

Honolulu, Hawaii

FEB 15 2018

RE: S.B. No. 2997

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 2997 entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION GRANTS,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Department of Education to prepare a report identifying any unused federal funds.

Your Committee received testimony in support of this measure from the Native Hawaiian Education Council and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the Department of Education receives federal grants for public education that must be used for specific purposes within specific periods of time or else be returned to the federal government. Each grant has a catalog of federal domestic assistance number that categorizes the grant and identifies its intended purpose and any attached guidelines. Your Committee further finds that the results of a financial audit of the Department of Education for the years 2013 to 2016 revealed that the Department had underutilized over \$175,000,000 of federal funding for each of the reported years. This measure increases the transparency and accountability of the Department of Education to better utilize federal grants by requiring the Department of



Education to prepare a report detailing all unused federal grants for the last five years.

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. 2997 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

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



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MICHELLE N. KIDANI, Chair



