

JAN 21 2011

A BILL FOR AN ACT

RELATING TO EDUCATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 302B-12, Hawaii Revised Statutes, is
2 amended by amending subsections (b) and (c) to read as follows:

3 "(b) Fringe benefit costs for charter school employees,
4 regardless of the payroll system utilized by a charter school,
5 shall be included in the department of budget and finance's
6 annual budget request. No fringe benefit costs shall be charged
7 directly to or deducted from the charter school per-pupil
8 allocations.

9 The legislature shall make an appropriation based upon the
10 budget request; provided that the legislature may make
11 additional appropriations for facility and other costs[-]; and
12 provided further that charter schools shall be entitled to a
13 separate line item in the budget of the department of education.

14 The governor, pursuant to chapter 37, may impose
15 restrictions or reductions on charter school appropriations
16 similar to those imposed on other public schools.

17 (c) Charter schools shall be eligible for all federal
18 financial support to the same extent as all other public



1 schools[-], including federal funding for Race to The Top
2 allocations under section 14001 of the American Recovery and
3 Reinvestment Act of 2009, as amended. The department shall
4 provide the office with all state-level federal grant proposals
5 submitted by the department that include charter schools as
6 potential recipients and timely reports on state-level federal
7 grants received for which charter schools may apply or are
8 entitled to receive. Federal funds received by the department
9 for charter schools shall be transferred to the office for
10 distribution to charter schools in accordance with the federal
11 requirements. If administrative services related to federal
12 grants and subsidies are provided to the charter school by the
13 department, the charter school shall reimburse the department
14 for the actual costs of the administrative services in an amount
15 that shall not exceed six and one-half per cent of the charter
16 school's federal grants and subsidies.

17 Any charter school shall be eligible to receive any
18 supplemental federal grant or award for which any other public
19 school may submit a proposal, or any supplemental federal grants
20 limited to charter schools; provided that if department
21 administrative services, including funds management, budgetary,
22 fiscal accounting, or other related services, are provided with



1 respect to these supplemental grants, the charter school shall
 2 reimburse the department for the actual costs of the
 3 administrative services in an amount that shall not exceed six
 4 and one-half per cent of the supplemental grant for which the
 5 services are used.

6 All additional funds generated by the local school boards,
 7 that are not from a supplemental grant, shall be held separate
 8 from allotted funds and may be expended at the discretion of the
 9 local school boards."

10 SECTION 2. Statutory material to be repealed is bracketed
 11 and stricken. New statutory material is underscored.

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

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Report Title:

Public Charter Schools

Description:

Gives public charter schools the right to a separate budget line item. Clarifies that public charter schools are eligible for Federal Race to The Top funding.

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