

JAN 25 2006

S.B. NO. 2310

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

S.B. NO. 2310

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.

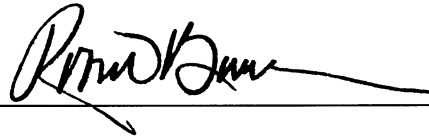
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INTRODUCED BY:



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BY REQUEST

JUSTIFICATION SHEET

SB. NO. 2310

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	<u>\$ (34,716,086)</u>
Difference	\$ (8,946,702)
Internal Reallocations	<u>\$ 3,161,254</u>
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.