



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/21/2014

Committee: House Finance

Department: Education

Person Testifying: Kathryn S. Matayoshi, Superintendent of Education

Title of Bill: HB 2473(hscr251-14) RELATING TO EDUCATION.

Purpose of Bill: Establishes an Education Innovation Grant Program to provide teachers with resources to implement innovation initiatives aimed at increasing student academic achievement.

Department's Position:

The Department of Education supports the intent of HB 2473. However, we are concerned that this worthy grant initiative places additional responsibilities and workload on the complex area superintendents and, as it directly impacts the CASs, we feel their perspective and input should be sought.

The Department also appreciates the funds to offset administrative costs incurred by CASs and respectfully requests clarification on the proposed cap of one per cent.

Further, we are grateful for the appropriation as the Department does not have the means to support this initiative under our budget appropriation, and would like to ensure that this does not replace or adversely impact our priorities set forth in our Supplemental Budget request.

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 2473

February 21, 2014

RELATING TO EDUCATION

House Bill No. 2473 establishes the Education innovation grant program within the Department of Education (DOE) with the intent of providing teachers with the resources to implement innovation initiatives to help increase student academic achievement. This bill also creates the Education innovation grant fund which proposes to fund this program.

While the Department of Budget and Finance does not take any position on the policy of the Education innovation grant program, as a matter of general policy, the department does not support the creation of special funds which do not meet the requirements of Section 37-52.3, Hawaii Revised Statutes. Special funds should:

- 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program;
- 2) provide an appropriate means of financing for the program or activity;
- 3) demonstrate the capacity to be financially self-sustaining; and
- 4) why the program cannot be implemented successfully under the general fund appropriation process.

In regards to this bill, it is difficult to determine whether the special fund will be self-sustaining.