
A BILL FOR AN ACT

RELATING TO CHARTER SCHOOLS.

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

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

4 "§302B-A Base budget for charter school operations. (a)

5 The department shall determine the per-pupil allocation for
6 charter school operations by adding all other expenses to the
7 appropriation for charter schools, and dividing that sum by the
8 number of public school students including charter school
9 students projected to be enrolled for the upcoming school year.

10 For the purposes of this subsection, "all other expenses"
11 means the department's general fund appropriation for the
12 department's operations for the current fiscal year, minus the
13 following:

14 (1) State-level expenses, such as expenses relating to
15 collecting and reporting state-level data to federal
16 agencies and national organizations;

17 (2) Special education expenses;



1 (3) Expenses relating to programs outside the kindergarten
2 to grade twelve curriculum, such as the after-school
3 plus program and adult education; and

4 (4) Facility maintenance expenses.

5 (b) Beginning with fiscal year 2009-2010, and each fiscal
6 year thereafter, the base budget for charter school operations
7 shall be the per-pupil allocation for charter school operations
8 determined pursuant to subsection (a), multiplied by the total
9 number of charter school students projected to be enrolled for
10 the upcoming school year.

11 (c) There is established within the department of
12 education a committee to review and confirm the accuracy of the
13 department's determination of the per-pupil allocation for
14 charter school operations pursuant to subsection (a). The
15 committee shall submit a report of its review to the
16 superintendent of education and executive director of the
17 office. If the committee determines that the per-pupil
18 allocation for charter school operations is inaccurate pursuant
19 to subsection (a), the department shall adjust the per-pupil
20 allocation for charter school operations accordingly.

21 (d) The composition of the committee shall be determined
22 by the board of education based on recommendations from the



1 superintendent of education and executive director of the office
2 and shall include:

3 (1) Members with the appropriate professional skills,
4 experiences, and qualifications needed to facilitate
5 the work of the committee; and

6 (2) Members who are representatives of the department and
7 the charter schools.

8 The shall chair the committee.

9 (e) The members of the committee shall serve at the
10 pleasure of the board of education and shall not be subject to
11 section 26-34. Members of the committee shall serve without
12 compensation but shall be reimbursed for expenses, including
13 travel expenses, necessary for the performance of their duties.

14 **§302B-B Base budget adjustments for charter school**

15 **operations.** (a) If the verified student enrollment for the
16 upcoming school year, as determined in September of each year,
17 exceeds the projected student enrollment used in determining the
18 base budget for charter school operations pursuant to section
19 302B-A, the department shall transfer sufficient funds to the
20 office for distribution to the charter schools. If the verified
21 student enrollment for charter schools is less than the
22 projected student enrollment used in determining the base budget



1 for charter school operations pursuant to section 302B-A, the
2 office shall transfer sufficient funds to the department.

3 (b) The base budgets for departmental school operations
4 and for charter school operations, if reduced, shall be reduced
5 by the same proportion.

6 **§302B-C Base budget for start-up charter school**
7 **facilities.** Beginning with fiscal year 2009-2010, and each
8 fiscal year thereafter, the base budget for start-up charter
9 school facilities shall be equal to:

10 (1) The general fund appropriation for facility
11 maintenance expenses for departmental schools and
12 conversion charter schools, in addition to the amount
13 of debt service allocated therefor;

14 (2) Divided by the total number of students projected to
15 be enrolled in departmental schools and conversion
16 charter schools for the upcoming school year; and

17 (3) Multiplied by the projected start-up charter school
18 student enrollment for the upcoming school year.

19 **§302B-D Base budget adjustments for start-up charter**
20 **school facilities.** (a) If the verified student enrollment for
21 the upcoming school year, as determined in September of each
22 year, exceeds the projected student enrollment used in



1 determining the base budget for start-up charter school
2 facilities pursuant to section 302B-C, the department shall
3 transfer sufficient funds to the office for distribution to the
4 charter schools. If the verified student enrollment for charter
5 schools is less than the projected student enrollment used in
6 determining the base budget for start-up charter school
7 facilities pursuant to section 302B-C, the office shall transfer
8 sufficient funds to the department.

9 (b) The base budgets for departmental school and
10 conversion charter school facilities, and for start-up charter
11 school facilities, if reduced, shall be reduced by the same
12 proportion."

13 SECTION 2. Section 302B-8, Hawaii Revised Statutes, is
14 amended by amending subsection (b) to read as follows:

15 "(b) The executive director, under the direction of the
16 panel and in consultation with the charter schools, shall be
17 responsible for the internal organization, operation, and
18 management of the charter school system, including:

19 (1) Preparing and executing the budget for the charter
20 schools, including submission of the budget request to
21 the board, the governor, and the legislature;



- 1 (2) Allocating annual appropriations to the charter
2 schools pursuant to sections 302B-A to 302B-D, and
3 distribution of federal funds to charter schools;
- 4 (3) Complying with applicable state laws related to the
5 administration of the charter schools;
- 6 (4) Preparing contracts between the charter schools and
7 the department for centralized services to be provided
8 by the department;
- 9 (5) Preparing contracts between the charter schools and
10 other state agencies for financial or personnel
11 services to be provided by the agencies to the charter
12 schools;
- 13 (6) Providing independent analysis and recommendations on
14 charter school issues;
- 15 (7) Representing charter schools and the charter school
16 system in communications with the board, the governor,
17 and the legislature;
- 18 (8) Providing advocacy, assistance, and support for the
19 development, growth, progress, and success of charter
20 schools and the charter school system;
- 21 (9) Providing guidance and assistance to charter
22 applicants and charter schools to enhance the



- 1 completeness and accuracy of information for panel
2 review;
- 3 (10) Assisting charter applicants and charter schools in
4 coordinating their interactions with the panel as
5 needed;
- 6 (11) Assisting the panel to coordinate with charter schools
7 in panel investigations and evaluations of charter
8 schools;
- 9 (12) Serving as the conduit to disseminate communications
10 from the panel, the board, and the department to all
11 charter schools;
- 12 (13) Determining charter school system needs and
13 communicating those needs to the panel, the board, and
14 the department;
- 15 (14) Establishing a dispute resolution and mediation
16 process; and
- 17 (15) Upon request by one or more charter schools, assisting
18 in the negotiation of a collective bargaining
19 agreement with the exclusive representative of its
20 employees."

21 SECTION 3. In codifying the new sections added by section
22 1 of this Act, the revisor of statutes shall substitute



1 appropriate section numbers for the letters used in designating
2 the new sections in this Act.

3 SECTION 4. New statutory material is underscored.

4 SECTION 5. This Act shall take effect on July 1, 2009.

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INTRODUCED BY:

A handwritten signature in black ink, appearing to be "T. Sel", written over a horizontal line.

JAN 28 2009



Report Title:

Charter Schools; Funding

Description:

Establishes a charter school funding mechanism to ensure that charter schools receive fair and equitable funding.

