.

Room 211 and Videoconference

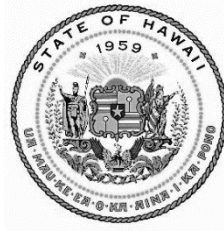
RELATING TO THE SCHOOL FACILITIES AUTHORITY

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

House Bill No. 960, H.D. 1, S.D. 1, which amends Act 257, SLH 2022, by depositing the \$200,000,000 in general funds appropriated to the School Facilities Authority into the School Facilities Special Fund (SFSF) and appropriates an undetermined amount out of the SFSF in FY 24.

B&F notes that the present special fund allowable uses may not accommodate all of the developing plans to increase pre-kindergarten classroom capacity. Amendments to Section 302A-1706, HRS, "School facilities special fund" may be necessary.

Thank you for your consideration of our comments.



STATE OF HAWAII
SCHOOL FACILITIES AUTHORITY
75 AUPUNI STREET, STE. BASEMENT
HILO, HAWAII 96720

April 03, 2023

**TESTIMONY PROVIDING SUPPORT OF HB960 HD1 SD1
RELATING TO THE SCHOOL FACILITIES AUTHORITY**

SENATOR DONOVAN DELA CRUZ, CHAIR
SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date: 04/04/2023

Room Number 211

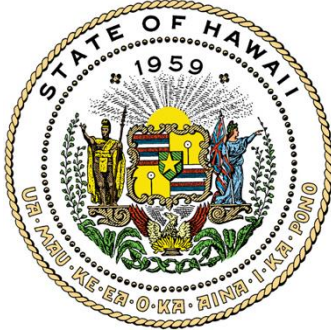
The School Facilities Authority (SFA) is in **support** of H.B. 960 HD1 SD1, RELATING TO THE SCHOOL FACILITIES AUTHORITY.

The need for increasing the available pre-kindergarten facilities in the State is important to the education, welfare, and economic future of our working families. The SFA is committed to doing its part in reaching the goals set by the Legislature through Act 46 SLH2020 in utilizing the funds appropriated through Act 257 SLH2022.

The SFA appreciates the flexibility and consideration by the Legislature to move the fund appropriated in Act 257 SLH2022 into the SFA special fund. Doing so would provide flexibility and timing to allow the SFA to work with our program partners to determine how best to serve our keiki through the construction of pre-kindergarten classrooms.

The SFA also supports the changes made by the Senate EDU committee to move the date of the deposit into the special fund. The SFA appreciates the appropriation language so that it may continue to utilize the funds for pre-kindergarten facility expansion.

Thank you for the opportunity to provide testimony.



OFFICE OF THE LIEUTENANT GOVERNOR
Ke Ke'ena O Ka Hope Kia'aina

TO: Chair Donovan Dela Cruz
Vice Chair Gilbert Keith-Agaran
Members of the Senate Committee on Ways and Means

FROM: Sylvia Luke, Lieutenant Governor

RE: Testimony for H.B. 960 – Relating to the School Facilities Authority

DATE: April 4, 2023

Thank you for the opportunity to provide testimony in **strong support of H.B. 960** which transfers \$200 million of general funds previously appropriated to the School Facilities Authority of the Department of Education to the school facilities special fund. We appreciate and support the prior Committee's amendment to deposit the monies in fiscal year 2024 instead of 2023 to ensure the State's federal maintenance of effort requirements are not impacted.

The Legislature passed Act 257, Session Laws of Hawaii 2022 which appropriated \$200 million for fiscal year 2022 – 23 for the School Facilities Authority to expand access to pre-kindergarten to eligible children in our state. The changes proposed in H.B. 960 make technical amendments to designate that the funds be deposited into the school facilities special fund.

Thank you for the opportunity to provide testimony in support of H.B. 960.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
Senate Committee on Ways and Means
April 4, 2023 at 10:30 a.m.

By

Kalbert K. Young

Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

HB 960 HD1 SD1 – RELATING TO THE SCHOOL FACILITIES AUTHORITY

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

Thank you for the opportunity to testify on this measure, which transfers \$200,000,000 of general funds previously appropriated to the School Facilities Authority of the Department of Education to the school facilities special fund. The University of Hawai'i (UH) supports recent efforts to expand access to affordable and quality early care and education opportunities throughout the State. In collaboration with key stakeholders, including the School Facilities Authority, UH is working on expanding its availability and offerings of early learning programs on a number of its campuses. And while we are still developing how these facilities and programs can be sustained, we believe that State support of early childhood programs and facilities – wherever they may be located – are valuable to advancing educational development and learning for Hawai'i keiki.

Providing additional flexibility in the timeline will allow the School Facilities Authority to continue the construction, renovation, improvement and expansion of prekindergarten classrooms across the State. The measure could also contemplate enabling the School Facilities Authority to either contract, or transfer to, other state agencies appropriation in order to further accelerate the development of new facilities.

Mahalo for the opportunity to provide testimony on this bill.



STATE OF HAWAII
Executive Office on Early Learning
2759 South King Street
HONOLULU, HAWAII 96826

April 3, 2023

TO: Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair
Senate Committee on Ways and Means

FROM: Yuuko Arikawa-Cross, Director
Executive Office on Early Learning

SUBJECT: Measure: H.B. No. 960 H.D. 1 S.D. 1 – RELATING TO THE SCHOOL FACILITIES AUTHORITY
Hearing Date: Tuesday, April 4, 2023
Time: 10:00 am
Location: Conference Room 211

EXECUTIVE OFFICE ON EARLY LEARNING'S POSITION: Support

EOEL supports H.B. No. 960 H.D. 1 S.D. 1 and defers to the School Facilities Authority (SFA).

EOEL is committed to increasing access to affordable and high-quality early learning opportunities and is working collaboratively across stakeholders, including the SFA. EOEL appreciates the flexibility this bill affords the SFA regarding construction of pre-kindergarten classrooms.

We look forward to continuing to work with the Legislature to support increasing access to affordable quality early learning programs and services in the State. Thank you for the opportunity to testify on this bill.



Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair

April 4, 2023

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee,

We support HB 960 HD1, SD1, which transfers \$200 million of general funds previously appropriated to the Schools Facilities Authority to the School Facilities Special Fund.

We support the additional flexibility provided by the transfer of general funds to the school facilities special fund to facilitate renovation and building of early learning facilities. Access to quality early learning opportunities helps students be prepared to enter our K-12 system. We thank the legislature for its focus on expanding early learning seats for our keiki.

Hui for Excellence in Education, or "HE'E," promotes a child-centered and strength-based public education system in which families, communities and schools are valued and empowered to help every student succeed. HE'E works to bring diverse stakeholders together to harness collective energy, share resources, and identify opportunities for progressive action in education.

Thank you for the opportunity to testify. Our support represents at least a 75% consensus of our voting membership.

Sincerely,

Cheri Nakamura
HE'E Coalition Director



Academy 21
American Civil Liberties Union
Alliance for Place Based Learning
Castle Complex Community Council
Coalition for Children with Special Needs
Education Institute of Hawai'i
*Faith Action for Community Equity
Fresh Leadership LLC
Girl Scouts Hawaii
Harold K.L. Castle Foundation
*HawaiiKidsCAN
*Hawai'i Afterschool Alliance
*Hawai'i Appleseed Center for Law and Economic Justice
*Hawai'i Association of School Psychologists
Hawai'i Athletic League of Scholars
*Hawai'i Children's Action Network
Hawai'i Nutrition and Physical Activity Coalition
Hawai'i Scholars for Education and Social Justice
* Hawai'i State PTSA
Hawai'i State Student Council
Hawai'i State Teachers Association
Hawai'i P-20
Hawai'i 3Rs
Head Start Collaboration Office
It's All About Kids
*INPEACE
Joint Venture Education Forum
Junior Achievement of Hawaii
Kamehameha Schools
Kanu Hawai'i
Kaua'i Ho'okele Council
Keiki to Career Kaua'i
Kupu A'e
*Leaders for the Next Generation
Learning First
McREL's Pacific Center for Changing the Odds
Native Hawaiian Education Council
Our Public School
*Pacific Resources for Education and Learning
*Parents and Children Together
*Parents for Public Schools Hawai'i
Special Education Provider Alliance
*Teach for America
The Learning Coalition
US PACOM
University of Hawai'i College of Education
*Youth Service Hawai'i

Voting Members () Voting member organizations vote on action items while individual and non-voting participants may collaborate on all efforts within the coalition.*



Kamehameha Schools®

Senate Committee on Ways and Means

Time: 10:30 a.m.

Date: April 4, 2023

Where: Conference Room 211

TESTIMONY

By Dr. Wai‘ale‘ale Sarsona
Kamehameha Schools

RE: HB 960, HD1, SD1, Relating to the School Facilities Authority

E ka Luna Ho‘omalua Dela Cruz, ka Hope Luna Ho‘omalua Keith-Agaran, a me nā lālā o ke Kōmike o nā Loa‘a a me nā Ho‘olilo o ka ‘Aha Kenekoa, aloha kākou. My name is Dr. Wai‘ale‘ale Sarsona, Vice President of Hi‘ialo at Kamehameha Schools.

Kamehameha Schools **supports** HB 960, HD1, SD1, which transfers \$200,000,000 of general funds previously appropriated to the School Facilities Authority of the Department of Education to the school facilities special fund. This measure also appropriates an unspecified amount of funds out of the school facilities special fund for the School Facilities Authority to expand access to eligible children for pre-kindergarten.

The enactment of Act 46 (2020) launched Hawai‘i on a path forward to ensure that every three- and four-year-old has access to early learning by year 2032. We are still recovering from the negative impacts of the pandemic in this sector, which resulted in the statewide decrease in capacity to provide childcare by 12%, including 2,850 fewer preschool seats. Our keiki cannot afford to lose any more.

Last session, and through Act 257 (2022), the Legislature made a significant advancement in ensuring that every three- and four-year-old has access to early learning by year 2032 by appropriating \$200 million to the School Facilities Authority (SFA) to expand access to pre-kindergarten to eligible children across the state. This measure will ensure a more expeditious expansion of pre-kindergarten throughout Hawai‘i to quickly serve keiki and families in need of early learning. **Please advance this measure.**

Founded in 1887, Kamehameha Schools is an educational organization striving to restore our people through education and advance a thriving Lāhui where all Native Hawaiians are successful, grounded in traditional values, and leading in the local and global communities. We believe that community success is individual success, Hawaiian culture-based education leads to academic success and local leadership drives global leadership. Hānai i ke keiki; ola ka lāhui.

‘A‘ohe ‘ulu e loa‘a i ka pōkole o ka lou. There is no success without preparation.

HB-960-SD-1

Submitted on: 3/31/2023 12:21:53 PM

Testimony for WAM on 4/4/2023 10:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cards Pintor	Individual	Support	Written Testimony Only

Comments:

Aloha,
I support this bill.
Mahalo nui,
Cards Pintor