



Roger K. Takabayashi
President

Wil Okabe
Vice President

Karolyn Mossman
Secretary-Treasurer

Mike McCartney
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON
EDUCATION

RE: HCR 76 – REQUESTING THE GOVERNOR NOT TO ADDRESS THE 2009 FISCAL YEAR BUDGET SHORTFALL BY REDUCING OR RESTRICTING THE DEPARTMENT OF EDUCATION'S AND UNIVERSITY OF HAWAII'S CURRENT APPROPRIATIONS.

April 3, 2009

ROGER TAKABAYASHI, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Takumi and Members of the Committee:

The Hawaii State Teachers Association strongly supports HCR 76, which requests the Governor not to address the 2009 fiscal year budget shortfall by reducing or restricting the Department of Education's (DOE) and University of Hawaii's (UH) current appropriations.

The DOE's budget for the fiscal year 2008-09 has already been cut twice. The first cut happened during the 2008 Legislative session in which \$10.26 million was reduced from the fiscal year (FY) 2008-09. In October, the DOE was asked to reduce their budget yet again and an additional \$40.01 million dollars was cut from the current budget. These cuts amount to \$50.27 million and there are still more cuts being made for the upcoming fiscal biennium 2009-11 budget. Now, the DOE is looking at another cut from the current budget of \$90.9 million, because the administration anticipates federal funds that can be used to "repay" that \$90.9 million. This may be an erroneous assumption.

HSTA believes the future of our children and Hawaii's public school system will be in jeopardy with all of the budget cuts the DOE has faced so far and with the addition of the proposal to take \$90.9 million from the current budget. We feel this way for several reasons:

- It is unfair. Every state department, up until now, has been hit with cuts to their budgets. This time, only the DOE is being faced with budget cuts, which will cut programs, touch classrooms and take away basic educational services, so these cuts are really targeting our children.

- ()
- It is unethical. HSTA's understanding of the purpose for the state fiscal stabilization funds (SFSF) is to restore cuts that have already been made to the state's department of education and increase investment in education. The proposal to use the \$90.9 million now and replace it with the SFSF violates the intention of the federal government.
 - Should the \$90.9 million be used now, the DOE will be unable to invest in a data system necessary to comply with the accountability standards set out by the federal government for the SFSF and thereby jeopardizing Hawaii's chances of obtaining the funding or future funding.
 - The \$90 million was supposed to go toward making the DOE budget whole in the coming two years. If the money is used this year, the DOE budget in the upcoming year will be devastated.

HSTA further believes that there is a huge risk to cutting \$90.9 million now from the DOE's current budget since there is an immense possibility that the SFSF may not come in time to restore the DOE's budget. We question what the DOE will do if the SFSF does not come in time? Will the graduation of our current seniors and advancement of other students be in danger? It will if the DOE has to cancel classes because the federal funding did not arrive within the very short time window available.

With the uncertainty of answers to these questions, HSTA wholeheartedly supports this concurrent resolution requesting the governor not to address the 2009 fiscal year budget shortfall by reducing or restricting the DOE's and UH's current appropriations.

We strongly urge the committee to pass this concurrent resolution.

Thank you for the opportunity to testify.

LATE TESTIMONY

Date of Hearing: Friday, April 3, 2009

Committee: House Committee on Education

Board: Education

Person Testifying: Garrett Toguchi, Chairperson, Board of Education

Title of Resolution: H.C.R. No. 76 Proposed H.D. 1, Requesting the Governor Not to Address the 2009 Fiscal Year Budget Shortfall by Reducing or Restricting the Department of Education's and University of Hawaii's Current Appropriations

Purpose of Resolution: Requests the Governor not to address the 2009 Fiscal Year Budget Shortfall by reducing or restricting the Department of Education's (DOE) and University of Hawaii's (UH) current appropriations, but, with the Legislature, DOE, and UH, develop a plan to use the State Fiscal Stabilization Funds to stabilize funding for DOE and UH, for the 2009-2011 Fiscal Biennium (H.C.R. No. 76 Proposed H.D. 1)

Board's Position: Chairperson Takumi, Vice Chairperson Berg, and members of the House Committee on Education, thank you for the opportunity to testify in support of H.C.R. No. 76 Proposed H.D. 1.

At last night's general business meeting, the Board supported the prudent approach specified in H.C.R. No. 76 Proposed H.D. 1 that (1) The Governor not address the 2009 Fiscal Year State Budget shortfall by reducing or restricting DOE's and UH's current

appropriations, by replacing these reductions or restrictions using State Fiscal Stabilization Fund (SFSF) funds; and (2) The Governor, Legislature, DOE, and UH develop a plan to use the SFSF funds to stabilize funding for DOE and UH for the 2009-2011 Fiscal Biennium.

The Board notes that to receive SFSF funds, the State must meet the following assurances to be eligible for the funds: (1) achieving equity in teacher distribution; (2) improving the collection and use of data; (3) enhancing the quality of standards and assessments; and (4) supporting struggling schools. Eligibility for the SFSF funds is contingent on the submittal of data that demonstrates the assurances have been met.

The Board believes that a well-thought plan as specified in H.C.R. No. 76 Proposed H.D. 1, as well as a realistic timetable, are essential in assuring that the State can commit to meeting the assurances to receive the SFSF funds.

The Board recommends that if a legislative mechanism allows, there be a provision inserted into legislation or that existing law be amended to prohibit the Governor from addressing the 2009 Fiscal

Year State Budget shortfall by reducing or restricting DOE's and UH's current appropriations, by using SFSF funds to fill the reductions and restrictions.

Thank you very much for the opportunity to testify.