

STAND. COM. REP. NO.

2754

Honolulu, Hawaii

MAR 02 2018

RE: S.B. No. 2922
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B.
No. 2922 entitled:

"A BILL FOR AN ACT PROPOSING AMENDMENTS TO ARTICLES VIII AND
X OF THE CONSTITUTION OF THE STATE OF HAWAII TO AUTHORIZE THE
LEGISLATURE TO ESTABLISH A SURCHARGE TO INCREASE FUNDING FOR
PUBLIC EDUCATION,"

begs leave to report as follows:

The purpose and intent of this measure is to propose
amendments to the Constitution of the State of Hawaii to advance
the State's goal of providing a quality education for the children
of Hawaii by authorizing the Legislature to establish, as provided
by law, a surcharge on residential investment property and visitor
accommodations.

Your Committee received testimony in support of this measure
from the Department of Education, Special Education Advisory
Council, Democratic Party of Hawaii, Hawaii State Teachers
Association, IMUAlliance, Hawai'i Appleseed Center for Law and
Economic Justice, Hui for Excellence in Education, Americans for
Democratic Action Hawai'i, Oahu County Committee on Legislative
Priorities of the Democratic Party of Hawai'i, Hawai'i Alliance for
Progressive Action, Young Progressives Demanding Action - Hawaii,
Labor Caucus of the Democratic Party of Hawaii, and numerous
individuals. Your Committee received testimony in opposition to
this measure from the County of Hawaii, Office of the Mayor of the



County of Hawaii, Real Property Assessment Division of the County of Maui, Coalition for Equal Taxation, Hawai'i Association of REALTORS, Kohala Coast Resort Association, Rental By Owner Awareness Association, American Resort Development Association Hawai'i, Mauna Kea Resort, Maui Hotel and Lodging Association, one member of the Maui County Council, and four individuals. Your Committee received comments on this measure from the Department of Budget and Finance, Real Property Assessment Division of the City and County of Honolulu, Tax Foundation of Hawaii, and League of Women Voters.

Your Committee finds that article X, section 1, of the Constitution of the State of Hawaii requires the State to provide a system of public education. Hawaii is unique compared to the other states because the State, instead of a county of local level jurisdiction, is responsible for public education. A surcharge on residential investment property and visitor accommodations would provide additional resources for the State to better meet its educational responsibilities to the children of Hawaii.

Your Committee notes that this measure has generated a significant response from the public, including substantial indications of support from Hawaii State Teachers Association members.

Your Committee has amended this measure by:

- (1) Simplifying the amending language to article X, section 1, of the Constitution of the State of Hawaii and removing the definitions of "residential investment property" and "visitor accommodations"; and
- (2) Rephrasing and clarifying the amendment's ballot question.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2922, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2922, S.D. 1.



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



BRIAN T. TANIGUCHI, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary
JDC

Bill / Resolution No.:*	Committee Referral:	Date:
SB 2922	EDU, JDC	2/27/2018

The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)	✓			
RHOADS, Karl (VC)	✓			
GABBARD, Mike	✓			
KIM, Donna Mercado	✓			
THIELEN, Laura H.	✓			
TOTAL	5	0	0	0

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature: *Karl Rhoads*

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*Only one measure per Record of Votes