

ACT 225

S.B. NO. 2720

A Bill for an Act Relating to Education.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. After extensive deliberations, the interagency working group, which was established pursuant to part VIII of Act 51, Session Laws of Hawaii 2004 (Act 51), the ‘Reinventing Education Act of 2004,’ has recommended to the legislature that the transfer of functions from the department of budget and finance,

the department of the attorney general, and the department of human services to the department of education specified in Act 51 be repealed. The working group also recommended that the transfer of functions from the department of health to the department of education specified in Act 51 be delayed one year and take effect July 1, 2007, rather than July 1, 2006.

The interagency working group recommended to the 2006 regular session of the legislature that fiscal functions should remain with the department of budget and finance. The working group reported that the departments of education and budget and finance have agreed to improve the:

- (1) Processes related to capital improvement project allotments;
- (2) Fiscal processes affecting the calculation of employee benefits; and
- (3) Expenditures of federal funds.

The departments will work together to prepare memorandums or memorandums of understanding to set forth the new processes, mutually agreed upon, between the two departments.

The interagency working group also recommended against transferring the functions relating to workers' compensation and labor-management relations from the department of the attorney general to the department of education at this time. Instead, the departments shall prepare memorandums of agreement or service level agreements that clarify the scope of relevant responsibilities, procedures, and protocols for the respective departments.

The working group noted that the department of education is required by statute to conduct criminal history record checks on employees that work in close proximity to children. Therefore, it is not necessary that the department of human services perform this service for the department of education.

The interagency working group further recommended that the transfer of the school health aides and the public health nurses who supervise the school health aides be delayed one year from July 1, 2006, to July 1, 2007. The department of education requested the delay due to the number of other requirements of Act 51 that are scheduled to be implemented during the 2006-2007 school year. In addition, both the department of education and the department of health desire to have a smooth transition and additional time would make this possible.

Although the working group recommended the repeal of certain specific provisions of Act 51 relating to the transfer of functions from the department of budget and finance and the department of the attorney general, they noted that the provisions did serve a useful purpose in helping to focus the departments on areas of concern. The recommendations to repeal certain statutory provisions reflected mutual decisions the departments reached after extensive discussion and review. The function of Act 51 as a critical catalyst for analysis and discussion of issues and problems has been, and continues to be, fulfilled.

The departments involved will not continue to do "business as usual". The legislature fully expects the departments to remain committed to continuous improvement and that the memorandums, memorandums of understanding, and service level agreements, when completed and implemented in accordance with the departments' agreements, are a critical step toward improving the educational system for our community.

Therefore, based on the interagency working group's recommendations contained in its report to the 2006 regular session of the legislature, the purpose of this Act is to amend Act 51, Session Laws of Hawaii 2004, to reflect some of those recommendations.

SECTION 2. Act 51, Session Laws of Hawaii 2004, is amended by amending sections 47 and 48 to read as follows:

of: “SECTION 47. (a) All the rights, powers, functions, duties, and resources

- (1) The department of budget and finance relating to the:
 - (A) Funding of collective bargaining agreement increases; and
 - (B) Securing, administering use, and expending of federal funds and other aid, including their custodial supervision; and¹
- ~~[(2) The department of the attorney general relating to:
 - (A) The negotiating of workers' compensation claims; and
 - (B) Labor-management relations within the department of education;~~
- ~~(3) The department of human services relating to the conducting of employment background checks for the after-school plus program, private vendors, and other employees and trainees who work with public school students; and~~
- (4)] (2) The department of health relating to school health aides and public health nurses who supervise school health aides;

are transferred to the department of education effective July 1, [2006,] 2007, subject to repeal by subsequent legislation.

(b) All moneys budgeted in support of each position to be transferred to the department of education, including moneys for direct and indirect employee benefits, are transferred to the department of education effective July 1, [2006,] 2007, subject to repeal by subsequent legislation.

SECTION 48. All resources, appropriations, records, equipment, databases, software, programming, machines, files, supplies, contracts, books, papers, documents, maps, and other personal property heretofore made, used, acquired, or held by the department of accounting and general services, department of budget and finance, [~~department of human services,~~] and the department of health relating to the functions transferred to the department of education shall be transferred with the functions to which they relate.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on June 29, 2006.

(Approved June 22, 2006.)

Note

1. “And” should be underscored.