



State of Hawai'i
Department of Education

Annual Report on School-Level Minor Repairs and Maintenance Special Fund

October 2024

Section 302A-1504.5, Hawai'i Revised Statutes, requires the Hawai'i State Department of Education to annually report on the total amount of funds in the School-Level Minor Repairs and Maintenance Special Fund that will carry over to the following school year.

Hawaii State Department of Education
School-Level Minor Repairs and Maintenance Special Fund

Section 302A-1504.5, Hawai'i Revised Statutes (HRS), established the School-Level Minor Repair and Maintenance Special Fund into which are deposited all monies collected pursuant to Section 235-102.5(b), HRS, and any other monies received by the Hawai'i State Department of Education (Department) in the form of grants and donations for school-level improvements and minor repairs and maintenance.

The primary source of special fund revenue is a donation by taxpayers of \$2 of any state income tax refund they may be entitled to. This is conducted via the "check-off" box on the State N-11 Individual Income Tax Return form authorizing a donation to the Hawai'i Schools Repair and Maintenance Fund.

Section 235-102.5(b), HRS, enables a taxpayer to donate \$2 (\$4 from a joint return) of any state income tax refund to a fund for school-level minor repairs and maintenance. Designated funds are transferred to the Hawaii 3R's (H3R) school improvement fund. H3R expends money from its fund for the improvement of public schools and the benefit of students. The fund was founded in 2001 by the late U.S. Senator Daniel K. Inouye to leverage sweat equity provided by volunteer help and cash donations to address the repair and maintenance backlog facing Hawaii's public schools.

Section 302A-1504.5, HRS, requires the Department to annually report to the Director of Finance and the Legislature the total amount of funds in the School-Level Minor Repairs and Maintenance Special Fund that will carry over to the following school year.

The sum of \$65,426.00 was carried over from Fiscal Year 2022-23 to Fiscal Year 2023-24 but will be transferred to H3R in October 2024. The Department of Taxation transfers \$2 checkoff monies to the Department in March and July. Early tax filing does not yield a substantial amount of funds, so it is preferred by H3R's that the Department transfers all monies upon the receipt of the July monies.