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Date: 02/23/2017
Time: 01:00 PM
Location: 308
Committee: House Finance

Department: Education

Person Testifying: Kathryn S. Matayoshi, Superintendent of Education

Title of Bill: HB 0141, HD1 Proposed RELATING TO NON-GENERAL FUNDS.

Purpose of Bill: Makes technical amendments to the state budget law regarding the transfer of non-general funds to the general fund.

Department's Position:
The Department supports HB 141, HD1 as proposed.

The proposed draft aligns with the recommendations of the State Auditor contained in Auditor's Report No. 16-11. The Department agreed with the findings of that report.

Section 6 seeks to repeal the authorization for the Education Research and Development Revolving Fund. This fund was originally established in 2001 in anticipation of the potential commercial exploitation of a special education student information system developed by the Department. As found by the State Auditor, this fund is not financially self-sustaining. There has been \$0 revenues deposited into this fund from the commercial exploitation of products and services developed by the department over the last five years.

Section 8 seeks to abolish an administratively established special fund created when emergency and budget reserve funds were appropriated to the Department of Education for a fiscal year 2010-11 grant-in-aid for Families for Resources and Early Access to Learning (R.E.A.L.) organization. The fund is no longer in use.

Section 9 seeks to abolish an administratively established trust fund that was created based on the addition of a trust fund ceiling in the Executive Budget bill in EDN500. The fund has not been used since its inception.

Thank you for the opportunity to testify on this measure.