

STAND. COM. REP. NO.

2209

Honolulu, Hawaii

APR 05

, 2019

RE: S.B. No. 856  
S.D. 1  
H.D. 3

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 856, S.D. 1, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to require the Auditor to perform a financial and management audit of the Department of Education, Superintendent, Board of Education, and complex areas every three years.

The Maui Chamber of Commerce, Chamber of Commerce Hawaii, and a few individuals submitted testimony in support of this measure. The Hawaii State Teachers Association and Democratic Party of Hawai'i Education Caucus submitted testimony in opposition to this measure. The Office of the Auditor and Department of Education submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that the Auditor shall conduct an operational audit of the academic plans and the financial plans of the Department of Education, assessing the efficiency and effectiveness of the process from budget and




planning, and implementation to student outcomes annually;

- (2) Requiring the Department of Education to contract with a third-party consultant to study the adequacy of education funding in the State and submit the study to the Legislature;
- (3) Appropriating funds to the Department of Education for the study; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 856, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 856, S.D. 1, H.D. 3.

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

  
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SYLVIA LUKE, Chair



