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# A BILL FOR AN ACT

RELATING TO CHARTER SCHOOLS.

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

1           SECTION 1. The legislature finds that lack of facilities  
2 funding is a significant financial and operational challenge for  
3 new century charter schools. Current funding for new century  
4 charter schools is calculated on a per-pupil allocation for each  
5 regular education and special education student based upon  
6 average enrollment in all cost categories, as published in the  
7 department of education's consolidated annual financial report.  
8 However, there is no allocation for charter schools to establish  
9 and maintain school facilities. The capacity to provide a long-  
10 term physical location, infrastructure maintenance, and building  
11 improvements contributes to the successful development and  
12 stability of individual charter schools.

13           The purpose of this Act is to provide additional funding  
14 for new century charter schools to use for rent or lease costs  
15 and repair, maintenance, and improvement costs for charter  
16 school facilities.



1 SECTION 2. Chapter 302A, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4 **"§302A- Facilities funding for new century charter**  
5 **schools.** (a) The department of education shall allocate funds  
6 to new century charter schools for the purpose of facilities  
7 rent or lease costs and repair, maintenance, and improvement  
8 costs. The amount provided shall be calculated on a per-pupil  
9 basis. The formula for the allocation shall be based on a five-  
10 year average of the department of education's debt service level  
11 as provided in the department's most recent consolidated annual  
12 financial report. The allocation for facilities is in addition  
13 to any other per-pupil allocation currently authorized under  
14 this chapter and received by the charter schools.

15 (b) To enable new century charter schools to access state  
16 funding prior to the start of each school year, foster their  
17 fiscal planning, and enhance their accountability, the  
18 department shall allocate funds on the same schedule as the per  
19 pupil general allocation pursuant to section 302A-1185(c). This  
20 section does not apply to new century conversion charter  
21 schools."



1 SECTION 3. There is appropriated out of the general  
2 revenues of the State of Hawaii the sum of \$ , or so  
3 much thereof as may be necessary for fiscal year 2006-2007, for  
4 rent or lease costs and repair, maintenance, or improvement  
5 costs for new century charter school facilities.

6 SECTION 4. The sum appropriated shall be expended by the  
7 department of education for the purposes of this Act.

8 SECTION 5. New statutory material is underscored.

9 SECTION 6. This Act shall take effect upon its approval.

SB2707, SD1

**Report Title:**

Education; Charter Schools

**Description:**

Makes an appropriation to cover charter school rent or lease payments, and maintenance, repair and improvement costs. (SD1)

