

Legislative Federal Economic Stimulus Program Oversight Commission

12/22/09

DRAFT

I. Meeting called to order- 10:03 AM

Members present-

Michael Kitamura- appointee of Senator Akaka
Jennifer Sabas- appointee of Senator Inouye
Mark Anderson- appointee of the Governor
Representative Michael Magaoay- House of Representatives member
Kate Stanley- appointee of the Speaker of the House
Aaron Johanson- appointee of the House Minority Leader
Josh Wisch- appointee of Congresswoman Hirono
Senator Shan Tsutsui- Senate member

Members not present-

Kyle Chock- appointee of the Senate President
Amy Asselbaye- appointee of Congressman Abercrombie

Others present- Judy Fomin- office of Representative Magaoay; Keira Kamiya- office of Senator Tsutsui; Ted Baker- Legislative Reference Bureau; members of the public

II. Adoption of Minutes

Approval of minutes of the Commission's 12/15/09 meeting was postponed

III. General Business

- The Chair will prepare a proposed, revised schedule for Commission meetings to follow the legislative session
- Commission member Tom McDonald has resigned due to other commitments and has urged Sen. Hemmings to appoint a replacement promptly

IV. Overview of Federal Stimulus Funds

A. Presentation of the State Department of Education, (DOE), by Kathryn Matayoshi, Deputy Superintendent of DOE

1. Highlights

- DOE has been awarded 6 ARRA grants totaling \$77.9 million, creating or retaining a total of 549.35 jobs, apart from those created or retained through use of ARRA State Fiscal Stabilization Funds (SFSF)
- Awards include Title I: Extended Learning Opportunities Project (\$33.2 million), IDEA (\$39.9 million), Title IID: Education Technology (\$3.2 million),

Special Education Preschool (\$1.1 Million), Education for Homeless and Youth (\$176 thousand), and Child Nutrition Programs (\$349,000)

- SFSF Part A amount to \$110.4 million over two years to be split 70/30 with the University of Hawaii based on a proportionate share of budget reductions
- Part A funds are being expended in two phases and will be used to pay classroom teachers, saving 1,538.5 jobs
- Part B funds in the amount of \$35 million have been awarded to the Governor but no formal statement has been made regarding allocation of those funds

2. Discussion

- DOE is already down \$15 million for the next fiscal year and is looking at other sources, reductions, or restrictions to meet the shortfall;
- The Governor was required to make four assurances to obtain funding: (1) establish Longitudinal Data System; (2) establish Standards & Assessments; (3) provide for equitable distribution of highly qualified teachers; and (4) assistance to struggling schools
- The Phase II SFSF application is due 1/10; how Phase I was used, and how Phase II will be used, will help with preparing State's Race to the Top application
- The State's Race to the Top application has received the required support from the Governor, Superintendent, BOE Chair, HSTA, HGEA, Charter Review Panel, and Charter School Association
- Furlough Fridays are not helping with DOE's overall image but DOE is looking at how to use the remaining four days to accomplish its goals and is using the Race to the Top application process to plan that
- Unlike other states that must prepare a Race to the Top application on a district by district basis, Hawaii's statewide system permits a unified approach that will also help roll the program out statewide
- Although Hawaii is not in the top 5 ranking, it is in the middle of the pack and within striking distance of the top; 34 states have given notice of intent to file a Race to the Top application and 3 additional states will file for Round 2

- The response to the Round 1 Race to the Top application will come in 4/210, the Round 2 application is due 6/10
 - It is unclear to what extent Furlough Fridays may jeopardize the Round 1 Race to the Top application, whether failure of the Round 1 application will jeopardize a Round 2 application, and whether the risk of failure militates towards applying only for Round 2
 - Although the cap on the number of charter schools is a barrier to success with the Race to the Top application, (the Charter School Administrative Office may pursue legislation to lift the cap), the criteria can still be met if 10% of schools are charter schools; another barrier is the requirement of equitable funding for operations and facilities
 - There are 4 ways to turn around a struggling school: (1) reconstitution (replace principal and 50% of staff); (2) conversion to charter school; (3) closing school, sending students to other/nearby schools; and (4) transformation (e.g., replaced principal, extend instructional time, enhanced technology)
3. Documents: DOE's answers to the Commission's questions and summaries of the competitive grant awards have been posted to the Commission's website
- B. Presentation of the Department of Land and Natural Resources, (DLNR), by Paul Conry, Administrator, Division of Forestry and Wildlife
1. Highlights
- DLNR was awarded four competitive grants totaling \$6 million: (1) Forest Health Invasive Plants (\$4.4 million, FY 2009-2012); (2) Wildland Fire Management (\$897 thousand, FY 2009-2012); (3) Insects and Disease Detection (\$140 thousand, FY 2009-2012); and (4) Recovery Youth Conservation Corps Program (\$1.5 million, FY 2009-2011)
 - Hawaii did very well compared to other states and some states did not apply at all because of the reporting requirements
 - DLNR has experience in complying with reporting requirements of other federal funds already requiring similar reporting
 - The funds are badly needed because many programs are supported by special funds whose revenues come from the conveyance tax, collections for which have been significantly reduced by the weak economy

2. Discussion

- The YCC projects run across multiple programs (invasive species, parks cleanup, forestry management (tree planting), offshore wildlife sanctuaries, trail building, and information/education) and across all islands
- Funding is spread over two years, with hopes that state funding will recover in the meantime
- The funding will create or retain 95 jobs
- Grant programs provide partnership opportunities with UH and came thru the regional office of the US Forest Service, for which Hawaii is a tropical forest research station
- DLNR applied for a parallel NOAA grant for marine resource management but was not successful
- There will be no new monies to replace those obtained via the grants but Hawaii actually was able to obtain \$400 thousand more than it requested because other states could not use all of the available funding

3. Documents: DLNR's answers to the Commission's questions and summaries of the competitive grant awards have been posted to the Commission's website

V. Public Comments

There were no comments or questions from members of the public present at the meeting.

VI. Adjournment

With a reminder that the next meeting would be held on December 29, 2009, with presentations by the Department of the Attorney General and the Office of the Governor, the meeting was adjourned at 11:07 a.m.