

STAND. COM. REP. NO.

3349

Honolulu, Hawaii

APR 04 2008

RE: H.B. No. 602
H.D. 2
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 602, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to ensure funding to improve public school facilities.

More specifically, this measure extends the sunset date of Act 304, Session Laws of Hawaii 2006, from June 30, 2008, to June 30, 2012, to continue the required deposit in each fiscal year of \$90,000,000 into the state treasury, to the credit of the Educational Facilities Improvement Special Fund for public school capital improvement needs.

Testimony in support of the measure was submitted by the Department of Education. Testimony opposing the measure was submitted by the Department of Taxation and the Department of Budget and Finance. The Tax Foundation of Hawaii submitted comments.

Your Committee finds that the educational facilities improvement special fund is used to plan, design, acquire land for, construct, and maintain public school facilities. Your Committee further finds that the sustained revenue commitment delivered by this measure would allow the Department of Education to address its backlog of repair and maintenance projects, thereby

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helping to ensure a quality public education for Hawaii's children.

Upon further consideration, your Committee has amended the measure by:

- (1) Clarifying in section 1 that the measure extends, rather than repeals, the sunset date of Act 304, Session Laws of Hawaii 2006; and
- (2) Changing the effective date of the measure to June 29, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 602, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 602, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



ROSALYN H. BAKER, Chair



