
A BILL FOR AN ACT

RELATING TO EDUCATION.

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

1 SECTION 1. Section 302A-706, Hawaii Revised Statutes, is
2 amended by amending its title and subsection (a) to read as
3 follows:

4 "§302A-706 [~~Teacher national board~~] National certification
5 incentive program. (a) There is established within the
6 department the [~~teacher~~] national [~~board~~] certification
7 incentive program to recognize and support exemplary [~~teaching~~]
8 educational practice by supporting public school teachers and
9 school psychologists who have achieved national [~~board~~]
10 certification under the certification program of the National
11 Board for Professional Teaching Standards[-] or the National
12 Association of School Psychologists. The [~~teacher~~] national
13 [~~board~~] certification incentive program shall provide:

14 (1) A \$5,000 bonus per year for each public school teacher
15 or school psychologist who maintains current national
16 [~~board~~] certification;



- 1 (2) Up to \$1,500, depending on the certification fee
2 structure, upon completing all components of the
3 certification program of the National Board for
4 Professional Teaching Standards [~~+~~] or National
5 Association of School Psychologists;
- 6 (3) A reimbursement of the remainder of the national
7 [~~board~~] certification application fee upon achievement
8 of national [~~board~~] certification; [~~and~~]
- 9 (4) An additional \$5,000 bonus per year for each public
10 school teacher or school psychologist who maintains
11 current national [~~board~~] certification and who
12 [~~teaches~~] is employed at:
- 13 (A) A school [~~in a focus, priority, or~~
14 superintendent's zone, or other similar
15 designation, as determined] that has been
16 identified for comprehensive or targeted support
17 and improvement by the department; provided that
18 all teachers receiving the bonus under this
19 subparagraph during the 2017-2018 school year
20 shall remain eligible for the bonus subject to
21 the limitations imposed under paragraph (5);



- 1 (B) A school with a high turnover rate, as determined
2 by the department; or
- 3 (C) A hard-to-fill school, as determined by the
4 department [-]; and
- 5 (5) An additional \$5,000 bonus per year for any teacher or
6 school psychologist employed at a public school who
7 received a yearly bonus pursuant to paragraph (4);
8 provided that the teacher or school psychologist
9 maintains national certification and continues working
10 in the same school after the school transitions from
11 the qualifying designation pursuant to paragraph (4);
12 provided further that the teacher or school
13 psychologist shall receive the additional bonus from
14 the time the school no longer meets any of the
15 criteria under paragraph (4) until the end date of the
16 teacher's or school psychologist's national
17 certification in effect at the time the school lost
18 its designation, or until the teacher or school
19 psychologist is no longer employed at the school,
20 whichever occurs first."



1 SECTION 2. Section 302D-28, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§302D-28 **Funding and finance.** (a) Beginning with fiscal
4 year 2012-2013, and each fiscal year thereafter, the non-
5 facility general fund per-pupil funding request for charter
6 school students shall be the same as the general fund per-pupil
7 amount to the department in the most recently approved executive
8 budget recommendation for the department and shall be based upon
9 reasonable projected enrollment figures for all charter schools.
10 The general fund per-pupil request for each regular education
11 and special education student shall:

12 (1) Include all general fund regular education cost
13 categories, including comprehensive school support
14 services, but excluding special education services,
15 adult education, and the after-school plus program;
16 provided that these services are provided and funded
17 by the department; and

18 (2) Exclude fringe benefit costs and debt service.

19 (b) Fringe benefit costs for charter school employees,
20 regardless of the payroll system utilized by a charter school,
21 shall be included in the department of budget and finance's



1 annual budget request. No fringe benefit costs shall be charged
2 directly to or deducted from the charter school per-pupil
3 allocations.

4 The legislature shall make an appropriation based upon the
5 budget request; provided that the legislature may make
6 additional appropriations for facility and other costs.

7 The governor, pursuant to chapter 37, may impose
8 restrictions or reductions on charter school appropriations
9 similar to those imposed on department schools.

10 (c) Notwithstanding any law to the contrary, to ensure
11 non-facility per-pupil general fund amounts allocated for the
12 department and charter school students are equal on an
13 annualized fiscal year basis, each year the director of finance
14 shall:

- 15 (1) Determine the sum of general fund appropriations made
16 for department and charter school student non-facility
17 costs described in subsections (a) and (b);
- 18 (2) Determine the sum of department and charter school
19 student enrollment based on reviewed and verified
20 student enrollment counts as of October 15;



- 1 (3) Determine a per-pupil amount by dividing the sum of
2 general fund appropriations determined under paragraph
3 (1) by the sum of student enrollment determined under
4 paragraph (2);
- 5 (4) Transfer a general fund amount between the department
6 and charter schools that will provide each with a per-
7 pupil allocation equal to the amount determined on an
8 annualized fiscal year basis under paragraph (3); and
- 9 (5) Annually account for all calculations and transfers
10 made pursuant to this subsection in a report to the
11 legislature, governor, department, and charter
12 schools.

13 This subsection shall not limit the ability of the director of
14 finance to modify or amend any allotment pursuant to chapter 37.

15 (d) Charter schools shall be eligible for all federal
16 financial support to the same extent as department schools. The
17 department shall provide all authorizers with all state-level
18 federal grant proposals submitted by the department that include
19 charter schools as potential recipients and timely reports on
20 state-level federal grants received for which charter schools
21 may apply or are entitled to receive. Federal funds received by



1 the department for charter schools shall be transferred to
2 authorizers for distribution to the charter schools they
3 authorize in accordance with the federal requirements. If
4 administrative services related to federal grants are provided
5 to the charter school by the department, the charter school
6 shall reimburse the department for the actual costs of the
7 administrative services in an amount that shall not exceed six
8 per cent of the charter school's federal grants.

9 Any charter school shall be eligible to receive any
10 supplemental federal grant or award for which any department
11 school may submit a proposal, or any supplemental federal grants
12 limited to charter schools; provided that if department
13 administrative services, including funds management, budgetary,
14 fiscal accounting, or other related services, are provided with
15 respect to these supplemental grants, the charter school shall
16 reimburse the department for the actual costs of the
17 administrative services in an amount that shall not exceed six
18 per cent of the supplemental grant for which the services are
19 used.

20 All additional funds generated by the governing boards,
21 that are not from a supplemental grant, shall be held separate



1 from allotted funds and may be expended at the discretion of the
2 governing boards.

3 (e) Authorizers shall calculate a general fund per-pupil
4 amount based upon the amount of general funds appropriated by
5 the legislature and released by the governor and the projected
6 enrollment amount used to calculate the general funds
7 appropriated pursuant to subsection (a).

8 Authorizers shall submit a report to the legislature no
9 later than twenty days prior to the convening of each regular
10 session that contains each charter school's current school year
11 projection that is used to submit the budget request, the
12 updated May 15 enrollment projection, the actual October 15
13 enrollment count, the authorizer's reviewed and verified
14 enrollment count, and the November 15 enrollment count.

15 (f) To enable charter schools to access state funding
16 prior to the start of each school year, foster their fiscal
17 planning, enhance their accountability, and avoid over-
18 allocating general funds to charter schools based on self-
19 reported enrollment projections, authorizers shall:

20 (1) Provide sixty per cent of a charter school's per-pupil
21 allocation based on the charter school's projected



1 student enrollment no later than July 20 of each
2 fiscal year; provided that the charter school shall
3 have submitted to its authorizer a projected student
4 enrollment no later than May 15 of each year;

5 (2) Provide an additional thirty per cent of a charter
6 school's per-pupil allocation no later than December 1
7 of each year, based on the October 15 student
8 enrollment, as reviewed and verified by the
9 authorizer, only to schools in compliance with all
10 financial reporting requirements; and

11 (3) Retain no more than the balance of the remaining ten
12 per cent of a charter school's per-pupil allocation,
13 as a contingency balance to ensure fiscal
14 accountability and compliance, no later than June 30
15 of each year;

16 provided that authorizers may make adjustments in allocations
17 based on noncompliance with charter contracts and the board may
18 make adjustments in allocations based on noncompliance with
19 board policies made in the board's capacity as the state
20 education agency, department directives made in the department's
21 capacity as the state education agency, the board's



1 administrative procedures, and board-approved accountability
2 requirements.

3 (g) The department shall provide appropriate transitional
4 resources to a conversion charter school for its first year of
5 operation as a charter school based upon the department's
6 allocation to the school for the year prior to the conversion.

7 (h) No charter school may assess tuition; provided that a
8 charter school may assess and collect special fees and charges
9 from students for co-curricular activities. Any special fees
10 and charges collected pursuant to this subsection shall be
11 deposited into insured checking or savings accounts and expended
12 by each individual charter school.

13 (i) Funds necessary to pay for teacher incentive programs,
14 bonuses, and other compensation required by law or collective
15 bargaining beyond regular wages shall not be paid out of a
16 charter school's facilities funding or per-pupil funds.
17 Beginning with fiscal year 2018-2019, and each fiscal year
18 thereafter, the funding request for teacher incentive programs,
19 bonuses, and other compensation required by law or collective
20 bargaining beyond regular wages for each charter school shall be



1 a separate line item in the general appropriations act and
2 supplemental appropriations act."

3 SECTION 3. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$ or so
5 much thereof as may be necessary for fiscal year 2018-2019 to
6 pay for the following bonuses for public school teachers, public
7 charter school teachers, and school psychologists:

8 (1) Collectively bargained placement bonuses in schools
9 determined as hard-to-fill by the department of
10 education; and

11 (2) National certification incentive program bonuses as
12 outlined pursuant to section 302A-706, Hawaii Revised
13 Statutes.

14 The sum appropriated as separate line items to the
15 department of education and the Hawaii state public charter
16 school commission shall be expended by each entity for the
17 purposes of this Act.

18 SECTION 4. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

20 SECTION 5. This Act shall take effect on July 1, 2050.



Report Title:

National Certification Incentive Program; Teachers; School Psychologists; Appropriation

Description:

Amends provisions of the national certification incentive program within the Department of Education to include school psychologists who have achieved national certification. Amends provisions related to eligible schools where teachers or school psychologists with national certification are eligible for the incentive program. Beginning with fiscal year 2018-2019, and each fiscal year thereafter, requires funding requests by charter schools for teacher incentive programs, bonuses, and other compensation beyond regular wages to be a separate line item in the general appropriations act and supplemental appropriations act. Appropriates funds. Effective 7/1/2050. (SD2)

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