

Honolulu, Hawaii

FEB 16 2007

RE: S.B. No. 1136
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 S.B.
No. 1136 entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to ensure adequate funding for
public school students and to increase the efficiency of
operations within school complex areas.

Specifically, this measure:

- (1) Establishes the Weighted Student Formula Augmentation Special Fund to assist schools in transitioning to the weighted student formula based on certain criteria;
- (2) Appropriates funds to the special fund for the aforementioned purpose;
- (3) Excludes moneys for custodial services, classroom cleaners, and minor repairs and maintenance from the weighted student formula calculation; and
- (4) Provides complex area superintendents increased control over resources within the complex areas to achieve greater efficiency and cost-effectiveness.

Testimony in support of this measure was submitted by the
Hawaii State Teachers Association. Testimony in opposition to



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

Your Committee finds that the weighted student formula was established pursuant to the Reinventing Education Act of 2004, Act 51, Session Laws of Hawaii of 2004, as amended, to provide equity in funding for public school students by utilizing weighted cost factors. Since its implementation, it has become apparent that changes to this approach must be made to address funding deficiencies so that our public school students will not suffer. Although multiple methods have been broached to alleviate the burden placed on schools meeting certain criteria, more needs to be done to ensure that schools are provided adequate funding to provide students with a quality education.

Your Committee determines that students in specific categories, including students in junior kindergarten programs with classes of fifteen or fewer students, students in geographically isolated schools, students in multitrack schools, transient students, students in small schools, and non-English proficient students, require appropriate funding outside of the weighted student formula to ensure their needs are being met. Therefore, your Committee determines that additional compensation based on these factors is necessary to prevent certain schools from suffering devastating consequences. This approach, however, does not require the establishment of a special fund to augment weighted student formula allocations.

Additionally, your Committee finds that personnel and resources within schools and school complexes could be better utilized if control resided with the complex area superintendents. Increased authority would facilitate the appropriate allocation of underutilized or inefficiently utilized resources within the complex areas to achieve greater efficiency and cost-effectiveness. These efforts should also be accomplished through resources provided outside of the weighted student formula allocations to provide true assistance to the schools.

Accordingly, your Committee has amended this measure by:

- (1) Removing the provision establishing the Weighted Student Formula Augmentation Special Fund;

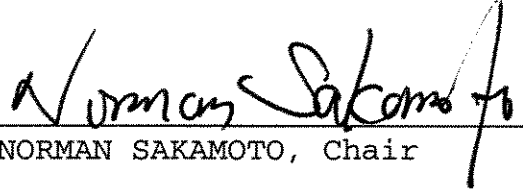


- (2) Removing the provisions relating to transfers from and expenses incurred by the Weighted Student Formula Augmentation Special Fund;
- (3) Removing appropriations from educational instructional support (EDN 200) and education state and district (EDN 300);
- (4) Appropriating funds for certain students in addition in weighted student formula allocations, including students in junior kindergarten programs with classes of fifteen or fewer students, students in geographically isolated schools, students in multitrack schools, transient students, students in small schools, and non-English proficient students;
- (5) Clarifying that complex area superintendents have the authority to allocate resources for complex level educational officers, teachers, and support staff;
- (6) Deleting the provision that would have removed moneys for custodial services, classroom cleaners, and minor repairs and maintenance from the weighted student formula;
- (7) Including an appropriation for complex area superintendents to allocate resources among the schools within the complex area superintendent's jurisdiction; provided that funds shall be provided at a rate of \$30 per student;
- (8) Changing the effective date of Part II of the Act to July 1, 2008; and
- (9) Making technical, nonsubstantive changes for purposes of clarity and 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 S.B. No. 1136, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1136, 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



