A BILL FOR AN ACT

RELATING TO CHARTER SCHOOLS.

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

SECTION 1. The legislature finds that there are nearly twelve thousand students enrolled in the thirty-seven public charter schools operating under the governance of the public charter school commission and the board of education. The majority of charter school funding is provided on a non-facility general fund per-pupil basis, calculated from the sum of certain general fund non-facility operating appropriations to the department of education, and each charter school's pro rata enrollment compared to the total public education enrollment. Charter school non-facility general fund per-pupil funding has been $6,846, $7,089, and $7,323 in the school years 2015-2016, 2016-2017, and 2017-2018, respectively. Charter schools use this funding to pay for a wide range of school-related expenses, such as for teachers and administrative staff, school facilities, meal service, and student transportation. Notably, a significant amount of charter schools' expenses may not be borne by schools operated under the department of education.
Accordingly, while the non-facility general fund per-pupil funding provided to charter schools has increased each year, charter school operational costs continue to rise, and gaps continue to remain between public charter schools and schools under the operation of the department of education. As the public charter school commission's Strategic Vision and Plan 2019-2023 explains, "[f]unding gaps continue in per-pupil allocation, facilities, payroll, transportation and food services, causing charter schools to use the already meager per pupil allocation to provide basic services that are provided through centralized services by the Department of Education (DOE), Accounting and General Services (DAGS) and Department of Transportation (DOT) for other public schools."

The legislature finds that facilities funding and the lack of facilities has been a long-standing issue for many of Hawaii's charter schools. For example, start-up public charter schools that lack adequate building facilities are sometimes forced to hold classes outdoors, on covered lanais, or in unstable temporary structures.
The purpose of this Act is to:

(1) Add the rental or lease of facilities and payment of debt service to the list of explicitly authorized uses of legislative appropriations and bond authorizations made for charter school facilities funding;

(2) Make housekeeping amendments for clarity and consistency; and

(3) Provide funding to the state public charter school commission for the design, planning, construction, repair, and maintenance of public charter school improvements; the expansion or improvement of instructional space; the rental, lease, or payment of debt service of facilities; the provision of food services; and the provision of restroom facilities.

SECTION 2. Section 302D-29.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Beginning with the 2016-2017 fiscal year, and each fiscal year thereafter, the legislature shall consider making an appropriation and bond authorization to the commission for the design, planning, construction, repair, and maintenance of public charter school improvements to address issues of health,
safety, and legal compliance; [expand or improve] the expansion
or improvement of instructional space; [provide for] the rental
or lease of facilities and debt service for financing; the
provision of food services; or [provide] the provision of
restroom facilities. The appropriation and bond authorization
for charter schools shall be separate from, and in addition to,
any appropriation made to charter schools pursuant to [this
section and] section 302D-28. [These amounts shall be
prioritized for allocation by the charter school facilities
funding working group.]

SECTION 3. There is appropriated out of the general
revenues of the State of Hawaii the sum of $ or so much
thereof as may be necessary for fiscal year 2019-2020 and the
same sum or so much thereof as may be necessary for fiscal year
2020-2021 for the public charter school commission to allocate
to charter schools, as determined by the commission, for the
design, planning, construction, repair, and maintenance of
public charter school improvements; the expansion or improvement
of instructional space; the rental or lease of facilities; debt
service for financing; the provision of food services; and the
provision of restroom facilities.
The sums appropriated shall be expended by the public charter school commission for the purposes of this Act.

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

SECTION 5. This Act shall take effect on July 1, 2019.

INTRODUCED BY:  

JAN 22 2019
Report Title:
Charter Schools; Appropriation; Infrastructure Funding and Improvement

Description:
Allows charter schools to use appropriated funds for facilities improvement, rental, and construction and other infrastructure improvements. Appropriates funds for facilities and infrastructure improvement.

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