
A BILL FOR AN ACT

RELATING TO EDUCATION.

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

1 SECTION 1. The legislature finds that with the enactment
2 of Act 2, Session Laws of Hawaii 2002, two existing public
3 schools in high need communities have converted to new century
4 conversion charter schools. The conversion of these schools has
5 promoted student learning and achievement through additional
6 financial resources, greater accountability, and increased
7 community and family involvement in school community activities.

8 As the legislature increases its financial support to our
9 educational system, the nonprofit organizations managing and
10 operating the new century conversion charter schools will be
11 faced with an increasing financial burden, because they must
12 match every \$4 per pupil allocated by the department of
13 education with a minimum contribution of \$1 per pupil. Because
14 of this, nonprofit organizations may be reluctant to support the
15 creation of additional new century conversion charter schools
16 without knowing what financial burdens they will face as the
17 legislature increases its funding level. It is not the intent
18 of the legislature to discourage nonprofit organizations from



1 supporting our educational system with additional financial
2 resources.

3 The purpose of this Act is to set forth a financial limit
4 on the total maximum contribution per pupil that a nonprofit
5 organization will be required to contribute in advance, should
6 it decide to undertake the creation of a new century conversion
7 charter school.

8 SECTION 2. Section 302A-1191, Hawaii Revised Statutes, is
9 amended by amending subsection (a) to read as follows:

10 "(a) As used in this section:

11 "New century conversion charter school" means:

12 (1) Any existing department school that converts to a
13 charter school and is managed and operated in
14 accordance with subsection (d); or

15 (2) Any existing department school that converts to a
16 charter school and is managed and operated by a
17 nonprofit organization in accordance with this
18 section, excluding subsection (d).

19 "Nonprofit organization" means a private, nonprofit, tax-
20 exempt entity that:



- 1 (1) Is recognized as a tax-exempt organization under
2 section 501(c)(3) of the Internal Revenue Code of
3 1986, as amended;
- 4 (2) Is domiciled in this [~~State~~] state; and
- 5 (3) Makes a minimum annual contribution of \$1 per pupil
6 toward the operation of a new century conversion
7 charter school for every \$4 per pupil allocated by the
8 charter school administrative office for the operation
9 of the charter school~~[-]~~; provided that the maximum
10 annual contribution from the nonprofit organization
11 shall not be required to exceed \$1,500 per pupil per
12 year."

13 SECTION 3. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 4. This Act shall take effect upon its approval.



HB 2550
HD1

Report Title:

Education; Charter Schools; Per Pupil Allocation

Description:

Allows but does not require the annual contribution from a nonprofit organization that manages and operates a charter school to exceed \$1,500 per pupil. (HB2550 HD1)

