

STAND. COM. REP. NO.

1140

Honolulu, Hawaii

APR 03 2009

RE: S.C.R. No. 188
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committees on Education and Housing and Higher Education, to which was referred S.C.R. No. 188 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR TO ACCEPT THE RECOMMENDATIONS OF THE WORKING GROUP FORMED BY HAWAII'S CONGRESSIONAL DELEGATION TO DETERMINE THE MOST APPROPRIATE USES OF STATE FISCAL STABILIZATION FUND MONIES, AND AUTHORIZE THE EXPENDITURE OF STATE FISCAL STABILIZATION FUND MONIES IN ACCORDANCE WITH THE RECOMMENDATIONS OF THE WORKING GROUP,"

beg leave to report as follows:

The purpose of this measure is to request the Governor to:

- (1) Accept the recommendations of the working group formed by Hawaii's Congressional Delegation to determine the most appropriate uses of State Fiscal Stabilization Fund moneys; and
- (2) Authorize the expenditure of State Fiscal Stabilization Fund moneys in accordance with the recommendations of the working group.

Testimony in support of this measure was submitted by one state agency. Written testimony presented to the Committees may be reviewed on the Legislature's website.

Your Committees find that the recent Administration proposal regarding the use of the State Fiscal Stabilization Fund moneys

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that are intended for public education has generated considerable controversy and further added to the climate of fiscal uncertainty. Your Committees appreciate the difficulties the State is facing in resolving additional budget shortfalls for the current fiscal year. However, your Committees firmly believe that using State Fiscal Stabilization Fund education moneys to offset the deficit is not only shortsighted, it appears to be in direct conflict with the requirements of the federal legislation.

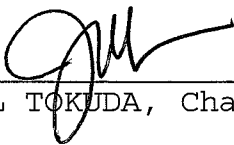
Your Committees understand that the Department of Education and the University of Hawaii have reached agreement on the use of the State Fiscal Stabilization Fund moneys and have specific recommendations regarding the appropriate use of these funds to support public education and Hawaii's students statewide.

Your Committees have amended this measure accordingly, by:

- (1) Adding the specific recommendations, as of March 31, 2009, by the State of Hawaii Department of Education and the University of Hawaii regarding the agreement on a two-part Proposal for State Fiscal Stabilization Funds (SFSF) American Recovery and Reinvestment Act of 2009 (ARRA); and
- (2) Making technical amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Housing and Higher Education that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 188, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 188, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committees on Education and
Housing and Higher Education,



JILL TOKUDA, Chair



NORMAN SAKAMOTO, Chair



