

STAND. COM. REP. NO.

369

Honolulu, Hawaii

FEB 18 2021

RE: S.B. No. 465
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committees on Education and Government Operations, to which was referred S.B. No. 465 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Auditor to perform an annual operational audit of the academic and financial plans of the Department of Education;
- (2) Require the Department of Education to contract with a third-party consultant that specializes in school finance to study the adequacy of education funding in Hawaii; and
- (3) Appropriate funds.

Your Committees received testimony in support of this measure from the HE'E Hui for Excellence in Education, Maui Chamber of Commerce, and one individual. Your Committees received comments on this measure from the Department of Education and Office of the Auditor.

Your Committees find that there is a greater need for fiscal transparency of the Department of Education. Your Committees



further find that routine audits will help to identify the financial and management needs of Department of Education schools. While there are audits and reviews of certain processes in various Department of Education offices, this measure adds further accountability to ensure that resources are used effectively and efficiently.

Your Committees note that clarification should be provided for the specific areas of the academic and financial plan that the Auditor should review. Your Committees advise that the Auditor should focus the scope of the academic and financial plan audit, looking at the connection between education outcomes expressed in the academic plans and how they affect complex area and state level educational outcomes. Any audit conducted should link the financial plans with success in identified education outcomes as expressed in the academic plans.

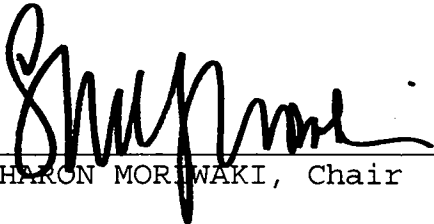
Your Committees have amended this measure by:

- (1) Removing language that required the reporting by the Auditor be performed annually;
- (2) Removing language that required the Department of Education to contract with a third-party consultant that specializes in school finance to perform a study on the adequacy of education funding in Hawaii and appropriating funds for the study; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

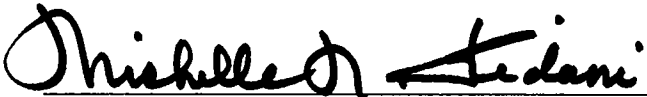
As affirmed by the records of votes of the members of your Committees on Education and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 465, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 465, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committees on Education and
Government Operations,



SHARON MORIWAKI, Chair



MICHELLE N. KIDANI, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Education
EDU

Bill / Resolution No.:* SB465	Committee Referral: EDU/GVO, WAM	Date: 02/12/2021
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
KIDANI, Michelle N. (C)	/			
KIM, Donna Mercado (VC)	/			
DELA CRUZ, Donovan M.	/			
KANUHA, Dru Mamo	/			
FEVELLA, Kurt	/			
TOTAL	5			

Recommendation:
 Adopted
 Not Adopted

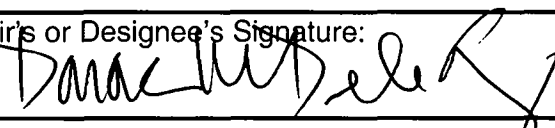
Chair's or Designee's Signature:


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*Only one measure per Record of Votes

The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Government Operations
GVO

Bill / Resolution No.:* SB 465	Committee Referral: EDU/CND, WAM	Date: 2/18/21		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
MORIWAKI, Sharon Y. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHANG, Stanley	/			
GABBARD, Mike				/
FEVELLA, Kurt	/			
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
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