

Honolulu, Hawaii

FEB 17 2012

RE: S.B. No. 2654  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 2654 entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose and intent of this measure is to prohibit the Department of Education from transferring funds from the EDN 100 school-based budget program identifier (EDN 100) to any other program without legislative authorization.

Your Committee received testimony in opposition to this measure from the Department of Education.

Your Committee finds that the Department of Education should be afforded some flexibility in transferring appropriated funds between certain programs; however, funds appropriated to EDN 100 should be used solely for school-based budgeting.

Furthermore, it is the intent of your Committee that while the Department of Education is prohibited from transferring funds appropriated to EDN 100 to other program identifiers under this measure, the Department of Education should not be prohibited from transferring funds from other program identifiers into EDN 100 if necessary to cover a shortfall in funding.

Therefore, your Committee has amended this measure by:



- (1) Clarifying that 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, and between quarters, as applicable; provided that appropriations to the EDN 100 school-based budgeting program identifier shall not be transferred to any other program identifier of the Department of Education without legislative authorization; and
- (2) Changing the effective date to July 1, 2050, to ensure further discussion.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2654, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2654, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Education,



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JILL TOKUDA, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Education**  
**EDU**

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|--|--|-------------------------|------------|----------------|
| Bill / Resolution No.:*<br><b>SB 2054</b>  | Committee Referral:<br><b>EDU, WAM</b> | Date:<br><b>2-15-12</b> |            |                |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____  |  |                         |            |                |
| The Recommendation is:<br><input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 |  |                         |            |                |
| <b>Members</b>   | <b>Aye</b>                             | <b>Aye (WR)</b>         | <b>Nay</b> | <b>Excused</b> |
| TOKUDA, Jill N. (C)  | /                                      |                         |            |                |
| KIDANI, Michelle N. (VC)   | /                                      |                         |            |                |
| CHUN OAKLAND, Suzanne  | /                                      |                         |            |                |
| NISHIHARA, Clarence K.   | /                                      |                         |            |                |
| TANIGUCHI, Brian T.  | /                                      |                         |            | ✓              |
| SLOM, Sam  | /                                      |                         |            |                |
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|  |  |                         |            |                |
| <b>TOTAL</b>   | <b>5</b>                               | <b>0</b>                | <b>0</b>   | <b>1</b>       |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted   |  |                         |            |                |
| Chair's or Designee's Signature:<br><div style="text-align: center;"><i>Michelle N. Kidani</i></div>   |  |                         |            |                |
| <b>Distribution:</b> Original                  Yellow                  Pink                  Goldenrod<br>File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy                 |  |                         |            |                |

\*Only one measure per Record of Votes