

STAND. COM. REP. NO.

2495

Honolulu, Hawaii

FEB 17

, 2006

RE: S.B. No. 2707

S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Education and Military Affairs and Water, Land, and Agriculture, to which was referred S.B. No. 2707 entitled:

"A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS,"

beg leave to report as follows:

The purpose of this measure is to provide additional funding for new century charter schools to use for rent or lease payments and repair, maintenance, and improvement costs for charter school facilities.

Your Committees received testimony in support of this measure from Innovations Public Charter School, Voyager Public Charter School, and thirteen individuals. Comments in support of the intent of this measure were received from the Charter School Administrative Office. Your Committees received comments on this measure from the Department of Taxation, the Tax Foundation of Hawaii, and the Board of Education.

Your Committees find lack of facilities funding is a significant financial and operational challenge for new century charter schools.

Your Committees have amended this measure by deleting the provisions relating to:

- (1) Memoranda of agreement between charter schools and state departments or agencies to determine the fee to be paid



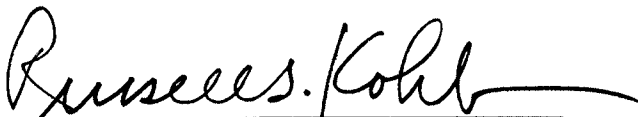
by the charter school for services relating to facilities;

- (2) Developer impact fees;
- (3) Authorization to lease public lands under the control of the Department of Land and Natural Resources to charter schools;
- (4) Tax credits to developers and landlords who lease units to teachers;
- (5) A revolving loan fund to finance charter school capital improvements;
- (6) Encouragement to the State to enter into long-term leases of lands and buildings for charter school facilities; and
- (7) Federal and state funding for charter schools.

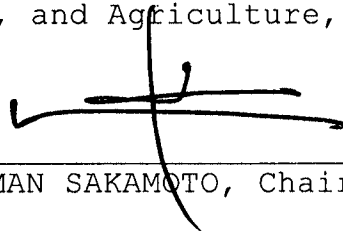
Your Committees have also made technical, nonsubstantive amendments.

As affirmed by the records of votes of the members of your Committees on Education and Military Affairs and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2707, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2707, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Education and
Military Affairs and Water,
Land, and Agriculture,



RUSSELL S. KOKUBUN, Chair



NORMAN SAKAMOTO, Chair



