STAND. COM. REP. NO. 1153

Honolulu, Hawaii

MAR 2 2 2007

RE:

H.B. No. 15

H.D. 2

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam:

Your Committee on Education, to which was referred H.B. No. 15, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

begs leave to report as follows:

The purpose of this measure is to establish a Felix Stipend Special Fund for the collection of moneys received as repayments due to the breaches of contractual agreements between the Department of Education and students who received moneys pursuant to the Felix Consent Decree Recruitment and Retention Program.

This measure also appropriates funds from the Felix Stipend Special Fund for special education teaching programs.

Testimony in support of this measure was submitted by the Department of Education and the University of Hawaii. Testimony in opposition of this measure was submitted by the Department of Budget and Finance.

Your Committee finds that a Memorandum of Agreement (MOA) was executed between the Department of Education and the University of Hawaii during the 1999-2000 academic school year as a result of the Felix Consent Decree. The MOA authorized the provision of tuition assistance or stipends to qualified students in pursuit of bachelor degrees in education or master's degrees in special education. The award of stipends were predicated on a recipient's employment with the Department of Education as a special education

teacher for three years, for a bachelor's degree student, and five years, for a master's degree student. Your Committee further finds that if a recipient fails to fulfill the teaching requirement for the specified durations, the recipient must repay a prorated amount of the tuition assistance received.

This measure establishes a special fund to collect the repayment moneys and requires such funds be used for special education teaching programs. However, your Committee believes that these funds would be more appropriately used and the aforementioned purpose better served by specifying that the funds shall be used for the provision of tuition assistance to students for the Department of Education's Felix Consent Decree Recruitment and Retention Program. Your Committee further believes that an appropriation from the special fund in the amount of \$50,000 is necessary to adequately fund the Felix Consent Degree Recruitment and Retention Program.

Accordingly, your Committee has amended this measure by:

- (1) Changing the name of the special fund from the Felix Stipend Special Fund to the Felix Stipend Program Special Fund;
- (2) Specifying that moneys from the Felix Stipend Program Special Fund be used to provide tuition assistance to students for the Felix Consent Decree Recruitment and Retention program, or any successor programs, and related costs;
- (3) Changing its effective date to July 1, 2007; and
- (4) Making technical, nonsubstantive changes for purposes of clarity 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 H.B. No. 15, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 15, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

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

NORMAN SAKAMOTO, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Education EDU

| Bill / Resolution No.:* | Committee Referral: | | | Date: | |
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| HB IS HOL | EDU, | WAK | | 03/46 | 107 |
| The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: | | | | | |
| The Recommendation is: | | | | | |
| Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313 | | | | | |
| Members | | Aye | Aye (WR) | Nay | Excused |
| SAKAMOTO, Norman (C) | | V | | | |
| TOKUDA, Jill N. (VC) | | \(\) | | | |
| CHUN OAKLAND, Suzanne | | · X | | | |
| HEE, Clayton | | | | | y francisco |
| NISHIHARA, Clarence K. | | | | | V |
| TANIGUCHI, Brian T. | 12.7572.7810.11021711.65-00 | | | | <u> V</u> |
| GABBARD, Mike | | Χ | | | / |
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| Recommendation: Adopted Not Adopted | | | | | |
| Chair's or Designee's Signature: | | | | | |
| Distribution: Original V Yellow Pink File with Committee Report Clerk's Office Drafting Agency | | | | | |