

Honolulu, Hawaii

Feb. 16

, 2006

RE: S.B. No. 2309

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Education and Military Affairs, to which was referred S.B. No. 2309 entitled:

"A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR DEPARTMENT OF EDUCATION ELECTRICITY,"

begs leave to report as follows:

The purpose of this measure is to appropriate funds to the Department of Education to pay for electricity usage.

Testimony in support of this measure was submitted by the Department of Education (DOE).

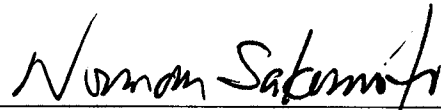
Your Committee finds that pursuant to Act 178, Session Laws of Hawaii 2005, monies in excess of \$23,000,000 were appropriated to fund electricity costs for fiscal year 2005-2006. However, the projected actual cost of electricity for fiscal year 2005-2006 far exceeds the appropriation, leaving a substantial shortfall based upon actual and anticipated electricity usage and the increased cost of kilowatts/hour. Your Committee further finds that on November 3, 2005, Impact Act funds were allocated to the DOE's electricity budget to reduce the shortfall, but a deficit still remains. The DOE currently anticipates that it will run out of funds to cover electricity costs by April 2006 if additional funds are not appropriated. Your Committee determines that an emergency appropriation is necessary to ensure the uninterrupted provision of electricity for the DOE.

As affirmed by the record of votes of the members of your Committee on Education and Military Affairs that is attached to



this report, your Committee is in accord with the intent and purpose of S.B. No. 2309 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Education and
Military Affairs,



NORMAN SAKAMOTO, Chair



