

STAND. COM. REP. NO. 1105

Honolulu, Hawaii

MAR 21 2007

RE: H.B. No. 14
H.D. 1
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Education, to which was referred H.B. No. 14, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to repeal the transfer of duties and functions from the Department of Budget and Finance to the Department of Education pursuant to Act 51, Session Laws of Hawaii 2004, as amended (Act 51, as amended).

Testimony in support of this measure was submitted by the Department of Education and the Department of Budget and Finance.

Your Committee finds that pursuant to the Reinventing Education Act of 2004, Act 51, as amended, the Department of Education was established as a separate jurisdiction of the State. Therefore, the transfer of certain duties and functions from different departments to the Department of Education became necessary. Act 51, as amended, also established the Interagency Working Group, which was tasked with the responsibility of overseeing the transfers to the Department of Education. In its recent report to the Legislature, the Interagency Working Group recommended that the transfer of functions from the Department of Budget and Finance to the Department of Education be repealed.

Additionally, your Committee further finds that the Departments of Education and Budget and Finance have entered into

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a Memorandum of Understanding, which sets forth new procedures or requesting allotments for capital improvement projects, requirements for other fiscal matters including debt service calculations, employee benefit calculations, collective bargaining appropriation bills, and increasing the expenditure ceiling for federal funds for the Department of Education. Your Committee determines that given the current situation, the repeal of the transfer of duties and functions from the Department of Budget and Finance is appropriate.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of clarity and to reflect preferred drafting style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 14, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 14, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Education,



NORMAN SAKAMOTO, Chair



