

SB2352

**Date:** 02/03/2010

**Committee:** Senate Education and Housing

**Department:** Education

**Person Testifying:** Kathryn Matayoshi, Interim Superintendent of Education

**Title of Bill:** SB 2352 RELATING TO DEPARTMENT OF EDUCATION FUNDS.

**Purpose of Bill:** Allows the Department of Education to reprioritize and redistribute certain funds for purposes of restructuring.

**Department's Position:** The Department opposes this bill. While the Department appreciates the intent of this bill, flexibility in the execution of budgets is already allowed for the Department of Education in HRS 37-74 (d) (2) which states: "the Department of Education shall have the flexibility to transfer appropriated funds and positions for the operating cost category among programs and among cost elements in a program ". In accordance with the existing statute, the Department provides quarterly reports to the governor and an annual report to the governor and the legislature.

In addition, the Department does not want to be bound in statute by creating a "floor" amount below which the Weighted Student Formula (WSF) cannot be reduced. Because the WSF is the largest single item funded in the Department's budget, depending upon the dollar amount of any future reductions, the Department may not have a choice but to reduce the WSF in order to meet the reduction target amounts, in order to continue to meet mandated legal and safety requirements, perform essential functions, or increase class size of the Department.