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**A BILL FOR AN ACT**

MAKING AN EMERGENCY APPROPRIATION FOR DEPARTMENT OF EDUCATION  
STUDENT TRANSPORTATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. This Act is recommended by the governor for  
2 immediate passage in accordance with section 9 of article VII of  
3 the Constitution of the State of Hawaii.

4           SECTION 2. The purpose of this Act is to appropriate funds  
5 for the continued operation of the department of education  
6 student transportation program. Contract services for bus  
7 services and the necessity to use fiscal year 2005-2006 funds to  
8 make payment for fiscal year 2004-2005 invoices have created a  
9 critical funding emergency for fiscal year 2005-2006. The  
10 department of education will not have sufficient funds to pay  
11 for transportation services with the current appropriation  
12 amount. An emergency appropriation is needed to fund the  
13 program for the first year of the biennium.

14           SECTION 3. There is appropriated out of the general  
15 revenues of the State of Hawaii the sum of \$5,785,448, or so  
16 much thereof as may be necessary, for fiscal year 2005-2006 for

H.B. NO. 2347

1 the continued operation of the department of education student  
2 transportation program.

3 The sum appropriated shall be expended by the department of  
4 education.

5 SECTION 4. This Act shall take effect upon its approval.

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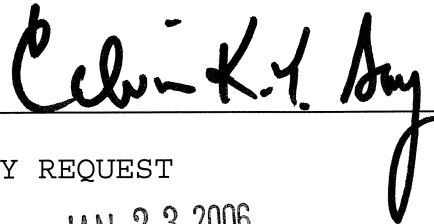
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INTRODUCED BY:



BY REQUEST

JAN 23 2006

JUSTIFICATION SHEET

DEPARTMENT: Education

TITLE: A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR DEPARTMENT OF EDUCATION STUDENT TRANSPORTATION.

PURPOSE: To meet the projected shortfall for student transportation.

MEANS: General fund emergency appropriation.

JUSTIFICATION: The Student Transportation program provides bus transportation for students meeting the criteria stated in Chapter 27 of the Administrative Rules based on HRS §302A-406.

The shortfall is largely due to the necessity to utilize \$3.6 million of the fiscal year 2005-2006 appropriation for expenses incurred during fiscal year 2004-2005, and \$4.7 million for fiscal year 2005-2006 bus service contract increases.

Act 178, Session Laws of Hawaii 2005, provides \$25,765,040 in general funds for fiscal year 2005-2006. Program expense projections for fiscal year 2005-2006 are \$34,716,086. The difference between the program's appropriation and the program's projected expenses is \$8,946,702. The Department of Education has made one-time reallocations of \$3,161,254. The projected shortfall need as of November 2005 is \$5,785,448.

STUDENT TRANSPORTATION	FY06
Appropriation	\$ 25,769,384
Actual/Projected Expenditure	\$ (34,716,086)
Difference	\$ (8,946,702)
Internal Reallocations	\$ 3,161,254
Shortfall as of November 2005	\$ (5,785,448)
FY 2005-2006 Emergency Request	\$ 5,785,448

The general fund recommendation included in this measure has been made in accordance with the statutorily defined appropriation ceiling for the Executive Branch pursuant to section 37-92, Hawaii Revised Statutes. Including appropriations made up to and including the regular and special sessions of 2005, the Executive Branch appropriation ceiling for fiscal year 2005-2006 has already been exceeded by \$165,665,981 or 3.83 percent. Funding requested in this measure for student transportation will result in the appropriation ceiling for the Executive Branch to now be exceeded in fiscal year 2005-2006 by \$5,785,448 or 0.13 percent. This current declaration takes into account additional general fund appropriations authorized for fiscal year 2005-2006 in this measure only, and does not include other general fund appropriations for fiscal year 2005-2006 that may be authorized for the Executive Branch in other legislation submitted to the Legislature during the regular session of 2006.

GENERAL FUND:           \$5,785,448

OTHER FUNDS:           None.

PPBS PROGRAM  
DESIGNATION:           0701400301           EDN 400

OTHER AFFECTED  
AGENCIES:              None.

EFFECTIVE DATE:        Upon approval.