Representative Sylvia Luke, Chair
Committee on Finance
Hawaii State Capitol
Honolulu, HI 96813

RE: H.B. 2418 - Relating to Funds Used for the Settlement of Claims

Dear Chair Luke and Members of the Committee,

The Special Education Advisory Council (SEAC), Hawaii’s State Advisory Panel under the Individuals with Disabilities Education Act (IDEA), supports the intent of H.B. 2418 which authorizes the Department of Education to expend previously appropriated funds to satisfy the settlement of class counsel attorney fees related to the E.R.K. v. DOE decision by the 9th Circuit Court of Appeals.

In anticipation of the final settlement regarding compensatory services for E.R.K. class members, the Department of Education reserved funds from salary savings over the course of several years to pay plaintiff attorneys. SEAC finds this expenditure appropriate as it was related to IDEA services which should have been provided to these plaintiffs up until their 22nd birthday, assuming their continued eligibility for special education and related services.

SEAC strongly disagrees, however, with the proposal in Part II of this bill to have the remaining carry-over funds totalling $4,750,000 lapse to the credit of the general funds. These funds were appropriated by the Legislature to provide specifically for the needs of students with disabilities who are eligible under IDEA. They are currently committed to paying for shortfalls in OT, PT and SLP services and for inclusive practices as outlined in students’ individualized education programs. Further, the Board of Education and the Department of Education are committed to anticipating future salary savings and ensuring that allocated funds are re-directed to mutually agreed upon budget priorities in a timely and responsible manner.

Thank you for this opportunity to provide our testimony. If you have further questions, please feel free to contact us.

Respectfully,

Martha Guinan
SEAC Chair

Ivalee Sinclair
Legislative Committee Chair