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## A BILL FOR AN ACT

RELATING TO EDUCATION BUDGET.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. (a) For the purposes of this Act, the term  
2 "zero-based budgeting" means a budgeting system that starts from  
3 "zero" each fiscal year. Each budget item shall be justified on  
4 the basis of cost-benefit analysis, and assumes that no present  
5 commitment exists and that there is no balance carried forward.

6           (b) The department of education shall prepare the proposed  
7 budget for the 2011-2012 fiscal year for submittal to the 2011  
8 legislature in accordance with zero-based budgeting principles.  
9 The budget-planning process may begin on July 1, 2010, and shall  
10 include the following:

- 11           (1) Identification and description of each program  
12           activity;
- 13           (2) Statement of objectives of each program activity and  
14           output;
- 15           (3) Evaluation and ranking of program activities on the  
16           basis of a cost-benefit analysis, and allocation of  
17           resources to program activities accordingly; and



1 (4) Identification of effects of each funding level on  
2 personnel requirements.

3 (c) For the purposes of this Act, zero-based budgeting  
4 principles shall be applied to all department of education  
5 programs, including comprehensive school support services,  
6 instructional support, state and district administration, school  
7 support, school community service, physical plant operations and  
8 maintenance, student transportation, public libraries, and  
9 budgets.

10 (d) All information developed for zero-based budgeting for  
11 the purposes of this Act shall be made available to the auditor,  
12 director of finance, and the chairpersons of the fiscal  
13 committees of the senate and house of representatives.

14 SECTION 2. This Act shall take effect upon its approval.  
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**Report Title:**

Education Budget; Zero-based Budgeting

**Description:**

Requires the Department of Education to use zero-based budgeting principles in formulating the budget for the 2011-2012 fiscal year.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

