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GOVERNMENT

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ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1966 (HAWAII)

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HEARING BEFORE THE GENERAL SUBCOMMITTEE ON EDUCATION AND THE AD HOC SUBCOMMITTEE ON THE WAR ON POVERTY PROGRAM OF THE COMMITTEE ON EDUCATION AND LABOR HOUSE OF REPRESENTATIVES

EIGHTY-NINTH CONGRESS

SECOND SESSION

ON

H.R. 13160 and H.R. 13161

BILLS TO STRENGTHEN AND IMPROVE PROGRAMS OF
ASSISTANCE FOR OUR ELEMENTARY
AND SECONDARY SCHOOLS

HEARING HELD IN HONOLULU, HAWAII, APRIL 15, 1966

Printed for the use of the Committee on Education and Labor

ADAM C. POWELL, *Chairman*



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ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1966 (HAWAII)

FRIDAY, APRIL 15, 1966

HOUSE OF REPRESENTATIVES,
GENERAL SUBCOMMITTEE ON EDUCATION AND THE AD
HOC SUBCOMMITTEE ON THE WAR ON POVERTY PROGRAM
OF THE COMMITTEE ON EDUCATION AND LABOR,
Honolulu, Hawaii.

The Ad Hoc Subcommittee, pursuant to notice, met at 2 p.m., in Iolani Palace (statehouse), Honolulu, Hawaii, April 15, 1966.

The following members constituting a quorum were present: Representatives Ford (acting chairman), Sickles, and Mink.

Also present: H. D. Reed, Jr., majority counsel; and Charles W. Radcliffe, counsel for the minority.

Mr. Ford. The subcommittee will come to order. A quorum is present.

At this time I would like to call upon our colleague, Patsy T. Mink, for an opening statement.

(Remarks by Representative Patsy T. Mink on March 9, 1966, relating to impact aid, Public Law 874; remarks by Representative Patsy T. Mink on March 15, 1966, relating to permanent milk program; and remarks by Representative Patsy T. Mink on March 23, 1966, relating to school lunch program follow:)

REMARKS BY REPRESENTATIVE PATSY T. MINK ON MARCH 9, 1966, RELATING TO
IMPACT AID, PUBLIC LAW 874

Mr. Speaker, I am greatly distressed by the recommendations to reduce federal support of the "Impact" program.

Currently the State of Hawaii is spending \$73.9 million for the support of public education. On a per capita basis for total education expenditures, Hawaii ranks fourth among all 50 States, while ranking only 14th in per capita income. We are exerting every effort to maintain this support of public education to the end of providing high quality schooling for our children. Hawaii's personal taxes are the highest in the country now, but this is a load we are willing to carry for the important purposes of education.

The Administration's reductions in recommended support of PL 874 imply that the local school districts could do more by absorbing greater percentages of the cost of educating federally-connected children.

Let me explain the grave and serious burden which these recommendations would have upon our public education system in Hawaii.

In Category A, under PL 874, for children whose parents live on federal property and work for the federal government, (in the main, military dependent children) the federal support currently is based on 50% of the State's average per pupil cost, two fiscal years previous.

For fiscal 1964, the State of Hawaii's average per pupil cost was \$422.00. Thus, the Federal Government's support of each category "A" child in Hawaii was 50% or one-half of \$422.00, or \$211.00. Measure that against the current school year's average cost which is nearly \$500.00 per child. The State is

currently paying for the Category "A" child's education over \$300.00 per pupil out of State funds.

There are over 15,000 children in my State of Hawaii in Category A alone. The federal contribution for this year is \$3,621,089, while the current additional State support required for these children is in excess of \$4.5 million.

You must be aware that military families residing on base in Hawaii are likely not tax-paying residents. These families buy their groceries in the base exchanges, tax free; nor is there any significant tax realization from them for cigarettes, liquor, gasoline or entertainment, all of which can be found on the base, tax free!

As a matter of fact, for real equity, and considering this section of PL 874 as payment by the federal government in lieu of taxes, I sponsored a bill last year, H.R. 8626, which provides that the Federal government shall pay the full State average per pupil cost based upon two previous fiscal year's State expenditures for education.

The Administration's current proposal is that in Category A, the State or local school district, absorb the cost of educating that number of children which comes to 3% of the total enrollment in the school system.

In my State of Hawaii, given approximately 150,000 children in the public school system, 3% of this number would be 4,500.

Thus, the Administration would have us pay the full cost of educating 4,500 of the 15,000 children in Category A.

This increases the State burden as follows:

Under existing law (1967 estimate):

Estimated total cost of educating 15,000 category A children----	\$7,500,000
Federal support under category A-----	3,840,000

State support for education of category A children-----	3,660,000
---	-----------

Under proposed cuts:

Estimated total cost of educating 15,000 category A children----	\$7,500,000
Federal support for education of category A children-----	2,243,000

State support for education of category A children-----	5,257,000
---	-----------

I am advised that the total combined federal support which Hawaii would get under the new proposed cuts covering not just Category A, but also adding the 30,824 children under Category B would total only \$4,609,000. This would be less than what it would cost to educate just the 15,000 children under Category A! ($\$500 \times 15,000 = \7.5 million).

H.R. 13160 provides that if a State or local educational agency refuses to educate these children living on Federal property, then all support under this impact program would be withdrawn.

The harshness of this reduction in aid is readily seen when viewed thusly:

Estimated cost to educate 15,000 category A children at \$500-----	\$7,500,000
Total reduced Public Law 874 impact aid support for both A and B children -----	4,609,000

State deficit for just category A on-base children-----	—2,891,000
Public Law 874 funds available for category B-----	0

It would obviously be more logical to abdicate authority over the education of these 15,000 on-base children and make that a total federal responsibility as set forth in H.R. 8626, at a minimum estimated federal cost of \$7,500,000 just for the on-base children.

By providing this analysis and argument against these proposed cuts as they affect my State, I do not wish to imply that we would not make every conceivable effort to continue our existing program for all our children and even add to our own tax burden if necessary to make up the deficits. I refer to the alternative of withdrawal for purposes of illustration only!

I can not believe that this is what the Administration desires. This is certainly not what my State wants. We believe these children have profited as part of our school system, and that we can continue to provide them a better educational program than any administered separately under the Department of Defense, though this occurs already in some jurisdictions.

I respectfully urge my colleagues to join me in this effort to preserve the present system of apportionment of funds under PL 874.

If the law remains the same, Hawaii's picture in fiscal 1966 will be as follows:

Estimated cost of educating 15,000 category A children (on-base) at \$500 -----	\$7, 500, 000
Total estimate fiscal 1966 Public Law 874 impact funds for 15,000 A category children and 30,824 B category children-----	6, 559, 074
State deficit just for category A-----	940, 926
Public Law 874 Funds available for category B-----	0

I submit that this latter picture though not completely equitable, is at least one which will enable us to continue our present program of equal educational opportunity to *all* children residing anywhere within the borders of our State!

REMARKS BY REPRESENTATIVE PATSY T. MINK ON MARCH 15, 1966, RELATING TO
PERMANENT MILK PROGRAM

Mr. Speaker, I have today introduced a bill which will provide for the establishment of a permanent milk program for all children in our primary and secondary schools as part of the school lunch program.

This year, quite unexpectedly and almost unbelievably, the administration has recommended that the Special Milk program begun in 1954 be phased out and that milk only be provided for those who will be tagged as "needy".

While it is true that this program got its beginning to help promote the consumption of our surplus milk, once it became part of the school program throughout the nation, it was quickly recognized as a great step in the overall improvement of the health of our children.

I believe that our administration is wrong in asking that this program be cut back to "needy" children only, for now not only the unfortunate poor benefits from the consumption of milk, but all children enjoy the same relative benefit.

I am also so convinced of the great value of this program as a health measure that I do not believe it ought to be tied to the presence or absence of dairy surpluses, but ought to stand on its own as a program which deserves our support. We have seen it grow in importance, in acceptance, and in the consumption of increasing amounts of milk, since its inception in 1954. It is a tested and proven program, and ought not be sacrificed for any reason.

This \$103 million program was curtailed this current year to \$100 million administratively. In next year's budget proposal, it is reduced to the paltry sum of \$21 million for the entire country as a program only for the needy children.

Mr. Speaker, this program has been so successful that in fiscal 1965 between 24-26 million students participated in approximately 93,000 schools across the country. The consumption of half-pints of milk is recorded as over three billion! And the cost to the federal government was only a little over \$100 million. I believe it is false economy to remove this federal support, and jeopardize the continuation of this worthwhile program by letting the child decide whether he personally wants to drink milk at 8¢ cost to him, or pocket the money for an after-school bottle of carbonated water! It must be apparent to all who have had children what the choice will likely be. It is obviously not a case of affluence dictating wisdom in the child.

I am in total agreement that the program ought to pay greater attention to the needy children, and that the support ought to be increased to make possible special programs for these unfortunate youngsters, such as the serving of hot milk for breakfast, or milk with cereal, and the like. But because this special program is gaining emphasis, it ought not to justify the discontinuance of the program to all children. I plead that this nation "is mighty enough" to do both.

Hawaii's school children have utilized this special milk program in fiscal 1965 by consuming 5,310,000 half-pints of milk.

I urge my colleagues to help save this program by enacting it as a permanent part of our regular school lunch program.

The bill that I have placed before the House today will provide for an expanded program to cover the special needs of the poor children in addition to the benefits to all our youngsters, and will extend coverage to American Samoa, Guam, the Virgin Islands, the Trust Territories, and Puerto Rico.

Mr. Speaker, I ask unanimous consent to insert the bill in its entirety at this point in the record for the reference of the members of this House.

REMARKS BY REPRESENTATIVE PATSY T. MINK ON MARCH 23, 1966, RELATING TO SCHOOL LUNCH PROGRAM

Mr. Speaker, I rise today to voice my strong opposition to any cutback in the present operation of the school lunch program. I find it most difficult to conceive how the cutback from \$202 million in fiscal 1966 to \$183 million proposed expenditure for fiscal 1967 can be contemplated, either as a justifiable saving in the Federal budget or as a move that would not affect the health of our nation's children. Though I applaud the Administration's proposal to increase its support of free lunches for needy children, I think it most unwise to withdraw subsidies from other young people, many of whom will undoubtedly cease to participate in the lunch program if the cost to them is increased.

The importance of the school lunch program has been recognized by five successive Administrations, starting back in 1936 during the Presidency of Franklin Delano Roosevelt, and has been maintained in full operation ever since, having been made permanent by the National School Lunch Act of 1946. Under this program, the Department of Agriculture works closely with school districts around the country to see that as many children as possible have hot meals available to them at reduced cost. At the present time, more than 18 million young people are benefiting from this Federal program by way of reimbursement in the form of cash payments and by surplus commodities.

The United States Congress in 1946 declared the intent of the National School Lunch Act to be "to safeguard the health and well-being of the Nation's children, and to encourage the domestic consumption of nutritious agricultural commodities and other food." Mr. Speaker, I pose the question of whether this 89th Congress will be the one to declare this program not important enough to be maintained at full level. Is this a Congress that will declare the nutritious diet of our school children to be even partly expendable? I would hope not.

The school lunch program is too vital to my State and to America to be even slightly curtailed. I am receiving letters daily from school officials, cafeteria managers, and concerned citizens about the Administration's proposed cutbacks for 1967. Typical of their sentiments is the following commentary by Mrs. Sakiko Okihara, Cafeteria Manager at Waimea High and Elementary School in Kauai County:

"I firmly believe that our national stamina is so tied up with the health of our people. For physically strong and mentally awake good bodies, wholesome food is a basic ingredient. If the cost of school lunches has to be raised to keep the school lunch program operating, and if some families should find it necessary to send their children to school hungry, then I would conclude that the contemplated and proposed slashes should not be enacted."

The school lunch program is highly utilized in Hawaii, Mr. Speaker, for both educators and parents recognize its contribution to the health of our youth. In fiscal 1965, over 20 million school lunches were sold at reduced cost in Hawaii, and more than 800,000 free lunches were served under this program. I cannot see how turning federally subsidized programs more and more in the direction of welfare assistance to needy children only, instead of allowing all our children to benefit, can be serving the public interest, and I urge my colleagues to see that the proposed cutbacks are not made.

To demonstrate the deep concern engendered in Hawaii by the Department of Agriculture's reduction in the school lunch program, I would like to insert in the Record at this point a Concurrent Resolution adopted by the Third Legislature of the State of Hawaii urging continuation of the program at current level:

"Whereas proposed cuts in the President's budget for the school lunch program means a loss of about a million dollars to the State of Hawaii and will cause an increase in the cost of school lunches which may lessen participation in the school lunch program and thereby further increase the cost to the State to maintain the school lunch program: Now, therefore be it

"Resolved by this senate (the house concurring), that the Honorable Senator Daniel K. Inouye, the Honorable Senator Hiram L. Fong, the Honorable Representative Spark M. Matsunaga, and the Honorable Representative Patsy T. Mink, be requested to do everything in their power to restore the proposed cuts in the President's budget to the national school lunch program, particularly in the areas of Federal cash subsidy, the Federal milk program and the Federal surplus commodity program; and be it further

"Resolved, That duly certified copies of this resolution be transmitted to the foregoing senators and representatives forthwith."

THE SENATE OF THE STATE OF HAWAII,
Honolulu, Hawaii, March 17, 1966.

We hereby certify that the foregoing concurrent resolution was adopted by the Senate of the Third Legislature of the State of Hawaii, budget session of 1966.

KAZUHISA ABE,
President of the Senate.
SEICHI HIRAI,
Clerk of the Senate.

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII,
Honolulu, Hawaii, March 17, 1966.

We hereby certify that the foregoing concurrent resolution was adopted by the House of Representatives of the Third Legislature of the State of Hawaii, budget session of 1966.

ELMER F. CRAVALHO,
Speaker, House of Representatives.
SHIGETO KANEMOTO,
Clerk, House of Representatives.

Mrs. MINK. Good afternoon, ladies and gentlemen. May I just make a few preliminary remarks before the committee convenes and actually conducts the public hearing this afternoon.

I certainly want to thank all of the witnesses who have, I know, put a great deal of effort in preparing their testimony in accordance with our request, and providing, I think, very valuable information for the committee's consideration.

The committee members here have been conducting a series of hearings along the west coast. They have already concluded about 2 or 3 weeks of hearings in Washington. I am very delighted to have this opportunity, as one of Hawaii's Congressmen and a member of this committee, to welcome these persons here.

I would like to take the opportunity before the hearings begin to introduce them to you. The chairman of our committee this afternoon is the Honorable William D. Ford, from Detroit, Mich. Mr. Ford.

The other member we have here this afternoon is the Congressman at Large from the State of Maryland, the Honorable Carlton R. Sickles.

Representing the minority members of our committee, the minority committee counsel, Mr. Charles Radcliffe.

Our majority counsel for the committee is Mr. H. D. (Jack) Reed.

So I would like at this time to turn the meeting over to the chairman, Mr. Ford, who will conduct the hearing relating to H.R. 13160.

Mr. FORD. Thank you, Mrs. Mink. On behalf of the full committee of the House of Representatives and the General Education Subcommittee, which is the direct parent of this investigating committee, I want to thank you and your staff for all of the work that has been done in preparation for our being here.

I might say to the people who are here that we will return to Washington on Monday where hearings will be started Monday morning without some of us, because of transportation we won't be back early enough Monday morning to participate in the hearing room, but we will be back in the hearings Tuesday morning, and sometime within the next 2 weeks we will begin the direct work of marking up the legislation that we are here to discuss today.

We are not here talking about something that is a possibility some distant time in the future. We are talking about legislation which will be moving through our committee in one form or another within the next few weeks and will be before the Congress hopefully not too much longer after that.

We have a number of provisions before the committee in the 1966 package of education legislation of special interest to Representative Mink because, as she has very forcefully pointed out to us many times on the committee, as she puts it, that you have special problems here that we must understand if this bill is to be equitable from the vantage point of a Hawaiian citizen.

It is our duty in writing this legislation to attempt to treat all Americans equally and fairly, and we can only do this by understanding how this legislation will affect all of them.

I might say that we have learned quite a lot about the special problems of States who do have large concentrations of military within their borders from Mrs. Mink since she has been on the committee, and from the places that we have visited on this trip, as well.

The hearing will proceed first with Senator David Trask, Representative Hiram Kamaka, and Representative Robert Taira. Gentlemen, without objection we will consider your prepared testimony that you have presented here as given, and it will be inserted at this point in the record immediately before your individual comments. You may proceed in whichever order is convenient for you to summarize the salient points of your testimony and lay the foundation for questions by the committee.

(The statements follow:)

STATEMENT OF HON. DAVID K. TRASK, JR., SENATOR FROM THE THIRD SENATORIAL DISTRICT FOR THE STATE OF HAWAII

Mr. Chairman and members of the General Subcommittee on Education of the House Committee on Education and Labor of the U.S. House of Representatives, my name is David K. Trask, Jr., and I am a Senator from the Third Senatorial District for the State of Hawaii. I appear before this honorable body on behalf of myself as the Chairman of the Senate Committee on Education, and on behalf of my colleague, Representative Robert S. Taira, Chairman of the House Committee on Education of the Third Legislature of the State of Hawaii. It is a pleasure and an honor for us to have the opportunity to present this joint statement before this subcommittee and thereby attempt to convey to you the effect of the proposed cutback in federal funds from the Federal Impact Areas Act (PL 815 and PL 874) and the National School Lunch Services and National Milk Subsidy Program (PL 128) on Hawaii's educational program. We hope that our presentation will promote the desired result—namely, the continuance of federal benefits presently derived by Hawaii and the other states.

In order that we might be able to explain the impact that the proposed cutback of federal funds will have on Hawaii's educational program, we feel it necessary to present to this subcommittee some background material. We are sure all of you are familiar with President Johnson's State of the Union Message which was delivered to Congress on January 4, 1965, in which he stated:

The Great Society asks not only how much, but how good; not only how to create wealth, but how to use it; not only how fast we are going, but where we are headed.

It proposes as the first test for a nation: the quality of its people.

This kind of society will not flower spontaneously from swelling riches and surging power.

It will not be the gift of Government or the creation of Presidents.

It will require of every American, for many generations, both faith in the destination and the fortitude to make the journey.

Like freedom itself, it will always be challenge and not fulfillment.

Tonight we accept that challenge.

A NATIONAL AGENDA

I propose we begin a program in education to insure every American child the fullest development of his mind and skills.

I propose we begin a massive attack on crippling and killing diseases.

I propose we launch a national effort to make the American city a better and more stimulating place to live.

I propose we increase the beauty of America and end the poisoning of our rivers and the air we breathe.

I propose we carry out a new program to develop regions of our country now suffering from distress and depression.

I propose we make new efforts to control and prevent crime and delinquency.

I propose we eliminate every remaining obstacle to the right and opportunity to vote.

I propose we honor and support the achievements of thought and the creations of art.

I propose we make an all-out campaign against waste and inefficiency.

* * * * *

III. TO ENRICH THE LIFE OF ALL

Our *third* goal is to improve the quality of American life.

THROUGH EDUCATION

We begin with learning.

Every child must have the best education our Nation can provide.

Thomas Jefferson said no nation can be both ignorant and free. Today no nation can be both ignorant and great.

In addition to our existing programs, I will recommend a new program for schools and students with a first-year authorization of \$1,500 million.

It will help at every stage along the road to learning.

For the preschool years we will help needy children become aware of the excitement of learning.

For the primary and secondary school years we will aid public schools serving low-income families and assist students in both public and private schools.

For the college years we will provide scholarships to high school students of the greatest promise and greatest need and guaranteed low-interest loans to students continuing their college studies.

New laboratories and centers will help our schools lift their standards of excellence and explore new methods of teaching. These centers will provide special training for those who need and deserve special treatment.

Following his message of January 4, 1965, President Johnson on January 12, 1965 submitted to Congress a special message on education in which he stated:

... I propose that we declare a national goal of full educational opportunity.

Every child must be encouraged to get as much education as he has the ability to take.

We want this not only for his sake—but for the Nation's sake.

Nothing matters more to the future of our country; not our military preparedness—for armed might is worthless if we lack the brainpower to build a world of peace; not our productive economy—for we cannot sustain growth without trained manpower; not our democratic system of government—for freedom is fragile if citizens are ignorant.

We must demand that our schools increase not only the quantity but the quality of America's education. For we recognize that nuclear age problems cannot be solved with horse-and-buggy learning. The three R's of our school system must be supported by the three T's—teachers who are superior, techniques of instruction that are modern, and thinking about education which places it first in all our plans and hopes.

Specifically, four major tasks confront us:

To bring better education to millions of disadvantaged youth who need it most.

To put the best educational equipment and ideas and innovations within reach of all students.

To advance the technology of teaching and the training of teachers.

To provide incentives for those who wish to learn at every stage along the road to learning.

The people of the State of Hawaii realize that the Congress met and are meeting the President's challenge in the area of education and for this we are humbly thankful. The State of Hawaii also heard and accepted the challenge of the President by the adoption of "The New Hawaii" program.

The New Hawaii is the legislative program, which states the goals and the means of achieving such goals, which was adopted by the Third State Legislature and the administration of the State. It is a definite attempt to consciously and intelligently shape change for a better Hawaii. It states that every citizen must have the opportunity to lead an enriched life by first, creating a standard of living that provides the basic necessities of life—food, shelter, clothing and medical care—and removing the social and economic barriers which impede the development of the basic abilities required to earn a living, participate in public affairs, and enjoy the good things of life; and secondly, that within this stable environment, government must provide opportunities whereby each individual may continue to develop his talents to the maximum of his abilities.

The "keystone" of The New Hawaii is equal educational opportunity, for it is education that is the major means of preparing the individual for a better life, it is education that makes the individual more productive, it is education which expands the size and technical competency of the economy, and it is education which raises the standard of living and contributes to the general well-being of the community. When we speak of equal educational opportunity, we mean that every individual should have an equal chance to develop to the fullest possible extent his abilities through education.

The New Hawaii program is not a disjointed program which is alienated from the national Great Society program of President Lyndon B. Johnson, but rather, it complements the activities of the federal government in its attempts to break the poverty cycle, provide a decent standard of living and provide equal educational opportunities for all.

The Third State Legislature adopted The New Hawaii program in full reliance upon the statements of the President in regard to education. Thus, in the 1965 session, it: (1) authorized 400 new teachers to improve the student/teacher ratio and to expand our vocational school and mental retardation programs (302 elementary and secondary, 18 off-formula, 21 mental retardation, 21 vocational, and 31 school librarians); (2) increased school book use program by \$300,000; (3) improved the school lunch program by allowing an extra \$150,000 and 55 cafeteria workers; (4) expanded the guidance, handicapped children, remedial language, institutional and hospital schools and adult education programs; (5) improved the educational level in the classrooms by expanding the teacher in-service training program, removing the residency requirement for teachers to attract competent persons from the mainland, and establishing an annual evaluation program for teachers; (6) improved teaching conditions by adopting a two-track salary schedule, broadening the sabbatical leave policy to promote professional self-improvement, and granting a significant pay raise (at a cost of \$12 million per year) to teachers to enable recruitment and retention of highly qualified teachers; (7) improved educational opportunities of children by raising the compulsory school attendance age from 16 to 18 and by allowing lower school entrance age for exceptional children; (8) established the State Educational Television Council at the University of Hawaii and appropriated funds to plan and operate a statewide ETV system; and (9) appropriated \$200,000 for a comprehensive study of the State's educational system to cover curriculum, teacher-training, and administration to seek ways of assuring that we have the best possible means for educating our children.

Thus, we were heartened when we heard President Johnson's January 12, 1966 State of the Union Message in which he stated:

This Nation is mighty enough, its society is healthy enough, its people are strong enough to pursue our goals in the rest of the world while still building a great society at home. And that is what I have come here to ask of you tonight.

I recommend that you provide the resources to carry forward with full vigor the great health and education programs that we enacted into law last year. . . .

There are men who cry out that we must sacrifice. Well, let us ask them, who will they sacrifice? Are they going to sacrifice the children who seek the learning, or the sick who need medical care, or the families who dwell in squalor that are now brightened by the hope of home? Will they sacrifice opportunity for the distressed, the beauty of our land, the hope of our poor?

Time may require further sacrifices, and if it does, then we will make them. But we will not heed those who wring from the hopes of the unfortunate here in a land of plenty.

I believe we can continue the Great Society while we fight in Vietnam. But if there are some who do not believe this, then in the name of justice let them call for the contribution of those who live in the fullness of our blessing, rather than try to strip it from the hands of those that are most in need.

Therefore, in the 1966 session, the Third State Legislature continued the improvements made to education in 1965 and in addition, we increased the total available state funds to the Department of Education and vested the department with the flexibility it has long needed by means of a "lump sum" budget. The "lump sum" budget is in itself a major advance for education in that it dictates through general guidelines that the Department of Education shall implement the concepts of The New Hawaii in the most expeditious manner possible while still being accountable for the expenditures made. In general, the guidelines directed the Department of Education to include the following:

(1) To provide equal educational opportunities to children from limited environments and backgrounds, the department shall be receptive to changes in program direction and shall emphasize language competency, deploy teaching and money resources according to specific criteria of "need", strengthen teacher resources in grades K to 3, implement student summer culture and art tour programs, and increase information relating to financial aid;

(2) To provide non-college bound children with full educational opportunities, the department shall strengthen general education for such children, re-evaluate vocational education in the secondary schools, re-examine the guidance and counseling program, continue to develop the adult education program, and strengthen the general education curriculum at Hawaii Technical School; and

(3) To improve the articulation of subject areas, strengthening district and individual school organizations to meet specific needs, establish a statewide policy on bus transportation, update school construction criteria and specifications, and revise the certificated personnel system to improve education in the classroom.

We attach hereto for your information a copy of The New Hawaii Program and an enumeration of the accomplishments of the Third State Legislature.

Mr. Chairman and members of the subcommittee, we believe we have made great strides in attempting to improve education in Hawaii. We believe the spokesman for the Department of Education and the Chairman of the House Committee on Appropriations will inform you of the magnitude of our investment in education. However, we would like to call your attention to one set of figures which may give you some inkling of our commitment to education. The Assistant Superintendent of the Office of Business Administration for the Department of Education, Mr. Koichi H. Tokushige, informed us that the average expenditure per pupil in the fiscal year 1964-1965 was \$434 whereas in fiscal year 1966-1967 the average expenditure per pupil will be \$611. It is evident from these figures, that the State of Hawaii has invested nearly every cent it can spare in improving its educational system.

We understand from our capable and charming Congresswoman, Mrs. Patsy T. Mink, that Hawaii stands to lose approximately \$6.6 million in federal funds (\$3.2 million in federal impact funds under PL 874, \$2.0 million of construction

funds under PL 815, \$200,000 in cash subsidies in the school lunch program, and \$700,000 in fiscal year 1965-1966 and \$500,000 in fiscal year 1966-1967 in surplus commodities) if the President's proposals are accepted. If the State of Hawaii is called upon to make up this reduction in federal funds at this point, we can only divert funds for teacher and classroom improvements needed to establish a minimum level of adequate and equal educational opportunities for every child in Hawaii. Such a reduction in effort would cause a tremendous setback in our drive toward an acceptable level of opportunities in our educational system.

We, as legislators of the Hawaii State Legislature and as Chairmen of the Senate and House Committees on Education, make a personal plea on behalf of the people of Hawaii that this subcommittee recommend that the flow of federal funds which aid the schools of the nation be continued. In this regard, we humbly ask this subcommittee consider seriously H.R. 8626 introduced by our Congresswoman. That bill would require the federal government to pay to all school districts the actual costs of education for those children who live on federal property.

Mr. Chairman and members of the subcommittee, we are sure that the continuation of the flow of federal funds to Hawaii's schools will enable this State to sustain its drive towards excellence in education, of which the first minimal steps are only now being taken. At this point, we can only repeat what President Johnson stated in his special message on Education on January 12, 1965:

In 1838, Mirabeau B. Lamar, the second President of the Republic of Texas and the father of Texas education, declared:

The cultivated mind is the guardian genius of democracy. It is the only dictator that free man acknowledges. It is the only security that free man desires.

Throughout the history of our Nation, the United States has recognized this truth. But during the periods when the country has been most astir with creative activity, when it most keenly sensed the sturdiness of the old reaching out for the vigor of the new, it has given special attention to its educational system.

This was true in the expansive 1820's and the 1830's, when the American people acted decisively to build a public school system for the lower grades. It is no less true at the vigorous turn of the 20th century, when high schools were developed for the millions. Again, during the questing 1930's fresh ideas stirred the traditions of the ruler and the blackboard.

We are now embarked on another venture to put the American dream to work in meeting the new demands of a new day. Once again we must start where men who would improve their society have always known they must begin—with an educational system restudied, reinforced, and revitalized.

Strengthening general education

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Developing and initiating programs designed to give equal educational opportunity to children in rural schools or in schools in limited environment communities or to children who are socially, economically, or culturally deprived.	Act 99—Operating budget: (1) \$200,000 to study curriculum, teacher training, and the roles and functions of policymakers and administrators concerned with public education in Hawaii. (There is also an appropriation of \$25,000 to University of Hawaii College of Education for review of the teacher training program.) (2) Required department of education report on further decentralization of functions and preparation of an operating budget for 1966-67 based on the needs of individual schools. (3) Facilitated the expansion of the research, statistics, and data processing office in department of education. (4) Expanded department of education testing program for students to grades 11 and 12. (5) Additional teachers to reduce the pupil-teacher ratio. Act 175—Omnibus education: (1) Authorized department of education to establish and maintain pregrade classes and schools. (2) Provided department of education flexibility to ignore age levels in accepting children for kindergarten and to keep children in kindergarten more than 1 year.	Act — (HB 2, HD 1, SD 2, CD 1)—Elected school board: Implementing the constitutional amendment which provides for an elected school board—11 members (Hawaii, 2; Maui, 1; Kauai, 1; Oahu, 4 from school districts and 3 at-large). Act 8 (HB 199, HD 1, SD 1, CD 1)—Operating budget: To strengthen general education in Hawaii, a lump sum operating budget of \$96,686,833 (\$74,768,865 general fund) was appropriated to the department of education, along with the following general, and subsequent specific, guidelines: The department of education is directed to embrace and implement portions of the 1965 new Hawaii program pertaining to general education. The department of education is asked to be receptive to massive changes in program emphasis and direction in the future and to develop a State educational blueprint to include individual school blueprints and to emphasize language competency among other program phases. Guideline No. 2—Provide equal educational opportunities. Guideline No. 10—Deploy teaching and money resources according to specific criteria of "need," strengthen language arts and teacher resources in grades K to 3. Guideline No. 13—Motivate students to continue their education by strengthening information dissemination relating to financial aid. Guideline No. 14—Implement student summer culture and arts tour program. Guideline No. 17—Directs the department of education to develop reasonable and workable program plans which will clearly specify long- and short-range program goals and means of accomplishment of goals and its evaluation. Federal funds shall be sought, not for their own sake, but for the sake of educational objectives outlined here. Guideline No. 18—Directs appropriate management systems be established to assure effective resource utilization. Guideline No. 19—Directs the department of education to report its operational and financial plans for fiscal 1967 and 1968 to the 1967 legislature. Act 2 (HB 3, HD 1)—Appropriates \$4,815,000 to the department of education for portable classrooms. Act — (HB 432, HD 1)—Adopting a compact for education for research and informational exchange purposes.

Strengthening general education—Continued

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
2. Providing educational opportunities for children not preparing to go to college which will equip them to become full members of the community.	Act 23—Authorizes department of education to participate in the Federal Manpower Development and Training Act of 1962. Act 99— (1) Expand department of education testing program (see above). (2) Reduce pupil-teacher ratio (see above). Act 175—Deleted the provision making courses in agriculture, manual training, domestic arts, and domestic science compulsory in all grades above the 6th grade. (2) Reduce pupil-teacher ratio (see above). Act 175—Deleted the provision making courses in agriculture, compulsory in all grades above the 6th grade.	Act 8 (HB 199, HD 1, SD 1, CD 1)—Operating budget; Guideline No. 3—Strengthen general education for non-college-bound students. Guideline No. 7—Review and reevaluate vocational education in the secondary schools. Guideline No. 11—Reexamine guidance and counseling program for role clarity, competency upgrading, and "new" approaches. Guideline No. 14—Summer culture and art tours for children and to provide neighbor island tours of the Honolulu Symphony and Honolulu Theater for neighbor island children. Guideline No. 15—Continued development of adult education programs. Guideline No. 16—Strengthened general education curriculum of Hawaii Technical School. Act 8 (HB 199, HD 1, SD 1, CD 1)—Operating budget; Guideline No. 4—Improve the articulation of subject areas. Guideline No. 13—Motivate children to further their education by disseminating information or the financial assistance programs that are available. Act 8 (HB 199, HD 1, SD 1, CD 1)— Guideline No. 5—Strengthen district and individual school organizations utilizing established criteria school-by-school budget improving ongoing programs first and new programs based on design. Guideline No. 8—Establish a statewide policy on school bus transportation considering area variations. Guideline No. 9—Update school construction criteria and specifications. Guideline No. 10—See 1 above. Guideline No. 17—See preface to 1 above.
3. Improving the continuity and facilitating the transition between the various levels of education and between feeder schools and the schools into which they feed.	This was eventually dropped as a separate area on the assumption that action on other "New Hawaii" proposals would accomplish this goal.	
4. Strengthening the district and individual school organizations so that districts and the schools in those districts, within the context of statewide educational goals, will be encouraged to utilize different methods and programs to meet the specific needs of the populations they serve.	Act 99— (1) Provided funds for inservice education to be expended by districts as well as funds to expand overall department of education inservice training institutes and workshops. (2) Provided additional funds and personnel to implement new staffing formula at district level.	

5. Revising the certificated personnel system so that it contributes to improved education in the classroom by improving teacher training, broadening certification requirements, extending and intensifying recruitment, revising assignment and transfer policies, making evaluation comprehensive, modifying the tenure system as it applies to future personnel, strengthening inservice education, adjusting pay of certificated personnel, and improving the teaching environment.

6. Reviewing the existing college of education programs for teacher training.

Act 99—

- (1) Provided funds to place in each school certain basic reference materials for use of professional staff and establish at district level circulating libraries of current literature of interest to professional educators.
- (2) Increased number of interns in administrative training program.
- (3) Provided funds for a 2-week seminar for elementary and secondary school principals in place of a 2-day conference in Honolulu.
- (4) Increased sabbatical and other educational leaves for DOE professional staff.

Act 174—
Act 175—

- (1) Eliminated residency and citizenship requirements for hiring DOE professional staff.
- (2) Reduced time individuals must serve as teacher or exchange principal in Hawaii schools before appointment as principal from 5 to 1 year.
- (3) Amended DOE flexibility in relation to probation of new teachers.
- (4) Increased DOE flexibility for discharge or demotion of professional personnel.
- (5) Spelled out criteria for selection of professional personnel for sabbaticals and created greater flexibility for DOE in use of funds for educational leaves not strictly definable as sabbaticals.
- (6) Mandates DOE to establish evaluation program for all professional personnel.
- (7) Established teacher education coordination committee.

Act 175—

Established teacher education coordination committee.

Act 8 (HB 199, HD 1, SD 1, CD 1)—

Guideline No. 6—Revise certificated personnel system. Guideline No. 12—Develop teacher and administrator exchange program and improve other training programs.

Act — (HB 279, HD 1, SD 1)—Reallocates principals and vice principals so that salary overlaps are eliminated.

Act 8 (HB 199, HD 1, SD 1, CD 1)—Guidelines for University of Hawaii embrace and support studies such as the Stiles report and heavily emphasize teaching all undergraduates the "common core" in arts and sciences.

EXPANDING AND IMPROVING HIGHER EDUCATION

The continued growth and improvement of the University of Hawaii is essential to provide college-bound youth with an opportunity for higher education, to the economic development of the State, to the improvement of society in Hawaii, and to contributions by the people of this State to the well-being of the nation, the Pacific Basin, and the larger world community. The following will help to achieve these goals:

1. Implementing an academic development plan which gives special attention to those areas in which the University may make unique as well as significant contributions of high quality;
2. Emphasizing the importance of instructional programs including the improvement of counseling and the introduction of new teaching methods;
3. Enabling the University to attract and retain an outstanding faculty by adjusting salaries and providing other incentives;
4. Supporting an adequate and balanced student financial assistance program that will assure a high degree of equality of educational opportunity for students whose schooling should extend beyond high school; and
5. Providing for the long-term financing of University capital improvements, such program to take into account the University's long-range physical needs, its available assets and possible sources of revenues.

Expanding and improving higher education

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Implementing an academic development plan which gives special attention to those areas in which the university may make unique as well as significant contributions of high quality.	HB 48 (vetoed by Governor)—Created the Hawaii Educational Research Cooperative Committee primarily for the purpose of providing a sound foundation to obtain certain available grants from the Federal Government (see committee reports for specific examples). (See also appropriation to the educational research bureau in act 99.) Act 99—It can be assumed that most of the appropriations are in accord with the University of Hawaii's desires and the academic development plan.	Act 8 (HB 199, HD 1, SD 1, CD 1)—Operating budget. To expand and improve higher education in Hawaii, a lump sum operating budget of \$24,929,685 (\$28,259,166 general fund) was appropriated to the University of Hawaii, along with the following guidelines: (1) Emphasis on common core curriculum for all higher education campuses and for all undergraduate students. (2) Continue improvement of research activities but to supplement and not supplant meaningful classroom instruction. (3) Strengthen the college of tropical agriculture to provide quality education, research of greatest relevance to Hawaii and the Pacific area, and coordinated efforts especially aimed at the rural communities and disadvantaged groups. (4) Continued strengthening the community college system to include programs in art and culture. Act 3 (HB 4)—Appropriates \$15,783,000 (\$1,273,000 Federal funds) for capital improvements including \$5,137,000 for community colleges, \$508,000 for educational television, and \$378,000 for temporary classrooms, laboratories, and offices. Act 8 (HB 199, HD 1, SD 1, CD 1)—Guideline to enhance programs in student personnel, financial administration, and maintenance of physical facilities.
2. Emphasizing the importance of instructional programs including the improvement of counseling and the introduction of new teaching methods.	Act 99—In college of arts and sciences funds and positions provided to initiate an academic advising program.	Act 8 (HB 199, HD 1, SD 1, CD 1)—Guideline to improve staff, faculty, and holding resources for adequate undergraduate and graduate library services. Act 8 (HB 199, HD 1, SD 1, CD 1)—Guideline to improve program under the united student aid fund by including students and institutions eligible under Public Laws 89-329 and 89-287. Includes students attending posthigh institutions, such as technical and vocational schools certified by HEW.
3. Enabling the university to attract and retain an outstanding faculty by adjusting salaries and providing other incentives.	Act 99—Established chair in college of arts and sciences. Act 176—Raised faculty salaries and adjusted incremental step raises.	Act 8 (HB 199, HD 1, SD 1, CD 1)—Guideline to improve staff, faculty, and holding resources for adequate undergraduate and graduate library services.
4. Supporting an adequate and balanced student financial assistance program that will assure a high degree of equality of educational opportunity for students whose schooling should extend beyond high school.	None	Act 8 (HB 199, HD 1, SD 1, CD 1)—Guideline to improve program under the united student aid fund by including students and institutions eligible under Public Laws 89-329 and 89-287. Includes students attending posthigh institutions, such as technical and vocational schools certified by HEW.
5. Providing for the long-term financing of university capital improvements, such program to take into account the university's long-range physical needs, its available assets and possible sources of revenues.	Act 195—Authorized University of Hawaii to issue revenue bonds for parking.	Act 8 (HB 199, HD 1, SD 1, CD 1, CD 2)—Guideline to encourage and develop incremental development plan for construction of facilities at Manoa and Hilo campuses and another 4-year campus if necessary to meet expanding needs. Act — (HB 529, HD 1, SD 2)—Extends scope of functions of higher education facilities commission to insure State receipt of Federal funds under Higher Education Facilities Act of 1963, Higher Education Act of 1965, and other Federal grants-in-aid programs.

CONTRIBUTING TO THE PHYSICAL AND SOCIAL WELL-BEING OF THE INDIVIDUAL

It is no longer sufficient simply to maintain an individual or family, unable to fend for themselves, at the minimal subsistence level. Much more needs to be done to insure that those in need of help are being effectively assisted in a manner consonant with the equally important goals of maintaining their self-respect while restoring them to self-sufficiency whenever possible. Therefore, more needs to be done to identify the causes of physical and social ills, to prevent such ills from developing, to make sure that children from families aided by society are not permanently crippled by the ills that may have marred their parents' lives, and in turn to prevent these ills from marring the lives of their yet unborn children. The following will contribute to achieving the State's objectives:

1. Revising existing welfare programs, including aid to the medically indigent, so that adequate emphasis is given to maintaining a decent standard of living, acquiring and maintaining self-respect, and achieving rehabilitation and integration into society;
2. Encouraging experimentation designed to find means for needy individuals to restore themselves to a productive role in society;
3. Providing decent low-cost housing designed and administered to avoid creating the social problems that may be associated with mass housing projects;
4. Participating fully in the "War on Poverty" so that the unnecessary and cruel blight of want and waste may be permanently removed from today's affluent society;
5. Developing and carrying out a comprehensive statewide mental health program to meet the needs of the mentally ill and retarded, such a program to emphasize prevention, early diagnosis, and a return to a more receptive and understanding society;
6. Reviewing the problem of crime in our community and the ways in which we meet it, so that we may more effectively eliminate or minimize its causes while protecting the public and rehabilitating the offender;
7. Improving the physical well-being of our people through adequate medical research, disease prevention, diagnosis, treatment and care; and
8. Protecting the well-being of the individual through an adequate traffic safety program.

Contributing to the physical and social well-being of the individual

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Revising existing welfare programs, including aid to the medically indigent, so that adequate emphasis is given to maintaining a decent standard of living, acquiring and maintaining self-respect, and achieving rehabilitation and integration into society. 2. Encouraging experimentation designed to find means for needy individuals to restore themselves to a productive role in society.	Act 26—Federal Food Stamp Act participation.----- Act 99—Operating budget: (1) 35 workload and expansion social workers for Oahu. (2) Increased money and medical payments for economic assistance. Act 261—Research, programs, and facilities for the aged.-----	Act 8 (HB 199, HD 1, SD 1, CD 1): (1) Added 6 social worker positions to aid elderly institution patients, home finding, blind rehabilitation, and neighbor island food stamp programs. (2) Additional funds for clothing, educational, personal expenses, and cost-of-living adjustments in money payment program. (3) Authorized DSS to provide wider choice of physician service to rural Oahu and neighbor islands for the indigent and medically indigent. Act — (SB 117, SD 1)—Authorizes withholding of Federal income taxes from retirement payments to a member of the employees' retirement system if he consents in writing and authorizes board of trustees to promulgate necessary rules and regulations. Act—(HB 548, HD 2, SD 1)—Amends insurance law to permit spouses and dependents of an insured employee to purchase group life insurance equivalent to that of the employee. Act 8 (HB 199, HD 1, SD 1, CD 1): (1) Added 2 consultants to develop plans for federally aided demonstration projects, 1 especially for the Commission on Aging. (2) Continued support of Act 261. Act—(HB 534)—Provides that any improvements made by owner occupants of residential buildings in voluntary compliance with health, safety, sanitation, or other governmental code provisions shall not increase the assessable valuation of any such building for a period of 6 years and establishes methods for certifying such claims. Act 8 (HB 199, HD 1, SD 1, CD 1)—Continued support (\$450,000).
3. Providing decent low-cost housing designed and administered to avoid creating the social problems that may be associated with mass housing projects. 4. Participating fully in the war on poverty so that the unnecessary and cruel blight of want and waste may be permanently removed from today's affluent society. 5. Developing and carrying out a comprehensive statewide mental health program to meet the needs of the mentally ill and retarded, such a program to emphasize prevention, early diagnosis, and a return to a more receptive and understanding society.	Act 199—Income limitations for public housing eligibility. Act 201—Old-age home exemption. Act 128—Free vaccination and immunization for indigents and medically indigents. Act 186—Preventive dental care for indigents, medically indigents, and needy children. Act 99—Operating budget. Hawaii OEO: \$500,000.----- Act 19—PKU testing required.----- Act 33—Voluntary admission of mental units without written consent of parent or guardian. Act 46—Revision of mental retardation law to emphasize treatment and care within the community. Act 99—Operating budget: (1) Short-term psychiatric care, \$44,000 expansion (2) Children's mental health center, \$43,000 expansion.----- Act 103—Emergency hospitalization for the mentally disordered. Act 213—Community mental health and mental retardation programs.	Act—(SB 56)—Provides for the emergency hospitalization of mentally ill persons in public and private hospitals, on certificate of physicians. Act 8 (HB 199, HD 1, SD 1, CD 1): (1) Implement statewide mental health plan, \$40,000. (2) Implement statewide mental retardation plan, Federal funds. (3) Additional staff at Waipahu and Wahiawa mental health centers. (4) Five positions added to mental heal convalescent center. (5) Continued support of Act 213.

Contributing to the physical and social well-being of the individual—Continued

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
6. Reviewing the problem of crime in our community and the ways in which we meet it, so that we may more effectively eliminate or minimize its causes while protecting the public and rehabilitating the offender. 7. Improving the physical well-being of our people through adequate medical research, disease prevention, diagnosis, treatment, and care.	See strengthening the judiciary----- Act 99—Operating budget: (1) Strengthening activities of the Pacific Biomedical Research Center. (2) Free measles vaccination for the needy. (3) PKU detection team, department of health. (4) Additional medical services at Lanakilla Medical Center. (5) Comprehensive prenatal care program, Waianae-Nanakuli-Maile district. Act 105—CIP budget: (1) Biomedical science building, UH, Manoa campus. (2) Diamond Head Health Center, multipurpose facility. (3) Nanakuli Health Center. Act 128—Free vaccination. Act 186—Preventive dental care for indigents and needy children. Act 235—Dental care for children under 19 provided in public employees' health plan. Act 260—Free medical care for public pensioners and free dental care for their dependents under 19. Act 5—Prohibiting defacement of motor vehicle serial numbers. Act 29—Subjecting motorcycles and motor scooters to motor vehicle laws. Act 125—Authorizing payment of outstanding citations before renewal of motor vehicle registration. Act 10—Uninsured motorists insurance.	See Act—(HB 16, HD 2, SD 1), authorizing revisor to contract with Judicial Council for comprehensive study, review, and revision of our criminal, juvenile, and correctional law. (HR 78, HD 1)—Youth corrections task force request. Act—(HB 300)—Authorizes department of health to establish a program of home health services and charge and collect fees thereby qualifying for fuller participation in the Federal Medicare program. Act 8 (HB 199, HD 1, SD 1, CD 1)—Operating budget. (1) Committee on the employment of the handicapped, \$18,000. (2) Expanded prenatal care program at Waianae-Nanakuli-Maile; initiated similar programs for Waimanalo, Palolo, and Hilo. (3) 3 additional staff for TB program. (4) Increased ambulance service at Waimanalo, \$37,152 (3), and Haleiwa-Waialua, \$32,006 (2). (5) Subsidies to private hospitals to be distributed by department of health according to need.
8. Protecting the well-being of the individual through an adequate traffic safety program.		Act—(HB 5, HD 1, SD 2)—Established a statewide driver education program in every high school in the State. Act 8 (HB 199, HD 1, SD 1, CD 1)—Operating budget. Appropriated \$123,755 to eliminate backlog of traffic citations, thereby insuring prompt enforcement of traffic laws and regulations.

IMPROVING AND STRENGTHENING HAWAII'S ECONOMIC BASE

Hawaii's complex economic base involves the interests of employer and employee, businessman and consumer, landowner and lessee, importer and exporter, farmer and wholesaler, hotel owner and tourist, and the State and the military, among others. These various interests need to be balanced to provide the best possible environment for individual economic well-being and development. In addition, revolutionary technological changes in our productive system require that economic and social concepts, which once had relevance, be reconsidered so that they may be made more applicable to current realities. It is particularly important that all members of our productive system—management, labor and consumer—be beneficiaries rather than victims of the changes which are occurring. Programs in education must provide the present and future worker with greater and more meaningful choices; programs to improve the physical and social well-being of the individual must contribute to halting the growth of the permanently depressed class, and aid in reducing the size of this class; and our programs for improving and strengthening Hawaii's economic base must help all of our citizenry to reap some of the rewards of modern technological change. The following will contribute to the achievement of these goals:

1. Increasing the opportunities for the achievement of an adequate income for every individual and family as a matter of right;
2. Furthering the technological revolution while seeking to assure an optimal allocation of human and natural resources;
3. Developing training and other programs and policies designed to assure a relatively smooth transition during technological change in order to protect individuals from potentially chaotic effects;
4. Encouraging the development of the foreign trade zone, export trade, marine interisland transportation, and new science-research industries which will open new job opportunities and sources of income;
5. Protecting the consumer against those who would take unfair advantage of him;
6. Promoting the economic climate by encouraging employment and improving the laws regulating business and related transactions;
7. Programming total public and private development of tourist destination areas so that public and private facilities and services become available as required;
8. Recognizing that one of Hawaii's important assets is its open spaces and taking necessary steps to promote their preservation and use;
9. Encouraging more effective use of the natural resources of Hawaii including its public and private lands for developments which directly benefit the general community; and
10. Increasing the availability of land in fee simple for home ownership.

Improving and strengthening Hawaii's economic base

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Increasing the opportunities for the achievement of an adequate income for every individual and family as a matter of right.	Act 20—Employer's contribution to employment security to be based on 90 percent of average annual wage instead of flat \$3,600 ceiling. Act 106—Maximum award for disfigurement in workmen's compensation cases increased to \$10,000. Act 152—Adjustments to certain workmen's compensation payments for equalization. Act 167—Wage and hour law extended to employees guaranteed a monthly wage of \$550. Act 222—Public employees' retirement benefits improved. Act 250—Weekly benefits under employment security to be based on $\frac{2}{3}$ average weekly wages instead of \$55 maximum scale. Act 270—Manpower and full employment commission.	Act 6 (HB 306)—Amends workmen's compensation law so that the aggregate weekly benefits payable on account of any one death shall not exceed \$35,100 instead of \$25,000. Act 7 (HB 320)—Provides for the injured employee to receive medical and employer reports concerning his injuries. Act — (HB 191, HD 1)—Required employers of more than 25 employees to pay the employee for wages lost when serving as a juror or while serving on a public board or commission.
2. Furthering the technological revolution while seeking to assure an optimal allocation of human and natural resources.		Act 8 (HB 199, HD 1, SD 1, CD 1, CD 1)— (1) Continued support of Act 270. (2) Appropriated \$18,000 for the committee on employment of the handicapped.
3. Developing training and other programs and policies designed to assure a relatively smooth transition during technological change in order to protect individuals from potentially chaotic effects.	See strengthening general education and expanding and improving higher education. Act 90—Operating budget; Operations under the Manpower Development and Training Act in departments of education and labor and industrial relations. Act 99—Operating budget: (1) Expansion of foreign trade zone staff and operations. (2) Expansion of capital and farm loan programs. (3) Expansion of tourist promotion. (4) Expansion of public utilities research and inspection programs.	
4. Encouraging the development of the foreign trade zone, export trade, marine interisland transportation, and new science-research industries which will open new job opportunities and sources of income.		Act 8 (HB 199, HD 1, SD 1, CD 1)—Further expansion: (1) Foreign trade zone, +\$40,000. (2) Capital loan, +\$450,000. Farm loan, +\$250,000. (3) Tourist promotion, +\$170,530. (4) Industry and product promotion, +\$34,500. (5) Promotion of science-related industries, +\$25,000.

5. Promoting the economic climate by encouraging employment and improving the laws regulating business and related transactions.	Act 201—Taxation, exempting from excise and use taxes contracts with the United States for research and development activities. Act 204—Interisland ferry system bond authorization. Act 208—Uniform commercial code. Act 209—UH Research Corp. Act 210—Research and development promotion.	Act — (HB 418)—Permits State chartered building and loan associations to pay quarterly dividends or semiannual dividends, as determined by an association's board of directors.
6. Programming total public and private development of tourist destination areas so that public and private facilities and services become available as required.	Act 99—Operating budget: Department of the attorney general, fair business practices division established. Act 126—Uniform weights and measures. Act 127—Attorney general as consumer counsel. Act 129—Unfair or deceptive business practices. Act 201—Taxation: Property tax exemption for land dedicated to landscaping, open space, and public recreation. Act 233—Antifillboard law. Act 239—Omnibus land law.	Act 8 (HB 199, HD 1, SD 1, CD 1)—Operating budget: 5 additional planners for CIP and planning programs (Oahu, 2; Hawaii, 1; Maui, 1; Kauai, 1). Act 8 (HB 199, HD 1, SD 1, CD 1)—Operating budget: (1) 4 additional deputy attorneys general for expanded anti-trust and consumer protection programs. (2) Continued and additional support to the public utilities commission.
7. Protecting the consumer against those who would take unfair advantage of him.	Act 265—Tax penalty for withdrawal of dedicated lands for reserved. Act 277—Dedicating urban lands for agriculture use.	Act — (SB 192, SD 1, HD 1, HD 1)—Control of commercial activities on State's shorelines. Act — (HB 343, SD 1)—Authorizes director of transportation to regulate outdoor advertising consistent with the Federal Beautification Act of 1965. Act — (HB 344)—Authorizes director of transportation to regulate junkyards which are within 1,000 feet of Federal aid highways consistent with the Federal Beautification Act of 1965.
8. Recognizing that one of Hawaii's important assets is its open spaces and taking necessary steps to promote their preservation and use.		Act — (HB 345)—Authorizes expenditure of State highway funds for highway beautification, enhancement, rest, recreational and other facilities. Act — (HB 474)—Authorizes all persons owning lands in fee simple in natural disaster area who possess a State lease to exercise option to purchase such land if their lands are condemned or purchased for a public purpose.
9. Encouraging more effective use of the natural resources of Hawaii including its public and private lands and developments which directly benefit the general community.		
10. Increasing the availability of land in fee simple for home ownership.		

DEVELOPING DIVERSIFIED AGRICULTURE AND FISHING

Hawaii has the necessary human and natural resources to develop a thriving diversified agricultural industry and a strong fishing industry that not only can increase the flow of money into the economy but reduce the amounts we spend outside the State for foodstuffs, improve our diet and lower the cost of living. No longer can we afford fragmented approaches to reaping the harvests of our lands and our seas. We must unite our efforts in order to make the significant breakthroughs in the organization of these endeavors and thus let all our people share in the rewards that can be ours. The following steps will also help us to achieve our goals:

1. Developing and implementing a unified plan for the strengthening of our diversified agricultural economy, such a plan to consider land availability and use, research, demonstration, farming practices, water resources, use of fertilizers and chemicals; transportation, marketing, promotion and financing;

2. Providing for close coordination of program and effort among the public and non-governmental agencies working to promote and develop diversified agriculture; and

3. Developing and implementing a unified plan for strengthening the local fishing industry, such a plan to consider research, pilot programs and prototype vessels, fishing practices, marketing, processing, promotion and financing.

Developing diversified agriculture and fishing

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Developing and implementing a unified plan for the strengthening of our agricultural economy, such a plan to consider land availability and use, research, demonstration, farming practices, water resources, use of fertilizers and chemicals, transportation, marketing, promotion, and financing. 2. Providing for close coordination of program and effort among the public and private parties working to promote and develop agriculture.	Act 99—Operating budget: Strengthening Department of Agriculture's research staff. ----- See (1) ----- Act 103—New fishing vessel construction loan fund.	Act — (SB 354, SD 2, HD 1)—Exemption from excise taxes the loading and unloading of local agricultural products in inter-island shipment; wholesale rate applied to feed for feedlot services, semen, replacement herds and breeding services; and exemption from excise taxes for agricultural products sold for out-of-State consumption. Act — (HB 26, HD 1)—Eliminates inspection fees on all classes of animals slaughtered in licensed slaughterhouses. Act 8 (HB 199, HD 1, SD 1, CD 1)—Hawaiian development irradiator, \$20,000. Act 8 (HB 199, HD 1, SD 1, CD 1): (1) Additional \$130,000 for Act 193 purposes. (2) Cooperative fishery unit, \$10,000. (3) Commercial fishery research, +\$30,620 (\$15,310 Federal).
3. Developing and implementing a unified plan for strengthening the local fishing industry, such a plan to consider research, pilot programs and prototype vessels, fishing practices, marketing, processing, promotion, and financing.		

PRESERVING AND FURTHERING CULTURE AND THE ARTS

Every man should have the opportunity to develop his mind and spirit; for this he needs the stimulus of good music, vital drama, lively visual arts, and other challenging cultural experiences. Furthermore, the people of Hawaii have demonstrated their desire to preserve and nurture the cultures that have been and are contributing to our present environment. Participating in and enjoying the arts of today does not mean the abandonment of the past. The following will contribute to the development of the whole individual today as well as to the preservation and furtherance of our many heritages:

1. Recognizing that the State has a responsibility for participating in the preservation and furtherance of the cultures of our past and contributing to the appreciation of the arts of today; and
2. Establishing a state program concerned with culture and the arts including bringing the arts to those who otherwise would not have the opportunity to participate.

Preserving and furthering culture and the arts

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Recognizing that the State has a responsibility for participating in the preservation and furtherance of the cultures of our past and contributing to the appreciation of the arts of today. 2. Establishing a State program concerned with culture and the arts including bringing the arts to those who otherwise would not have the opportunity to participate.	Act 269—State foundation on culture and the arts: (1) Promote public awareness and appreciation of culture and the arts in the State. (2) Preserve and enhance cultures of various ethnic groups. Act 99—Operating budget: (1) Contract with Honolulu Symphony Society for school concerts in neighbor island public schools (\$35,000). (2) Support for Honolulu Theater for Youth to make 1 annual trip to each neighbor island county (\$4,500).	Act 8 (HB 199, HD 1, SD 1, CD 1)—Continued support and expansion of: (1) Foundation on culture and arts (+\$25,000). (2) School concerts by Honolulu Symphony (\$35,000). (3) Honolulu Theater for Youth (\$10,000). (4) Art, culture, and the humanities expanded in the community college system. (5) Continued expansion of ETV on all islands. (6) Emphasis on historical preservation and maintenance in State park system.

STRENGTHENING THE HAWAIIAN HOMES PROGRAMS

An improved Hawaiian Homes Program will substantially increase the possibilities of achieving the purposes of the Hawaiian Homes Commission Act. The Act has suffered from an uncertain financial base as well as an inadequate program for the attainment of social betterment for present and potential participants in the Hawaiian Homes Program. Improvements in the Act can be accomplished by:

1. Achieving financial support for loans to lessees by securing and guaranteeing loans made by outside lending institutions;
2. Increasing funds available for programs of an educational nature for lessees, and particularly for their children; and
3. Providing a means whereby current and potential participants may be aided in purchasing their own homes while living in the general community.

Strengthening the Hawaiian homes program

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Achieve financial support for loans to lessees by securing and guaranteeing loans made by outside lending institutions. 2. Increase funds available for programs of an educational nature for lessees, and particularly for their children. 3. Provide a means whereby current and potential participants may be aided in purchasing their own homes while living in the general community.	Act 4: (1) Permits private lending institutions to make loans guaranteed by the department to beneficiaries who wish to build, purchase, or improve homes located anywhere in the community. (2) Directs DOE to initiate programs designed to improve educational opportunities for children of beneficiaries. Act 30—Permits investment of unused funds in bonds and securities authorized by State law; the interest to be credited to and deposited in the Hawaiian home operating fund. Act 238—Appropriated \$100,000 to be deposited into the Hawaiian home farm loan fund for loans to lessees. Act 271—Authorized the department to manage and dispose of its unused lands.	Act 8 (HB 199, HD 1, SD 1, CD 1)—Added \$100,000 for Act 4 purposes.

STRENGTHENING FEDERAL-STATE-LOCAL RELATIONS

The complicated nature of society today no longer permits governments to isolate themselves one from another. Today we need vigorous local governments, a vital and resourceful state government and a strong, socially-conscious federal government. We need to have these governments work in concert, each doing what it can do best, to further the common interest of their common governors, the people. Much has been accomplished in recent years to strengthen federal-state-local relations, but more remains to be done. The following will help:

1. Locating primary responsibility for coordinating federal-state and state-local activities and promoting fruitful intergovernmental relationships in a single state agency;
2. Facilitating voluntary joint state-county programs and projects, transfer of functions, and technical interchange;
3. Granting counties more authority over and responsibility for their own municipal affairs; and
4. Considering geographical dispersal of governmental operations and facilities.

Strengthening Federal-State-local relations

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Locating primary responsibility for coordinating Federal-State and State-local activities and promoting fruitful intergovernmental relationships in a single State agency.	Act 99—Authorized expenditures by OEO. Coordinating responsibility and provision for transfer of funds upon transfer of functions. Coordinating responsibility: Governor, director of finance. Act 130—State loans for federally reimbursable costs on Federal aid projects. Coordinating responsibility: director of finance. Act 158—State-county cooperation agreements. Coordinating responsibility: Governor. Act 159—State highway system, in cooperation with Federal and county agencies. Coordinating responsibility: director of transportation. Act 164—Interchange of public employees. Coordinating responsibility: director of personnel services, directors of civil service. Act 193—Hawaii fisheries new vessel construction loan program. Coordinating responsibility: chairman of board of land and natural resources. Act 195—Capital improvements. Coordinating responsibility: Governor, director of planning and economic development, director of finance. Act 200—Regulation of boating. Coordinating responsibility: department of transportation. Act 202—Position of State ranger. Coordinating responsibility: board of land and natural resources. Act 210—Research and development industry promotion program. Coordinating responsibility: department of planning and economic development. Act 213—Community mental health and mental retardation program. Coordinating responsibility: department of health. Act 234—State grants-in-aid to counties for capital improvement projects. Coordinating responsibility: Governor and departments of budget and finance and planning and economic development. Act 237—Federal programs coordinator. Act 261—Fund for research and programs for the aged. Coordinating responsibility: commission on aging. Act 270—Advisory commission on manpower and full employment. Coordinating responsibility: Governor.	Act—(SB 192, SD 1, HD 1)—Authorizes director of transportation to regulate shore waters, shores, and beaches for safety, licensing, and registration of commercial activity and other uses. Act—(HB 343, SD 1, HB 344, HB 345)—Enacted regulatory legislation of outdoor advertising, junkyards, and facilities along highways to insure maximum participation in the Federal Beautification Act of 1965. Act 8—(HB 199, HD 1, SD 1, CD 1)—Operating budget. Continued support and appropriated an additional \$90,902 (1).

Strengthening Federal-State-local relations—Continued

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
2. Facilitating voluntary joint State-county programs and projects, transfer of functions, and technical interchange	Act 23—Authorizes department of education, as well as department of labor and industrial relations, to participate in Manpower Development and Training Act of 1962. Act 31—Gives fee setting powers to county liquor commissions. Act 72—Provides for county control of air pollution with provision for technical interchange. Act 83—Transfers control of explosives from chiefs of police to director of labor and industrial relations. Act 97—Transfers from the counties to the State: (1) School planning, construction, and maintenance; (2) transportation of schoolchildren; (3) burial of indigents; (4) planning construction, maintenance, and operation of public hospitals and health facilities; (5) medical treatment and hospitalization of State and county pensioners; and (6) administration and operation of district courts. Act 99—Transfer of funds to accompany transfer of functions. Act 138—Authorizes Community College Division of University of Hawaii, as well as vocational division of DOE, to be responsible for apprenticeship programs. Act 150—Removes jurisdiction over soil and water conservation districts of department of accounting and general services. Act 155—State grants-in-aid to counties. Act 158—State-county cooperation agreements. Act 159—State highway system, in cooperation with Federal and county agencies. Act 164—Interchange of public employees. Act 200—Regulation of boating. Act 202—Position of State ranger.	Act 7—(SB 320, SD 2, HD 1, CD 1)—Authorizes the Governor by executive order to turn over State land in fee simple to any county for use as a county highway and requires the county involved to be responsible for its repair and maintenance as a county highway. Act — (SB 356, SD 1)—Extends for an additional year State-county contracts for functions transferred to the State under Act 97.

Act — (HB 333, HD 1, SD 1)—Transfers from the State to the several counties the authority to set motor vehicle weight tax rates.

- Act 31—Gives fee-setting powers to county liquor commissions.
- Act 39—Authorizes all boards of water supply to issue revenue bonds.
- Act 40—Liberalizes authorized short-term investment of county moneys.
- Act 41—Authorizes counties to issue refunding general obligation bonds.
- Act 65—County charter commissions.
- Act 72—County control of air pollution.
- Act 95—Authorizes destruction of county records after time determined by the county.
- Act 101—Additional powers of urban redevelopment agencies.
- Act 121—Broadens licensing power of county liquor commissions.
- Act 142—County office of public defender.
- Act 150—Soil and water conservation district jurisdiction.
- Act 191—County responsibility for clearing beaches and shores.
- Act 221—County ownership of county highways.
- Act 233—County ordinances concerning outdoor advertising.
- Act 251—County disposal of surplus personal property.
- Act 195—Capital improvements.
- Act 214—Department of agriculture public meetings on various islands.
- Act 234—State grants-in-aid to counties for capital improvement projects.

3. Granting counties more authority over and responsibility for their own municipal affairs.

4. Considering geographical dispersal of governmental operations and facilities.

STRENGTHENING THE JUDICIARY

The Constitution of the State of Hawaii guarantees the right to a speedy and public trial. The people of the State are entitled to the speedy determination of guilt or innocence and to the early resolution of disputes between parties. The following will help to achieve this goal:

1. Reviewing the administrative procedures of the courts to determine whether the most efficient and economical methods are being utilized;
2. Adding additional courts as necessary to render speedy, equitable and humane treatment; and
3. Reviewing and adopting model and uniform laws which promote and protect the general welfare.

Strengthening the judiciary

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Reviewing the problem of crime in our community and the ways in which we meet it, so that we may more effectively eliminate or minimize its causes while protecting the public and rehabilitating the offender. 2. Reviewing the administrative procedures of the courts to determine whether the most efficient, economical, and equitable methods are being utilized. 3. Adding additional courts as necessary to render speedy, equitable, and humane treatment. 4. Reviewing and adopting model and uniform laws which promote and protect the general welfare.	Act 43—Assignment of counsel for indigents. Act 142—County office of public defenders. Act 102—Setting of minimum sentences. Act 118—Western interstate corrections compact. Act 119—Education as condition for parole. Act 160—Agreement on detainees. Act 8—Certification of questions of local law by Federal appellate courts to the Hawaii Supreme Court. Act 97—Transfer of administration and operation of district courts from the counties to the State. Act 104—Jurisdiction of circuit court filing procedure. Act 55—Excuse from jury duty. Act 56—Pooling of jury panels. Act 171—Jury verdicts in civil cases. Act 187—Pay of jurors. Act 267—Wages lost due to service on jury. Act 216—Increased number of 1st circuit court judges. Act 223—Increased salaries of justices and judges and other officers of the judiciary. Act 232—Family Court Act. Act 208—Uniform Commercial Code. Act 44—Uniform Act for Simplification of Fiduciary Security Transfers. Act 126—Uniform weights and measures.	Act — (HB 16, HD 2, SD 1)—Authorizes reviser of statutes to contract with the judicial council for a comprehensive study, revision, and review of the State criminal, juvenile, and correctional law—\$20,000 appropriated for this purpose. Reviser to completely revise all statutory law—\$20,000 for clarifying retirement laws and \$106,000 for bulk revision. Act — (HB 191, HD 1)—Requires employers to pay all employees who serve on juries, boards, or commissions an amount equal to the difference between the remuneration of such services and the remuneration they would have received had they not performed the public service. Act — (HB 290, HD 1)—Amends law to facilitate the operation of the family court. Act — (HB 293)—Amends procedural rules in domestic relations cases. Act — (SB 337, HD 1)—Permits judicial review and trial by jury of natural disaster claims. Act — (HB 470, HD 1); Act — (HB 471)—Updated laws relating to recordation of documents to take advantage of modern methods such as photography and data processing. Act 8 (HB 199, HD 1, SD 1, CD 1): (1) Expanded professional staffing of family court (\$51,154 (6)) and increased foster home care (\$81,385). (2) Additional psychiatrist and psychologist in mental health for family court purposes. Act — (HB 370, HD 1)—Provides limits, form, manner, and effect of the right to disclaim by an heir, next of kin, devisee, legatee, or any other person taking property of an interest in property under a will or other testamentary instrument. Act — (HB 198, HD 1, SD 1)—Amends the Uniform Commercial Code so as to clarify the law.

**STRENGTHENING REPRESENTATIVE GOVERNMENT BY EXTENDING
THE FRANCHISE**

Decision-making in the democratic society is closely related to the nature and extent of the franchise and the wisdom with which it is exercised. The laws of the State and the way in which they are administered determine the nature and extent of the franchise; education, to a large degree, determines the wisdom with which that franchise is exercised. The following, in addition to education, will help to improve the franchise in Hawaii:

1. Reviewing the recommendations of the President's Commission on Registration and Voting Participation and adopting and implementing those recommendations which are usefully applicable in Hawaii;
2. Encouraging all eligible citizens to register and to vote; and
3. Redefining residence so that persons considering themselves to be residents of Hawaii and meeting specified minimum qualifications may participate in the electoral process.

Strengthening representative government by extending the franchise

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Reviewing the recommendations of the President's Commission on Registration and Voting Participation and adopting and implementing those recommendations which are usefully applicable in Hawaii. 2. Encouraging all eligible citizens to register and vote. 3. Redefining residence so that persons considering themselves to be residents of Hawaii and meeting specified minimum qualifications may participate in the electoral process.	Act 14—Failure to vote, reregistration of electors Act 263—Reregistration and voting procedures. -----	Act — (SB 31, SD 2, HD 1, CD 1)—Provided a procedure whereby members of the U.S. armed services and their dependents who intend to reside in Hawaii may register and vote.

STRENGTHENING REPRESENTATIVE GOVERNMENT BY IMPROVING
THE LEGISLATIVE PROCESS AND MAKING THE LEGISLATURE
MORE REPRESENTATIVE

An informed, responsible and representative legislature is a necessity to the preservation of democratic government at both the federal and state levels. During the past years many significant improvements have been made in the legislative process in Hawaii. Much remains to be done to strengthen representative government by improving the representativeness of the legislature and its effectiveness in reaching policy decisions, overseeing the conduct of government, and educating the electorate. The following will contribute to this strengthening:

1. Reapportioning the legislature;
2. Providing for continuity in legislative policy-making and review through institutionalization of the legislative process during the interims between sessions;
3. Activating a system for legislative fiscal review and audit of the accounts of state and local governmental agencies;
4. Providing annual salaries for legislators and reducing allowances to the level necessary to meet subsistence and transportation expenses; and
5. Providing adequate year-round staff to assist the legislature in formulating policies, performing housekeeping functions, and conducting research.

Strengthening representative government by improving the legislative process and making the legislature more representative

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Reapportioning the legislature. ----- 2. Providing for continuity in legislative policy-making and review through institutionalization of the legislative process during the interims between sessions. 3. Activating a system for legislative fiscal review and audit of the accounts of State and local governmental agencies. 4. Providing annual salaries for legislators and reducing allowances to the level necessary to meet subsistence and transportation expenses. 5. Providing adequate year-round staff to assist the legislature in formulating policies, performing housekeeping functions, and conducting research.	Act 281—Provides for provisional reapportionment of the Senate. Act 231—Provides that the presiding and vice presiding officers and the clerk of each house shall retain their respective offices between sessions and discharge their duties. It also provides for the succession of presiding officers. Act 230—Provides funds and positions for the legislative auditor's office. None. Act 231—Authorizes each house to appoint permanent professional staff to assist in the development of policy and serving as staff for permanent and interim committees. Provides for the clerks to function between sessions.	Act 1 (SB 3, SD 1, HD 1, CD 1)—Appropriates \$275,000 for the expenses of the legislative auditor for fiscal 1966-67 and removes the maximum number of positions authorized for that office.

GOVERNMENT FINANCES AND EXPENDITURES

Financing governmental operations and programs is a complex undertaking. Many of the expenditures required by the programs recommended in these legislative proposals are in the nature of an investment in the future of the State; others will reduce the need for future public expenditures of a remedial or custodial nature. It must also be recognized that a society has an obligation to pay its public employees a fair wage. In considering our tax structure it is important to consider the burden which the tax system imposes on taxpayers from different income brackets. It is also important to realize that the largest part of increased tax revenues are returned to local taxpayers through: (a) increased services, (b) employee salaries, (c) purchase of goods and services, and (d) the general raising of the community's standard of living. The ignoring of urgent needs within the community can only have a dangerous effect on the continued well-being of the entire community. The following steps are necessary for adequate financing of government:

1. Increasing the efficiency of governmental operations to insure the greatest possible return to the community from public service expenditures;

2. Supporting and financing expansions in old and new public programs that represent an investment in the State's future and reduce the need for future remedial and custodial type expenditures;

3. Modifying the State's tax structure so as to create a more progressive system based upon ability to pay; and

4. Paying adequate salaries to government employees so that they will be justly compensated for their services and so that the State may recruit and retain able civil servants.

Governmental finances and expenditures

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
1. Increasing the efficiency of governmental operations to insure the greatest possible return to the community from public service expenditures.	Act 99—Operating budget: (1) Strengthening centralized purchasing. (2) Promoting the motor pool operations. (3) Expanding data processing. (4) Additional staff for department of personnel services. Act 166—County budgets and finances, fiscal year basis.	Act 8 (HB 199, HD 1, SD 1, CD 1)—Continued. (2) Continued. (3) Further strengthening: +\$152,823(22) for SWIS system analysts and programmers. (4) Further additional funds for temporary service (+\$10,218). (5) Department of taxation expanded by \$57,893(2) to assure equitable impact of tax administration.
2. Supporting and financing expansions in old and new public programs that represent an investment in the State's future and reduce the need for future remedial and custodial type expenditures.	Act 99—Operating budget expansion: (1) Education—\$8,075,678(867). (2) Development and natural resources—\$1,505,418(28). (3) Health, protective, and social services—\$2,980,143(97). (4) Finance, commerce, and staff departments—\$194,709(19). Acts 99, 163, 213, etc.—Taking full advantage of Federal assistance: (1) Antipoverty. (2) Maternal and child care. (3) Manpower training. (4) Educational television. (5) Mental health and mental retardation. (6) Water pollution control. (7) Vocational rehabilitation.	Act 8 (HB 199, HD 1, SD 1, CD 1)—Expansion: (1) Education—Lump-sum budgets to DOE and University of Hawaii. (2) Development and natural resources—\$1,315,354(25). (3) Health, protective, and social services—\$893,610(72, 5). (4) Finance, commerce, and staff departments—\$237,619(12). Act 8 (HB 199, HD 1, SD 1, CD 1)—Continued support.

Governmental finances and expenditures—Continued

1965 new Hawaii program	1965 session accomplishments	1966 session accomplishments
3. Modifying the State's tax structure so as to create a more progressive system based upon ability to pay.	Act 155—Taxation, increases: (1) Consumer-type tax credits. (2) Education offset tax credits. (3) Personal income schedule adjusted: Bottom bracket rates lowered 25 percent, top bracket rates raised 22 percent. (4) Corporate income and capital gains raised 17 and 12 percent. Act 201—Taxation, exemptions: (1) Excise tax exemption given to blind shops, cooperative housing corporations for maintenance, and to scientific contracts with the United States. (2) Use tax exemption given to use of aircraft as a public utility. (3) Property tax exemption increased for blind shops and the aged (the latter placed on a graduated progressive scale) and extended to lands dedicated for open space, patriotic associations, and Federal credit unions. Act 255—Development of wastelands, special assessment procedures. Act 174—Teacher's pay raise. Act 176—University of Hawaii faculty pay raise. Act 223—General employees' pay raise.	Act — (HB 206)—Establishes a uniform due date for monthly tax returns for withholding, use, liquor, and tobacco tax returns to the last day of the month. Act — (SB 63, SD 1)—Imposes a conveyance tax on all instruments or documents relating to transfers of any interest in real property at the rate of $\frac{1}{2}$ mill (0.0005) per dollar. Act — (SB 354, SD 2, HD 1)—Treats as wholesale transactions feed for feed lot services, semen, replacement herd and breeding services; exempts from excise tax the loading, transporting, and unloading of agricultural products of commodities in interisland shipment as well as liquor, tobacco, and local agricultural products to be consumed out of State; and includes in the wholesale rate, income to a corporation wholly owned by blind persons.
4. Paying adequate salaries to government employees so that they will be justly compensated for their services and so that the State may recruit and retain able civil servants.	Act 255—Development of wastelands, special assessment procedures. Act 174—Teacher's pay raise. Act 176—University of Hawaii faculty pay raise. Act 223—General employees' pay raise.	Act — (SB 355, SD 2)—Requires board of trustees of the Hawaii public employees health fund to establish a noninsured and a supplemental health benefits plan which takes into account benefits available under the Federal medicare plan. Act — (SB 333, SD 1)—Permits the first deputy or first assistant to the department head of a county government who was subject to a percentage limitation on his salary by sec. 5-20 to be granted credit increment or longevity for the period salary was so limited. Act — (HB 279, HD 1, SD 1)—Principals and vice principals pay adjusted. Act — (HB 326, SD 2)—Provides cash payment for overtime work or compensatory time off at option of employer.

STATEMENT OF HON. HIRAM K. KAMAKA, MEMBER OF THE HAWAIIAN HOUSE OF REPRESENTATIVES

Mr. Chairman and members of the General Subcommittee on Education of the House Committee on Education and Labor of the U.S. House of Representatives, my name is Hiram K. Kamaka. I am a member of the Hawaii State House of Representatives. I am appearing before this honorable body in my capacity as Chairman of the House Committee on Appropriations.

The purpose of my remarks this afternoon is to impress upon you this one important fact—a reduction in federal support to education such as that contemplated in the President's proposals would not only cause great financial difficulties on our State treasury but more importantly, it would seriously dampen and retard, if not abort, Hawaii's major and inspired efforts to provide to all of its people an opportunity for quality education.

The State of Hawaii is in its second year of implementing its "New Hawaii" program. Briefly described, the "New Hawaii" is a unified plan which aims to provide to all of our people a standard of living sufficient to free them for a full and effective life in our society and to provide the means for individuals to develop their abilities to lead such a life.

I understand that the "New Hawaii" document has been submitted to you. A perusal of this document will give you a quick picture and understanding as to the State of Hawaii's developmental plans.

At the heart of the "New Hawaii" program is education. In appropriating funds for the operation of the State government for fiscal year 1967, the State Legislature clearly indicated the central role of education in its Conference Committee Report which stated in part:

"The Department of Education shall be responsible for establishing and implementing educational programs of the highest quality which will ensure to all individuals the elements of learning necessary for intelligent and effective citizenship, to earn a decent living, and to enjoy the good life. In order to accomplish this goal, all of our children must be given equal educational opportunities. Every child must have an equal chance to develop, to the fullest possible extent, his abilities through education. The legislature deems that the provision of equal educational opportunity is particularly important since it is the keystone in the bridge to social and economic mobility, occupational advancement, individual self-fulfillment and personal freedom. The Department of Education is charged with the responsibility of implementing its programs in the most direct, effective, efficient and economical manner."

I realize that the goal of "better education" is oftentimes no more than a political slogan. I respectfully submit, however, that in Hawaii "better education" is not a slogan but a real aspiration which is being vigorously pursued. The record of achievements of the last two legislative sessions provides ample evidence in support of this claim.

In fiscal year 1965, the State's general fund support for the operation of our public school system amounted to \$44.8 million. For fiscal years 1966 and 1967 the State's commitment was increased to \$52.2 million and \$74.8 million, respectively. Over a two-year period, therefore, the school budget was increased by about 67 percent.

School facility construction funds were also significantly increased. In fiscal year 1965, State and local governments appropriated \$17.7 million for school projects. In fiscal years 1966 and 1967, State appropriations totaled \$20.6 million and \$35.9 million, respectively.

To finance this substantial boost in the school budget, a major tax increase was effected. The significance of this last tax increase can be appreciated when one considers that prior to its enactment Hawaii's per capita tax collection already ranked eighth in the Nation while ranking only fifteenth in per capita personal income.

I am informed by our fiscal authorities that the President's proposal which reduces federal contributions to education under Public Laws 874 and 815 and the school lunch program would cause a \$6.6 million reduction in federal support to education in Hawaii. Hawaii's legislative appropriation to education for fiscal year 1967 was based on the premise that there would be no substantial cuts in federal contributions. In my opinion, any substantial reduction in federal support would compel the State of Hawaii to cut back drastically its educational program.

This cutback would nullify all funds heretofore earmarked for program improvements in fiscal year 1967. It may be pertinent to point out that about 48,000 children from federally connected families or about 30 percent of our total school population will be directly affected by this cutback.

It is my understanding that the philosophy which gave rise to the enactment of Public Law 874 was that the federal government should be principally concerned with the education of children whose parents reside on federal bases and thus furnish limited contribution to the tax base of state and local governmental units. If this understanding is correct, it would appear that the cost of educating children from federally connected families should not be reduced, but rather increased as proposed in H.R. 8626, which was introduced in Congress by our Congresswoman, Mrs. Patsy T. Mink.

In conclusion, permit me to say that the people of Hawaii would be unalterably opposed to any legislation which will reduce federal financial support to education in Hawaii. It would be a shame, indeed, if a State such as Hawaii which has so enthusiastically accepted the challenge of the federal Great Society program would be forced to drastically reduce its educational improvement program as a direct result of federal legislation.

**STATEMENTS OF DAVID K. TRASK, JR., SENATOR FROM THE THIRD
SENATORIAL DISTRICT OF THE STATE OF HAWAII, AND HIRAM
K. KAMAKA, MEMBER OF THE HAWAII STATE HOUSE OF REP-
RESENTATIVES AND CHAIRMAN OF THE HOUSE COMMITTEE ON
APPROPRIATIONS; ACCOMPANIED BY ROBERT TAIRA, MEMBER
OF THE HAWAII STATE HOUSE OF REPRESENTATIVES**

Mr. TRASK. Thank you, Hon. William Ford, chairman, Hon. Carlton Sickles, Hon. Patsy T. Mink.

My name is David K. Trask, Jr., and I am a senator from the Third Senatorial District for the State of Hawaii. I am also chairman of the Senate Education Committee of the State of Hawaii Senate. On my right is Robert S. Taira, chairman of the House Committee on Education, and on my left Representative Hiram Kamaka, appropriations chairman.

Of course, it is a pleasure and honor for us to have the opportunity to present this joint statement before this subcommittee and thereby attempt to convey to you the effect of the proposed cutback in Federal funds from the Federal Impact Areas Act, Public Laws 815 and 874, and the national school lunch services and national milk subsidy program, Public Law 128, on Hawaii's educational program. We hope that our presentation will promote the desired result; namely, the continuance of Federal benefits presently derived by Hawaii and the other States.

In order that we might be able to explain the impact that the proposed cutback of Federal funds will have on Hawaii's educational program, we feel it necessary to present to this subcommittee some background material. Quoting from President Johnson's state of the Union message which was delivered to you people in Congress:

The Great Society asks not only how much, but how good; not only how to create wealth, but how to use it; not only how fast we are going, but where we are headed.

He also said:

We begin with learning. Every child must have the best education our Nation can provide.

And he quoted Thomas Jefferson:

"No nation can be both ignorant and free." Today no nation can be both ignorant and great.

Gentlemen, we believe that the people of the State of Hawaii realize that the Congress met and is meeting the President's challenge in the area of education, and for this we are humbly thankful. The State of Hawaii also heard and accepted the challenge of the President by the adoption of "The New Hawaii" program.

The new Hawaii is the legislative program which states the goals, and the means of achieving such goals, which was adopted by the third State legislature and the administration of the State. It is a definite attempt to consciously and intelligently shape change for a better Hawaii. It states that every citizen must have the opportunity to lead an enriched life by first, creating a standard of living that provides the basic necessities of life—food, shelter, clothing, and medical care—and removing the social and economic barriers which impede the development of the basic abilities required to earn a living, participate in public affairs, and enjoy the good things of life; and, secondly, that within this stable environment, government must provide opportunities whereby each individual may continue to develop his talents to the maximum of his abilities.

The "keystone" of the new Hawaii is equal educational opportunity, for it is education that is the major means of preparing the individual for a better life. It is education that makes the individual more productive. It is education which expands the size and technical competency of the economy, and it is education which raises the standard of living and contributes to the general well-being of the community.

When we speak of equal educational opportunity, we mean that every individual should have an equal chance to develop to the fullest possible extent his abilities through education.

Now, when we mean equal opportunity in the State of Hawaii, we mean that this includes not only areas in the city, but includes the rural areas, our farming areas, our areas such as the plantation areas on Kauai and Maui and Hawaii. It includes our Kona area, which is an area of farming and also our tourism.

The new Hawaii program is not a disjointed program which is alienated from the national Great Society program of President Lyndon B. Johnson, but rather, it complements the activities of the Federal Government in its attempts to break the poverty cycle, provide a decent standard of living, and provide equal educational opportunities for all.

The third State legislature adopted the new Hawaii program in full reliance upon the statements of the President in regard to education. Thus, in the 1965 legislature, it (1) authorized 400 new teachers to improve the student/teacher ratio and to expand our vocational school and mental retardation programs (302 elementary and secondary, 18 off-formula, 21 mental retardation, 21 vocational and 31 school librarians); (2) increased schoolbook use program by \$300,000; (3) improved the school lunch program by allowing an extra \$150,000 and 55 new cafeteria workers; (4) expanded the guidance, handicapped children, remedial language, institutional and hospital schools and adult education programs; (5) improved the educational level in the classrooms by expanding the teacher inservice teaching program, removing the residency requirement for teachers to attract competent persons from the mainland.

Incidentally, gentlemen and lady, Patsy Mink, we had a 3-year residence clause which prohibited our recruiting outside talent, unless they lived in Hawaii for 3 years, except where we had no other teachers. Then we could go out and recruit and contract them. In 1965 we abolished that law. We now can go anywhere in the world.

We improved teaching conditions by adopting a two-track salary schedule broadening the sabbatical leave policy to promote professional self-improvement, and granting a significant pay raise at a cost of \$12 million per year to teachers to enable recruitment and retention of highly qualified teachers.

(The two-track system to be furnished follows:)

Department of Education integrated salary schedule

(Symbols: B—Basic; I—Incentive)

Salary range	Increment steps										Longevity steps (3 years each)		
	1	2	3	4	5	6	7	8	9		L-1	L-2	L-3
I 1 B-----	4,330	4,547	4,774	5,013	5,264	5,527	5,803	6,093	6,398		6,718	7,054	7,407
1 I-----	4,584	5,076	5,330	5,597	5,877	6,171	6,480	6,803	7,144		7,501	7,870	8,270
2 B-----	4,774	5,330	5,597	5,877	6,171	6,480	6,803	7,144	7,501		7,870	8,270	8,684
3 B-----	5,013	5,597	5,877	6,171	6,480	6,803	7,144	7,501	7,870		8,270	8,684	9,108
3 I-----	5,330	5,914	6,171	6,480	6,803	7,144	7,501	7,870	8,270		8,684	9,108	9,544
4 B-----	5,597	6,171	6,480	6,803	7,144	7,501	7,870	8,270	8,684		9,108	9,544	10,003
4 I-----	5,877	6,480	6,803	7,144	7,501	7,870	8,270	8,684	9,108		9,544	10,003	10,483
5 B-----	6,171	6,803	7,144	7,501	7,870	8,270	8,684	9,108	9,544		10,003	10,483	10,973
5 I-----	6,480	7,144	7,501	7,870	8,270	8,684	9,108	9,544	10,003		10,483	10,973	11,473
6 B-----	6,803	7,501	7,870	8,270	8,684	9,108	9,544	10,003	10,483		10,973	11,473	11,983
6 I-----	7,144	7,870	8,270	8,684	9,108	9,544	10,003	10,483	10,973		11,473	11,983	12,493
7 B-----	7,501	8,270	8,684	9,108	9,544	10,003	10,483	10,973	11,473		11,983	12,493	13,003
7 I-----	7,870	8,684	9,108	9,544	10,003	10,483	10,973	11,473	11,983		12,493	13,003	13,513
8 B-----	8,270	9,108	9,544	10,003	10,483	10,973	11,473	11,983	12,493		13,003	13,513	14,023
8 I-----	8,684	9,544	10,003	10,483	10,973	11,473	11,983	12,493	13,003		13,513	14,023	14,533
9 B-----	9,108	10,003	10,483	10,973	11,473	11,983	12,493	13,003	13,513		14,023	14,533	15,043
9 I-----	9,544	10,483	10,973	11,473	11,983	12,493	13,003	13,513	14,023		14,533	15,043	15,553
10 B-----	10,003	11,003	11,513	12,023	12,533	13,043	13,553	14,063	14,573		15,083	15,593	16,103
10 I-----	10,483	11,513	12,023	12,533	13,043	13,553	14,063	14,573	15,083		15,593	16,103	16,613
11-----	10,973	12,023	12,533	13,043	13,553	14,063	14,573	15,083	15,593		16,103	16,613	17,123
12-----	11,473	12,533	13,043	13,553	14,063	14,573	15,083	15,593	16,103		16,613	17,123	17,633
13-----	11,983	13,043	13,553	14,063	14,573	15,083	15,593	16,103	16,613		17,123	17,633	18,143
14-----	12,493	13,553	14,063	14,573	15,083	15,593	16,103	16,613	17,123		17,633	18,143	18,653
15-----	13,003	14,063	14,573	15,083	15,593	16,103	16,613	17,123	17,633		18,143	18,653	19,163
16-----	13,513	14,573	15,083	15,593	16,103	16,613	17,123	17,633	18,143		18,653	19,163	19,673
17-----	14,023	15,083	15,593	16,103	16,613	17,123	17,633	18,143	18,653		19,163	19,673	20,183
18-----	14,533	15,593	16,103	16,613	17,123	17,633	18,143	18,653	19,163		19,673	20,183	20,693
19-----	15,043	16,103	16,613	17,123	17,633	18,143	18,653	19,163	19,673		20,183	20,693	21,203
20-----	15,553	16,613	17,123	17,633	18,143	18,653	19,163	19,673	20,183		20,693	21,203	21,713

NOTES.—1. Basic and incentive plans apply to teachers only. 2. Teachers and educational officers must complete three (3) years to qualify for longevity step increments.

Mr. TRASK. (7) We improved the educational opportunities of children by raising the compulsory school attendance age from 16 to 18 and by allowing lower school entrance age for exceptional children; (8) we established the State Education Television Council at the University of Hawaii, which goes on the air tonight at 6:45.

Thus, we were heartened when we heard President Johnson's January 12, 1966, state of the Union message in which he stated:

This Nation is mighty enough, its society is healthy enough, its people are strong enough to pursue our goals in the rest of the world while still building a Great Society at home. And that is what I have come here to ask of you tonight.

I recommend that you provide the resources to carry forward with full vigor the great health and education programs that we enacted into law last year.

In the 1966 legislature, the third State legislature continued the improvements made to education in 1965 and in addition, we increased the total available State funds to the department of education, and we granted the school board a "lump sum" appropriation to spend how they feel and where they feel like it.

The "lump sum" budget is in itself a major advance for education in that it dictates through general guidelines that the department of education shall implement the concept of the new Hawaii in the most expeditious manner possible while still being accountable for the expenditures made.

Gentlemen, in the State of Hawaii, it was a great historical move forward, because, as politicians, we have been not overly wanting to give up our authority, and when we granted this lump sum appropriation, it was the giving up of power, power that rightfully and justifiably belongs in the hands of the school department.

In general, the guidelines directed the department of education to do the following:

- (1) To provide equal educational opportunities to children from limited environments and backgrounds, the department shall be receptive to changes in program direction and shall emphasize language competency, deploy teaching and money resources according to specific criteria of "need," strengthen teacher resources in grades K to 3, implement student summer culture and art tour programs, and increase information relating to financial aid;

- (2) To provide non-college-bound children with full educational opportunities, the department shall strengthen general education for such children, reevaluate vocational education in the secondary schools, reexamine the guidance and counseling program.

- (3) To improve the articulation of subject areas, the department shall strengthen district and individual school organizations to meet specific needs.

Mr. Chairman and members of the subcommittee, we believe we have made great strides in attempting to improve education in Hawaii. We believe the spokesman for the department of education and the chairman of the house committee on appropriations will inform you of the magnitude of our investment in education.

We understand from our capable and charming Congresswoman, Mrs. Patsy T. Mink, that Hawaii stands to lose approximately \$6.6 million in Federal funds—\$3.2 million in Federal impact funds under Public Law 874, \$2 million of construction funds under Public Law

815, \$200,000 in cash subsidies in the school lunch program, and \$700,000 in fiscal year 1965-1966 and \$500,000 in fiscal year 1966-1967 in surplus commodities—if the President's proposals are accepted. If the State of Hawaii is called upon to make up this reduction in Federal funds at this point, we can only divert funds from teacher and classroom improvements needed to establish the minimum level of adequate and equal educational opportunities for every child in Hawaii. Such a reduction in effort would cause a tremendous setback in our drive toward an acceptable level of opportunities in our educational system.

We, as legislators of the Hawaii State Legislature and as chairmen of the senate and house committees on education, and as appropriations chairman, make a personal plea on behalf of the people of Hawaii that this subcommittee recommend that the flow of Federal funds which aid the schools of this Nation be continued. In this regard, we humbly ask that this subcommittee consider seriously H.R. 8626 introduced by our Congresswoman. That bill would require the Federal Government to pay all school districts the actual costs of education for those children who live on Federal property.

Mr. Chairman and members of the subcommittee, we are sure that the continuation of the flow of Federal funds to Hawaii's schools will enable this State to sustain its drive toward excellence in education, of which the first minimal steps are only now being taken.

Mr. Chairman, gentlemen, Mrs. Mink, I will now turn over the microphone to the appropriations chairman of the house of representatives, Hiram Kamaka.

Mr. KAMAKA. Thank you, Senator Trask.

Mr. Chairman and members:

My name is Hiram K. Kamaka. I am a member of the Hawaii State House of Representatives. I am appearing before this honorable body in my capacity as chairman of the house committee on appropriations.

The purpose of my remarks this afternoon is to impress upon you this one important fact: a reduction in Federal support to education such as that contemplated in the President's proposals would not only cause great financial difficulties on our State treasury but, more importantly, it would seriously dampen and retard, if not abort, Hawaii's major and inspired efforts to provide to all of its people an opportunity for quality education.

The State of Hawaii is in its second year of implementing its "new Hawaii" program. I understand the "new Hawaii" document has been submitted to you.

I realize that the goal of better education is oftentimes no more than a political slogan. I respectfully submit, however, that in Hawaii better education is not a slogan but a real aspiration which is being vigorously pursued. The record of achievements of the last two legislative sessions provides ample evidence in support of this claim.

In fiscal year 1965, the State's general fund support for the operation of our public school system amounted to \$44.8 million. For fiscal years 1966 and 1967 the State's commitment was increased to \$52.2 million and \$74.8 million, respectively. Over a 2-year period, therefore, the school budget was increased by about 67 percent.

School facility construction funds were also significantly increased. In fiscal year 1965, State and local governments appropriated \$17.7

million for school projects. In fiscal years 1966 and 1967, State appropriations totaled \$20.6 million and \$35.9 million, respectively.

To finance this substantial boost in the school budget, a major tax increase was effected. The significance of this last tax increase can be appreciated when one considers that prior to its enactment Hawaii's per capita tax collection already ranked 8th in the Nation while ranking only 15th in per capita personal income.

I am informed by our fiscal authorities that the President's proposal which reduces Federal contributions to education under Public Laws 874 and 815 and the school lunch program would cause a \$6.6 million reduction in the Federal support to education in Hawaii. Hawaii's legislative appropriation to education for fiscal year 1967 was based on the premise that there would be no substantial cuts in Federal contributions. In my opinion, any substantial reduction in Federal support would compel the State of Hawaii to cut back drastically its educational program. This cutback would nullify all funds heretofore earmarked for program improvements in fiscal year 1967. It may be pertinent to point out that about 48,000 children from federally connected families, or about 30 percent of our total school population, will be directly affected by this cutback.

It is my understanding that the philosophy which gave rise to the enactment of Public Law 874 was that the Federal Government should be principally concerned with the education of children whose parents reside on Federal bases and thus furnish limited contribution to the tax base of the State and local governmental units. If this understanding is correct, it would appear that the cost of educating children from federally connected families should not be reduced, but rather increased as proposed in H.R. 8626, which was introduced in Congress by our Congresswoman, Mrs. Patsy T. Mink.

In conclusion, permit me to say that the people of Hawaii would be unalterably opposed to any legislation which will reduce Federal financial support to education in Hawaii. It would be a shame, indeed, if a State such as Hawaii which has so enthusiastically accepted the challenge of the Federal Great Society program would be forced to drastically reduce its educational improvement program as a direct result of Federal legislation.

Thank you.

Mr. TRASK. Excuse me.

Mr. FORD. Yes.

Mr. TRASK. On my extreme right is Dr. Lowell Jackson, our superintendent of the department of education.

Mr. FORD. We are glad to welcome Dr. Jackson as a part of this panel.

Mrs. MINK. He will be testifying later.

Mr. TRASK. Mr. Chairman, I am sure we will all be available for questions.

Mr. FORD. Do you want to make a statement before we start raising questions, Mr. Taira?

Mr. TAIRA. I am standing by to help in answering questions.

Mr. FORD. You indicated that 30 percent of the school population of Hawaii is federally connected in the sense of that phrase as it is defined in Public Laws 874 and 815. How does that break down between category A and B, or children living on base as opposed to those off?

Mr. KAMAKA. My understanding is category A, 15,000 children, category B, 33,000.

Mr. FORD. You have about twice as many category B children as category A?

Mr. KAMAKA. Yes.

Mr. FORD. Now, how does the absorption proposal affect Hawaii? It appears to me that you are in a peculiarly good position here in Hawaii, with respect to the proposed absorption. The proposal is to have each school district absorb the first 3 percent with respect to category A and 6 percent with respect to category B. Now, in those States where they have literally thousands of school districts it can get to be a more significant portion; 3 percent of the total budget becomes a more significant portion of these fragmented districts. Here you would have all of yours lumped together in one place, Hawaii having, in effect, only one local school district.

Is it your feeling that asking the State of Hawaii to absorb the first 3 percent of the additional children burdening your school system as a result of Federal activity here is unfair?

Mr. TAIRA. May I answer that, Mr. Chairman? Mr. Chairman, it is true that Hawaii being one school district, the absorption of the 3 percent that is in the proposed bill would mean that it could be done here. But the net result of all this would be a loss of millions of dollars under Public Law 874. And when that amount of Federal support for our educational system is lost in any given fiscal year, what it means to us here in Hawaii is that in the classroom itself where the direct benefits are made available to our children, we would be retarded quite a great deal in our efforts, begun 2 years ago, as mentioned by prior speakers, to "beef up" to a considerable degree the quality of education for all of the children here in the State of Hawaii.

When I speak about the benefits of the programs which are going on in the classrooms, I am talking about upgrading the teachers, for example. We have appropriated large sums of money for inservice training of our teacher personnel. We have had our University of Hawaii begin to work very closely with our department to go into new techniques and new methods of teaching, all for the purpose of affording better teaching for children here in Hawaii. At the same time, we have done all we could here locally to see that throughout our school system, that all schools are given the same degree of support in the form of necessary and good quality educational materials and supplies.

Mr. FORD. Well, now, this is another point. Because of the way you handle your school system here—well, let me ask a question right at that point and see if we can develop some facts first.

The federally connected children are not uniformly spread through your system, are they?

Mr. TAIRA. No.

Mr. FORD. They tend to be in pockets, just as they are in other States of the Union.

Mr. TAIRA. That is right.

Mr. FORD. Around military installations. How do you direct the Federal money at the Federal children?

Mr. TAIRA. Well, as I understand it, Federal funds are not directed per se into a given area. The Federal funds come into the single

school system here in Hawaii and become part of the overall operating budget for the school department. And whether a child—

Mr. FORD. We are trying to do two things with this legislation: We are trying to make up for the fact that the Federal installation does not pay taxes. Most of the States support their educational systems with some form of property taxation as a primary source of revenue—if not at the State level, at the local level—so we try to make up for the fact that we have a Federal installation that removes property from the potential of being taxed, and for the fact that the people who live on that Federal property do not live in privately owned housing that would pay taxes. But we are also concerned that all children who have to go to a school system because we send their parents to serve in the military, primarily, or to work for the Federal Government in a particular location, will get as nearly as possible a uniformly good education. In many States of the country that means that we expect that they will get more than they are giving them in their State, because not very many of our people would want to go, if you rank the States from 1 to 50 in the amount of effort they put into running a school system, would want their children to be transferred with the parents into the 50th State in terms of its rating of its schools, and subject those children to the same inferior educational program that is being carried on in that particular State.

I am not talking about Hawaii in this particular instance. I am aware from Mrs. Mink that you are spending more than the national average on each pupil in the Hawaiian schools. But we are examining this with respect to the effect on all of the schools.

Now, you put this money into the general funds for the schools, in effect.

Mr. TAIRA. Yes; that is right.

Mr. FORD. Can you indicate in any way, or do you have any way of knowing whether the schools that are being attended by large numbers of federally connected children have any programs that this Federal money is financing that they wouldn't otherwise have?

Mr. TAIRA. I would not be aware of the details of that, Mr. Chairman. But it is our philosophy and it is our intent in providing resources for our department of education that all children in the State of Hawaii, whether they are from Federal impacted areas or from other areas of the State, that the educational opportunity afforded these children would be equal in every respect.

Mr. FORD. What is the principal source of your educational funds in this State?

Mr. TAIRA. It would be State taxes levied in the form of general excise tax. This is the 4-percent excise tax levied at the retail consumer level.

Mr. FORD. Is a portion of that tax earmarked for education, or does it go into your general fund and then—

Mr. TAIRA. That is not earmarked, sir. It goes into the general fund, and then the appropriation is made to the department of education, as was mentioned earlier, this year for the first time as a lump sum appropriation for the department.

Mr. FORD. Then if we reduce the amount of money coming to Hawaii under 874 by a little over \$3 million, you would have to make this \$3 million up by cutting it off of some other program?

Mr. TAIRA. Yes, sir; that is right.

Mr. FORD. Would you contemplate that this reduction would be serious enough to require curtailment of educational opportunities?

Mr. TAIRA. Yes.

Mr. FORD. What kind of changes would you have to make?

Mr. TAIRA. I would not be able to give you details as to what kind of changes ought to be made, but as I began to say a little earlier, I am afraid that many of the innovations and new approaches to education we have been encouraging our people to take, these will have to be curtailed.

Mr. FORD. The first thing that would fall would be the special programs?

Mr. TAIRA. Many of them, yes.

Mr. FORD. That would include the programs that are especially valuable to—I almost hate to use the expression here in Hawaii—economically deprived children?

Mr. TAIRA. You are right, sir, and we do have many of these where we have supplementary benefits to be made available under funds of Public Law 89-10. These are supplementary to what the State has been trying to evolve in all these years, and the impact in those areas may be rather severe, as you just mentioned, Mr. Chairman.

Mr. FORD. Thank you.

Mr. TRASK. Mr. Chairman, just a few words here. What this cutting of the funds would also mean, we are not now at an opportunity level that we are satisfied with in our department. We want to get to an equal opportunity level so that all of the schools throughout our system get to a minimum level, and we are not at that level now. So the cutback would mean that the level would have to be cut back. In other words, we would not be able to accelerate our programs.

Mr. KAMAKA. Mr. Chairman, if I may?

Mr. FORD. Yes.

Mr. KAMAKA. Mr. Chairman, the legislation just adopted in the operating budget for the coming fiscal year, as I said earlier, is based upon no cuts in Federal contribution. If such do occur, it means that administrative cuts must be made in programs budgeted for by the State legislature. In other words, the legislature does not have a second crack at it. It means that cuts must go into effect beginning July 1, 1966, or whenever the cuts become effective as far as Federal legislation is concerned.

Faced with this, I feel that when we reconvene next year, or after the election, then the succeeding legislature must be faced with several alternatives. Obviously, one of them must be reduction in programs. These reductions must be made to programs already budgeted for and cut back in the interim.

It is a matter, I think, of sheer mathematics, dollars and cents, or lack of it.

To this point, as I understand the impact of Public Law 874, the \$3 million cut is the first cut. There might be succeeding cuts. If that is so, then the State will be faced with eventually supporting all of the children or most of the children, federally connected children, out of its own funds.

The economic rate of growth of the State of Hawaii is, I believe, best among the Nation. How much better can it be than it is right now? How much more can it be expanded? We have just passed a tax

increase. How much more can the people afford? We don't think we can. We have taxed ourselves to the fullest. Our rate of economic growth is at its best.

And, also, we don't want to believe that we can't afford to support the children of the military-connected families, but if we are going to be in a position where our financing cannot afford to continue the educational programs on the basis that we have budgeted, then we have to cut that back. And if we are going to be faced with the problem of not being able to support our own children, how can we afford to support the military children?

If the 89-10 funds were more liberal, rather than being confined to the improvement of existing programs based upon the number of needy children that exist in the State, if these were more liberal so that they could take the place and aid us in other areas, fine. But the allocation of these funds for our educational program is limited. So we do not have any real advantage of 89-10 funds to pick up the cost of educating our own children, much less those of the military families.

Mr. SICKLES. Mr. Chairman.

Mr. FORD. Mr. Sickles.

Mr. SICKLES. I wonder if someone could answer for me, what is the cost of educating each child?

Mr. TRASK. I will give you a little background on this.

Mr. SICKLES. Is there a statewide figure?

Mr. TRASK. Yes. Right now—well, let's go back to 1963-64; it cost us \$422. In 1964-65 it cost us \$434. In 1965-66 it cost us \$533. In 1966-67 it will cost us \$611. This shows the increase and the emphasis that is put on education.

Mr. SICKLES. Does this cost the same for educating a child no matter where he is located? If he is on one of the out islands does it cost exactly the same?

Mr. TRASK. Yes. This is the cost we put per child throughout the State.

Mr. SICKLES. But in terms of true cost, are the salaries the same throughout the entire State?

Mr. TRASK. Yes, it is. In the 1965 legislature we went into that to update our salary system. Of course, we have a two-track system now.

Maybe I ought to explain that a little to you, the two-track system. We give more money to a teacher who goes back during the summer and during the year who updates herself in her chosen field. And if you come out of college and you have a fifth year and you don't wish to take extra courses, you will go on another track.

Mr. SICKLES. Does it cost the same to construct a schoolhouse everywhere in the State?

Mr. TRASK. I don't want to take that stand. It varies because of the fact that we are separated on different islands and there are transportation costs, so it is not going to be the same, as compared with Oahu.

Mr. SICKLES. Is there any increased cost in educating youngsters who live in or near the military establishments as a result of trying to compensate for the tremendous turnover in youngsters?

Mr. TRASK. I will turn that over to Hiram Kamaka, chairman of the appropriations committee.

Mr. KAMAKA. I don't know how to answer that question, quite frankly. But many of the schools located near the military installations, of course, are, by and large, attended by children of military families. It does not in my opinion cost any more to educate them than to educate any other child. The cost would be the same.

Mr. SICKLES. What is the rate of turnover caused by military, do you know?

Mr. KAMAKA. I think there are others here who can answer that.

Mr. TAIRA. We wouldn't know. The department would have information on that, I am sure.

Mr. SICKLES. I just raise the point because it has been suggested in other hearings that the cost of education should cost more—it probably does cost more in terms of special guidance, and in terms of the adjustment that has to be made—where there is a large turnover, as compared to a school where the turnover is not large. You wouldn't necessarily know these facts. Maybe somebody who is in the administration might know them and go into detail.

Let me ask another set of questions, if I may. I notice on page 8 that you changed the enrollment age, compulsory attendance age from 16 to 18. In testimony before us in Washington it has been indicated that age 16 was built into school budgets, and some of the reasons given at times for not increasing from age 16 to age 18 was the tremendous expense that would be involved.

When you passed this legislation, did you determine how much it was going to cost on an average per child to raise the age from 16 to 18?

Mr. TAIRA. The average cost would be somewhere between \$500 and \$600, as was mentioned by Senator Trask earlier, reflecting the average cost per pupil for education.

I might explain here the philosophy behind raising this age from 16 to 18. The average age at which a student finishes high school would be, of course, about 18, and in our approach to what we considered to be quality education, equal educational opportunities for children of Hawaii, we wanted to be sure that we had a framework which would encourage all of our boys and girls to remain in school until they were able to finish the 12th year. It ties to the age 18.

Mr. SICKLES. I am certainly not quarreling with the objective. There is some question in educational circles whether it does have the success as projected, as a result of keeping some youngsters in school who are disruptive and who don't really help. But this depends, I suppose, on the local area involved. But I notice that on page 3 of the testimony the representative gave that there is a substantial increase each year. I just wondered how much of that was brought about by raising the age from 16 to 18. But you don't have those figures at this time.

Mr. TAIRA. I will answer that, sir. At testimony presented to the legislature in the session just concluded, the estimated number of additional high school students to be taken care of because of the increase in the age to 18 was 500. That is the figure that was worked on in developing the budget for the department of education.

Mr. SICKLES. 500 was the number, 16 to 18, that would be going now as a result—

Mr. TAIRA. Yes.

Mr. SICKLES. Thank you very much.

Mr. TAIRA. May I say, sir, this 500 would be those who would have dropped out of school, were the school law kept the same, keeping the maximum age at 16.

Mr. SICKLES. I understand.

Mr. FORD. There is in this bill an alternative that we would dearly hope no one is going to take advantage of—it has been brought up to us—and that is the alternative of not accepting the federally connected child in your public school system, thereby compelling the Federal Government—no State has done this until now.

Mr. SICKLES. No; Puerto Rico.

Mr. FORD. Puerto Rico. Oh, that is correct.

Mrs. MINK. Mr. Chairman, if I might say, in contacting the Office of Education I was advised that about 50 school districts now have availed themselves of that section of the law and have refused to educate the children who live on a military base. This has become the responsibility of the Office of Education, and they are working either by contract with the school district or with the Department of Defense.

Mr. FORD. What would that mean—we would have to pick up here?

Mrs. MINK. Well, if we had continued to have the 15,000 children, and the average cost of educating each child at \$500, it would be \$7½ million.

Mr. SICKLES. How much is received per child from the Federal Government under 874?

Mrs. MINK. \$3 million, Mr. Sickles.

Mr. SICKLES. Per child?

Mrs. MINK. For the 15,000 children in category A the contribution rate now by the Federal Government is \$211.

Mr. SICKLES. And it is costing you \$611 to educate them?

Mr. KAMAKA. That is correct.

Mr. SICKLES. And the Federal Government is paying \$211, so you are losing a little bit per child, aren't you?

Mr. TRASK. Yes, sir.

Mr. SICKLES. How does the parent of these youngsters contribute to your society? I gather you do not have a State income tax. Is there a State income tax?

Mr. KAMAKA. There is a State income tax.

Mr. SICKLES. Would their parents pay it?

Mr. KAMAKA. They don't necessarily pay.

Mr. SICKLES. They probably would not, if they are military connected. How about the sales tax; do they have to pay the sales tax on the base?

Mr. KAMAKA. Only for purchases off the base.

Mr. SICKLES. On the base, the commissary and PX and the like, there would be no sales tax?

Mr. KAMAKA. No.

Mr. SICKLES. So it might very well be that you might consider turning this problem over to the Federal Government if we cut these funds back; is that not true?

Mr. KAMAKA. We hate to consider it but——

Mr. SICKLES. You might have to consider it. Just to let you know where my prejudices are, I come from the State of Maryland, and we

are very drastically affected by this law, and I am very much opposed to it, too, and I am looking for more ammunition. So I am not trying to suggest that you do.

Mr. KAMAKA. Let me put it this way: I don't think it is something that we would like to suggest. It is undoubtedly an alternative that we will be faced with.

Mr. FORD. I am trying to keep my prejudices hidden as best I can, because we don't get a penny under this legislation, as it has been.

Mr. SICKLES. Our chairman is the only statesman here.

Mr. FORD. Representative Mink.

Mrs. MINK. I think it is important that we emphasize the uniqueness of our State, and I wonder if one of you gentlemen might review the funding mechanism for the record, because I think that is very important, that the record be clear as to exactly how tax revenues are derived in our State for the support of education. So if one of you would care to respond to that question.

Mr. KAMAKA. Mrs. Mink, basically, the bulk of the revenues of the State for operating all of the departments of government come out of the general excise tax, the 4 percent as mentioned earlier. The other taxes are insignificant in the contribution to the overall operation of the government, real estate taxes being reserved to the counties and their operations, the highway and gasoline taxes being reserved, again, for the highway programs. So, basically, we rely upon only one source of revenue, and that is the general excise tax.

Mr. MINK. What about the income tax?

Mr. KAMAKA. The income taxes, of course, contribute quite substantially to it, but they do not in any degree measure up to the amount that we receive from the 4 percent.

Mrs. MINK. Would it be an accurate statement to say that the combination of income, corporate, business, and excise taxes are the basic funding mechanism for education for the State of Hawaii?

Mr. KAMAKA. That would be correct.

Mrs. MINK. Would it also be correct to say that no real property taxes go toward meeting education expenses in this State?

Mr. KAMAKA. Especially since the State has taken over school construction; yes, ma'am.

Mrs. MINK. Now, there is an obscure provision in the bill pending, Mr. Chairman, which provides that the formula to be used for determining Federal contribution is based upon local contribution rates. Local contribution rates, as used by the department, and I assume as interpreted in the bill, relate to real property taxes, exclusively, and in this event, then, would it be safe to say that if this provision remains in the bill, that the contribution rate that we would have to use in the State of Hawaii would be zero, because none of it can be traced back to real property taxes?

Mr. KAMAKA. That is absolutely correct.

Mrs. MINK. If that provision were to remain in the pending legislation and the loss then to the State of Hawaii only under 874 would be \$7.8 million, would it be necessary for the legislature and the Governor to consider the convening of a special session?

Mr. KAMAKA. I would hope not, but I think that might be an alternative as the only path open to us because of the fact that the budget has already been adopted.

Mr. TRASK. May I just add to that, Congresswoman Mink; we would have to do it, because it would curtail our educational program set up for this coming year, and I am afraid that it would hurt the overall program. And we would be faced with a special session.

Mrs. MINK. I yield, Mr. Chairman.

Mr. FORD. Aside from the fact that—this is quite startling. Do I understand that the owners of real property in this State are not contributing, as owners of that property, directly to education in any way?

Mr. TRASK. No, sir.

Mr. FORD. What kind of real estate taxes do they pay?

Mr. KAMAKA. Those mentioned by Congresswoman Mink.

Mr. FORD. No. What kind of real estate tax do you have?

Mr. KAMAKA. The real property taxes revenue goes to the counties. The counties do not support education from that at all.

Mr. FORD. Well, what do the counties do with that money?

Mr. KAMAKA. Police, fire, parks, recreation, county municipal roads, but they do not support education. They used to at one time, Mr. Chairman.

Mr. FORD. What is the amount—I suppose there is no uniformity between the counties, but here, for example, where we are sitting, what would a piece of property pay in terms of its proportion—or do you use the millage system in assessing the real property tax?

Mr. KAMAKA. Basically, it is that.

Mr. FORD. Is it based on true cash value?

Mr. KAMAKA. It is based on 70 percent of fair market value.

Mr. FORD. 70 percent of fair market value. Now, how many mills of taxation are now levied against that 70 percent of fair market value of the real estate in this county?

Mr. KAMAKA. I should be able to answer that. I don't know the exact rate for the city and county of Honolulu, except that the administration has suggested and recommended to the city council a \$2 increase in the rate per \$1,000 of value.

Mr. FORD. Does anyone know what real property is paying in taxes, how many mills?

Mrs. MINK. It is \$20 per thousand under the current recommendation of the city.

Mr. FORD. That is the total bill?

Mrs. MINK. I believe it is \$20 per thousand assessed value.

Mr. FORD. This is a good place to own real estate; I can see that. That is extraordinary. We just came from a State where we talked to people who are voting up into their 50th mil. I think that my own home, we are now voting on an additional 16 mils that will bring us to about 56 mils on each individual homeowner trying to support our school system.

I think that when other Members of Congress, if you realize what kind of pressure we have from the individual homeowners and property owners all over the country, you can begin to understand the problem when there is this kind of favored treatment, it would seem, for the ownership of property in terms of the burden that it is absorbing.

Now, I don't advocate that this is the best way to support schools. It is probably one of the poorest. But it has been such a long tradi-

tion in some of the States that it is almost impossible to get away from it. And I think Representative Mink has made a very important point in drawing this distinction out here, because this is one of the ways that you, as people charged with the duty to support schools, are at a disadvantage, that the alternatives that are available to us are not available to you.

Is this in your constitution, some kind of direction of taxes to the counties instead of to the State?

Mr. KAMAKA. It is a matter of statutes over the years. Tradition has it as such. I don't think it might be changed.

Mrs. MINK. Mr. Chairman, if I might continue. I wonder if any of you three gentlemen could respond to the current personal individual tax burden that we now have in relation to the other States because of the heavy reliance upon personal taxes, as distinguished from real property taxes from the funding of education.

Mr. TAIRA. Mrs. Mink, I understand that our taxes in the personal tax category are the highest in the Nation, and this is, of course, because of the tremendous support that we have to give our educational system throughout the State from funds derived from what we call the personal-type taxes. Then the property taxes, of course, that money not being used for educational purposes in the State, that money just being used for local county or municipal needs, those taxes are, you see, Mr. Chairman, quite low by comparison, but at the same time, our other taxes, these of the personal tax nature, these are, as I understand it, the highest in the Nation.

Mrs. MINK. Now, under the recent operating budget approved by the legislature, what percentage of the budget is devoted to education?

Mr. KAMAKA. Fifty-five percent.

Mrs. MINK. Fifty-five percent of the total budget.

Mr. TRASK. That includes the University of Hawaii.

Mrs. MINK. Including the University of Hawaii. Excluding the University, what percentage is devoted to the public school system?

Mr. TAIRA. If you are speaking, Mrs. Mink, of the general fund appropriation of a little over \$75 million, it is just about 36 percent of the total State operating budget that goes into our public school system.

Mrs. MINK. And what was the dollar appropriation? I didn't quite get it. What is the dollar appropriation currently authorized by the legislature for the public school system?

Mr. KAMAKA. It is \$74.8 million.

Mrs. MINK. Now, in the other areas that we have not touched on yet, we have been really talking about 874, I wonder if you would comment on the school lunch program generally in terms of the assumption of fiscal liability for this program currently, how much the students are now paying for their school lunches, and if the losses do occur in the Federal commodity area and if the cash surplus is, in fact, reduced by 1 cent, what are the consequences on the school lunch program as you legislators see it in terms of the overall budget?

Mr. TRASK. Representative Mink, I will give you a little background on that school lunch program. We serve 20 million youngsters, approximately. We therefore reduce our cash subsidy for school lunches, if we are cut 1 cent per lunch, to \$200,000.

Incidentally, I would like to say that in 1965 we were second in the Nation for school lunch participation; 80 percent of our public school children purchased lunches, 67.1 percent of the total children purchased lunches. We have had 25-cent lunches in effect for a long time.

We would lose \$455,000 in Federal support commodities. If you will note, I am a little prejudiced toward pineapple, and they have cut down pineapple, besides the other fruits on commodities which were also cut, so it is kind of a dual cut when you cut us. And this is what it means to this school lunch program.

Mrs. MINK. From the standpoint of the State legislature, what is the importance of the school lunch program?

Mr. TRASK. Well, let me say this to our school lunch program: Nobody is from Texas here, so I can say this. I was just down to visit one of my relatives in San Antonio, and I was very surprised that in the school in San Antonio—it was pretty big school—they didn't have a cafeteria. It is up to the school system to get into the program. Well, I didn't realize that until I visited this school. But in Hawaii we don't build a school unless we also build a cafeteria with it. It is a must. It is part of the school program. We build a school cafeteria with the classrooms, and if we don't build the cafeteria, Representative Sickles, we are dead politicians. That is how important the program is.

I am just trying to relate to you how important this lunch program is. It is just as important—the parents take it this way: You go to school, we give you the books, you also give them lunches. They go together.

Mrs. MINK. What are your school hours, Senator Trask?

Mr. TRASK. Well, let me just say this: We have a set school time from 8 a.m. to 2:30 p.m.

Mrs. MINK. You couldn't see having them in school until 2:30 p.m. without lunch?

Mr. TRASK. Correct. And you know, even though you have arrived in this sunny State of ours in beautiful weather just for you, we do have problems, as far as people that are not well to do and don't have the resources; and the school lunch program for some of these children is their only balanced meal.

Mrs. MINK. Now, if the program had to be discontinued or if it had to be totally funded or funded to a larger extent by the State, would this mean that there would be extra hazards on the youngsters who would have to walk home from school for lunch?

Mr. TRASK. In my district, four cars all at one time is a traffic jam on Maui. But on Oahu, I have to say, on this island it is very dangerous, like anyplace else, a big city. We have a problem of traffic here. And, of course, in the way we have set up the schools, I think it would be impossible for them to get home and back, as they did in the old days.

Mrs. MINK. Now, you testified that the cost of the school, the price charged the students is 25 cents per school lunch. Is this throughout the system or is it only—

Mr. TRASK. This is throughout the system. And, of course, now—I want to switch a little to this milk program, also. Throughout this State we don't have the same price on milk. The cheapest milk cost is on this island. I think it is 9 cents per bottle—8 cents per bottle. Excuse me. But on Molokai, which is in my school district—my

senatorial district, the cost of milk is 11 cents. And, of course, on Molokai it has to be transported from this island. Or on my island of Maui, they don't have a big dairy on that island. The same thing could be said on Lanai.

Mrs. MINK. So assuming that the cuts recommended by the administration go through and you lose the 1 cent additional subsidy and you lose the commodities and you probably have to consider raising the price of the lunch to 30 cents, what would this do to your percentage of participation?

Mr. TRASK. I think it would drop, the participation. It would have to drop because the parents would not be able to afford it, especially if they had more than one child. And you know how prolific we are in the State of Hawaii.

Mrs. MINK. I know that the price of the lunch charged the children is 25 cents. Would you know what the cost of preparing this lunch is per child?

Mr. TRASK. I have to say I don't know. I should know, but I don't.

Mrs. MINK. Perhaps we can get those figures from the department at a later time. What I was trying to develop there is the amount of State subsidy that is currently going into the school lunch program. Would you have the total dollar figure in terms of what it costs the State to provide the lunches, less whatever we get back from the collections we make from the children and what we receive in Federal subsidy?

Mr. KAMAKA. I don't have the document here with me, but the revenue, so to speak, from the school lunch program is insufficient to support the program. In the event the reduction is effected, we would be faced with raising the cost of the school lunch. But to do that we must realize the unfairness in this respect, I believe, that if the program was intended generally to provide a hot lunch to those who could not afford it, they would be less able to afford it with any price increase the lunch would take. If we are to take this cut as well as to take cuts by 874, then the legislature is going to be in a bind to just make ends meet. I don't see how we can do it.

Mr. TRASK. Congressmen, the cost of the lunch is 8.2 cents from our general fund, 9.3 cents from Federal commodities that come in, 3.9 cash subsidy from the Federal, 28.0 from other revenues, and the actual price is 49.4 cents per lunch, and we are selling it for 25 cents.

Mrs. MINK. So 8 cents times 20 million lunches means that you are supporting the lunch program by \$1.6 million. Is that about correct?

Mr. TRASK. That is correct.

Mrs. MINK. So the presentation you made and the effect of this proposal of the administration to add another \$1.2 million would mean that the State assumption of the school program would be about \$2.8 million. Is that about correct?

Mr. TRASK. Yes, ma'am.

Mrs. MINK. The cut in 874 of \$3.2 million and the cut in the lunch program at \$1.2 million is \$4.3, \$4.4 million.

Could we address ourselves next to the 815 cuts, which you have estimated at \$2 million. What will the effect be in the school construction program, the loss of the \$2 million from the Federal Government?

Mr. KAMAKA. It obviously means, Mrs. Mink, we will have to curtail our school construction program. We have a shortage of school classrooms to begin with, without speaking or relating these to accessory buildings, just the school classrooms themselves, so much so that this year the Governor exercised a very rare provision of the construction and he called for immediate passage of a bill to provide the funds to build classrooms for the coming September. This cost the State \$4,815,000. This is the first bill enacted and signed by the Governor. Constitutionally, of course, no bill is supposed to be enacted by the legislature until the operating budget has been passed, but this year the State took that action.

When we are faced with merely trying to meet the needs of school classrooms, obviously, then, we cannot meet the needs of the other kinds of facilities that go into a sound education program. There will have to be cuts.

We have depended upon these funds and we will have to continue to depend upon them to provide decent facilities for the children. This way is the only way I can think of that we can avoid the problem of the so-called unhoused child; otherwise we will be faced with this problem sooner than—in fact, we are faced with it now. I think that this accelerated school construction program helps to minimize that effect.

Mrs. MINK. Mr. Chairman, we are commenting on the unhoused child.

Mr. FORD. My favorite subject. How would you feel if we were able to write into this legislation a bill—Congressman Perkins, who is the chairman of the General Education Subcommittee, who wrote the Elementary and Secondary Education Act of 1965, and which is the principal part of what we are here on, has for many years been trying to get a school construction bill through the Congress, and we are coming close now to a possible approach, at least, using the impact of the unhoused child on the school systems in the country, and defining that unhoused child as, one, a child who is in a school where there are more than 30 children in a classroom, in a school where he attends for less than a full schoolday, or in a school where two sets of children use the same school in the same day, which is becoming, unfortunately, not uncommon throughout the country, or in an ancient and antiquated school that is not safe or is not properly designed for modern teaching methods, or in the case of some of these rural States of our country, the little schoolhouse on the hill where more than one grade is taught in the same classroom so that these children live in a daily babble. We have some kind of an affection in our country for the one-room school because so many great men have claimed to be the product of these schools, and somehow we have drawn the improper conclusion that there is something good about them.

How would you feel about the possibility of the Federal Government using some of the money we are talking about by directing it specifically at school construction for those districts with the rapid growth and the problem of unhoused children, rather than this kind of general aid that we are now giving to some few States because of the military impact?

Mr. KAMAKA. Mr. Chairman, I think the State of Hawaii would welcome such assistance. However, if this is to be at the cost of carry-

ing out sound educational programs, then we wonder whether this is the best step.

Mr. TAIRA. May I say something to that, also, Mr. Chairman?

Mr. FORD. Yes.

Mr. TAIRA. I think this philosophy is wonderful. I think it is good for the subcommittee to know that here in Hawaii one of the major moves we are trying to make in providing better educational facilities for our children in Hawaii is to consolidate many of the smaller schools, because the idea of a smaller school is something in the past and we realize that the best kind of educational opportunity can be given in a school that has at least a certain number of students. Now, under this philosophy, I would assume that possibly in merging these older schools into a modern, large school, if money is available, I think that would be wonderful.

Mr. SICKLES. Mr. Chairman, may I ask a question?

Mr. FORD. Yes.

Mr. SICKLES. My question goes back to the school lunch program and the comment the Senator made—and we have heard this comment before—that there are many youngsters who receive the only balanced meal they receive in the day as a result of the school lunch program. Apparently some people in the administration heard this, too, and they became concerned, in view of the amount of money that was available. I think they are trying to, in effect, re-tailor the program, put it in for a little alteration. They are thinking more in terms of insuring that those youngsters who are the most needy and those youngsters who come from the more depressed areas would be the ones toward whom the program would focus. How does one argue against the proposition that some youngsters would be helped by taking the funds away from those areas where the youngster could well afford to pay for the full cost of the lunch itself? And I am thinking about another part of the problem. If this is the only balanced meal that some of these youngsters are receiving, how are they eating during vacation periods? What is being done by your State and other States to insure that the youngsters in this country are getting at least one balanced meal a day?

Mr. TRASK. I don't want it to be understood from what I said that they are not being fed. When I say a balanced meal, I am following what the Federal Government says a child needs to eat per day, fruits, et cetera, that he needs to become a healthy young man or woman.

Now, in Hawaii you see, we have different ethnic groups, and if I stood up you would know what I mean by I eat too much poi, for example. This is starch. You eat potatoes.

Mr. SICKLES. I understand.

Mr. TRASK. Maybe somebody eats too much rice, et cetera. And that is what I mean when I say a balanced meal. I do not say they are not being fed.

Now, I am not going to take the stand that our State has people that are going unfed. I take the stand that everybody is eating in Hawaii. But we are not meeting the health standard set by the Federal Government on this program. That is what I mean when I say meeting the standard.

Mr. SICKLES. You see, the problem is that there are some States that couldn't say that. There are some youngsters who are not being

adequately fed. It is not just a question of a balanced diet. It is just a question of whether we should be changing the thrust. Maybe your answer might be, "Let's leave this alone and maybe add a new program, but not take away what we already have."

I just wanted to let you know some of the thinking behind modifying the program. I am just like you. If I want to stay a live politician, I have to be concerned about continuing this school lunch program, too.

Mr. TRASK. And we both want to be good politicians.

Mr. FORD. I think we have learned one lesson, and that is that politicians from Michigan and Maryland should not try to cross swords or be cute with politicians from Hawaii. Patsy has been teaching that for some time, and you have reinforced our impression of the quality of people representing your people.

We want to thank you very much for your contribution, and point out that it is not common in the Congress, much to my surprise, for members of State legislatures to take the time to inform the Congress, other than the contact we have with individual legislators in our own districts, but to come before committees formally and put the effort in that you gentlemen have put in to present the State's point of view with regard to the effect of Federal legislation. And I am sure that our colleagues on the committee and colleagues in the Congress would want to join me in thanking you for this effort, because it will be helpful in filling out the record. And I am sure that Mrs. Mink will see that you get copies of the record of the Hawaii hearings when they are completed.

We will take a very, very brief recess, because we want to hear everyone who is here. But our reporter is a human machine who has to rest just a little bit and get his paper in order, so we will take about 5 minutes at this point.

(A recess was taken at 3:15 p.m.)

AFTER RECESS

(The ad hoc subcommittee reconvened at 3:20 p.m., Hon. William D. Ford, chairman of the ad hoc subcommittee, presiding.)

Mr. FORD. Call the committee to order.

Mrs. MINK. Mr. Chairman, if I might take this opportunity to introduce the next witness, the chairman of the State board of education has the responsibility for the education of all of the children in the State of Hawaii, Mr. Edwin Honda.

Mr. FORD. It is a pleasure to see you again, Mr. Honda. We on this committee have heard from you before, and I might say that after our last contact with you, I heard other members who agreed with me that Hawaii is fortunate, indeed, with the quality of school administration that they have enjoyed and the very fine job that you did for us in a very brief period when we last discussed some special education problems of Hawaii. It is nice to see you here.

Mr. HONDA. Thank you, Mr. Chairman. And may I also reciprocate and thank you for taking the time last November when we had that occasion, and the members of this committee present here today who are giving us this opportunity to be heard.

If I may, I would like to read from my prepared communication to you.

Mr. FORD. Without objection your statement will be inserted in the record and your comments you are now making will appear immediately following.

(The statement follows:)

APRIL 15, 1966.

HON. WILLIAM FORD,
*Acting Chairman, and Members of the General Subcommittee on Education,
House Committee on Education and Labor, U.S. House of Representatives.*

The The Board of Education of the State of Hawaii, which has the responsibility for the control of all of the schools throughout the state, has authorized me to appear before this honorable body to express concern over the proposed reduction of funds under Public Law 874.

Hawaii has been investing considerable sums of money in education through the enlightened approach of its Governor and the State Legislature. The money for operation of our schools is derived from general revenues and not from property taxes. Public Law 874, as we understand it, seeks to reimburse the state for property tax revenues lost due to Federal ownership of land. Hawaii has spent more for the education of students under Public Law 874 than it has derived in reimbursed money under that law.

Our state has assumed the responsibility of educating all students who are federally connected. We are proud and happy that we have the opportunity to offer sound education for federally connected students. Such being the case, any reduction in reimbursements under this law places a severe hardship in financing the education of Hawaii's children.

The Board of Education respectfully requests that entitlement of funds under Public Law 874 as presently provided be retained. Thank you for your interest and consideration of our request.

May I be permitted to introduce our state superintendent of education, Dr. Lowell Jackson, to address you on this subject.

Respectfully submitted,

EDWIN H. HONDA,
Chairman, Board of Education, State of Hawaii.

STATE OF HAWAII,
DEPARTMENT OF EDUCATION BUSINESS ADMINISTRATION,
Honolulu, April 13, 1966.

To: Mr. Chairman and Members of the General Subcommittee on Education and of the House Committee on Education and Labor, United States House of Representatives.

From: Lowell D. Jackson, Superintendent of Education.

Subject: Public Law 874.

A. Purpose

Public Law 874 provides financial assistance to those local educational agencies upon which the Federal government has placed financial burdens because of several reasons. The pertinent ones are:

1. Local agencies provide education for children residing on Federal property, or
2. Local agencies provide education for children whose parents are employed on Federal property.

B. Eligibility

In determining eligibility, the local agency has to provide the services listed above. The Federal government has established certain categories for determining the amount of entitlement. They are:

1. Category 3(a)—Children of persons who reside and work on Federal property.
2. Category 3(b1)—Children who reside on Federal property but whose parents are not employed on Federal property.
3. Category 3(b2)—Children who do not reside on Federal property but whose parents are employed on Federal property.

For Category 3(a) students, the Federal government reimburses the local school agency with 50% of the national or local agency average current expenditure, whichever is greater.

For Category 3(b1 and 2) students, the Federal government reimburses the local school agency with 25% of the national or local agency average current expenditure, whichever is greater.

The number of Category B students and their related average daily attendance have been increasing proportionately over the past three years (see Exhibit I). We feel that this increase will continue in fiscal year 1966-67. On the other hand, the increase in Category A students has been relatively constant, percentage wise. Accordingly, any change in the law, as it affects Category B students, will affect Hawaii's entitlement considerably.

The average current expenditures in the Hawaii Public School System (K-12) have increased by \$188.67 or 45%, from \$422.39 in fiscal year 1963-64 to \$611.06 (estimated) in fiscal year 1966-67. (See Exhibit II). This increase in average current expenditures has been made even with an increase in the average daily attendance of 9,136 or 6% from 145,785 to 154,921 during the same period. (See Exhibit I).

C. Benefits derived

Through P.L. 874 funds, the Hawaii school system was able to derive significant benefits. Exhibits II & III provide a summary of the funds received through P.L. 874. The increases were attributable to increase in the average daily attendance of Federally connected students and the increase in the national average current expenditure.

It should be pointed out that these funds are used to implement the basic education of our students and are not supplemental like P.L. 89-10.

D. Impact of the proposed amendment

A projection of the estimated entitlement for fiscal year 1966-67 under the existing law, using the estimated NEA national average current expenditure of \$484.00 for the fiscal year 1964-65 indicates that we will be entitled to approximately \$7,800,000.

Under the proposed amendment, the funds appropriated by the State Legislature and other Federal funds would not be classified as "local funds"; therefore, our entitlement would be based on the national average current expenditure, which is estimated by NEA at \$484.00. Using this average our entitlement would be:

1. Absorption rate:	
(a) Category A=3 percent of 154,921-----	4,648
(b) Category B=6 percent of 154,921-----	9,295
2. Category A average daily attendance-----	15,105
Less absorption rate-----	4,648
Net category A—ADA-----	10,457
$10,457 \times \frac{1}{2}$ of \$484.00=-----	\$2,530,594
3. Category B average daily attendance-----	33,912
Less absorption rate-----	9,295
Net category B average daily attendance-----	24,617
$24,617 \times \frac{1}{4}$ of \$484.00=-----	\$2,978,657
Total A and B-----	5,509,251
Estimated reduction-----	2,290,749
Estimated receipt under existing law-----	7,800,000

This estimated reduction in P.L. 874 funds will negate the tremendous support that the Department has received from the State Legislature. During the fiscal year 1965-66 the State Legislature provided \$9.5 million dollars for new programs and improvements to existing programs. During the fiscal year 1966-67 the State legislature increased its state support by approximately \$12.1 million or 19.5% over 1965-66.

We would like to point out also, that because P.L. 874 funds are computed on the average per pupil cost two years subsequent to the actual expenditures, we find that even under the existing law the actual support of the Federal government for 1966-67 will be less than the actual expenditures. For example

during fiscal year 1966-67 our estimated average per pupil cost will be \$611.00 while the estimated national average is \$484.00 (1964-65). Thus it can be stated that although it would cost us \$9,229,155 to educate our Category A students in 1966-67 ($15,105 \times \$611$) we can anticipate \$3,655,410 ($15,105 \times \$242$).

Any adjustments made to reduce our entitlement under P.L. 874 will create an undue burden upon the State and the Department of Education in fulfilling its commitment to provide equal educational opportunities to develop each individual to his fullest potential.

EXHIBIT I

Average daily attendance of students in Hawaii public school system (K-12), fiscal year 1963-64 to 1965-66

	Category A— Public Law 874		Category B— Public Law 874		Total Federal connected		Non-Federal connected		Total	
	Num- ber	Per- cent	Num- ber	Per- cent	Num- ber	Per- cent	Num- ber	Per- cent	Num- ber	Per- cent
1963-64.....	14,164	9.72	30,014	20.58	44,178	30.30	101,607	69.70	145,785	100
1964-65.....	14,827	9.97	31,119	20.93	45,946	30.90	102,756	69.10	148,702	100
1965-66.....	14,791	9.75	32,463	21.41	47,254	31.16	104,403	68.84	151,657	100
1966-67 ¹	15,105	9.75	33,912	21.89	49,017	31.64	105,904	68.36	154,921	100

¹ Estimated.

EXHIBIT II

Average current expenditure in Hawaii public school system (K-12), fiscal years 1963-64 to 1966-67

Fiscal year	Total		Attributed to Public Law 874		Other than Public Law 874 ¹	
	Amount	Percent	Amount	Percent	Amount	Percent
1963-64.....	\$422.39	100	\$37.94	9	\$384.45	91
1964-65.....	434.18	100	41.13	9	393.05	91
1965-66 ²	533.03	100	46.63	9	486.40	91
1966-67 ³	611.06	100	50.35	8	560.71	92
1966-67.....	611.06	100	⁴ 35.56	6	575.50	94

¹ Excludes Public Law 89-10 costs.

² Department of Education costs are based on allocations for fiscal year 1965-66 and other departmental costs are based on estimates.

³ Department of Education costs are based on approved budget for fiscal year 1966-67 and other departmental costs and average daily attendance are based on estimates. The amount attributable to Public Law 874 is based on no change to the current law.

⁴ This amount is based on the proposed change to the existing law.

EXHIBIT III

Allocation of Federal fund, Public Law 874

	Fiscal year 1963-64	Fiscal year 1964-65	Fiscal year 1965-66	Fiscal year 1966-67
Receipts.....	\$5,582,059	\$6,170,356	¹ \$7,132,510	¹ \$7,860,000
State.....	4,748,675	5,448,424	7,072,510	7,800,000
County.....	782,059	667,007	-----	-----
Transportation.....	51,325	54,925	60,000	60,000
Total.....	5,582,059	6,170,356	7,132,510	7,860,000

¹ Estimated.

(b) This increased enrollment is then multiplied as follows:

(1) Category A students $\times$ per pupil cost of construction $\times$ 95%.

(2) Category B students $\times$ per pupil cost of construction $\times$ 50%.

Applying the above formula the Federal Grants received by the State are reflected in Exhibit A.

D. Concerns of the Department of Education

Exhibit A points out that while the Federally connected students have increased from 29.17% to 31.64% of the total average daily attendance, the funds received from the Federal government have decreased from 27.81% to 6.16%. The State Department of Education is committed to provide each child in Hawaii with equal opportunities of education to develop him to his maximum potential. Because of the stringent eligibility requirements now present we find it difficult in getting Federal Grants in the proportion of Federally connected students. The Administration's proposal will create further difficulties for the State of Hawaii by eliminating funds available under Category B students. The impact of this reduction should be viewed with our 5-year projection of fund requirement for school construction.

1967-68	-----	\$28, 252, 000
1968-69	-----	18, 097, 000
1969-70	-----	21, 555, 000
1970-71	-----	15, 014, 000
1971-72	-----	15, 168, 000

STATE OF HAWAII DEPARTMENT OF EDUCATION,
BUSINESS ADMINISTRATION,
Honolulu, April 13, 1966.

To: Mr. Chairman and Members of the General Subcommittee on Education and of the House Committee on Education and Labor, United States House of Representatives.

From: Lowell D. Jackson, Superintendent of Education.

Subject: Public Law 815—School Construction in Federally Affected Areas.

A. Purpose

The purpose of P.L. 815 as amended is to provide assistance for the construction of urgently needed school facilities in school districts which have had or will have substantial increase in school membership as a result of new or increased Federal Activities (Federally connected students).

B. Eligibility

In order to qualify for Federal assistance, there must be at least a 5% increase of the total average daily membership of Federally connected students during the base period plus a 7% increase in the membership of non-federally connected students during the base period. In addition we must be able to determine our "unhoused students." These unhoused students are those students in excess of the normal capacity of available and usable classroom facilities. The unhoused students must equal the increase of Federally connected pupils for full payment.

If the unhoused students are less than the increase of Federally connected students, the grant shall be based on the number of unhoused students. If the unhoused students are greater than the increase of Federally connected students, the grants shall be based on the number of increase in Federally connected students. For the purposes of defining Federally connected students, the following categories are established:

1. Category A—Children of persons who reside and work on Federal property.
2. Category B—Children who reside on Federal property but whose parents are not employed on Federal property and children who do not reside on Federal property but whose parents are employed on Federal property.

C. Benefits received under Public Law 815

After meeting the eligibility requirements, the amount of Federal Grant is determined by—

- (a) Increase of Federally connected students over the previous base year.

EXHIBIT A

*Cooperative analysis of Federal, county, and State funds for school construction,
1961-62 to 1966-67*

Application year ¹	Expending year	Funding			Percent of funding		
		Federal grant	County ² and State	Total funds	Federal	Others	Total
1958-59	1961-62	3,950,200	10,256,028	14,206,228	27.81	72.19	100
1959-60	1962-63	2,404,592	16,379,233	18,783,825	12.80	87.20	100
1960-61	1963-64	2,834,817	20,710,019	23,544,836	12.04	87.96	100
1961-62	1964-65	1,147,500	18,442,014	19,589,514	5.86	94.14	100
1962-63	1965-66	(3)	19,903,200	19,903,200	-----	100.00	100
1963-64	1966-67	2,293,566	33,570,000	35,773,566	6.16	93.84	100

Expending year	Average daily attendance			Percent of average daily attendance		
	Federally connected	Others	Total	Federally connected	Others	Total
1961-62	40,622	98,638	139,260	29.17	70.83	100
1962-63	41,578	100,560	142,138	29.25	70.75	100
1963-64	44,178	101,607	145,785	30.30	69.70	100
1964-65	45,946	102,756	148,702	30.90	69.10	100
1965-66	47,254	104,403	151,657	31.16	68.84	100
1966-67	49,017	105,904	154,921	31.64	68.36	100

¹ Represents application years for Public Law 815. Applications are approved and made available in subsequent years.

² County funds used to complete Federal projects:

1961-62	\$383,670
1962-63	101,816
1963-64	50,815
1964-65	224,000

³ Did not qualify for Federal grants because there were no increases in the number of eligible students.

STATE OF HAWAII,
DEPARTMENT OF EDUCATION BUSINESS ADMINISTRATION,
Honolulu, April 13, 1966.

To: Mr. Chairman and Members of the General Subcommittee on Education and of the House Committee on Education and Labor, United States House of Representatives.

From: Lowell D. Jackson, Superintendent of Education.

Subject: Hawaii School Lunch Program and Its Part in the Educational Program of the Schools.

The school lunch program in Hawaii is reported to be one of the best in the nation. To substantiate this claim, we offer the following:

1. Participation

Our pupil participation—the number of students who are served lunches each day—has been the highest in the nation. Nationally, pupil participation in public schools has been 48% as compared to Hawaii's 80%, while our free lunches averaged 3.8% of pupils enrolled.

2. Availability of lunch service to students

In Hawaii, lunches meeting minimum nutritional standards as established by the United States Department of Agriculture are made available to all students in the public schools. Nationally, only 69% of the public schools provided some kind of lunch service; 17% provided milk but no food; 14% had no food or milk service.

3. Training of school lunch personnel

(a) Menu planning is an important part of lunch service and requires trained personnel. Nationally, more than 90% of the public school employees planned menus. These employees were "head cooks". Others were planned by trained school lunch supervisors or home economics teachers. In Hawaii, menus are planned by managers, the majority of whom have had a two-year training at the Honolulu Technical School. There are a few managers with college degrees.

(b) In-service training: In Hawaii the school lunch supervisors hold bi-monthly area meetings with managers and annual meetings with all school lunch personnel.

(c) One-week summer workshops for managers are held every two years.

The above information is based on a survey conducted by the United States Department of Agriculture, Marketing Division, Economic Research Service printed in November, 1964.

The above results have been maintained at a nominal price of 25¢ per lunch. In order to carry on this instructional and educational program for our students, the State has contributed considerable amounts of State Funds to finance this program. From the year 1962-63 to the present, the State has appropriated the following amounts to carry on the school lunch program:

Fiscal year:	Amount
1962-63 -----	\$1,912,014
1963-64 -----	1,828,062
1964-65 -----	1,795,142
1965-66 -----	2,217,586

If the proposed legislation on the Special Milk Program and the National School Lunch Program is enacted in Congress, this would mean an approximate reduction in available funds for the operation of the school lunch program in the following amounts:

	Approximate reduction
Special Milk Program-----	\$100,000
National School Lunch Program-----	200,000
Donated Federal Commodities-----	700,000
Total -----	1,000,000

In order to maintain the high standards of the Hawaii School Lunch Program which has played a major part in the development of our young human resources, it would be necessary for us to take the following alternative actions:

1. Raise the price of milk and type A lunches.
2. Make cutbacks in our instructional programs in order that we may maintain this school lunch program.

3. Have the State make further contributions to the support of this program.

It should be pointed out that if alternative number one is pursued, a greater number of students would fall in the needy category and our participation rate would decrease considerably.

If we were to pursue alternative number two, we will be faced with the problem of curtailing some of our planned innovations and new programs through funds most generously provided us by the State Legislature. It should be pointed out that during the fiscal year 1965-66 the department received \$9.5 million in expansion. In addition the State General Fund for the next fiscal year (1966-67) has increased by \$12.1 million over 1965-66.

In reviewing alternative number three, we would like to point out that the increased amounts that have been appropriated by the State Legislature during the fiscal years 1965-66 and 1966-67 were made possible by enactment of tax increase legislation.

With these great concerns we ask that your committee, in your deliberations, consider the welfare of our young human resources and assist them in whatever way possible.

STATEMENT OF EDWIN H. HONDA, CHAIRMAN, BOARD OF EDUCATION, STATE OF HAWAII, AND LOWELL D. JACKSON, SUPERINTENDENT OF EDUCATION; ACCOMPANIED BY HARRY K. TOKUSHIGE AND JANE DITZELL

Mr. HONDA. The Board of Education of the State of Hawaii, which has the responsibility for the control of all of the schools throughout the State, has authorized me to appear before this honorable body to express concern over the proposed reduction of funds under Public Law 874.

Hawaii has been investing considerable sums of money in education through the enlightened approach of its Governor and the State legislature. The money for operation of our schools is derived from general revenues and not from property taxes. Public Law 874, as we understand it, seeks to reimburse the State for property tax revenues lost due to Federal ownership of land. Hawaii has spent more for the education of students under Public Law 874 than it has derived in reimbursed money under that law.

Our State has assumed the responsibility of educating all students who are federally connected. We are proud and happy that we have the opportunity to offer sound education for federally connected students. Such being the case, any reduction in reimbursements under this law places a severe hardship in financing the education of Hawaii's children. Our State therefore requests that entitlement of funds under Public Law 874 as presently provided be retained.

Now, essentially, as a lay member chairman of the State board of education, I will not be a very good witness in terms of information which you gentlemen may desire, so I would like to present to you at this time Dr. Lowell Jackson, who is our superintendent, the chief executive officer of all the schools in Hawaii.

Along with him, if I may introduce his staff people here today, next to him is Mr. Harry Tokushige, who is assistant superintendent in charge of business affairs, and along with, Mrs. Jane Ditzell.

So I would like to at this time call upon Dr. Lowell Jackson, with the permission of the chairman.

Mr. FORD. You may proceed, Dr. Jackson.

Mr. JACKSON. Thank you, sir. Representative Ford, Representative Sickles, and Representative Mink.

It is an honor to have your group here in Hawaii and to have the privilege to testify before you.

I would like to make one comment, not as an apology, but as a statement of fact. I have been on this job only 2 months myself. That is why I very much wanted to have alongside of me my staff, who do have the details to answer some of the questions that I am sure you will have in mind.

You have had a rather extensive background provided. Also, you have been presented certain statistics. I will not try to reiterate these at this point; rather, to generalize some significant points, perhaps, which need reemphasis and perhaps add a point or two.

You have been told the cost of education here in this State, \$611 per youngster, compared with the national average of around \$484; this is the NEA estimate.

You mentioned the absorption rate. In category A, 3 percent of our 154,921 youngsters is roughly four and a half thousand. Category B, the 6-percent factor, 9,000 plus.

Category A average daily attendance 15,105, less absorption rate of 4,648, the difference is 10,457. When this is multiplied by one-half of \$484, we have roughly two and a half million.

In category B, the difference between the daily attendance less the absorption rate, 33,000 plus-minus 9,000, 24,000-plus. The computation rate here of one-fourth of \$484 is \$2,900,000.

The total here of A and B of five and a half million, estimated reduction of 2.2 million, estimated receipt under existing law \$7,800,000.

Our State provided nine and a half million dollars for the new programs and improvements in addition to the on-going programs that we presently have.

Another factor that should be given consideration is that Public Law 874 funds are computed on the average pupil cost, but there is a 2-year lag, and I understand, here, and I think that is of particular importance in Hawaii where we do have a cost-of-living factor which may be somewhat different from the other States of the Union.

I have in the material I submitted to you various graphs, charts, average daily attendance of students, average current expenditure in Hawaii public school system, allocation of Federal funds, which I think will give a comprehensive picture of these particular elements and perhaps will be the basis for some questions you might like to ask.

Moving to Public Law 815, our concerns here, of course, are related, as is the bill, to construction.

We have moved recently into taking the county responsibility for construction, maintenance, in placing this under the State, so that we will have a centralized function, as far as this is concerned.

I have listed here our projections for the next 5 years in this area, \$28 million-plus, and then on the basis of our priority listing of anticipated expenditures, the amounts for the various years through 1972.

I have also included a chart, comparative analysis of Federal, county, and State funds for school construction, 1961-62 to 1966-67, showing some of the sources of funding and the percentage of funds.

One of the issues, of course, which is of great importance to us is the Hawaii school lunch program. We have a program which is, I think, significant from the standpoint of participation, around 80 percent, compared to some 48 percent participation on a national basis. Our free lunches average 3.8 percent of pupils enrolled. Our lunches do meet the minimum nutritional standards and are made available to all students in our public schools. We find that nationally only 69 percent of the public schools provide some kind of lunch service; 17 percent provide milk but no food, 14 percent have no food or milk service.

As you have been told, our lunch cost is 25 cents for the students. For the year 1962-63 to the present the State has appropriated the following amounts to carry on the school lunch program:

	Million		Million
1962-63	\$1.9	1964-65	\$1.79
1963-64	1.8	1965-66	2.2

If the proposed legislation regarding the special milk program is passed and implemented, this would mean reduction in available funds, and we estimate that to be \$100,000 in the special milk program, \$200,000 in the school lunch program, and \$700,000 in the donated Federal commodities, for a total of \$1 million.

Now, we have some alternatives here, to be sure. We can raise the price of milk and type A lunches, and this adds, of course, some decided complications. One would certainly anticipate a reduction in the number of students participating; also, probably, a change in the needy category of our participants. We could make cutbacks in other aspects of our program, but, again, this would have some severe implications for our overall educational program. Or we could have the State make further contributions, and I think your previous testimony has indicated what this might mean.

The number of Federal children in this State certainly is significant. We are a bastion of defense in the Pacific area. I assume that we will continue to be. There appears to be no letup in the pressures that face our Nation in this part of the world. Certainly, some of our schools are hit especially hard by the Federal impact. We have an estimated range of pupil turnover which goes from 50 percent to 100 percent per year. This, I think you realize, increases the problems faced by the administration and the teaching staff. It certainly is not unique here. This happens in any impacted area.

We also have experienced this past year—well, this current year—withdrawal of troops from the State of Hawaii. Thus, for example, if the rest of the family elects to return to the mainland, this takes us out of the school business, as far as they are concerned, but if they elect to stay here, then, of course, they are still on our program. Now, where they have pulled out, this affects the staffing in the schools. In many instances we have maintained the teachers in these schools, which certainly lowers the ratio, but certainly increases the per pupil cost in these particular areas. The reason that we do this is that there certainly is a possibility of additional families moving in, and we hesitate to keep playing checkers with our staff in skipping them around in the various areas and then having to return them to their original place of work.

Also, we feel that in certain instances, because of programs that we try to implement in the military schools, we have made this decision, we try to provide some additional clerical staff in certain instances, additional support for vice principals, additional fund requirements to purchase books and supplies in varying degrees of students' capacity in progression as they move from school to school.

I would end at this point. I think that this has given a hurried summary, but based upon the information that you have had before, perhaps this will be sufficient. Thank you.

Mr. Ford. Thank you very much. We shall address the questions expecting you to answer them as most convenient to any of you on the panel.

Much emphasis has been given so far today to the impact of the child who, but for the fact that his parent is sent to Hawaii, would not come to your school system. But how many of the federally connected children that we paid you for are really the children of Hawaiian citizens who are employed by the Federal Government, and we

provide the source of that employment by the Federal installation here, and then compensate you for these children as if we had sent them from the mainland. How many children are there like that in these 15,000 we have been talking about?

Mr. JACKSON. Mr. Tokushige.

Mr. FORD. I would assume they would be mostly category B children.

Mr. TOKUSHIGE. That is correct. And in our presentation, the green text of our presentation, on exhibit I we have this presentation as to category A students and category B students. Actually, taking 1965-66 we find that 9.75 percent are category A while 21.41 percent are category B students of our overall student enrollment.

In numbers, category A has over 14,000, category B has over 32,000 students.

Mr. FORD. But how many of these 32,000 students in category B are actually the children of civilian employees of the Federal Government?

Mr. TOKUSHIGE. I do not have that information at the present time.

Mr. FORD. Well, in all deference to the validity of the assertions that have been made up until now, the assertion is that a principal reason for continuing this support is that we cause an immigration of student population by our Federal activities. But if that is the principal argument for continuing this support, then it would seem that we ought to take some credit for the jobs that are provided for citizens in the civilian sector and the fact that we compensate you for that child as if we did send the child to Hawaii to go to school by sending his parent there.

Mr. TOKUSHIGE. Mr. Chairman, this is why I would like to make the following statement that is presented in the material that we have:

The Federal Government for 1966-67, the support by the Federal Government will be less than the actual expenditure because of the fact that—

Mr. FORD. Excuse me just a minute. I am looking now at research report No. 19 from the Office of Research, Statistics and Data Processing, Department of Education, State of Hawaii. I am sorry I can't give you a page number. This is a continuation of table 2, federally connected pupils in Hawaii public schools by school and category through March 22, 1965, that would indicate that in category B-2 you have a total school population of 23,024 who are the children of nonmilitary personnel, out of a school population of 32,000 category B children. So most of the children that we are talking about in category B are not the children of military personnel, and I would assume that—well, I guess maybe I shouldn't assume anything.

Is it fair to assume that if we moved the military establishments out, that these civilians would find other employment, or would they move out, too?

Mr. TOKUSHIGE. I wouldn't be able to answer that question. However, I would like to answer the basic question that is being posed here by saying that because of the fact that actual expenditures and the reimbursement rate of the Federal Government is not synchronized at the present time, it will cost the State considerable additional amount of moneys to carry on and educate the student even—let's take the category A student, those whose parents reside and the students go to a base school. In the year 1966-67 if we project this, our estimated cost based upon the appropriations that we have just received

will be \$611 per pupil, and the national average, according to the NEA average is \$484 per pupil. Now, if you were to multiply 15,105 students by \$611, we will find that it will cost us approximately \$9.2 million to educate the 15,000 category A students, while we can anticipate \$3.6 million for educating these category A students.

Mr. HONDA. Mr. Chairman.

Mr. FORD. Yes.

Mr. HONDA. If I may, as to the specific question that you have put, I do not believe that we will be able to furnish the kind of information, because much of it would be conjectural. In other words, we will have no way of really knowing how many of those people—supposing that the Federal installations were removed, how many of them would leave the jurisdiction, leave the State, and how many might be able to secure employment here?

Mr. FORD. Well, I can predict for you that Members of Congress who do not agree completely with my very good friend and colleague, Mrs. Mink, on the necessity for continuing this particular support, are going to be asking this question, and so far in these hearings nobody has answered it.

I think the constituents of mine in Michigan would like to know how they can get 23,000 Federal jobs, or jobs to support 23,000 school-age children moved in the next time the automobile plants shut down for 2 or 3 months to retool.

This is part of the pressure that will build up on this, and it seems that this is something we ought to give some thought to if we seek to justify this on the ground that we, the Federal Government, are burdening your school system with additional children and we are not going to get credit for the assistance that the economy gets.

Now, here in Hawaii we have now established that you let your propertyowners off scot free as far as support for schools is concerned, so the argument that we are taking Federal property off of the tax rolls by federalizing it and thereby depriving the schools of income and we should replace that income with 875 and 815 money, doesn't apply.

Now, if we take the additional argument and say that we have to provide the education because of the children we ship in by indirection and then discover that a major portion of these people are actually the children of civilian employees and don't know whether they are all shipped in or partially shipped in—I assume that there must be a mixture, it can't be all one way or the other—but we don't know whether half or 90 percent of them are people who would stay in Hawaii whether they had the Federal job or not. I suspect not. They would have to follow their employment to wherever it went.

But it would seem that on both counts that have been used consistently in the Congress to support this legislation, at this point at least, the arguments fail when we try to apply them to the reason why we should continue to give Hawaii \$7 million a year under this bill. And that is the dilemma we are facing.

Mrs. MINK. Will the chairman yield at this point?

Mr. FORD. I was afraid I would have to.

Mrs. MINK. I think the facts that have thus far been presented, Mr. Chairman, amply justify the continuance of this program.

If we take the figures that you have just cited, Mr. Chairman, indicating that 9,000 some-odd children in category B are military-related children and 23,000 are nonmilitary related, we must come to the conclusion that the military children, the 9,000, added together with the 15,000 that are in category A, constitute the impact on the State of Hawaii, because they are clearly identified as youngsters in this community who are here only because their parents have been sent here by the Department of Defense.

If we take the figures which have been presented to this committee that the current cost of education for each one of the youngsters in the system here in Hawaii is in excess of \$500, then the cost of education of the 24,000 youngsters that are military connected, in other words, the 15,000 plus the 9,000 in category B, we have a \$12 million cost figure for the education of children who are part of the military enterprise here in the State of Hawaii, 24,000 children times \$500.

The contribution which the Federal Government will make to us in the next school year is \$7.8 million, so it comes nowhere near meeting the cost of those children that are identified clearly by the statistics as being related purely to the military enterprise.

Now, I think the facts in our community also show that any number of families are present in our community who come here from each of the other 49 States to become part of the civilian defense operations at Pearl Harbor and other installations. They come here purely for that purpose.

I want to illustrate my point here by stressing the fact that recently the Department of Navy decided that they wanted to employ 1,000 additional persons for their Pearl Harbor activity. The 1,000 persons will not come from the State of Hawaii, but are being recruited from all of the States of the country. So this will again increase the impact. So we must conclude that even out of the 23,000 that are identified in this school report as being nonmilitary, many come here for purposes related strictly to defense operations.

I think the figures are abundantly clear, and if we move into a cost factor in excess of \$600, which we have done this year through the efforts of the State legislature, then we are saying that in the forthcoming school year, 600 times the 24,000 that are clearly identified, places the cost of education for these youngsters in excess of \$15 million, and the contribution that we are getting from the Federal Government doesn't even meet 50 percent of the cost of education of these youngsters.

This is why a year ago, Mr. Chairman, I submitted my bill to try to bring better equity and better support for at least the category A children which have been identified in this State, and in that bill I asked that the contribution rate be increased to 100 percent.

I think the facts are clear that this is not something which is not deserving of this State, or for that matter any other State in a similar predicament. And if the records of the Defense Department are correct, we in the State of Hawaii are going to suffer the greatest loss in terms of contribution, because by percentage of population we have the largest number of these persons within our State.

Of course, this is not to say that we, as a State, do not benefit from military and Federal activity. We do. But we fervently believe that the cost of education of the youngsters brought here by Federal Gov-

ernment policies ought to be supported by the Federal Government. And, certainly, 50 percent of the cost of education for these youngsters is a very equitable distribution of the benefits, both to the Federal Government and to the State of Hawaii.

Mr. SICKLES. Mr. Chairman.

Mr. FORD. I stand corrected.

Mr. SICKLES. I wonder if I might address a question to Mr. Jackson or one of your assistants.

With respect to the funds for construction, where are the schools built by the funds that are provided for construction, or is the money just thrown into, in effect, a big pot and a little bit in every building?

Mr. JACKSON. No, it isn't. Mr. Tokushige, will you answer that?

Mr. TOKUSHIGE. In answer to that question, all Federal funds that we receive under Public Law 815, the projects are reviewed by the Federal Government and they are given for specific projects. The projects that we have this year, for instance, include a school in Schofield, renovations and additions to a school in Wheeler Field, and we have some in the Pearl Harbor area, and we have one out at the Marine base at Kaneohe. These are the kind of schools, the places in which we expend our funds under Public Law 815.

Right now we are spending some money under 815 for the elementary school over at Fort Shafter. The State and county governments contributed some additional funds to build a school over at Fort Shafter, also.

Mr. SICKLES. Does it cost you the same amount to build a school when Federal funds are provided under 815 as it does with respect to those buildings that are built without Federal funds?

Mr. TOKUSHIGE. To some extent it does, because of the Federal regulations that apply regarding work conditions and so forth.

Mr. SICKLES. In order to keep the cost of buildings down, do you try to put as much Federal money in one building, rather than have a little bit of Federal money in many buildings?

Mr. TOKUSHIGE. The projects that we request funds for are related to federally connected students. Therefore, we try to put in the money that we get from the Federal Government in those areas. In other words, we would not use Federal moneys to build a school in Aina Haina, a residential area down at the Koko Head end of this island.

Mr. SICKLES. But if you had Federal funds to build two grammar schools in federally impacted areas, would you maybe build one school with all Federal funds and one with non-Federal funds because of the prevailing wage requirements, which would make one school cost a little bit more than the other?

Mr. TOKUSHIGE. Our philosophy has been that when we start construction in a school, we try to build the school so as to meet the construction needs of that school level. Oftentimes in the past what has happened is that we have tried to just give the bare minimum for two schools, and we find that we are plagued with problems all the life of that school, because additional funds would be hard to get for improving the conditions and making additions to the different schools.

Mr. SICKLES. Do you pay the prevailing wages for all school construction all over the State?

Mr. TOKUSHIGE. Yes, we do.

Mr. SICKLES. That is all I have.

Mr. FORD. It became very apparent when Mrs. Mink was talking here a moment ago—I have heard some of these things before in connection with her legislation in which she seeks to get 100 percent reimbursement for federally connected children—she makes a very forceful argument for the federally connected child who is, in fact, sent here, either by the military or by recruitment on the mainland of people who come here for jobs that the military want done.

We were just taking a look at the figures, and it would seem that if Mrs. Mink were successful with her legislation that we could cut back enough money to finance it with this legislation by changing the definition to accomplish this to more closely fit the kind of federally connected child you have in Hawaii, and you would end up getting almost, well, a little over \$15 million under her bill instead of the \$7 million that you now get from us.

In other words, if we took all 23,000 civilian employee children and the 822—that is, category B children—and the 822 category A children that are the children of civilian employees, and gave you nothing for them, but gave you the full \$611 for the remaining children instead of giving you a portion of what it actually cost to educate them, it would cost us twice as much as we are now spending.

Now, that turns my little analysis of the Hawaii situation of a few moments ago completely inside out and makes me breathe a sigh of relief that we are getting off that easy.

But immediately, I think, Mr. Sickles would hit the ceiling if we suggested that, because in his State of Maryland he has all of the employees who work for the Federal Government in Washington and drive home to his community where they have to educate the children.

This is an interesting possibility, and I would hope that you would assist this committee and Mrs. Mink by working up some figures on how this might be defined. Obviously, we don't have the extra money to do it. What we really ought to be doing with this bill is readjusting the formula so that we put the money where we are putting the kids, and solve the problem that the President, I believe, and his advisers are really after, and that is that in some instances this Federal money has become a windfall, and cannot really today, this many years after its original writing, the original writing of this bill, be identified with the children that we are primarily responsible for as the Federal Government.

We came from a State yesterday, for example, where it is the practice of the State to charge this Federal money against the local school district when it divides up the State aid, so that actually what we are doing is taking some of the burden off of the state legislature. So when a little school over by a Navy base at Oak Harbor picks up \$51,000, the State legislature says, "That's nice, we just deducted \$51,000 from what we were going to give you this year." So we just get nowhere. The more we give them, the less they get, and they don't make any progress as a result of this money.

There are about 18 States, other States, where some variation of this is being carried on at the present time. Your State, as I indicated at the beginning, doesn't do this. But these are the kind of inequities that this legislation seeks to correct. And I think that the hearing has hit a point now where Patsy has, I think for the record, pretty

clearly established the fact that this approach has greater built-in inequity for a State with the peculiar circumstances of Hawaii than any of us had expected. And perhaps in trying to correct the ills that we are working on, we may be killing the patient.

In your absence, Mrs. Mink, I suggested that if we passed your bill and threw out all the children that I was objecting to pay for, it would cost us \$15 million for Hawaii instead of \$7.2 million. So maybe I ought to back off and leave the thing alone.

Do you have any questions, Mr. Sickles?

Mrs. Mink?

Mrs. MINK. I think you were addressing yourself, Mr. Chairman, to a very important concept, and that is that the use of these funds and the fact that these funds in our State have not been used to supplement any programs or take away funds which a school is entitled to receive, and we have achieved that equity by putting all of the 874 moneys into a general pot and then distributing equitably the funds that are available under all programs to all of our schools. And this has been one of the principles under which our school system has operated over the years. And I believe we come closest to the concept of equal education opportunity of any school system that I have had the privilege of examining.

Some discussions have come to my attention recently by a number of school principals with relation to their fears that that kind of thing that you mentioned might take place in the administration of 89-10 moneys. I would hope that the Department of Education bears close attention to the language of the bill, and that the Congress will again be scrutinizing the utilization of 89-10 moneys to make sure that there is not a reduction of local school support where 89-10 moneys are being used, that these moneys are supplemental and there should not be any reduction of school support to schools that have been identified as geographical areas which are entitled to receive 89-10 funds.

I would certainly hope, Mr. Chairman, that the committee will very seriously consider my bill. I think that overall the basic intent of the legislation will be better achieved if this kind of formula that I suggested were enacted into law, and not because Hawaii alone will benefit to a larger extent, but I think this very kind of question that you pose, Mr. Chairman, would be eliminated and the stability of this program would be assured, and there might be a possibility of having it enacted as a permanent part of the Federal aid concept under Federal operations.

Mr. FORD. Thank you. While we have you gentlemen, I would like to take advantage of your talents just a little bit further and ask you if you have any comments with regard to the other amendments that are proposed to the Elementary and Secondary Education Act of 1965.

Let's do it this way: Can you tell us what percentage of the allocation of money that you have under title I of the 1965 act is committed now in the State of Hawaii? Have you spent the money that is coming to you under title I, or if you haven't, how much of it have you spent?

Mr. TOKUSHIGE. The moneys have been allocated to the districts for their expenditures, as of this moment.

Mr. JACKSON. It is my understanding that under title I nearly all of these funds have been encumbered. I cannot give you the specific figures on this.

Mr. FORD. We have an amendment in this piece of legislation that would make it possible to reallocate funds so that a State that has funds allocated to it and doesn't proceed to use them, would lose that money to the State that moves rather rapidly. Unfortunately, my State is one that is a little slower than I would like to see it. Without mentioning it, we have one State that as of the first of this month had only committed 15 percent of its money.

These are local problems. Apparently local district school officials are having some difficulty coming to agreement amongst themselves about what the first priorities are.

What did you do with your title II money in the schoolbooks; did you buy textbooks or library facilities?

Mr. TOKUSHIGE. We just got our approval from the U.S. Office of Education this week or last week.

Mr. JACKSON. Last week.

Mr. TOKUSHIGE. And the plan calls for expenditure of funds in the school library services area.

Mr. FORD. School library services.

Mr. TOKUSHIGE. Yes.

Mr. FORD. You are not going to buy any textbooks this year?

Mr. TOKUSHIGE. No.

Mr. JACKSON. That will be from the State legislature.

Mr. TOKUSHIGE. Books for the school libraries.

Mr. FORD. Textbooks. No textbooks, just library books?

Mrs. MINK. Did I understand your response correctly that there are no textbooks under title II?

Mr. JACKSON. This I cannot answer specifically. I know the bulk of this money is being used in the general library services, and how this breaks down, I am not sure of at this time.

Mrs. MINK. May I request, Mr. Chairman, that the department be given 5 days to put together a response to your inquiry for insertion in the record at this point with reference to title I and title II moneys so that our performance can be amply indicated to the Congress that we are utilizing the funds in accordance with congressional intent.

Mr. FORD. Yes. Without objection it will be so ordered.

(The document to be furnished follows:)

STATE OF HAWAII,
DEPARTMENT OF EDUCATION,
Honolulu, Hawaii, May 5, 1966.

Hon. PATSY T. MINK,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSWOMAN MINK: This in response to our Superintendent's request that I inform you concerning my reactions to the following questions:

1. What are we doing or have we done with Title I, Title II, and Title V funds?
2. What impact will proposed changes in Federal legislation have on Hawaii; e.g.:

(a) changing \$2,000 figure to \$3,000—will this redirect funds significantly in Hawaii?

(b) what about public assistance for children? Do we have more or less today than 1960? Should new or old formula be used?

Under Title I we have, as of April 29, 1966, approved a total of eighty-one (81) projects amounting to \$2,126,456. Five projects totalling \$215,997 are pending

approval in my office. At this rate we are confident that we will be able to spend the entire FY 1966 grant of \$2,374,944 for Title I programs allocated to Hawaii before the end of summer, 1966. The types of projects approved for this fiscal year fall into the following categories:

Type of project	Elementary	High school	Cooperative
Counseling.....		3	1
Study center.....	3	2	1
Remedial education.....	4	2	1
Audiovisual education TV.....	5	7	1
Field trips and excursions.....	5	1	1
Language arts.....	10		
Social studies.....	1		
Science.....		1	
Preschool.....	5		3
Multimedia center.....	2		1
Classroom assistants.....	6	6	3
In-service.....	1		1
Summer program.....	2	2	

Under Title II, we have recently sent request forms for books and library resource materials to both public and private schools. Expending our total allocation of \$391,124 will not be difficult. For FY 1966, the emphasis in Hawaii is on purchasing books and materials on language arts and geography.

Under Title V, we have, despite shortage of personnel, appointed four of the five administrative interns in the personnel, library, and research divisions, sent individuals and groups to the mainland for recruiting of teachers and education officers, and purchased much needed equipment and materials (data processing, microfilming, International Business Machine, etc.) for selected offices in the State Department of Education. At this point, there appears to be no difficulty in expending the total allocation of \$134,487.

In my opinion the changing of \$2,000 figure to \$3,000, if based on Census Tract of 1960, will significantly broaden the base of operation and qualify more children, therefore more schools to participate in the Title I programs. However, the Federal grants must be increased proportionately in order to take care of the expansion. In Hawaii where the costs of living is extremely high, it does pose a problem when we are required to follow policies set on mainland salary standards.

Finally, in answering your question, "What about public assistance of children?" I have contacted Mr. Jack Wakayama, Research Specialist, Department of Social Services, and obtained the following information:

In June 1960, 2,405 families with 7,448 children received \$320,904 in public assistance (money and medical vendor payments) under the Aid to Families with Dependent Children category.

By June 1965, there were 722 more families or a 30% increase and their payments were \$173,306 higher or 54%. June's totals were 3,127 families with 10,037 children and \$494,210 in assistance expenditures.

A comparison of the two periods in terms of recipient rates and average payment is as follows:

	June 1960	June 1965
Recipient rate per 1,000 population (18 to 64 years).....	31	36
Average payment per person.....	\$33.58	\$35.25

In March 1966, 3,453 families with 11,400 children were assisted with public assistance payments totalling \$672,237.

The increase in numbers as well as in assistance expenditures reflects (1) more families becoming eligible for assistance because of population growth and liberalized level of payments; (2) a pass-on additional Federal matching to Hawaii's needy recipients in higher level of payments is in keeping with decency and improvement of health.

The 1965 Social Security Amendments have made it further possible for Hawaii to raise its assistance standards. During the past year, Hawaii has increased food allowance 20%, reaching its minimum food standard for the first

time since the Department was organized. (The Third Legislature in its New Hawaii program provided the State funds to make this possible.) Additional allowances for recreation and community activity have been provided recipients effective April 1, 1966. Thus, Hawaii has been able to pass on approximately \$500,000 additional Federal matching available to Aid to Families With Dependent Children, under the *Optional Formula* of the 1965 Social Security Amendments.

In the event you should wish further information please feel free to communicate with me. I shall be most happy to be of service to you:

Sincerely,

CLARENCE N. MASUMOTOYA,
Administrator, Federal Aid Programs.

Mr. FORD. We have also in legislation before us a proposal to change the formula for distribution under title I in the fiscal year 1968 by continuing to supply one-half of the State per pupil expenditure, but by counting instead of children who show up on the 1960 census as living in a household with an income of \$2,000 or less, children in a household of \$3,000 or less.

Have you any opinion on how this would affect Hawaii?

Mr. JACKSON. We could furnish this information. We would be happy to do so.

Mr. FORD. When you look at it, I would like to call your attention to the fact that although you get more children, there are some parts of the country that gets more children than other parts of the country, because it seems that the parts of the country who have the largest number of children in \$2,000 or less have proportionately more children than other States between \$2,000 and \$3,000. So when you first look at it, it would appear like we were giving you more money because of the additional children. But then if you look at the total amount of money—we are talking in 1968 of a billion eight hundred million—and you take that total pot and reallocate it with a \$3,000 figure, I think you will see rather quickly that it goes in different directions.

Apparently the State school people around the country haven't been paying much attention to this, because we haven't been able to get much testimony. All of the testimony so far has been sort of, "We like that, let's do it real quick," until we ask them if they have thought about it this way, and find so far that not many of them have given it too much thought.

The alternative to doing it that way might be, for example, to change the percentage from 50 percent to 60 or 70 or 75 percent and leave the accounting the way it is. These are alternatives that we will have to give some thought to. And you might want to communicate through Mrs. Mink to the committee your thoughts on how this would affect Hawaii.

The additional change that is proposed there is to use the most up-to-date available data on public assistance children.

Are the number of children receiving public assistance, or families receiving direct public assistance greater or less today than they were in 1960 in your school system?

Mr. JACKSON. Again, I cannot answer that question. I can get the figures for you.

Mr. FORD. Well, a point to what this does in cities like Los Angeles and New York where they have a tremendous migration of people who go directly onto public assistance as soon as they get to town, so to speak, they are penalized very badly by the way the law is written now,

because they only count the children that were on public assistance some time ago. Now, this is also hitting States like Florida where the Cuban in-migration is taking place.

If we update that information, it is apparent that we will help New York City and some others, Detroit, but it is also possible that if we update it and don't let you take the alternative of using either the new information or the basis of this year's allocation, if the number of children that you have that can be identified in this category is dropping, we will be taking some title I money away from them.

So that is a little amendment that doesn't look like it does very much, and I don't know whether it does in your State, but maybe you would like to take a look at that and tell Mrs. Mink what the effect would be.

What have you done about the money under title V of the Elementary and Secondary Education Act which was given to you for the purpose of strengthening your State office of education; what did you do with that money?

Mr. TOKUSHIGE. I do not have the specific projects, but we did submit some projects to the U.S. Office of Education and we did get approval. And as I can recall, we did have some moneys for strengthening the State level by staff development and getting into an administrative program and go into some microfilming and things of that kind. I don't have the plans here with me, but it can be made available, and I would like to request that this will be made part of the record.

Mr. FORD. All right.

(The document referred to appears on pp. 78, 80.)

Mr. FORD. Now, this year's authorization would be less than last year's authorization under this bill, but it would be \$5 million more than last year's appropriation, because the appropriation ended up being—last year we authorized \$25 million across the country, and the appropriation was actually what—about 17, and this bill asks for an authorization of \$18,700,000, which would give Hawaii about \$151,000.

Did you spend that much money out of the first year's money?

Mr. SICKLES. I am sorry, Mr. Chairman.

Mr. FORD. How much title I money or title V money that you were entitled to have you actually spent?

Mr. JACKSON. We brought none of these records with us. I am sorry, Mr. Chairman. It was our assumption that we were to spend the time only on 874 and 815 and the school lunch program.

Mr. FORD. I appreciate that. And I appreciate the disadvantage that you have, but we thought while we have you here we would try and explore the rest of this legislation as it applies to your State.

Mr. JACKSON. We would be most happy to supply this information through Representative Mink to the committee.

Mr. FORD. I have no further questions of this panel. Do you have any, Mrs. Mink?

Mrs. MINK. I notice, Dr. Jackson, in your presentation on page 2 that you have a reduction of 2.2 million as distinguished from the figures that we have been using, 3.2. So for purposes of indicating the basis of the other witnesses' remarks and my own remarks, I would like to insert for the record at this time the committee print of the 89th Congress, 2d session, that table relating to Hawaii on page 21, where the expected estimate in 1967 is indicated at \$7.8 million and the estimated entitlement, if the amendment should go through, at \$4.6 million.

(The table referred to follows:)

Hawaii

Name of school district	Congressional district	1967 estimated entitlements under Public Law 874	Estimated entitlements under proposed amendments to Public Law 874 in fiscal year 1967 budget
Board of Education of the Department of Education, Honolulu.....	-----	\$7, 828, 897	\$4, 609, 128
Total, Hawaii.....	-----	7, 828, 897	4, 609, 128

Mr. FORD. Any further questions?

Mr. SICKLES. Mr. Chairman, I see that we have many more witnesses and time is growing late, so I don't think I want to take the time to ask any more questions. But I certainly want to compliment this panel for their answers and hope that they will provide the comments that were requested by the chairman.

Mr. FORD. Thank you very much, gentlemen. You have been extremely helpful to the committee, and I know that this part of the record will be valuable to us.

Who do you want to call?

Mrs. MINK. I would like to call up the next group of witnesses, the chairmen of two school advisory councils, Mr. Chairman. The first, Mrs. Wyatt, who is chairman of the Oahu School Advisory Council, and with her, the second witness, Mrs. Ruth Tabrah, of the island of Hawaii, chairman, also, of the Hawaii School Advisory Council.

The school advisory councils, Mr. Chairman, are elected bodies and come from each of the four counties, and they are really volunteer individuals who are serving very actively, very aggressively, and making a tremendous contribution to the full discussion of school matters.

I am very privileged today to welcome these two charming women, and I am sure that what they have to say will be very valuable to this committee.

Mrs. Wyatt.

Mr. FORD. We would like to welcome you here and you can proceed in whichever order you wish. If you have some notes or statements that you are working from, we would appreciate it if you would give it to the reporter when you conclude, so that he can use it.

We have your statements here and without objection the statements that have been presented will be inserted in the record at this point. You may proceed.

(The statements referred to follow:)

STATEMENT OF JANET W. WYATT, CHAIRMAN, OAHU SCHOOL ADVISORY COUNCIL

Mr. Chairman and Committee Members, on behalf of the School Advisory Council and the citizens of the four school districts on Oahu which our Council represents, I strongly protest the Administrations proposed cuts in these Federal Funds (P.L. 874, 815 and The Special Milk Fund; National School Lunch Program; Donated Commodities Program). These cuts *particularly* in the *Impact Funds* will greatly affect the quality of education that we are able to give to all

our children in Hawaii because we have such a large percentage, in comparison to other states, of students who are federally connected.

I would further question the validity of the change in philosophy about federal aid to education which these proposed cuts seem to imply. It has been suggested that if these impact funds are phased out they would be replaced by funds from P.L. 89-10. Using 89-10 funds to fulfill basic educational needs is a perversion of the original intent of the law which provided these funds. They are needed as urgently now as before to provide supplementary programs. They must not be diverted from these important preventive and remedial programs which could never otherwise be obtained in areas of economic and cultural deprivation. In our state they are helping to augment basic programs to which the state is already devoting a large share of its operating budget.

Military activity generally contributes to the economic well-being of Hawaii. However it is not an unmixed blessing. The military contribution should not properly be equated with an industry—such as the pineapple or sugar industry. Variable world tensions, shifts in national military policies may bring and have in the past brought unpredictable changes in military expenditures in Hawaii. There can be no local control of this aspect of our economic destiny. Federal "Impact Aid" makes good sense in this state as a proper compensation for that unpredictable and uncontrollable military budget.

Hawaii has usually had a higher proportion of children in public school from families in Category A & B than any other state. It must be emphasized that the amount of local taxes paid by these families is much less than families not connected with the federal government. Thus both the advantages and disadvantages of large federal involvement in a community are proportionally greater in Hawaii. The "buffer" of Federal "Impact Aid" is consequently needed in greater proportion here also.

As the military effort in Asia is being accelerated, it would seem logical that the auxiliary services needed to aid this acceleration would also increase. This increase will undoubtedly cause an added number of category "B" students in our schools. If federal aid for these students is completely eliminated as has been proposed, it cannot help but affect adversely the quality of education that we can provide all of our students. There have been significant raises in the amount of money provided for the education of each pupil in the last two years. This has been met by an increase in taxes. For us to have to absorb the entire burden for educating these children will necessitate further tax load on a population which already pays the highest per capita taxes of any in the United States.

If Federal "Impact Aid" for schools and school construction were justifiable and needed when they were initiated, that need and justification was more so in Hawaii. Furthermore that justification and need is substantially greater at this time and will continue to increase in the foreseeable future. If there is to be any change in these funds, they should be increased.

National Milk Fund; School Lunch Program; Donated Commodities:

I would strongly urge also that these special funds not be cut or reduced.

A well nourished child makes a more ready student. Therefore, it is incumbent upon those agencies of Government concerned with the health and welfare of all children to give the necessary means to school districts to increase their efforts in this area. These federal funds have greatly benefitted the school children in Hawaii. For one thing, they have helped to change the eating patterns of our youngsters. These programs have been instrumental in reducing the high starchy diets common to our families. This has no doubt helped immeasurably to increase the well being of our children and thus affects positively their school performance. If the state is forced to raise lunch prices, it will undoubtedly mean a decrease in the number of lunches sold. Once such a reduction is effected it is seldom modified upward at a later time. This will mean a probable reduction in the health and well being of many of our students for whom a hot school lunch is the one well-balanced meal they receive each day.

Naturally we must view these cuts in relation to our overall national commitments. However, as a citizen and parent, I protest any cut in Federal aid to education in these areas. Our nation's future welfare and stability is inevitably tied to the quality of education we provide our young people. Therefore, I feel that our commitment to education is as important if not more important than any of our other commitments and it should be the last to be cut.

Thank you Mr. Chairman for this opportunity to express the views of our School Advisory Council.

I wish further to express our gratitude to Congresswoman Mink for providing us with this hearing. We are most appreciative of her efforts on behalf of Hawaii and particularly her work in education.

STATEMENT OF MRS. FRANK TABRAH, CHAIRMAN, HAWAII SCHOOL ADVISORY COUNCIL

I am very honored by the invitation and opportunity to present this testimony today. I am here as chairman of the Hawaii School Advisory Council, the first elected lay council in the history of our State and a council whose membership reflect the range and intensity of interest by our citizens in education. Mr. James K. Yamamoto, State Tax Collector, Mr. Yukio Takeya, Federal employee for the Post Office Department, Mrs. Samang Kong, retired school principal, representing the Second District, Mr. Steve Mochida, electrical contractor representing the Third District, Mr. Daniel Hata, independent cane planter representing the First District, Mr. Kiyoshi Kamitake, businessman representing the Fourth District, and myself, Mrs. Ruth Tabrah from the Fifth District, have called upon the resources of our Hawaii District School Department, with whom we worked in relationship of a very close cooperation, to furnish the following information given in this testimony.

RE PUBLIC LAW 81-815 AND PUBLIC LAW 81-874, FEDERALLY IMPACTED AREAS FUNDS

A reduction in funds for Federally Impacted Areas can be expected to affect adversely the educational programs in the Hawaii District. Because the General Fund of the Department of Education (to which the Federal funds are diverted) would be depleted by the amount cut back, each school district can expect a corresponding reduction in its allocation for educational program.

We have only one school, Keakealani, serving the Volcano area children of personnel with the National Parks Department and Kilauea Military Rest Camp, where there is such an impacted school population. However, because the Hawaii District funds will be depleted by the amount of cutback, the school concerned can expect a corresponding reduction in its allocation, and it is already a marginal operated school. Fewer textbooks and other tools of learning will be available.

RE PUBLIC LAW 82-128 NATIONAL SCHOOL LUNCH SERVICES AND NATIONAL MILK SUBSIDY PROGRAM

A. Milk subsidy

The Hawaii District will not be affected at all by any reduction in the milk subsidy. The Hawaii District does not participate in this program since the milk subsidy program requires 100% serving of whole milk and this is not possible on the Island of Hawaii. We serve chocolate milk to provide 100% milk serving.

Although reduction of milk subsidy does not directly affect Hawaii District, since the School Advisory Council, an advisory board to the State Board of Education, and as such is concerned with anything that affects the statewide public school system in other district as well as our own, we strongly urge that no cutback be made in the fund.

In the light of many health specialists concerned over the fat content of America's diet, perhaps your committee might consider deleting the whole milk proviso in milk subsidy and give the Hawaii District children and others who may badly need the milk protein in their diet, the benefit of the milk subsidy of the milk program. The essential fat content for the children's diet is assured in the rest of the school lunch by Federal standard.

B. School lunch subsidy

Under the present subsidy arrangement, the Hawaii District's school lunch program is currently operating at a \$7,000 deficit. This has been due to several factors:

1. High labor costs (still rising). 70% of cafeteria helpers' pay come from cafeteria lunch earnings.
2. There has been a lesser quantity of protein products from the Federal lunch subsidy program which necessitated increased purchases of fresh protein

(meats) products at high prices. There is a minimum requirement for protein products which must be served daily to qualify for Federal lunch subsidy.

3. An average of 661 free lunches are served daily to needy students on the Island of Hawaii who are not able to buy lunches.

If a lunch price increase is contemplated to offset any reductions in Federal funds, we can anticipate a drop in daily lunch count and a probable greater demand for free lunches.

The school lunches have, in a great many instances, provided the most nutritious meal of the day for a student. A continuance of a Federal subsidy will insure the maintenance of a balanced diet for all the children of our Hawaii Schools, and particularly, those students from the lower socio-economic strata for whom school lunch is the most balanced and nutritious meal of the day.

If a Federally subsidized, nutritionally balanced school lunch is not available for our Hawaii District children, the traditional home lunch would probably be either a package of soda crackers or a cold rice ball, a handful of wild guaves or green mangoes, a can of sardines, bread and jelly sandwiches, or no lunch at all. The majority of our Hawaii District children get up with their parents at a very early hour in the morning. The average breakfast is eaten between 5:30 and 6:30 in the morning. By noon, the children's energy level is much depleted and no lunch or the forementioned kind of home lunch is likely to cause an adverse effect on the student performance during the afternoon portion of the school program.

Most of all, the proposed cutback in the above three programs (Federally Impacted Area Funds, National School Lunch Services, and National Milk Subsidy Program) seem to us to be very inconsistent with the intent of the recently enacted Federal legislation to give augmented aid to students in culturally and economically deprived area. Two-third of the 16,000 school children in Hawaii District live in communities or neighborhoods that have been designated in a recent listing by the Department of Education Personnel Office as limited environment areas, which means that the general opportunity of such area is of culturally or economically deprived in nature. We would like to call such attention of your committee to the fact that since Hawaii District does not qualify for the present Federal Milk subsidy, the $8\frac{1}{2}\text{¢}$ cost of one-half pint of milk in our District is paid for out of every school lunch quarter; the remaining $16\frac{1}{2}\text{¢}$ is used with great skill and much ingenuity on the part of our cafeteria managers to provide a Class A lunch for the Hawaii District children that meet Federal standards. This difficult job of providing a good hot lunch at a cost of 25¢ for each child again raises an inconsistency since under the provisions of the Economic Opportunity Act, 50¢ per child per lunch is designated as the necessary amount budgeted to provide similar hot lunch for the preschool children participating in that program. These lunches are prepared by the same school cafeteria which prepares lunches for other regular public school children. In response to the demand of the Economic Opportunity Act in this area, as well as to our own concern to assure equal opportunity for all children in our district, the school department in the Hawaii District has set up consolidated cafeteria operation in the Kona area to prepare and send out by car a Class A school lunch to those several small schools whose student population does not permit them to qualify for such services in their own school previously.

Again, on behalf of the Hawaii School Advisory Council, and also on behalf of the teachers and professional staff of the Hawaii District, with whom we enjoy close cooperative working relationship for the good of education in our district and State, we are hopeful that you will not only restore the cutback, but may see fit to liberalize the Federal milk subsidy program so that the Hawaii District can participate.

**STATEMENTS OF JANET W. WYATT, CHAIRMAN, OAHU SCHOOL
ADVISORY COUNCIL, AND MRS. RUTH M. TABRAH, CHAIRMAN,
HAWAII SCHOOL ADVISORY COUNCIL**

Mrs. WYATT. I am Janet Wyatt, chairman of the Oahu School Advisory Council.

I would first like to respond to the point that your chairman raised concerning letting our people go scot free on paying for education by real property taxes. I think we must emphasize the unique situa-

tion in Hawaii, that we are, in fact, in the operation of our schools, more comparable to a large municipal school system, although we rightly call ourselves a State school system.

In most States there are generally two sources of revenue in aid to the schools. We have only one, so, in effect, moneys come from the same pocket, generally speaking. Therefore, using real property taxes for schools is not truly relevant in Hawaii, because they would come from the same source. To make them a major source of support for education, I feel, would only encourage the breaking down of our unified school districts, and this, I feel, would be a detriment to the quality of education in our State.

On behalf of the school advisory council and the citizens of the four school districts on Oahu which I represent, I wish to strongly protest the administration's proposed cuts in these Federal funds. Although in my written testimony I have noted we are opposed to the cuts in the milk fund and national school lunch program and donated commodities, I should like to address my remarks particularly to the impact funds, because I believe that cuts in the impact aid will greatly affect the quality of education that we will be able to give all of our children.

Military activity generally contributes to the economic well-being of Hawaii. However, it is not an unmixed blessing. The military contribution should not and cannot properly be equated with an industry, such as the pineapple or sugar industry. Variable world tensions, shifts in national military policies may bring and have brought in the past unpredictable changes in military expenditures in Hawaii. There can be no local control of this aspect of our economic destiny. Therefore, Federal impact aid makes good sense in this State as a proper compensation for an unpredictable and uncontrollable military budget.

Hawaii has usually had a higher proportion of children in public school from families in categories A and B than any other State, and it must be emphasized that the amount of local taxes paid by these families is much less than families not connected with the Federal Government. Thus, both the advantages and disadvantages of large Federal involvement in a community are proportionately greater in Hawaii. The buffer of Federal impact aid is consequently needed in a greater proportion here also.

As the military effort in Asia is being accelerated, it would seem logical that the auxiliary services needed to aid this acceleration would also increase. This will bring added numbers of category B students into our schools. If Federal aid for these students is completely eliminated as has been proposed, it cannot help but affect adversely the quality of education that the State can provide all of our students. Our taxes have already been greatly increased to accommodate the rising cost of education, as you have been told. As citizens, we are pleased to have the State government put a large percentage of its operating budget into education. However, for us as taxpayers to have to absorb the entire cost for educating these category B students would seem an unfair imposition when we already pay the highest per capita taxes of any in the United States.

If Federal impact aid for schools and school construction were justifiable and needed when they were initiated, that need and justi-

fication was more so in Hawaii. Furthermore, that justification and need is substantially greater at this time and will continue to increase in the foreseeable future. If there is to be any change in these funds they should be increased.

I would further question the validity of the change in philosophy about Federal aid to education which seems to me to underline these proposed cuts, and suggest the substitution of 89-10 funds for them. Using 89-10 funds to fulfill basic needs seems to me to be a perversion of the original intent of that law; 89-10 funds are needed as urgently now as they were before to provide preventative and remedial programs that are supplementary to regular school programs which could never otherwise be obtained in the areas that are economically and culturally deprived. This is giving and taking away at the same time, which seems to be a strange philosophy, and we truly believe that one of our most important commitments is for education. We feel strongly, as citizens, that our Nation's future welfare and stability is inevitably tied into the quality of education we provide our young people. Therefore, we beg this committee to seek means to prevent these proposed cuts.

Mr. FORD. Thank you.

The next speaker will be Mrs. Ruth Tabrah.

Mrs. TABRAH. I am very happy and honored by the invitation to address testimony to this congressional subcommittee. And in preface to the testimony which I have already deposited with you, since you, with the exception of our Congressman, Mrs. Mink, are strangers to our State, to let you know that the island whose school advisory council I am chairman, of, is as different from this island of Oahu where you are now sitting as this island of Oahu is different from your own home States of Michigan and Maryland. I represent the school advisory council of the big island of Hawaii, and when we say big island, we mean big, because our island is larger in geographic area than all of the other islands of the State combined. We are about the size of Puerto Rico in area, and yet we have only 66,000 people spread out in small plantations, ranching and farming, and a few beginning resort communities on our large island.

I would like to, for the purpose of your information and background, give you the makeup of our elected advisory council to show you the wide spectrum of interest among our citizens on the big island in education. The elected members of our advisory council on Hawaii are Mr. James Yamamoto, who is a State tax collector; Mr. Yukio Takeya, who is a Federal employee for the Post Office Department; Mrs. Samang Kong, who is a retired school principal, all of these representing the Second District; Mr. Steve Mochida, an electrical contractor, representing the Third District; Mr. Daniel Hata, independent cane planter, representing the Fourth District; Mr. Kioshi Kamitake, businessman, representing the Fourth District; and myself from the Fifth District on the big island.

We have, as I told you, a big island. Not too many people, but we are spread out so that we have a great many small schools. And I have commented first in my testimony on the fact that actually a reduction in funds for federally impacted areas does not hit the island of Hawaii too hard directly, because we do not have too many children in categories A and B. However, I think the ones we do have may be

somewhat representative of children in those categories over the State as a whole.

The 41 children on our island that are category A children are mostly children of Coast Guard personnel stationed at the Iroan base in my own very remote rural district of North Kohala and those stationed at the Coast Guard base in Hilo. In category B they are people who are employed by the Federal Government living in Hawaii, but such personnel would, I am sure, of course leave Hawaii if the Federal project on which they were employed stopped, because they are employees of the National Park Service, for example, of the U.S. Geological Survey Observatory, and we have many scientific personnel on our island. And at Kahu, the Federal employees who are handling the satellite tracking station would all leave if that was dismantled.

Now, one of the things that has affected us on our island just with these few students is that the parents of children in these categories are usually very vocal. They have asked for a great deal. We have one school, Kekalani, which has about 60 pupils and had never qualified because of its small size to have an extra teacher or a school hot lunch program, but the parents of the national park personnel and observatory personnel children appeared before our council 2 years ago and demanded that even though the size of the school was small, that this extra teacher and a hot lunch program be furnished their children. And this eventually was done, but at a cost beyond that which any aid we might get as a district from the Federal impact funds would take care of.

Another contemplated cutback which really does not affect Hawaii particularly is the reduction in milk subsidy, and the reason it doesn't particularly affect us is that we are not qualified to receive that milk subsidy by terms of your present program. The milk subsidy program requires 100 percent serving of whole milk, and this is not possible on our island. We do not have enough whole milk, we do not produce enough whole milk. We serve chocolate milk to provide serving with our lunch. And what we would like to ask of this subcommittee is that rather than contemplating a cutback, you contemplate a liberalization of the proviso with which you give the milk subsidy in the school lunch program. We feel very strongly that the milk proteins are highly essential to the diet of our children. But we also have been reading many of the reports from some of the research, which has been federally funded, in the diet and health of children and adults, and many people are disturbed over the high fat content of the American diet. And we feel that to liberalize the milk subsidy program so that it does not specifically say you must have 100 percent whole milk would benefit our children of Hawaii and we would ask you to consider this.

The cutback that does affect our rural "Big Island" most directly is the school lunch program, currently operating on our island at a \$7,000 deficit.

An average of 661 free lunches are served daily to needy students on the island of Hawaii who are not able to buy lunches. If a lunch price increase is contemplated to offset any reductions in Federal funds, we will have a drop in daily lunch count and probably a greater demand for free lunches.

The question was asked earlier by you gentlemen, what would happen if we did not have a federally subsidized hot school lunch. In our district, the traditional home lunch children would bring to school would probably be either a handful of soda crackers or a cold rice ball with a little pickle or plum inside, or a can of sardines, or a bread and jelly sandwich, or no lunch at all.

The majority of our children are country children. They get up about 5:30 in the morning and they eat their breakfast then, and by noon they are more than hungry.

At the present time, since we do not have a milk subsidy, out of the 25 cents cost of the hot lunch we pay $8\frac{1}{2}$ cents for a half a pint of milk to serve these children, which means that with great ingenuity and skill and a dependence upon Federal surplus products, we provide school cents.

This same hot lunch which we are expected to provide for that price is served in schools where there is an Economic Opportunities Act for the school program on our island at a cost that the Federal Government says should be 50 cents per child, that is how much we get for the same lunch for the regular schoolchild we are expected to provide for $16\frac{1}{2}$.

This brings up the question in our minds, as Mrs. Wyatt has said, about the inconsistency of the Federal funds being cut back in one area when it would have an adverse effect upon the same children in the same program that you are trying to help with Federal funding in economically and culturally deprived areas by 89-10.

The Department of Education recently made a table of what we call limited environment schools in the State of Hawaii. With the exception of our one town of Hilo, which is the main town on our island, every school on our island of Hawaii is a limited environment area, which means we have culturally or economically deprived environmental situations for the children.

For example, on the Kona coast area where we have several small schools and many children who were eligible for the Economic Opportunity Act school program, the school department said that the consolidated cafeteria operation in the area was to prepare and send out by car a class A school lunch to those several schools that had previously not had a population to qualify for such a service.

So on behalf of our Hawaii School Advisory Council and on behalf of the teachers and professional staff of the Hawaii district with whom the council enjoys a close working relationship for the good of education in our district, we are hopeful not only that you will restore the cutbacks as proposed, but may see fit to liberalize the Federal milk subsidy program so that the Hawaii district can participate.

Thank you.

Mr. FORD. Representative Mink.

Mrs. MINK. The committee has received a telegram from Harriette Kawahara from Hilo, and I would like to ask unanimous consent from the committee to insert her telegram at this point in the record.

Mr. FORD. Without objection it will be so ordered. I believe she was speaking in her telegram as representative of the school lunch association. I forget the name. I tried to take this. I am not familiar with your system here of calling telegrams and then mailing

them, but I wish I had time to stay out here and learn about all of these things.

(The telegram referred to follows:)

CONGRESSMAN FORD: Please support maintenance of Federal subsidy at present level for school lunch program. Deeply concerned. Thank you.

HARRIETTE KAWAHARA,
Legislative Chairman,

School Food Service Association, Hawaii Chapter.

MR. FORD. I want to thank both of you ladies for giving us testimony here that, again, is a little bit unusual because you are here not as professional educators or people on a public payroll, but as interested citizens representing a rather fascinating kind of citizens' advisory committee. This is an idea that is starting to catch on a little bit around the country. Apparently you are one jump up on a good many other people. And I am sure that it will enrich this record to have the opinions expressed by people who are speaking as representatives of the general public not directly involved in the day-to-day administration of the schools. Mr. Sickles, do you have any questions?

MR. SICKLES. Mr. Chairman, I just have one question to clarify a point in my mind. Either one of these ladies may respond.

Does this advisory board have any powers at all?

MRS. WYATT. Merely the power of persuasion.

MRS. TABRAH. We answer that differently because we operate differently.

MR. SICKLES. As a matter of law, do any of these advisory boards really in effect become a local school board with some powers where things cannot be done unless they approve, or they have a right of disapproval?

MRS. WYATT. No; we do not have policymaking powers. We have two functions: One is to supply a panel of names to the Governor for appointment to the school board, and the other is to advise the school board members from our particular district, and serve as a liaison between them and the public.

Now, maybe Mrs. Tabrah would like to augment that.

MRS. TABRAH. As I say, we live on different islands and operate a little differently.

MR. SICKLES. By law?

MRS. TABRAH. No. By law we advise, and our interpretation of the word "advise" is a little more liberal than Oahu's interpretation. Also, on our neighbor islands, Kauai, Maui, and Hawaii, we have a very close working relationship because we are rural areas, with the county governments, with our legislators, with our school boards, so we work as a team, all of us doing as much as we can to improve teaching conditions and learning conditions and school programs in general for our districts.

MR. SICKLES. Thank you.

MR. FORD. Thank you very much, ladies. We are going to have to move along as rapidly as possible, because we want to hear everyone who has indicated a desire to testify.

Representative Mink, who do you have next?

MRS. MINK. We have the Hawaii Education Association, Mr. Chairman, represented by Mr. James McDonough, the executive secretary,

Mrs. Lillian Kruse, counselor, Kalihi Elementary School on Oahu, and Miss Gwen Smith, the new president of the Hawaii State Classroom Teachers Association.

Mr. McDonough.

Mr. McDONOUGH. Mr. Chairman, I have a prepared statement which I have submitted.

Mr. FORD. Without objection it will be inserted at this point in the record and your comments will follow it.

(The statements referred to follow:)

STATEMENT BY JAMES R. McDONOUGH, EXECUTIVE SECRETARY, HAWAII EDUCATION ASSOCIATION

Mr. Chairman and Members of the General Subcommittee on Education, I appreciate the opportunity to represent the Hawaii Education Association today at this public hearing on proposed cuts in Federally Impacted Area Funds (P.L. 815 and P.L. 874) and the National School Lunch Services and National Milk Subsidy Program (P.L. 128).

My statements to you this afternoon will be general. I am sure you have been given all the statistics you need by the Department of Education.

I have, however, attached to this testimony, two statements on how projected cuts in P.L. 128 would affect two specific schools. One statement is by Miss Gwen Smith, a classroom teacher at Wahiawa Elementary School and president of the Hawaii State Classroom Teachers Association (an affiliated department of the HEA); the other is by Mrs. Lillian Kruse, a counselor at Kalihi Elementary School.

The object of these statements is, of course, to bring to your attention the fact that whatever is told about one specific school will be multiplied thousands of times for thousands of children throughout the country.

The Hawaii Education Association, with its 5,000-active teacher membership, is opposed to either eliminating or curtailing Federal-aid programs that have proved their worth.

There is no doubt that all three public laws under discussion today have proved invaluable. The major effect of Federal aid to school districts with Federally-connected children has been a higher quality of education for all children; the major effect of the subsidized lunch and milk programs has been assurance of adequate nutrition for all children.

As long as these results are evident, then it would be shortsighted economics to cut back the funds—and thereby jeopardize either the education or the health of millions of children.

The Hawaii Education Association follows generally the principles of the million-member National Education Association on Federal aid.

We believe that the Federal government has an obligation and a responsibility to give aid to the states for public education. We not only oppose cutbacks in proven programs; we also want to see Federal funds allocated equitably to the states.

PUBLIC LAWS 815 AND 874

Now let us look particularly at the obligation of the Federal government to help with the education of children of parents who live on military installations.

If the Federal government has a general obligation to public education, then it must follow that it has even more of an obligation for Federally-connected children.

These children have parents who live on military bases. The property owner pays no taxes to the local government; the parents pay no taxes to the local system, nor do they do the major part of their trading in the community.

Yet, the local agency (whether the state or a local school district) has the responsibility of giving them as good an education as possible.

Hawaii, as you know, has many military establishments. Of all states, we have the highest percentage of Federally-connected children enrolled in public schools. Even so, under the present law, Hawaii receives less than her fair share of the Federal funds. This is because computation is based on real property tax, not state funds, and Hawaii's real property tax does not go to support public education.

Consequently, Hawaii is picking up a \$300 tab per year for each student whose parents live on Federally-owned property, as compared to many other school districts which are compensated 100 percent.

We urge that the committee go further than retaining the present full funding; we urge that legislation be passed that will eliminate the inequities in the present law and make it possible for Hawaii to at least share the funds in the same measure as other school districts.

If the Federally Impacted Area Laws are completely funded, Hawaii will receive \$7.8 million. Should the administration's proposal be adopted and the eligibility requirements be cut down, then Hawaii will lose about \$3 million.

If this happens, one of two other things must happen. Either the state will have to make up the \$3 million to keep the same high standard of education for *all children*, or the educational services will be cut. The latter will not just affect military children; it will affect all children in the state.

The cost is much too high—not just for us here in Hawaii, but for the nation. There can be no justification, at this time in our nation's life for curtailing education programs. We cannot say on one hand that education is the most important function of our time and, on the other hand, that we must cut back some of the programs we are offering our children.

It doesn't make sense.

If economies must be effected because of foreign and other commitments, then I submit that these economies be made in other areas. Making them in education is, at best, false economy; at worst, our ultimate national collapse.

There is no point in raising the argument that the Elementary and Secondary Education Act now supplies the Federal aid that is needed and that, therefore, the Impacted Area Funds can be reduced and ultimately phased out.

The Elementary and Secondary Education Act is very specific. Its monies are for supplemental, not basic, educational needs.

It has been pointed out that Hawaii will get \$3 from 89-10, even if it loses \$3 million under Public Laws 815 and 874. So therefore we'll come out even.

The argument does not hold water. We'd still lose the money that helps the state provide education for Federally-connected children. We can't develop supplementary programs if we don't have the basic programs.

According to the U.S. Office of Education, Public Laws 815 and 874 affect 4,100 school districts serving 13 million students throughout the United States. There is no doubt that increasing education costs and increasing enrollment have led to higher contributions by the Federal government. They have also meant a greater tax load for the school districts.

Does the Federal government want to run the risk of school districts having to dilute their educational programs? This is undoubtedly what would occur.

The main argument that I see for retention of full funding for these construction and operating programs is that we cannot afford to do otherwise. This is true of Hawaii; it's true of all other affected school districts.

PUBLIC LAW 128

It is difficult to see anything good in the proposal to cut lunch and milk subsidy funds. Again, at best, it is false economy.

We praise any attempts to provide more for needy children, though we submit that, as far as a hot lunch is concerned, a needy child may be one from a family well able to buy lunch but reluctant to make breakfast in the morning.

A child is just as hungry and needs the nutrition just as much whether he comes from a family unable to give him a good breakfast before he leaves for school or from a family where mother stays in bed without concern for breakfast for her children.

While it might be argued that this is not the function of the school, there can be no argument that teaching is the function of the school and that a child who is hungry or under-nourished cannot learn.

Hawaii has the highest participation in the lunch program in the public schools in the country. For many children, this is their first hot (sometimes only hot) meal of the day.

While the use of surplus commodities may have been the reason for starting the lunch program, the health of many children throughout the country is the best reason for maintaining both it and the supplemental milk program.

There is no doubt whatever that reduction of the milk subsidy and any cuts in the lunch program would raise the cost of both these items. The children who most need the extra milk come from families least able to pay a higher price.

The same is true of the lunch program. The children who most need hot lunches that are well-balanced and nutritional are those whose parents might find higher cost impossible. Need in terms of family income is hard to judge. A low-income family with one child buying lunch might be better able to supply it than a family with four or five children and a higher income.

These arguments against curtailing these good programs are so obvious that it is hard to see how cuts could be seriously suggested.

In summary, then, the Hawaii Education Association strongly urges the committee to support full funding of P.L. 815 and 874 and to oppose any cutbacks in the school lunch or school milk subsidy programs.

The results of cutbacks in any of these bills would have drastic effects on either the education or the health of our children. As a nation, we cannot risk our future in this way.

In closing, Mr. Chairman, I should like to express appreciation to Congresswoman Patsy Mink of Hawaii for making the necessary arrangements for representatives of our association and myself to appear before your committee.

Thank you, Congressman Ford and members of the General Subcommittee on Education.

STATEMENT OF MRS. LILLIAN KRUSE, COUNSELOR AT KALIHI ELEMENTARY SCHOOL ON OAHU

This statement gives specifics from one school in a low-income area.

Fifty per cent of the children at Kalihi Elementary School come from families in a low-income housing project. Many of them are from Samoan families who have to make a social and cultural adjustment to a new environment.

The school population is 779, of which 411 children come from deprived families. We classify "deprived families" as those with small incomes, a large number of children, those known to social agencies for one reason or another, those with children needing some kind of special assistance at school or at home, those with foster children.

Of these 411 children, 225 pay only 10 cents for lunch. Rather than give them free lunches, the school makes this reduced price so that more lunches can be supplied. The children either request this special rate or a teacher who has observed the child recommends that he pay only 10 cents.

If there were cutbacks, either in the lunch or the supplemental milk program, all the children at this school would be affected drastically.

Many would not receive a hot meal at all; many would not be able to afford the increased price for milk.

The results would be health and nutritional problems which would lead to instructional problems and absenteeism due to sickness.

Many children already come to school without breakfast. The milk they can buy and the hot lunch available at minimal cost are essential to their well-being.

At Kalihi Elementary School, the number of children buying the extra milk varies, but probably averages between 100 and 150 a day. It would be impossible for most of these children to continue to buy it if the subsidy were cut.

I therefore urge the committee to resist all attempts to reduce subsidies to the school lunch or supplemental milk program.

STATEMENT BY MISS GWEN SMITH, TEACHER AT WAHIAWA ELEMENTARY SCHOOL AND PRESIDENT OF HAWAII STATE CLASSROOM TEACHERS ASSOCIATION

As a teacher, I wish to speak for the retention of the subsidy for supplementary milk under the National Milk Subsidy Program which is Public Law 128. As every educator knows, a child's physical well-being has a great effect upon his ability to learn. Milk is a vital necessity for a child's growth of good teeth and bones. Nutritionists tell us a child needs a quart of milk per day to maintain proper growth. This means then that a child should have milk at least three times daily. With the milk subsidy, it is possible for students to buy milk for five cents. If the funds are cut, the price will have to increase. This will create a real hardship for families with several children.

My school represents a better than average cross-section of a semi-rural district. The majority of the students come from middle class families. We have few children from very low-income families. There are eleven hundred twenty

(1,120) children in our school and participation in the school lunch program is from eighty-four (84) to eighty-five (85%). This high percentage of participation reflects the parents' confidence in the nutritional value of a balanced lunch which includes milk. If funds are withdrawn, it will mean fewer children will be able to buy lunch or milk. Even though a child brings lunch from home, he still requires milk to balance his nutritional needs. If a better than average school will suffer from a cutback in funds, then how much more would a school in a deprived area suffer?

When I first came to Hawaii twenty (20) years ago, I was appalled at the decayed teeth of island youngsters. In recent years I have noted how many fewer children reveal blackened teeth. This improvement can definitely be traced to the addition of milk in the children's diet.

The Hawaii State Classroom Teachers Association is an organization made up of classroom teachers and as teachers we ask that the children of our nation not be penalized through reduction of lunch and milk subsidies. The children of today are the citizens of tomorrow and we need strong, healthy Americans to participate in our country's destiny.

**STATEMENTS OF JAMES R. McDONOUGH, EXECUTIVE SECRETARY,
HAWAII EDUCATION ASSOCIATION, AND MISS GWEN SMITH,
PRESIDENT OF HAWAII STATE CLASSROOM TEACHERS ASSO-
CIATION**

Mr. McDONOUGH. Thank you, sir. I appreciate the opportunity to represent the Hawaii Education Association today on the proposed cuts in Federal impacted area funds, Public Law 815 and Public Law 874, and the national school lunch services and national milk subsidy program, Public Law 128.

My statements to you this afternoon will be general. I am sure you have been given all the statistics you need by the Department of Education.

I have attached to this testimony two statements on how projected cuts in Public Law 128 would affect two specific schools. One statement is by Miss Gwen Smith, a classroom teacher at Wahiawa Elementary School and president of the Hawaii State Classroom Teachers Association, an affiliated department of the HEA. Wahiawa Elementary School serves a community in the average-income bracket. The other statement is by Mrs. Lillian Kruse, a counselor at Kalihi Elementary School, also a public health nurse, and this school would represent a school in a low-income area.

The object of these statements is, of course, to bring to your attention the fact that whatever is told about one specific school will be multiplied thousands of times for thousands of children throughout the country.

There is no doubt that all three public laws under discussion today have proved invaluable. The major effect of Federal aid to school districts with federally connected children has been a higher quality of education for all children; the major effect of the subsidized lunch and milk programs has been assurance of adequate nutrition for all children.

As long as these results are evident, then it would be shortsighted economics to cut back the funds, and thereby jeopardize either the education or the health of millions of children.

The Hawaii Education Association follows generally the principles of the million-member National Education Association on Federal aid.

With regard to the cut in these funds, if the economics must be effected because of foreign and other commitments, then I submit that these economies be made in other areas. Making them in education is, at best, false economy; at worst, our ultimate national collapse.

The Elementary and Secondary Education Act is very specific. Its moneys are for supplemental, not basic, educational needs.

Hawaii has the highest participation in the lunch program in the public schools in the country. For many children this is their first hot, and sometimes only hot meal of the day.

While the use of surplus commodities may have been the reason for starting the lunch program, the health of many children throughout the country is the best reason for maintaining it and the supplemental milk program.

In summary, the Hawaii Education Association strongly urges the committee to support full funding of Public Law 815 and 874 and to oppose any cutbacks in the school lunch or school milk subsidy programs.

The results of cutbacks in any of these measures would have drastic effects on either the education or the health of our children. As a Nation, we cannot risk our future in this way.

In closing, Mr. Chairman, I should like to express appreciation to Congresswoman Patsy Mink of Hawaii for making the necessary arrangements for representatives of our association to appear before your committee.

Thank you, members of the committee, for this opportunity.

Mr. FORD. Thank you very much for your presentation.

Mrs. Mink?

Mrs. MINK. I was just wondering, Mr. McDonough, whether your association had any opportunity to review the bill that we were speaking of earlier, the one that I introduced last year with reference to raising the contributions of the Federal Government to 100 percent of average per pupil cost under category A.

Has your association taken any stand with reference to that bill?

Mr. McDONOUGH. Yes, Patsy. We are fully in accord with it, and I have a statement in my prepared statement to that effect.

Mrs. MINK. Thank you very much.

Mr. FORD. Thank you very much, Mr. McDonough, for your testimony. We will have to keep moving right along now.

Mrs. Mink?

Mrs. MINK. Mr. Chairman, before I introduce the next witness I would like to note at this point in the record the presence of three representatives of our military services here in Hawaii: Capt. D. D. Chapman of the U.S. Navy, Headquarters, 14th Naval District, Pearl Harbor; Mr. Max Templeman, Director of Education of the U.S. Army; and Harold H. Oshiro, Chief, Base Education Center, Hickam Air Force Base.

These gentlemen have been here this afternoon, and I believe most of what they would be presenting has been submitted into the record already in terms of the number of children and other related data, but I thought it important at this point in the record to note their presence here and the full cooperation that I have received from the Army, Navy, and Air Force with reference to these hearings and to other

school matters that have been pertinent to their operations here in Hawaii.

Mr. Ford. I am very happy to see them displaying this interest in legislation that does very directly affect the children of the people for whom they are directly responsible.

I think that I would like to make a personal observation here and give you a message that you ought to carry back to everybody you talk to in the military about Congresswoman Mink.

When we came through here last fall, she and I had the honor and privilege of being named to a special committee that took the first look that Congress had ever had in depth of the Department of Defense schools. They were brought to our attention quite forcefully by Dr. Lynn Bartlett, who had a lot to do when he was superintendent of public instruction in the State of Michigan with the work of this committee in helping to write the Elementary and Secondary Education Act, and who is now in charge of the Defense Department schools, and who had been on a similar inspection in years gone by.

When we hit some places, Mrs. Mink started cutting red tape rather rapidly. When we were in Germany, for example, we ran into an extremely bad situation over there that was brought to the committee's attention because one of the schoolteachers who was familiar with this situation had taught in the State of Hawaii, and went personally to Mrs. Mink and told her about these conditions, and this resulted in Patsy's commandeering literally, and I mean it, an aircraft, and we flew in a very stormy evening up into a remote part of Germany. And that story ended up on the front page of the New York Times and all kinds of eyebrows went up all over the world when Patsy started to shout about conditions she found in military dependent children in that location.

Since she returned to Washington, many of you might have seen the report that came out of the committee. She has already introduced two pieces of legislation, an amendment to this bill, and is in preparation with the staff of another bill for the redoing, if you will, of the whole system.

One of her bills is being supported very high in the administration, and that is a bill to provide transportation and lodging expenses to the parents of dependent children who have to be transported to and residents of a dormitory-type school because they are on small bases where a high school isn't available. And you know what a hardship that presents. The Navy is particularly sensitive to this because of the relatively small size of the bases, as we found them in the European area, particularly.

Another bill that she has introduced, and she has also introduced amendments to this bill, would add the Department of Defense children as a category of children to title II of the Elementary and Secondary Education Act entitling them to the same amount of expenditure for library books and new textbooks that we are giving to all other American children, and an amendment to title III, which would make it possible for these children to participate in special education centers, the establishment of special education centers to give them, again, an advantage comparable to American school system children.

In addition to this she has proposed at the committee changes in the National Defense Education Act to permit the teachers who teach in

your system to, in fact, participate in continuing education programs, and I believe that she has also, at the time when we are talking about cutting the program, started the ball rolling with the agriculture committee to have your DOD children added to the school lunch program and school milk program.

That is a pretty big package of things to come from a little lady all out of one trip, and if she gets one-fourth of it, she will have done more for the children in the DOD schools than any one person in the Congress has done for a good many years.

I apologize for taking that much time, but I thought you ought to know that story, because it is well known in Washington, and I am sure that before too long it will be better known throughout the country.

We have now Mr. —

Mrs. MINK. Mr. Carl Guntert. Thank you very much, Mr. Chairman, for your kind remarks. I appreciate it very much.

The President of the Hawaii State Federation of Labor, AFL-CIO, Mr. Carl Guntert is our next witness. Mr. Guntert, welcome to the committee.

(Mr. Guntert's prepared statement follows:)

STATEMENT OF CARL J. GUNTERT, PRESIDENT, HAWAII STATE FEDERATION OF LABOR, AFL-CIO

Statement of policy relating to impact aid, Public Law 874 and school lunch, milk, food stamp program and Public Law 815

BACKGROUND

Mr. Chairman; it is our firm conviction that the national economy has the resources for continuing and expanding the great social and economic advances of the past several years, while meeting the military requirements of the conflict in Viet Nam. The cost of this war should not be absorbed by cutting back or freezing current levels of federal expenditures of stunting the promised growth of such essential programs as the war on poverty and aids to education.

There is still slack in the economy with more than three million unemployed, 1.8 million compelled to work part-time and 500,000 or more people not seeking work because there are no available jobs at their skills in their communities. Also, industry is operating at ninety per cent of capacity, below management's preferred 92 per cent rate and considerably less than full operations.

Moreover, the economic potential to boost production is growing rapidly. Increases in the labor force and productivity are continuing to expand the economy's capacity to produce. New installations of the most modern labor-saving plants and machines are expected to increase industry's productive capacity by seven per cent this year. Under these conditions, the American economy should be able to absorb the anticipated rise in defense and civilian demands for goods and services.

In any case however, programs to assist the disadvantaged and to meet the needs of a growing and increasing population must not be frozen—except in the most extreme emergency. The rising expectations created by recent government programs after years of neglect must not be destroyed or undermined. The poor should not be compelled to bear the major burden of the conflict in Viet Nam.

The strength of our free society is a major bulwark against Communist expansion. We, of the AFL-CIO, are convinced that our economy can provide the foundation for continued social progress at home and an honorable settlement of the conflict in Viet Nam.

On the basis of current business trends and the federal budget as it was projected earlier this year, the expected rise in our total national production is the neighborhood of fifty billion dollars—this is a real increase of about 5¼ per cent. This can be accomplished without wide-spread inflationary shortages. So the outlook for our national economy is very good.

II

POLICY ON IMPACT AID, PUBLIC LAW 874

Previous testimony here today has quoted the statistics connected with this bill. We have reviewed these statistics and given due consideration to the consequences of such cutbacks not only to Hawaii but to the rest of our sister states.

We urge that this sub-committee recommend against the cuts proposed in this law. If it should become law, under Category A (education for 15,000 on-base military children), it will cost the tax payers of Hawaii \$5,257,000 to educate children of families who are not liable for state income tax, and other forms of taxation from which education funds must come.

We feel that since Hawaii is a highly impacted military area, to which personnel are sent from all over the United States, that the responsibility for educating the children of on-base families properly belongs in the hands of the federal government.

The government now furnishes these on-base families and their children with housing, officers, non-com and enlisted mens clubs—movies—on base transportation, recreational facilities, gas, food, and other commodities which are free of states taxes used for education. The government furnishes these families with every essential for daily living, still it declines the full responsibility for educating their children—which in the case of Hawaii amounts to ten per cent of our total school enrollment. The tax payers of Hawaii currently are bearing fifty per cent of the cost for educating on-base children—and we consider this an unnecessary burden in light of all other benefits provided these families.

Any reductions in Public Law 874 will have an unjust impact and create a heavy burden on the tax payers of Hawaii.

Therefore, the Hawaii State Federal of Labor, AFL-CIO takes this official position, "We are not completely satisfied with the current financial structure of PL 874. This law should provide 100 per cent of the cost for educating the children of on-base families. We are *opposed* to the proposed legislation and urge this committee to recommend "against" its adoption."

III

SCHOOL LUNCH, MILK, FOOD STAMP PROGRAM

The school lunch-milk program is now scheduled to be cut in addition to PL 874. In explanation, the Administration claims that the children of poor families will still receive assistance. In some ways this almost seems that our Civil Rights program is limited to social stature rather than one of totality. This social program is not just being established—it has been established. Who is to say what child is not poor enough to have the benefits of this social program? In addition, we note that while several specific programs in the fields of health, labor, welfare, education, housing, and community development were increased from 14 million to 1.2 billion dollars—the school lunch, milk and food stamp program is due for a 128 million dollar decrease in Fiscal 1967.

When it comes to the distribution of tax money for feeding children—we believe that all children are deserving of equal and fair treatment.

Therefore, it is the policy of this Federation that we cannot support the proposed changes in this program.

IV

POLICY ON PUBLIC LAW 815

We believe that PL 815, which is due to expire on June 30, 1966, is a case of bad timing. We wish to believe that failure to renew this legislation is an error of omission rather than commission.

Therefore; this federation calls upon the Administration to pass legislation extending PL 815 for at least six months in order to give the Administration and Congress time in which to re-evaluate the importance of this program, and the resulting effects throughout the nation.

CONCLUSION

Mr. Chairman, we believe that the economy of our nation, and the potential growth for the forthcoming fiscal year is strong enough to support current social and military programs. For fiscal 1967, the Administration has projected a cash budget surplus of 500 million dollars.

Should the most dire circumstances indicate that additional Federal receipts are needed, we then suggest measures be taken to increase receipts through various tax programs.

We prefer this course of action in contrast to the alternative of cutting back social programs like aid to education, school lunch, milk, food stamp, and school building programs. The hopes aroused by advances in social measures the past few years should not now be undermined, curtailed or destroyed.

The wage earners of Hawaii now pay the highest personal taxes in the nation. The wage scales in almost all fields of endeavor are below those on the mainland; and because of the necessity for importing immense quantities of essential commodities, we are forced with a very high cost of living.

If Congress approves the proposed cuts in the programs presented today—it shall place an unjust financial burden on all wage earners in Hawaii.

The Hawaii State Federation of Labor, AFL-CIO, its more than 21,000 members, their spouses and children, hereby call upon this honorable Sub-Committee and Congress to maintain the fore-mentioned programs at the current level.

STATEMENT OF CARL J. GUNTERT, PRESIDENT OF THE HAWAII STATE FEDERATION OF LABOR, AFL-CIO; ACCOMPANIED BY GORDON BEACH, SECRETARY OF THE STATE FEDERATION OF LABOR, AFL-CIO

Mr. GUNTERT. Mr. Chairman, other members of this committee, Mrs. Mink, I have brought with me the secretary of the State federation, Mr. Gordon Beach.

We haven't attempted to go into any statistics because I think you have had plenty of statistics already today from those who are more competent to give you the statistics.

We thought it would be well to let you know the feeling of the membership of our organization, which is the Hawaii State Federation of Labor, AFL-CIO, representing officially some 21,000, but actually some 30,000 members of our AFL-CIO unions in Hawaii.

It is our firm conviction that the national economy has the resources for continuing and expanding the great social and economic advances of the past several years, while meeting the military requirements of the conflict in Vietnam. The cost of this war should not be absorbed by cutting back or freezing current levels of Federal expenditures or stunting the promised growth of such essential programs as the war on poverty and aids to education.

There is still slack in the economy with more than 3 million unemployed, 1.8 million compelled to work part time, and 500,000 or more people not seeking work because there are no available jobs at their skills in their communities. Also, industry is operating at 90 percent of capacity, below management's preferred 92-percent rate and considerably less than full operations.

Moreover, the economic potential to boost production is growing rapidly. Increases in the labor force and productivity are continuing to expand the economy's capacity to produce. New installations of the most modern laborsaving plants and machines are expected to increase industry's productive capacity by 7 percent this year. Under these conditions, the American economy should be able to absorb the anticipated rise in defense and civilian demands for goods and services.

In any case, however, programs to assist the disadvantaged and to meet the needs of a growing and increasing population must not be frozen—except in the most extreme emergency. The rising expectations created by recent Government programs after years of neglect must not be destroyed or undermined. The poor should not be compelled to bear the major burden of the conflict in Vietnam.

The strength of our free society is a major bulwark against Communist expansion. We, of the AFL-CIO, are convinced that our economy can provide the foundation for continued social progress at home and an honorable settlement of the conflict in Vietnam.

On the basis of current business trends and the Federal budget as it was projected earlier this year, the expected rise in our total national production is in the neighborhood of \$50 billion—this is a real increase of about 5 $\frac{1}{4}$ percent. This can be accomplished without widespread inflationary shortages. So the outlook for our national economy is very good.

POLICY ON IMPACT AID, PUBLIC LAW 874

Previous testimony here today has quoted the statistics connected with this bill. We have reviewed these statistics and given due consideration to the consequences of such cutbacks—not only to Hawaii but to the rest of our sister States.

We urge that this subcommittee recommend against the cuts proposed in this law. If it should become law, under category A, education for 15,000 on-base military children, it will cost the taxpayers of Hawaii \$5,257,000 to educate children of families who are not liable for State income tax, and other forms of taxation from which education funds must come.

We feel that since Hawaii is a highly impacted military area, to which personnel are sent from all over the United States, that the responsibility for educating the children of on-base families properly belongs in the hands of the Federal Government.

The Government now furnishes these on-base families and their children with housing; officers, noncom, and enlisted men's clubs, movies, on-base transportation, recreational facilities, gas, food, and other commodities which are free of State taxes used for education. The Government furnishes these families with every essential for daily living, still it declines the full responsibility for educating their children, which in the case of Hawaii amounts to 10 percent of our total school enrollment. The taxpayers of Hawaii currently are bearing 50 percent of the cost for educating on-base children, and we consider this an unnecessary burden in light of all other benefits provided these families.

Any reductions in Public Law 874 will have an unjust impact and create a heavy burden on the taxpayers of Hawaii.

Therefore, the Hawaii State Federation of Labor, AFL-CIO, takes this official position—

We are not completely satisfied with the current financial structure of Public Law 874. This law should provide 100 percent of the cost for educating the children of on-base families. We are opposed to the proposed legislation and urge this committee to recommend "against" its adoption.

SCHOOL LUNCH, MILK, FOOD STAMP PROGRAM

The school lunch milk program is now scheduled to be cut in addition to Public Law 874. In explanation, the administration claims that the children of poor families will still receive assistance. In some ways this almost seems that our civil rights program is limited to social stature rather than one of totality. This social program is not just being established—it has been established. Who is to say what child is not poor enough to have the benefits of this social program? In addition, we note that while several specific programs in the fields of health, labor, welfare, education, housing, and community development were increased from \$14 million to \$1.2 billion—the school lunch, milk, and food stamp program is due for a \$128 million decrease in fiscal 1967.

When it comes to the distribution of tax money for feeding children, we believe that all children are deserving of equal and fair treatment.

Therefore, it is the policy of this federation that we cannot support the proposed changes in this program.

With respect to Public Law 815, we believe that Public Law 815, which is due to expire on June 30, 1966, is a case of bad timing. We wish to believe that failure to renew this legislation is an error of omission rather than commission.

Therefore, this federation calls upon the administration to pass legislation extending Public Law 815 for at least 6 months in order to give the administration and Congress time in which to reevaluate the importance of this program, and the resulting effects throughout the Nation.

In conclusion, Mr. Chairman, we believe that the economy of our Nation, and the potential growth for the forthcoming fiscal year is strong enough to support current social and military programs. For fiscal 1967, the administration has projected a cash budget surplus of \$500 million.

Should the most dire circumstances indicate that additional Federal receipts are needed, we then suggest measures be taken to increase receipts through various tax programs.

We prefer this course of action in contrast to the alternative of cutting back social programs like aid to education, school lunch, milk, food stamp, and school building programs. The hopes aroused by advances in social measures the past few years should not now be undermined, curtailed, or destroyed.

The wage earners of Hawaii now pay the highest personal taxes in the Nation. The wage scales in almost all fields of endeavor are below those on the mainland; and because of the necessity for importing immense quantities of essential commodities, we are faced with a very high cost of living.

If Congress approves the proposed cuts in the programs presented today, it shall place an unjust financial burden on all wage earners in Hawaii.

The Hawaii State Federation of Labor, AFL-CIO, its more than 21,000 members, their spouses and children hereby call upon this honorable subcommittee and Congress to maintain the aforementioned programs at the current level.

Respectfully submitted by myself and the Hawaii State Federation of Labor.

Now, Mr. Chairman, I know that some of the copies of this testimony that was given were not signed. If you would like to have them signed, I will be glad to sign them. We have a few copies here that do have signatures on them.

Mr. FORD. One will be enough. We have enough copies for the record.

I want to compliment you, Mr. Guntert. We have gone through your statement here. It is a very concise statement and very blunt, but with the bluntness that you are saying some things that need to be said, and which, perhaps, only organizations like yourself can say as forcefully as you say them.

I would like to indicate, however, that I detect absolutely no feeling in the administration or the Congress, that overwhelming majority of the Congress that favored the adoption of this legislation last year, for cutting back the programs in the sense of trying to use these programs to get money for something else. We are not actually cutting back any education money in total expenditure. We are contemplating reallocations of money in some instances, and, as a matter of fact, with respect to this legislation considerably more expenditure this year than before. If you look carefully at the bill you will see that the amount of money that it will take to meet the authorizations that are proposed by the administration this year, in fiscal year 1967-68, it is close to double what we are spending this year or what we spent last year. So this legislation does contemplate the spending of a great deal more money for education than we have, but in some areas rather than the 815 and 874 areas that we have been talking about.

I would like to say, also, that you have here a representative with you of the Federation of Teachers. I don't know if Mr. McDonough is still here, but I think it ought to be said that we on this committee are extremely conscious of the direct effect that the Education Association and Federation of Teachers had on the passage of this legislation last year, and is having on its progress this year. Both of your organizations have been working with our committee in Washington very closely and supplying us with a good deal of material that they are getting through your locals, across the country, and bringing to our attention. The two teachers groups deal with our committee very directly in terms of bringing information to us, and probably number amongst the best, or at least the most aggressive sources of information that we have available to us, considering this, and I am sure they will be somewhere close at hand when the amending process gets started on this bill in the next couple of weeks.

Mr. Sickles?

Mr. SICKLES. I have no questions.

Mr. FORD. Thank you very much.

Mr. GUNTERT. Thank you for the privilege of appearing here.

Mr. FORD. Mrs. Mink?

Mrs. MINK. The next witness I would like to call and introduce to the committee is Miss Chieko Okamoto, the legislative committee chairman of the Hawaii State School Food Service Association.

Miss Okamoto?

Miss OKAMOTO. Mr. Chairman and members of the committee, I am Chieko Okamoto, representing the Hawaii State School Food Service Association. I have submitted a brief statement, and to the others who wish to be heard, I would be very happy to answer any questions you wish to ask.

Mr. FORD. Without objection your statement will be inserted in full in the record as it was submitted to us at this point.

(Miss Okamoto's prepared statement follows:)

STATEMENT OF CHIEKO OKAMOTO, LEGISLATIVE COMMITTEE CHAIRMAN, HAWAII
STATE SCHOOL FOOD SERVICE ASSOCIATION

SCHOOL LUNCH

As Legislative Committee Chairman of the Hawaii State School Food Service Association, I feel very strongly about the proposed cut in Federal funds. I am in agreement with Dr. Jackson's testimony and would like to add further:

The Hawaii School Lunch Program has several objectives among which are the following:

1. Prepare and provide at least one-third of the daily nutritional requirements to students. For many students who participate in our lunch program, their school lunch is the only balanced meal, and in some instances the only meal for the day.

2. Provide a bridge to nutrition education into the home and community. The educational aspects of school lunch are on-going and nutrition education is carried back to homes and communities through the students.

3. Provide a real life situation for teaching food habits; the importance of food to health, table manners, spirit of thankfulness, cleanliness and group conduct.

With Federal aid we have been able to meet these goals as school lunch in Hawaii is made available to all students. Our program, through hard work and dedication, has become one of the finest School Lunch Programs in the United States.

The youth of Hawaii—those from culturally deprived as well as those from middle socio-economic families—will be, in large measure, affected if the present level of Federal aid is reduced in any way. We in School Lunch feel that *all* our future citizens should have sound minds as well as bodies. It has been said and proven that you cannot teach a hungry child.

We feel that any reduction in Federal subsidies, particularly in Hawaii, would have a deteriorating effect upon the health and welfare of our future citizens.

STATEMENT OF CHIEKO OKAMOTO, LEGISLATIVE COMMITTEE
CHAIRMAN, HAWAII STATE SCHOOL FOOD SERVICE ASSOCIATION

Mr. FORD. I now turn first to Mrs. Mink.

Mrs. MINK. I don't know, Miss Okamoto, where your statement went to, but I am sure we will locate it. The only question I have is whether you could provide the committee with the present State support of the school lunch program.

To what extent are we now, as a State, paying in terms of a subsidy for the cost of providing the school lunches to our youngsters?

Miss OKAMOTO. Well, the State supports with payment, part of the payment for the paid staff and for the cafeteria managers, and I believe they pay for part of the maintenance of the equipment that they

purchase. I hope I am right in saying that; maybe one of the department of education may be able to answer that.

Mrs. MINK. Do you have any idea in terms of dollar quantity, how many dollars this State support is already, in terms of the lunch program?

Miss OKAMOTO. I am afraid I don't have the answer.

Mrs. MINK. I don't know if the committee has this information, but I think it very important for the record to show, Mr. Chairman, the extent to which the State is already indebted to the concept of providing an adequate lunch to as many of our schoolchildren as possible, and with that dedication, we have kept the price of the school lunches down to 25 cents.

I would like to note at this point in the record, Mr. Chairman, that if I am able to secure the information relative to that point from the department, I ask unanimous consent to insert it for the record.

Mr. FORD. Without objection it will be so ordered.

Thank you very much.

(The document referred to appears on p. 67.)

Mrs. MINK. The next witness is Mr. Dan Ainoa, of the Hawaiian Government Employees' Association, and I believe Mr. Ainoa will be speaking for the school lunch services, also.

Mr. Ainoa.

(Mr. Ainoa's prepared statement follows:)

APRIL 15, 1966.

STATEMENT OF DANIEL K. AINO, EXECUTIVE DIRECTOR, HAWAIIAN GOVERNMENT EMPLOYEES' ASSOCIATION, INC.

SCHOOL LUNCH PROGRAM

Of the more than 13,000 members we have enrolled in the Hawaiian Government Employees' Association, about 2,000 are located in the Department of Education of which more than 600 are connected with the school lunch services.

I have worked closely with the people connected with this program for the past fourteen years. When I first became involved with the people in this program, the program was beset with a multitude of problems, primarily in the area of pay, conditions of employment, and quality of help. However, in spite of the many disheartening conditions under which the program operated, I found these people to be dedicated to the purpose for which it was created.

Over the years, we have been able to improve their conditions of employment, secure generous State appropriations to subsidize the program, improve the quality of job performance through State and Association sponsored work shops, so that today we have one of the finest programs in the entire Nation. A representative of the Department of Agriculture attested to this fact when he stated here in Honolulu that the quality of the lunches was among the best in the Country; the participation by students in the public schools was the highest in the Country; and, people engaged in the program were among the best trained in the Country.

Any cut in Federal subsidies to this program would have the effect of moving everything backwards. Student lunch prices would have to be increased, causing less participation and increasing the per capita overhead cost. This may necessitate further increases in lunch prices, thus starting a vicious cycle which, if permitted to continue, would finally destroy the program. In addition, training programs would have to be curtailed, thus reducing the quality of workmanship now existing in the cafeterias through the State of Hawaii.

The only other alternative would be increased State subsidies which, in turn, would mean additional taxes being placed upon the people of Hawaii who are, at the present time, one of the highest taxed segments of the Nation.

In looking over the National Administration's proposal now before Congress, it appears that the Administration's desire is to continue assistance in the school lunch program to the extent that the needy children would be assured of

a good wholesome lunch. In fact, the program for the needy is being stepped up. We feel that every child in this State, for that matter in the Country, should be afforded the same opportunity as far as developing healthy bodies is concerned.

My final concern is that the great majority of the members of the Hawaiian Government Employees' Association fall in the medium-income bracket, which means that their children would suffer under the Administration's proposal.

Accordingly, we strongly urge that this Committee look favorably upon the request of the American School Food Service Association that Federal subsidies for the school lunch program be at least maintained at the present levels.

STATEMENT OF DANIEL AINOA, EXECUTIVE DIRECTOR OF THE HAWAII GOVERNMENT EMPLOYEES' ASSOCIATION

Mr. AINOA. Mr. Chairman and members of the committee, my name is Dan Ainoa. I am the executive director of the Hawaii Government Employees' Association, an association of government employees of the State and counties, and recently, also, the department of education.

We have about 2,000 members that are located in the department of education. These are all classified personnel, not professional personnel. And of this number about 600 of them are people who work in the school lunch program.

Due to this fact, I have been associated with the school lunch program for a period of about 14 years. I first became associated with this program when the program was beset with a multitude of problems, and over the years we have resolved all of these problems by getting better working conditions for the various school cafeterias, more help for the cafeterias, and also generous State appropriations to subsidize these school lunch programs.

Right here in answer to Representative Mink's question as to the dollar amount that is being contributed by the department, I think for the last year it was a little in excess of \$2 million that the State contributed to the school lunch program.

Now, in working out all of these problems for the people that work in the cafeterias over the last 14 years, the people in the cafeterias I have found, even when they were beset with these problems, were very dedicated people, especially for the purpose for which the program was originally started, and this is providing a nutritious lunch for all the schoolchildren in the State of Hawaii. At the present time, now that they don't have to worry about staffing problems and pay problems and retirement problems and things like that, they have been able to dedicate more of their time to the school lunch problems that they are supposed to serve. At the present time the Hawaii program is considered one of the best in the country, and this was attested to by a representative of the Department of Agriculture who last fall made this statement in Honolulu. He stated that the quality of lunches was among the best in the country, the participation by students in the public schools was the highest in the country, and the people engaged in the program, that is here in the State of Hawaii, were among the best trained in the country. And this is the condition of the school lunch program here in the State of Hawaii at the present time.

Now, any cuts in the Federal subsidies, to me, and I think to the members of my association, would mean a step backward in the school lunch program, because the cuts as proposed by the administration budget mean lunch prices in Hawaii must be raised at least a nickel

per student. If this is going to be the case, we anticipate, you might say, a falling off of participation, and when participation falls off, this means the per capita overhead will be increased, that is per student, and may in time necessitate another raise in lunch prices. And if this cycle is permitted to continue, we feel that in time, if it is not arrested in time, that it will probably destroy the school lunch program.

Now, the only other alternative is to have the State come up with more money to subsidize this program, and we feel that, well, this may take quite a bit of doing to ask the State legislature to come up with more money to subsidize this particular program, because it will mean that the money will have to come out of the pockets of the taxpayer, and as has been testified previously, the State of Hawaii right now is one of highest taxed segments in the country today.

And, finally, another reason why we are concerned about this cut-back in the school lunches is that of the 13,000 members in our association, the vast majority of them in the medium-income bracket, and as such, all of the children of these people will be affected by these cuts. And although the administration's program is to try to beef up the aid to the needy children, this aid will not, you might say, filter down to the people who are connected with the association, and, naturally, the members in our association are quite concerned about this.

Mrs. MINK. Thank you very much, Mr. Ainoa.

Mr. Sickles, do you have any questions?

Mr. SICKLES. I have no questions.

Mrs. MINK. If not, I wish to thank you, Mr. Ainoa, for your presentation. I know that this committee will take serious consideration of the comments that you have made, particularly with reference to the total program that we are so concerned with an emphasis on education.

The last scheduled witness that we have on our agenda represents the Hawaii Congress of Parents and Teachers, Mrs. Gwen Buist.

(Mrs. Buist's prepared statement follows:)

STATEMENT OF MRS. SAMUEL J. BUIST, LEGISLATION DIRECTOR, HAWAII CONGRESS OF PARENTS AND TEACHERS

STATEMENT ON NATIONAL SCHOOL LUNCH PROGRAM, SPECIAL MILK PROGRAM, DONATED FEDERAL COMMODITIES, IMPACTED AID PUBLIC LAW 874

Mr. Chairman and Members of the Committee, it is an honor and pleasure for this organization to give testimony before this Congressional subcommittee. I am Mrs. Samuel J. Buist of Kailua, Oahu, Legislation Director of the Hawaii Congress of Parents and Teachers.

The PTA has since its inception in 1897 expressed concern about the health of children and the need for widespread better nutrition. We were gratified when in 1946 the National School Lunch Act was passed by Congress "to safeguard the health and well being of the nation's children." Prior to the passage of this law local PTA members had prepared and served hot soup, hot cocoa, and other foods, in thousands of schools to support their conviction that there should be a hot school lunch program for all children.

We are deeply concerned with the proposed changes of the school lunch program, we do not wish to see it change from a broad educational and nutritional program for all children toward something approaching a welfare program.

There is a need for special measures to include more of our needy children, and not only because it is hard to teach a hungry child. But if this is achieved at the expense of other children by redirection of the program as now proposed we shall lose a great deal that we have gained.

PTA members and school people are distressed with the proposed identification of needy children. The present free meals are given quietly without identification. This practice needs to be strengthened, not changed. If needy children are to be identified in order to receive subsidized meals, large numbers will inevitably be withdrawn from the program; it must be noted that this in itself serves as identification.

We have been informed that the Administration's budget calls for a reduction of 7.05 per cent of Hawaii's present allotment and a 1 cent per meal decrease in the reimbursement rate to states. Hawaii has a school lunch participation rate of 90 per cent. It is a successful program designed to improve the mental and physical health and general well being of Hawaii's children.

The proposed cutback by the Administration of school lunch funds and donated federal commodities will most certainly affect this program and the continuing upswing of labor and food costs can only mean an increase in program costs.

We do not believe the proposed changes in this program to be in the best interest of the Children of Hawaii and the nation. We urge you to see that these cutbacks are not made. We are opposed to any phasing out of the Special Milk Program. We find it difficult to believe that it could be proposed that this worthwhile program be changed to a "needy" program.

We firmly believe that the availability of this supplementary milk has proved to be beneficial to our youth. We are distressed to learn that aid will no longer be available to child care centers, nursery schools, summer camps, and Head Start projects.

We believe the school lunch and milk programs are good investments in health and health education of our children and youth at relatively small cost—and a strong support to their capacity for education.

It seems very appropriate for us to address you on this next program, Impact Aid for if our information is correct Hawaii has the highest percentage of Federally connected students in the nation. While preparing this statement we used a research report done by the Department of Education's Office of Research Statistics and Data Processing entitled Federally Connected Pupils, Hawaii Public Schools, March 22, 1965.

We do not have in the State of Hawaii any public school that does not have a Federally-connected student. These impact funds are of concern to every school in Hawaii.

We are disturbed about any reduction of Federal Impact Funds to Hawaii.

With 30.9 per cent (1965 figure) of the total student population being Federally connected pupils we fear a serious setback in our State Educational system.

We have looked over the figures and we view the impact of any cut with great alarm. In order to keep our testimony brief, we would like to refer you to remarks made to the U.S. House by Representative Patsy T. Mink on March 9, 1966, (copy attached.) She illustrates very well the bleak future of Education if these cuts are effected.

We feel impelled to make some general observations. We must voice some concern over a proposed amendment that would seem to place Hawaii out of reach of Impact Aid. This is the stipulation that only local agencies or school districts shall receive these funds. Hawaii is unique as we have only a State Board of Education and local school advisory councils. We are confident that our representatives in Washington are aware of this amendment and will seek appropriate action to assure Hawaii's participation in this program.

We would appreciate your support in this matter.

If Federal Impact Funds must be cut it is our concern that the quality of education of Hawaii children will be adversely affected. This then would mean that the education of the federally connected child would also be affected. We question if this is fair as he is here by direction, not by choice. We wonder then if it might not be wise for the Federal Government to consider other plans, such as education under the Department of Defense as is done in other jurisdictions.

But this organization is of the opinion that it would be a mutual loss to Hawaii's students and the Federal students to have this happen. These children can and do benefit by being included in our state educational system. The interaction of our many cultures in Hawaii offers something unique for these children. And they in turn bring to Hawaii a cultural background that can be shared and learned.

In closing we wish to emphasize that if it is necessary to make adjustments in federal programs these adjustments should last be made in programs affecting the Health and Education of America's Children and Youth.

**STATEMENT OF MRS. GWEN BUIST, LEGISLATION DIRECTOR OF
THE HAWAII CONGRESS OF PARENTS AND TEACHERS**

Mrs. BUIST. Thank you, Mrs. Mink. On behalf of the PTA members throughout the State I would like to thank the chairman and the committee members for taking the time and making the effort to come to Hawaii to have this public hearing. You have our written statement, and I think the hour is late, it has been a long afternoon, and there is still some Hawaiian sunshine left for you to enjoy, so if you have any questions of me, the privilege of the last member, of the last name on the agenda is to say aloha.

Mr. FORD. Thank you very much. I would just like to observe as we close the hearing that we want to thank you for your patience, thank you for your prepared statement that is part of this record, and as I have indicated earlier with other organizations, the parents and teachers organizations across the country have provided a great deal of material for the work of this committee, although we have recently had some difficulty in places like my State. I am a card-carrying member. We always had the great problem in our family of children spaced in different schools so that we couldn't count for classroom attendance at PTA meetings, my wife and I, for all three of the children equally, and it has been a great problem. I hope that the PTA will someday devise a way to get parents off of that hook. I wouldn't like to feel that I am responsible for the slide projector being lost to the fifth grade because I was busy doing something else.

Mrs. BUIST. I will present that to our State president and make it one of his objectives at the next board meeting to bring that up to see if we can't get parents off the hook.

Mrs. FORD. Thank you. And I want to thank everyone who has participated in this hearing and say this, that I can see very readily what Patsy is up to now, because it is awfully hard to say no to people who are as nice as the people of Hawaii have been to us on this visit, and under circumstances that are as conducive to being nice as they are here.

In order to accomplish the kind of comfort that we have had here today, you would have to overcome the roar of a fantastic array of air-conditioning equipment, if we were back in Washington, or maybe a clanking furnace. This is really the most pleasant atmosphere for holding a hearing that I have ever participated in, and I thank you for the committee for this.

Mrs. MINK. Mr. Chairman, for the record I would like to insert a few other statements before we conclude the hearing.

We have a statement here from Mokapu Elementary School by Manuel P. Silva, principal of Mokapu Elementary.

A statement, also, by Stanley Mitsuo of Kalakaua Intermediate School.

A statement presented by Dr. Arthur Mann, district superintendent at central Oahu district.

A statement by Marjorie Abel of the Department of Health, State of Hawaii.

A statement by Ronald Harker, chairman of the Kauai School Advisory Council.

A statement by Dr. Irving Krauss as a private citizen, address 3653 Woodlawn Terrace Place, Honolulu.

Also for the record at the appropriate place following Senator Trask's remarks about the two-track salary schedule I would like to have this Thermo-Fax copy introduced at that point.

(The schedule mentioned above, appears on p. 45.)

I would also like to insert at the appendix of our hearings the two resolutions adopted by the third State legislature of Hawaii, one relating to the school lunch program, Senate Concurrent Resolution No. 16, and the one related to Public Law 874, Senate Concurrent Resolution No. 14.

Also in the record I would like to submit this copy taken from the Directorate for Statistical Services, Office of the Secretary of Defense, dated September 14, 1965, relative to percentage of total State population related to defense operations.

Mr. Chairman, also I would like to request unanimous consent of the committee at some appropriate place in the record to insert my own remarks which I made before the House of Representatives relative to the three programs; the impact aid, permanent milk program, and the school lunch program.

Mr. FORD. Without objection it will be so ordered. And I would think the appropriate place would be at the opening of the hearing.

Mrs. MINK. Mr. Chairman, one more I neglected. I have from my staff here a letter from Faith Ai, principal of the Lincoln School here in Honolulu.

Mr. FORD. With that we will adjourn the hearing.

(Whereupon, at 6 p.m., the subcommittee meeting was adjourned.)

(The material referred to follows:)

STATEMENT OF MANUEL P. SILVA, PRINCIPAL OF MOKAPU ELEMENTARY SCHOOL

The Honorable William B. Ford, Presiding Chairman, Education Hearing Committee of the United States House of Representatives and Members of the Committee, I wish to thank you for the privilege you have accorded me to present this testimony.

I am the principal of the Mokapu Elementary School, located at the Marine Corps Air Station at Kaneohe, Hawaii. Our enrollment at present is 814, of which every pupil is residing on federal property and whose parents are employed by the Federal Government, with the exception of 6 who are children of staff members employed at the school.

I am deeply concerned of any possible financial cutbacks of Public Laws 815, 874, and 128 will have not only for Mokapu School but for the State Department of Education. Your consideration of the following concerns will be appreciated.

I. CONCERNS RELATED TO PUBLIC LAW 815 AND PUBLIC LAW 874, POSSIBLE CUTBACKS

The 1964-65 year marked the 15th consecutive year that Hawaii's Public School System has participated in the following school aid programs of major financial significance:

A. Federal impacted area funds, PL 815 for construction of public school facilities.

B. PL 874 for current school expenditures.

We are deeply concerned in the affect that a reduction in any of the funds made available by the acts mentioned above would seriously affect these programs. It is our understanding that entitlement under PL 874 is a reimbursement from the federal government for property tax monies lost to the school district because of federal ownership of land within the district. PL 815 provides for an outright grant especially for school construction in federally impacted areas.

The seriousness of any cutback in funds related to the PL 874 and 815 can be reflected by the following statistics taken from the Research Report #19 of March 22, 1965 from the Office of Research, Statistics and Data Processing of the Department of Education, State of Hawaii.

	Total public school membership	Federally connected membership	Percent of total membership
Fiscal year:			
1951.....	93,903	12,220	13.0
1952.....	96,837	14,073	14.5
1953.....	101,377	16,780	16.6
1954.....	106,464	18,016	16.9
1955.....	113,544	20,199	17.8
1956.....	119,054	22,549	18.9
1957.....	124,857	27,108	21.7
1958.....	130,158	29,885	23.0
1959.....	135,088	30,688	22.7
1960.....	140,666	39,190	27.9
1961.....	144,913	41,172	28.4
1962.....	149,608	43,461	29.0
1963.....	153,526	44,559	29.0
1964.....	154,547	46,925	30.3
1965.....	157,833	48,874	30.9

Approximately one-third or 32.1 per cent of our *eligible* pupils are in Category A and 67.9 per cent are found in Category B-1 and B-2.

The following table will also show the seriousness of this problem related to different districts. Oahu will be greatly affected.

Category of federally connected pupils by district, Apr. 13, 1964 and Mar. 22, 1965

School districts	Category A—Pupil residing on Federal property, parent employed on Federal property		Category B-1—Pupil residing on Federal property, parent not employed on Federal property		Category B-2—Pupil not residing on Federal property, parent employed on Federal property	
	Apr. 13, 1964	Mar. 22, 1965	Apr. 13, 1964	Mar. 22, 1965	Apr. 13, 1964	Mar. 22, 1965
Oahu.....	14,960	15,626	799	725	30,851	31,960
Hawaii.....	30	41			119	213
Maui (Molokai).....		16			34	106
Kauai.....	3	4			129	183
Total.....	14,993	15,687	799	725	31,133	32,462

Federal assistance under PL 874 and 815 brings into the state a major source of federal revenue for public education. The revenues received by the State Department of Education in 1963-64 amounted to approximately 9.9% of the total school cost. The following figures will also indicate the seriousness that any cutback in these areas would have on the state.

Fiscal year	Department of education total current expenditures	Public Law 874	Public Law 815	Totals for 874 and 815
1959.....	\$42,649,010	\$2,900,862	\$3,559,901	\$6,460,763
1960.....	46,407,394	3,989,155	2,404,592	6,393,747
1961.....	52,417,871	4,382,646	2,719,433	7,102,079
1962.....	57,615,500	4,866,971		4,866,971
1963.....	16,578,614	5,218,011		5,218,011
1964.....		5,761,525	1,360,389	7,121,914
1965.....		16,470,315		6,470,315

¹ Approximate figure.

As indicated in the above tables any cutback in P.L. 815 and P.L. 874 would seriously affect the related programs. Your serious consideration of how this will affect the state and a favorable recommendation that these programs be continued will be greatly appreciated.

II. CONCERNS RELATED TO PUBLIC LAW 87-128 POSSIBLE CUTBACKS

The school lunch program in Hawaii has been long established. It was first established by the Hawaii Congress of Parents and Teachers in the middle twenties and has developed to one of the most effective lunch programs in the country.

If we realize that our students today will be the potential citizens of tomorrow, then we need to consider seriously current conditions that will contribute to more healthy situations for tomorrow. This program benefits all children, those of needy families and those of families of higher standards who also may not have access to proper diets at home.

We have over the past several years given a great deal of assistance to children and families of other countries and this is a situation of which we Americans are proud.

The continuance of our present school lunch and milk program is good insurance for a healthier and more effective citizenry. Your strong recommendation that this program be also continued will be greatly appreciated.

TESTIMONY OF STANLEY MITSUO, PRINCIPAL, KALAKAUA INTERMEDIATE SCHOOL IN HONOLULU

My name is Stanley Mitsuo and I am presently serving as principal of Kalakaua Intermediate School in Honolulu.

I wish to speak for the retention of the National School Lunch Service and the National Milk Subsidy Program (P.L. 87-128).

Kalakaua Intermediate School is a large city junior high school, with approximately 1,800 students enrolled in grades 7-8-9. It is located in the western end of the city of Honolulu, in a district called, "Kalihi".

This section of Honolulu was formerly a residential district, but rapidly becoming industrialized. In addition, there are large storage areas in the lower section, near the water front.

The residents of lower Kalihi may be considered in many ways culturally-deprived, in the sense that there is a decided lack of the culturally-desirable offerings, within the homes and in the community.

There are three large low-income housing projects in our area :

Kaahumanu Homes, with 152 family units.

Kamehameha Homes, with 221 family units.

Kuhio Park Terrace (lower portion), with 274 family units.

From a total of 647 family units, our school draws many of the students.

In terms of families receiving public welfare assistance, we find that there are approximately 652 families, falling within this category. We estimate that 215 students come to our school from these families. This represents 12% of our total school enrollment.

In terms of scholastic achievement, we find that the students in our school fall slightly below the norm for the State of Hawaii and the National norm and decidedly lower than schools in the more affluent sections of Honolulu. This is indicated by the results of the standardized tests, given each year.

The Sequential Test of Educational Progress (STEP) attached indicates that 8.6% of our students fall within the lowest 1-10 percentile; 12.9% within the 11-20 percentile and 11.7% within the 21-30 percentile. In studying the attached chart, you will notice that the bulk of our students fall within the lower end of the median percentile.

Like all public schools in Hawaii, Kalakaua Intermediate School maintains an extensive school lunch program, participating in all of the federal aid subsidies.

There is a full-time cafeteria manager, who is paid a monthly salary for 12 months of the year. Her salary is borne 100% by the State of Hawaii. In addition, there are five full-time adult cafeteria assistants, whose salaries range

from \$316.00 to \$384.00 per month. These assistants are also paid on a monthly basis, and for 12 months of the year. Thirty percent of their salaries are paid out of state funds and the remainder from the cafeteria proceeds.

Approximately 70% of our total school population participate in the school lunch program.

The total cost of 194,370 lunches served in 1964-1965 amounted to \$52,351.54. This may be "broken down" to the following:

Food -----	\$33, 673. 16
Supplies -----	460. 60
Labor -----	12, 707. 30
Others -----	4, 510. 48

During the 1964-1965 school year, we received federal assistance amounting to \$27,253.12, as follows:

Value, federal commodities -----	\$20, 663. 34
Reimbursement, type A lunch -----	6, 589. 78

Without federal subsidies our cost would increase to \$79,610.66. This averages \$.409 per lunch served. In other words, the federal government is assisting our students by subsidizing \$.159 for every lunch served. This does not take into consideration, salaries paid the cafeteria manager during the 12-month period, salaries of cafeteria helpers during the two summer months, and the purchase of equipment.

In an area where 12% of the students represent families under public welfare, it is very desirable that the school provide the students with a wholesome, well-balanced lunch. While we do not have statistical data to indicate that providing wholesome lunches will improve the students' scholastic achievement, we nevertheless have made general observations that students, who are well fed are happy and therefore prone to do well in school.

In view of this, I urge you to give serious consideration to the continuation of this federal assistance to the school lunch program.

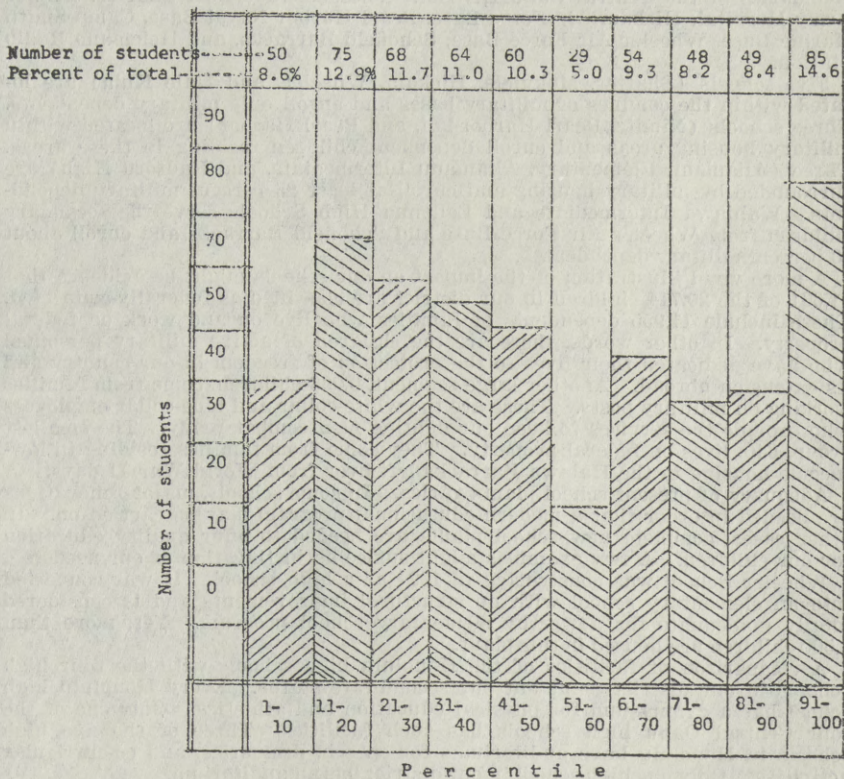
TABULATION OF TEST RESULTS

Sequential Test of Educational Progress (STEP)

Grade 8 - Kalakaua Inter. School

Sept. 1965

Total number tested - 582 students



Mean Percentile -

Kalakaua Inter. School -- 44%-tile

Honolulu District ----- 57%-tile

State ----- 54%-tile

STATEMENT OF ARTHUR F. MANN, DISTRICT SUPERINTENDENT, CENTRAL OAHU DISTRICT, STATE OF HAWAII, DEPARTMENT OF EDUCATION

Honorable committee members, may I bring to your attention the serious plight of educational facilities for the children residing in the Central Oahu District should there be a decrease in funding for capital improvements under P.L. 81-874 and P.L. 81-815. Pertinent data are presented for your consideration.

The Central Oahu District, one of four school districts on the Island of Oahu, State of Hawaii, covers an area extending fifty-four miles, stretching from Fort Shafter to Waialua. There are 1,053 teachers instructing 29,714 boys and girls in the 28 schools included in this District. The twenty-eight schools include twenty-one elementary, three intermediate, three high, and one intermediate-high combination.

Most of the major military installations in the state are located within the boundaries of the Central Oahu District. These include Fort Shafter, Tripler Army Hospital, Hickam Air Force Base, Pearl Harbor Naval Base, Camp Smith Marine Base, Wheeler Air Force Base, Schofield Barracks, and Helemano Radio Station.

Five schools (Shafter, Mokulele, Hickam, Wheeler, and Hale Kula) are located within the confines of military bases and enroll only military dependents. Three schools (Nimitz, Pearl Harbor-kai, and Pearl Harbor) are located within military housing areas and enroll dependent children residing in these areas. Three (Aliamanu Elementary, Aliamanu Intermediate, and Radford High) are surrounded by military housing and enroll at least 85 percent military dependents. Wahiawa Intermediate and Leilehua High Schools serve the secondary children from Wheeler Air Force Base and Schofield Barracks and enroll about 40 percent military dependents.

A more vivid illustration of the impact on our schools might be evidence that 21,661 of the 29,714 children in our district are classified as federally-connected. These include 11,955 dependents of families who live on and work on federal property. In other words, these are the children of active military personnel who have dedicated their lives to the protection of freedom in our country and its extension abroad. Another large segment, 9,066 children, come from families working on military posts. These are the white-collar and blue-collar employees who provide the services to keep our fighting men combat ready. The smallest group, 640, lives on federal property. They come from families residing in low-income housing in the Halawa Barracks left over from World War II days.

Adequacy of present school plants varies. In some schools, major renovations are needed in order that a modern educational program may be carried on. In other cases, complete new school plants are needed to offer quality education for our children. A few examples might suffice as justification of our needs.

Wheeler School was constructed in 1924 as a high school. It was converted into an elementary school with no structural improvements and is considered totally inadequate for a worthy elementary school program. Yet, more than 1,500 children are housed in this plant.

A comparison of facilities of the Honolulu high schools with the four high schools in our district point out our second-rate status. Every Honolulu high school has a gymnasium for physical education and athletics. Only one of the four Central Oahu high schools has such facilities. Three of the five high schools in Honolulu have auditoriums for speech, dramatics, and co-curricular activities. Only one high school in our district has an auditorium.

Additional statistics would point out that several of our schools are not provided with the minimum essentials of administration, library, and dining facilities. Make-do use of classrooms to house administrative and library services do not provide satisfactory substitutes.

While some people might hasten to deny that local politics has played a part in the provision of essential physical facilities, an honest appraisal might force them to admit that the presence of large numbers of non-voting military personnel in the schools which our district encompasses has been no asset in getting adequate facilities. However, it can be readily agreed that this year's State Legislature, for the first time, allocated funds for capital improvements on the basis of need.

Projected increments to existing school plants in our district point out the need for additional classrooms, libraries, administration buildings, and multi-purpose rooms where children can eat their lunches and carry on large group activities. Other needs are fencing for safety purposes, playgrounds, parking areas, and food preparation facilities.

Twelve complete new school plants are needed in our district within the next five years. These include two new high schools, two intermediate schools, and eight elementary schools. A combination of new military housing, new subdivisions, and more favorable pupil-teacher ratios account for the expansion necessary in our district.

While we can expect that our State will provide some of the funds to enable us to provide equal educational opportunities for our children, federal funds to augment state funds must be provided. We are sure that members of this Committee will take the needs of our children into consideration as they make their recommendations to Congress.

DEPARTMENT OF HEALTH,
STATE OF HAWAII,
Honolulu, August 13, 1966.

To: Director of Health.

From: Chief, Nutrition Branch.

Subject: Cut in Federal Milk Subsidy.

The proposed cut in the Federal Milk Subsidy could result in further impairing the nutrition of many school children in Hawaii. In many cases this is the only milk children have regardless of their family's financial status. There are still families who do not see the value of milk for growing children and would take an increase in price as an excuse for ceasing to buy.

There has already been a drastic cut in the amount of surplus commodities available for school lunches. This has meant that many school districts have been losing money in providing a Type A lunch for the majority of children in the schools. One of the school lunch supervisors reports that 117,000 children in Hawaii eat a Type A school lunch daily. Of these, approximately 3,000 daily are given free lunches. In addition, many children bring lunch from home and purchase milk at school. Some, at the present price, buy more than one carton of milk.

This milk at school provides protein, calcium, and other nutrients which are essential for growing children. It is also the only opportunity many children have to acquire a liking for milk which, hopefully, will carry over into adulthood. At present this milk is purchased for 5 cents per half pint. If the subsidy is so drastically reduced, the price of milk will have to be increased to 9 or 10 cents. There are many large families with incomes above the anti-poverty limit but the size of the family makes the available funds per capita very low. To these families this doubling of the price of milk will make it impossible to purchase milk. When you are living on the borderline, an increase of one dollar per child per month for milk at school can be very important.

Many dietary studies have shown that the milk in the school lunch makes a valuable nutritional contribution to the health of children. It seems very shortsighted to reduce or eliminate this contribution to national health while at the same time subsidizing family income with the Food Stamp Plan and other means. There is no guarantee that families will spend the additional money on milk nor does the Food Stamp Plan reach all families which need extra milk.

MARJORIE ABEL.

STATE OF HAWAII,
DEPARTMENT OF EDUCATION,
Lihue, Hawaii, April 13, 1966.

HON. PATSY T. MINK,
House of Representatives,
Washington, D.C.

DEAR MRS. MINK: Your support of P.L. 81-815 and P.L. 81-874 (Federally Impacted Areas Funds) and P.L. 87-128 National School Lunch Services and National Milk Subsidy Program is highly commendable. The cutback in funds would hurt our total educational program. Any cutback in the lunch program again would mean a weakening of our lunch program. The cost to our parents would increase and perhaps the high percentage of participation by our children would be reduced.

The aid received from the federal government (\$3,231 in 1965 under P.L. 81-874) was put back in education. As our military and federally-connected personnel grow on Kauai, more funds will become available for education.

The Kauai School Advisory Council members join me in supporting your position.

Any consideration given our request is sincerely appreciated.

Yours truly,

RONALD HARKER,
Chairman, Kauai School Advisory Council.

STATEMENT OF IRVING KRAUSS, ASSISTANT PROFESSOR OF SOCIOLOGY, UNIVERSITY OF HAWAII

I am Irving Krauss, 3653 Woodlawn Terrace Place, Honolulu, Assistant Professor of Sociology at the University of Hawaii. I want to make a brief statement regarding the curtailment of Federal aid to school districts which are overburdened as a result of having substantially large numbers of children of military personnel.

I urge retention of this Federal aid for two reasons. The first is a general one, and relates to the responsibility of the Federal Government. Principally because of the growing size and complexity of our society, the Federal Government is becoming increasingly important for financial and other support for education. This is necessary and desirable, and above all it underlines the Federal Government's *responsibility* for this aspect of the general welfare. However, the possible cut-back or removal of Federal funds from impacted areas is *not* very responsible, and may set an unfortunate precedent. Furthermore, school personnel will of necessity have to be extremely cautious and hesitant in planning future educational programs which are supported by monies from the Federal Government. And if there is anything which is not desirable in education, it is undue caution and hesitancy.

The second reason is the serious financial effect the curtailment of these Federal funds would have for Hawaii's public schools. Hawaii's economic base is limited, and per capita taxes are higher than the national average (\$256.47 in contrast to \$234.77 for the United States). And its per capita expenditure on education is much higher: \$146.25 in Hawaii, in contrast to \$127.31 for the nation. Also, although the quality of the education in the public schools is improving—I notice this in the college freshmen I have taught over the past few years—a great deal of upgrading is needed. The high percentage of students in private schools in Hawaii indicates that many parents are not satisfied with the education presently available in the public schools. (In Hawaii 18.2% are in private schools, in contrast to the national average of 14.3%.) It appears to me that to withdraw Federal impact funds will add additional financial strain to an already very highly taxed population. More than that, it may adversely affect the quality of the education which is available to the military as well as non-military children in this state.

In conclusion, I therefore strongly urge continuation of Federal impact funds because of what I believe is the Federal Government's responsibility for helping maintain educational quality in those school districts where an extra burden is placed on the public school system.

[Third Legislature, 1966, State of Hawaii]

S.C.R. NO. 14

SENATE CONCURRENT RESOLUTION REQUESTING THE CONGRESS OF THE UNITED STATES TO RETAIN THE PRESENT PROVISIONS OF PUBLIC LAW 874

Whereas, since 1950, Hawaii has received federal support for the education of children whose parents either live on federal property or who work for the federal government, under Public Law 874, known as the "Impact Aid" program; and

Whereas, the intent of Congress in enacting Public Law 874 was to assist educational agencies being "impacted" by large numbers of children whose families moved into the local community because of federal operations, such as military installations and other defense type operations; and

Sources: U.S. Bureau of the Census, *Statistical Abstract of the United States: 1965* (86th ed.), Washington, D.C., 1965, pp. 120, 124, and 448.

Whereas, the tax contribution to the State of Hawaii by the parents of nearly 15,000 children whose parents live on federal property is negligible; and

Whereas, it was in recognition of this very fact of the nominal tax support which families of these children gave to any local community in which they happen to reside, that Public Law 874 was enacted to help pay for the cost of educating these children; and

Whereas, the reasons which gave rise to the enactment of Public Law 874 are no less compelling today, rather are more vitally needed in view of the rising cost of education; and

Whereas, in any event the federal aid under Public Law 874 does not now pay the full cost of educating these federal "impact" children, but only one half of the national average per pupil expenditure or one half of the state average, whichever is higher; and

Whereas, recognizing that this federal aid is already inadequate to meet the costs of educating these children, its elimination or further reduction will create an even greater burden upon the entire school system; and

Whereas, it was expected that Hawaii would receive for the next school year an estimated \$7.8 million under this impact aid program; and

Whereas, the new budget proposed to the Congress of the United States would reduce our aid under this program to an estimated \$3.6 million; now, therefore,

Be it resolved by the Senate of the Third Legislature of the State of Hawaii, Budget Session of 1966, the House of Representatives concurring, that the Congress of the United States be and it is hereby respectfully urged to reject this recommended cut of the federal funds allocation under Public Law 874 and to retain the present provisions of said law; and

Be it further resolved that duly authenticated copies of this resolution be sent to the Honorable John W. Gardner, Secretary of the Department of Health Education and Welfare; the Honorable Lister Hill, Chairman of the Senate Labor and Public Welfare Committee; the Honorable Wayne Morse, Chairman of the Education Sub-Committee of the Senate Labor and Public Welfare Committee; the Honorable Carl Hayden, Chairman of the Senate Committee on Appropriations; the Honorable Adam Clayton Powell, Chairman of the House Education and Labor Committee; the Honorable Carl Perkins, Chairman of the General Sub-Committee on Education of the House Committee on Education and Labor; the Honorable George Mahon, Chairman of the House Committee on Appropriations; the Honorable John E. Fogarty, Chairman of the Sub-Committee on Labor, Health, Education and Health of the House Committee on Appropriations; Senator Hiram Fong, Senator Daniel K. Inouye, Representative Spark Matsunaga, and Representative Patsy Mink.

Offered by: David K. Trask, Jr., and countersigned by members of the Third Legislature, State of Hawaii.

[Third Legislature, 1966, State of Hawaii]

S.C.R. NO. 16

SENATE CONCURRENT RESOLUTION RELATING TO THE SCHOOL LUNCH PROGRAM

Whereas, proposed cuts in the President's budget for the school lunch program means a loss of about a million dollars to the State of Hawaii and will cause an increase in the cost of school lunches which may lessen participation in the school lunch program and thereby further increase the cost to the state to maintain the school lunch program; now, therefore,

Be it resolved by this Senate, the House concurring, that the Honorable Senator Daniel K. Inouye, the Honorable Senator Hiram L. Fong, the Honorable Representative Spark M. Matsunaga and the Honorable Representative Patsy T. Mink be requested to do everything in their power to restore the proposed cuts in the President's budget to the national school lunch program, particularly in the areas of federal cash subsidy, the federal milk program and the federal surplus commodity program; and

Be it further resolved that duly certified copies of this Resolution be transmitted to the foregoing senators and representatives forthwith.

Offered by: David K. Trask, Jr., and countersigned by members of the Third Legislature, State of Hawaii.

Defense personnel and total population in the United States by States, as of June 30, 1965

	Population, July 1, 1964, census (provisional)		Depart- ment of Defense as percent of State pop- ulation	Total Department of Defense 1		Army		Navy 2		Air Force	
	Number	Percent of United States		Number	Percent of United States	Number	Percent of United States	Number	Percent of United States	Number	Percent of United States
United States (including Alaska and Hawaii):											
Military.....				1,641,244	100.0	593,011	100.0	395,257	100.0	652,976	100.0
Civilian.....				940,763	100.0	320,808	100.0	309,296	100.0	268,521	100.0
Total.....	193,818,000	100.0	1.3	2,582,007	100.0	913,819	100.0	704,553	100.0	921,497	100.0
Alabama:											
Military.....				24,016	1.5	14,101	2.4	365	.1	9,550	1.5
Civilian.....				33,268	3.5	17,934	5.6	30	(3)	15,287	5.7
Total.....	3,462,000	1.8	1.7	57,284	2.2	32,035	3.5	395	.1	24,837	2.7
Alaska:											
Military.....				30,892	1.9	13,160	2.2	3,017	.8	14,725	22
Civilian.....				6,281	.7	3,255	1.0	431	.1	2,563	1.0
Total.....	253,000	.1	1.5	37,173	1.4	16,405	1.8	3,448	.5	17,288	1.9
Arizona:											
Military.....				21,244	1.3	5,782	1.0	1,699	.4	13,763	2.1
Civilian.....				7,176	.8	3,022	.9	891	.3	3,275	1.2
Total.....	1,608,000	.8	1.8	28,420	1.1	8,804	1.0	2,560	.4	17,038	1.8
Arkansas:											
Military.....				9,898	.6	619	.1	109	(2)	9,170	1.4
Civilian.....				3,961	.4	3,243	1.0	0	0	693	.2
Total.....	1,960,000	1.0	.7	13,859	.5	3,862	.4	109	(2)	9,863	1.1

[illegible]

See footnotes at end of table.

Defense personnel and total population in the United States by State, as of June 30, 1965—Continued

	Population, July 1, 1964, census (provisional)		Department of Defense as percent of State pop- ulation	Total Department of Defense 1		Army		Navy 2		Air Force	
	Number	Percent of United States		Number	Percent of United States	Number	Percent of United States	Number	Percent of United States	Number	Percent of United States
Illinois:											
Military				47,427	2.9	6,378	1.1	28,215	7.1	12,834	2.0
Civilian				28,124	3.0	15,580	4.9	6,280	2.0	5,518	2.1
Total	10,644,000	5.5	.7	75,551	2.9	21,958	2.4	34,495	4.9	18,352	2.0
Indiana:											
Military				8,506	.5	2,823	.5	607	.2	5,076	.8
Civilian				12,466	1.3	5,422	1.7	6,026	1.9	1,005	.4
Total	4,885,000	2.5	.4	20,972	.8	8,245	.9	6,633	1.0	6,081	.7
Iowa:											
Military				1,445	.1	203	(3)	197	(3)	1,045	.2
Civilian				630	.1	472	.2	0	0	158	.1
Total	2,760,000	1.4	.1	2,075	.1	675	.1	197	(3)	1,203	.1
Kansas:											
Military				29,757	1.8	16,215	2.7	776	.2	12,766	1.9
Civilian				4,728	.5	3,272	1.0	125	(3)	1,315	.5
Total	2,234,000	1.2	1.5	34,485	1.3	19,487	2.1	901	.1	14,081	1.5
Kentucky:											
Military				48,901	3.0	48,078	8.1	258	.1	565	.1
Civilian				12,050	1.3	9,997	3.1	2,029	.7	22	(3)
Total	3,179,000	1.6	1.9	60,951	2.4	58,075	6.4	2,287	.3	587	.1
Louisiana:											
Military				34,334	2.1	21,689	3.7	1,359	.3	11,286	1.7
Civilian				6,531	.7	3,767	1.2	1,188	.4	1,387	.5
Total	3,534,000	1.8	1.2	40,865	1.6	25,456	2.8	2,547	.4	12,673	1.4

[illegible]

See footnotes at end of table.

Defense personnel and total population in the United States by State, as of June 30, 1965—Continued

	Population, July 1, 1964 census (provisional)		Depart- ment of Defense as Percent of State pop- ulation	Total Department of Defense 1		Army		Navy 2		Air Force	
	Number	Percent of United States		Number	Percent of United States	Number	Percent of United States	Number	Percent of United States	Number	Percent of United States
Nebraska:											
Military				16,404	1.0	1,009	.2	352	.1	15,043	2.3
Civilian				3,999	.4	2,946	.6	303	.1	1,650	.6
Total	1,477,000	.8	1.4	20,403	.8	3,055	.3	655	.1	16,693	1.8
Nevada:											
Military				7,565	.5	34	(3)	1,264	.3	6,267	.9
Civilian				2,686	.3	10	(3)	1,040	.3	1,510	.6
Total	440,000	.2	2.3	10,221	.4	44	(3)	2,304	.3	7,777	.8
New Hampshire:											
Military				7,714	.5	224	(3)	1,319	.3	6,171	.9
Civilian				8,147	.9	262	.1	7,171	2.3	705	.3
Total	689,000	.3	2.4	15,861	.6	486	.1	8,490	1.2	6,876	.7
New Jersey:											
Military				36,857	2.2	24,028	4.1	2,357	.6	10,472	1.6
Civilian				25,085	2.7	18,170	5.7	4,471	1.4	2,270	.8
Total	6,774,000	3.5	.9	61,942	2.4	42,198	4.6	6,828	1.0	12,742	1.4
New Mexico:											
Military				21,507	1.3	3,816	.6	987	.2	16,704	2.6
Civilian				11,110	1.2	5,404	1.7	121	(3)	4,172	1.6
Total	1,028,000	.5	3.2	32,617	1.3	9,220	1.0	1,108	.2	20,876	2.3
New York:											
Military				35,097	2.1	11,851	2.0	6,590	1.7	16,656	2.6
Civilian				44,628	4.7	16,370	5.1	17,347	5.6	9,780	3.6
Total	18,073,000	9.3	.4	79,725	3.1	28,221	3.1	23,937	3.4	26,436	2.9

Defense personnel and total population in the United States by State, as of June 30, 1965—Continued

	Population, July 1, 1964, census (provisional)		Depart- ment of Defense as percent of State popu- lation	Total Department of Defense 1		Army		Navy 2		Air Force	
	Number	Percent of United States		Number	Percent of United States	Number	Percent of United States	Number	Percent of United States	Number	Percent of United States
South Dakota:											
Military				6,573	.4	103	(3)	12	(3)	6,458	1.0
Civilian				1,344	.1	843	.3	0	0	501	.2
Total	703,000	.4	1.1	7,917	.3	946	.1	12	(3)	6,959	.8
Tennessee:											
Military				18,428	1.1	554	.1	13,248	3.4	4,626	.7
Civilian				6,178	.7	2,180	.7	867	.3	961	.4
Total	3,845,000	2.0	.6	24,606	.9	2,734	.3	14,115	2.0	5,587	.6
Texas:											
Military				165,099	10.1	60,626	10.2	9,547	2.4	94,926	14.5
Civilian				60,051	6.4	20,280	6.3	1,881	.6	37,033	13.8
Total	10,551,000	5.4	2.1	225,150	8.7	80,906	8.9	11,428	1.6	131,959	14.3
Utah:											
Military				4,642	.3	1,193	.2	120	(3)	3,329	.5
Civilian				19,355	2.1	5,527	1.7	223	.1	11,880	4.4
Total	990,000	.5	2.4	23,977	1.0	6,720	.7	343	.1	15,209	1.7
Vermont:											
Military				287	(3)	81	(3)	13	(3)	193	(3)
Civilian				74	(3)	48	(3)	0	0	24	(3)
Total	397,000	.2	.1	361	(3)	129	(4)	13	(3)	217	(3)
Virginia: 4											
Military				59,604	3.7	23,117	3.9	27,206	6.9	9,281	1.4
Civilian				45,081	4.8	9,156	2.9	31,802	10.3	1,602	.6
Total	3,820,000	2.9	2.8	104,685	4.2	32,273	3.5	59,008	8.4	10,883	1.2

STATE OF HAWAII,
DEPARTMENT OF EDUCATION,
Honolulu, Hawaii, April 13, 1966.

Hon. PATSY T. MINK,
Member of Congress, U.S. House of Representatives,
Honolulu, Hawaii

DEAR REPRESENTATIVE MINK: On behalf of the students, faculty, and parents of Lincoln, I wish to take this means to congratulate you and also to show our appreciation for your support and interest in maintaining the federal subsidies to our School Lunch Program at their present levels. The huge cutbacks as proposed will have a tremendous effect on our lunch program.

Twenty percent of our youngsters living in the Papakolea homestead area have benefited greatly from the National School Lunch Services and the Milk Subsidy Program.

With the cut in funds this definitely means that the prices of our school lunches will be increased. If this is so, these services and program will not reach the youngsters who benefit most from this nutritional need during the noon hour.

Our youngsters do look forward to the hot lunches served with milk during the school year. At Lincoln, with an enrollment of 1100, our daily lunch count is over 1000. This is a strong indication that the parents of our youngsters are satisfied with the wholesome lunches that are served from our cafeteria at the nominal cost of 25¢ with the aid of federal subsidy. Without these subsidies, our cafeteria will not be able to serve the type of lunches it now does.

We sincerely urge your support to maintain the federal subsidy at its present level as the cutback will have a decided effect on our lunch program here at Lincoln.

Sincerely,

FAITH C. AI, *Principal.*

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