



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/11/2026

Time: 01:30 PM

Location: CR 229 & Videoconference

Committee: EDU

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: SB3279, RELATING TO THE DEPARTMENT OF EDUCATION.

Purpose of Bill: Establishes the Board of Education Internal Audit Office to conduct program and fiscal evaluations of the Department of Education's key strategic initiatives to identify program improvements and provide other benefits. Requires the Board of Education to establish a standing committee with a scope that includes audit-related responsibilities. Prohibits the Department of Education from expending FY 2026-2027 appropriated moneys for certain auditor, evaluation specialist, and related positions and expenses. Appropriates moneys.

Department's Position:

The Hawaii State Department of Education (Department) respectfully provides comments on SB 3279.

The Department appreciates the Legislature's intent to strengthen programmatic and fiscal oversight and agrees that high-quality evaluation and audit functions are important to ensuring alignment with strategic priorities, effective use of resources, and improved outcomes for students. The Department also acknowledges that program and performance review functions have historical precedent within the Department pursuant to Board of Education Policy 303-3.

However, while the Department understands that the intent of SB 3279 may be to reorganize and relocate existing audit staff into a newly established Board of Education Internal Audit Office with new position numbers, the bill as currently drafted raises significant implementation and operational concerns.

The Department currently maintains a staffed internal audit office focused on risk-based audits of programs, and the position numbers listed in Part II of SB 3279 are presently filled and actively performing required audit work. As drafted, the bill expressly prohibits the Department from expending fiscal year 2026-2027 appropriated funds to support these existing positions and related operating expenses.

Absent explicit transition authority, this prohibition would require the Department to cease funding for current audit staff before a new office, position structure, and funding mechanism are operational. This creates a risk of immediate disruption to ongoing audits, loss of institutional knowledge, and delays in audit activities that are critical in identifying internal control weaknesses, recommending risk mitigation strategies, and

ensuring compliance with state and federal requirements.

SB 3279 establishes broad statutory responsibilities for program and fiscal evaluations while simultaneously restricting the use of funds necessary to carry out those responsibilities during the transition period. Without clear authority to transfer existing staff, funding, and functions into the new office, the Department is concerned that the bill creates an unfunded and unimplementable mandate in the near term, despite the Legislature's intent to enhance accountability.

While the Department supports the goal of strengthened oversight and continuous improvement, SB 3279 as drafted risks defunding an existing, fully staffed audit function before a replacement structure is operational. The Department respectfully looks forward to working with the Legislature to refine the bill in a manner that preserves audit continuity, supports existing staff, and achieves the intended accountability outcomes.

Thank you for the opportunity to provide comments on SB 3279.



**STATE OF HAWAII
BOARD OF EDUCATION
PAPA HO'ONA'AUAO**
P.O. BOX 2360
HONOLULU, HAWAII 96804

Senate Committee on Education
Wednesday, February 11, 2026
1:30 p.m.
Hawaii State Capitol, Room 229

Measure: Senate Bill 3279, Relating to the Department of Education

Purpose of Measure: Establishes the Board of Education Internal Audit Office to conduct program and fiscal evaluations of the Department of Education's key strategic initiatives to identify program improvements and provide other benefits. Requires the Board of Education to establish a standing committee with a scope that includes audit-related responsibilities. Prohibits the Department of Education from expending FY 2026-2027 appropriated moneys for certain auditor, evaluation specialist, and related positions and expenses. Appropriates moneys.

Aloha Chair Kim, Vice Chair Kidani, and Members of the Committee:

The Board of Education considers oversight of audits and evaluations to be one of its key responsibilities and respectfully offers the following comments on Senate Bill 3279:

- The Board's Finance and Infrastructure Committee currently has purview over audit-related matters.
- In recent months, Board leadership has been considering re-establishment of a separate audit committee to provide more focused and direct oversight of audits and evaluations related to the Hawaii Department of Education.
- The Board is scheduled to consider amendments to its bylaws to re-establish the audit committee at its February 12th meeting. Contingent upon Board approval, the Board would appoint members to the Audit Committee in March.
- The Audit Committee would serve as the primary forum for audit-related oversight, and audit findings and recommendations issued by the State Auditor and the Department's internal audit office would be reviewed, and management responses and corrective actions monitored. This structure is intended to support

ongoing review and follow-up of audit and evaluation activities in a more focused manner.

Mahalo for this opportunity to testify on behalf of the Board.

SB-3279

Submitted on: 2/10/2026 1:32:44 AM

Testimony for EDU on 2/11/2026 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Support	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry Support

3279 SB RELATING TO THE DEPARTMENT OF EDUCATION.

SB-3279

Submitted on: 2/10/2026 9:46:44 AM

Testimony for EDU on 2/11/2026 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Megan Blazak	Individual	Support	Written Testimony Only

Comments:

Honorable Chair Mercado Kim, Vice Chair Kidani, and Members of the Committee,

As a constituent of Senate District 1, I strongly support this measure.