

STAND. COM. REP. NO. 1060-22

Honolulu, Hawaii

MAR 17 , 2022

RE: S.B. No. 3090
S.D. 1
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 3090, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FEDERAL INDIRECT OVERHEAD REIMBURSEMENTS,"

begs leave to report as follows:

The purpose of this measure is to provide greater fiscal transparency by broadening the purposes for which indirect costs from federal grants incurred by the Department of Education, State Public Charter School Commission, or a charter school authorizer may be reimbursed.

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

Your Committee finds that indirect cost funds are reimbursements from federal grants received by the Department of Education for costs incurred in support of administrative and general business operations based on a negotiated rate with the federal government that is assessed against allowable federal grant expenditures. Your Committee further finds that broadening the purposes for which indirect costs from federal grants may be used will make the costs available to be deposited into the Federal Grants Revolving Fund, which allows funds to be used for

2022-2221 SB3090 HD1 HSCR HMSO



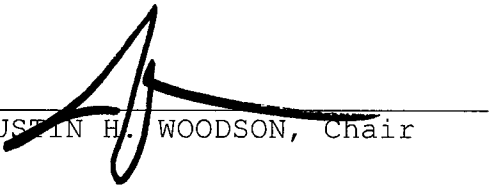
the pursuit of additional discretionary grants, monitoring grant execution, compliance with grant requirements, and the auditing of grant expenditures, which will support better intentional, planned, and transparent use of the funds.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

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. 3090, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3090, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

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


JUSTIN H. WOODSON, Chair



