ACT 202

H.B. NO. 2492

A Bill for an Act Relating to Education.

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

SECTION 1. Section 37-41.5, Hawaii Revised Statutes, is amended to read as follows:

"§37-41.5 Department of education; carryover of funds. (a) The department of education may retain up to five per cent of any appropriation, except for appropriations to fund financing agreements entered into in accordance with chapter 37D, for the school-based budgeting program EDN 100 and for the comprehensive school support services program EDN 150 at the close of a fiscal year and the funds retained shall not lapse until June 30 of the first fiscal year of the next fiscal biennium. The department of education shall submit:

(1) A report to the director of finance[, by] <u>ninety days after</u> the close of [the first] <u>each</u> fiscal year, <u>which shall be prepared in the form prescribed by the director of finance and shall [identifying] identify the total amount of funds that will carry over to the [second] <u>next</u> fiscal</u>

year; and

(2) A copy of this report to the legislature, as well as a report identifying the carryover of funds on a school-by-school basis, at least twenty days prior to the convening of the next regular session of the legislature.

(b) Any appropriation retained in accordance with this section shall be used exclusively for the school-based budgeting program EDN 100[,] and the comprehensive school support services program EDN 150, and of those appropriations allocated to the schools, funds shall remain within the budget of the school to which they were originally allocated; provided that the retention of an appropriation shall not be used by the department as a basis for reducing a school's future budget requirements. [For the purposes of this chapter, "EDN 100" means the budget program identification number for the school-based budgeting program within the department of education.]"

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 14, 2000.)