

Honolulu, Hawaii

FEB 09 2007

RE: S.B. No. 94  
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. 94 entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to establish a revolving fund to support the Department of Education's food distribution program.

Testimony in support of this measure was submitted by the Department of Education (DOE). Testimony in opposition to this measure was submitted by the Department of Budget and Finance.

Your Committee finds that the DOE provides commodity foods to agencies, including public schools, private schools, and other state institutions, that participate in the National School Lunch Program. Commodity foods are currently stored in warehouses within the State; however, the DOE is prohibited from using federal funds to pay fees associated with the state-contracted warehouses. Your Committee further finds that, according to the DOE, warehouse charges for fiscal year 2006 totaled in excess of \$1.2 million. As the DOE is unable to continue to shoulder the costs of warehouse expenses on its own, it is forced to recover a portion of the costs from those agencies that are the recipients of commodity foods.

Your Committee determines that the establishment of a revolving fund, funded through the collection of fees collected



for, interest earned on, and other moneys associated with the DOE's food distribution program, is necessary to support the continued operations of the food distribution program and allow it to be a self-sustaining program.

Accordingly, your Committee has amended this measure by:

- (1) Including an appropriation out of the food distribution program revolving fund for the payment of services provided by state contracted warehouses under the DOE food distribution program; and
- (2) Making technical, nonsubstantive amendments 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. 94, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 94, 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



The Senate  
Twenty-Fourth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Education**  
**EDU**

Bill / Resolution No.:* <b>SB 94</b>	Committee Referral: <b>EDU, WAM</b>	Date: <b>1/31/07</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAKAMOTO, Norman (C)	X			
TOKUDA, Jill N. (VC)	X			
CHUN OAKLAND, Suzanne	X			
HEE, Clayton				X
NISHIHARA, Clarence K.	X			
TANIGUCHI, Brian T.	X			
GABBARD, Mike	X			
<b>TOTAL</b>	<b>6</b>			<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution:            Original    Yellow    Pink File with Committee Report    Clerk's Office    Drafting Agency				

\*Only one measure per Record of Votes