

Honolulu, Hawaii

FEB 19 2009

RE: S.B. No. 746

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Education and Housing, to which was referred S.B. No. 746 entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to establish a two-year pilot project within a designated complex area of the Department of Education to:

- (1) Authorize the complex area superintendent to reallocate resources within the schools in the complex area to achieve greater efficiency and cost-effectiveness; and
- (2) Exempt the designated complex area from any department budget reductions or restrictions during the two-year pilot project.

Testimony in opposition to this measure was submitted by one state agency. Comments were submitted by one state agency. Copies of written testimony are available for review on the Legislature's website.

Your Committee finds that current economic conditions require development of initiatives that take advantage of cost efficiencies already available, and expansion of these initiatives. This measure would offer additional opportunities to develop greater savings through the complex area allocations.

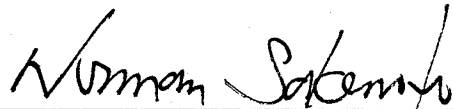


Your Committee has considered other options, including designating a percentage of the weighted student formula funds allocated to the schools of the complex to be budgeted by a complex community council made up of the chairs of the school community councils and the principals of the schools in the complex. The funds could be allocated to fix shortages in high priority areas, as identified by the complex community council, and for purchases of common goods and services to gain cost efficiencies. While your Committee understands the reluctance of the Department of Education to exempt the designated complex area from any department budget reductions or restrictions during the two-year pilot project, offering that option would serve as an incentive for the complex.

Your Committee believes these options will benefit from further legislative discussion.

As affirmed by the record of votes of the members of your Committee on Education and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 746 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
Housing,



NORMAN SAKAMOTO, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Education and Housing
EDH

Bill / Resolution No.:* SB 746	Committee Referral: EDH, WAM	Date: 2-9-09		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input 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)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
GALUTERIA, Brickwood	✓			
TSUTSUI, Shan S.	✓			
HEMMINGS, Fred	✓			
TOTAL	6	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes