

STAND. COM. REP. NO.

471

Honolulu, Hawaii

FEB 18

, 2021

RE: H.B. No. 611

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Education, to which was referred H.B. No. 611 entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION FUNDING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish maintenance of effort provisions for free education in the State;
- (2) Establish a Public Education Stabilization Trust Fund;
and
- (3) Appropriate funds for the maintenance of effort for K-12 educational programs.

Your Committee received testimony in support of this measure from the Department of Education, State Public Charter School Commission, and one individual. Your Committee received testimony in support of the intent of this measure from the Hawaii State Teachers Association, Kamehameha Schools, and Democratic Party of Hawaii Education Caucus. Your Committee received comments on this measure from the Department of Budget and Finance, Tax Foundation of Hawaii, and Hui for Excellence in Education.

2021-1493 HB611 HD1 HSCR HMSO



Your Committee finds that a vibrant K-12 public education system enables the fulfillment of educational goals and aspirations far beyond a student's successful completion of secondary education requirements. Your Committee further finds that to promote predictability and stability of K-12 education revenues, a commitment to a base of annual funding in the face of changing circumstances is needed to ensure the continuous and uninterrupted equitable distribution of educational resources for all public school students.

Your Committee has amended this measure by:

- (1) Clarifying the procedure to remit general exercise tax revenues to the Public Education Stabilization Trust Fund, stating that if appropriations to the Department of Education for the current fiscal year are less than the preceding fiscal year, the sum from all general excise tax revenues realized by the State that represents the difference between the preceding fiscal year appropriation and the current fiscal year appropriation shall be deposited to the credit of the Trust Fund;
- (2) Requiring Board of Education approval of all expenditures made from the Public Education Stabilization Fund;
- (3) Changing its effective date to July 1, 2050; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 611, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 611, H.D. 1, and be referred to your Committee on Finance.



Respectfully submitted on
behalf of the members of the
Committee on Education,


JUSTIN L. WOODSON, Chair



State of Hawaii
House of Representatives
The Thirty-first Legislature

H SR 471

Record of Votes of the Committee on Education

Bill/Resolution No.: HB 611	Committee Referral: EDN, FIN	Date: 2/9/2021		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EDN Members	Ayes	Ayes (WR)	Nays	Excused
1. WOODSON, Justin H. (C)	✓			
2. KAPELA, Jeanne (VC)	✓			
3. BELATTI, Della Au	✓			
4. DeCOITE, Lynn	✓			
5. GANADEN, Sonny	✓			
6. GATES, Cedric Asuega	✓			
7. HASHIMOTO, Troy N.	✓			
8. OHNO, Takashi				✓
9. QUINLAN, Sean				✓
10. TAKAYAMA, Gregg	✓			
11. YAMANE, Ryan I.	✓			
12. OKIMOTO, Val	✓			
TOTAL (12)	10	0	0	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				