

JAN 25 2010

S.B. NO. 2777

A BILL FOR AN ACT

RELATING TO CHARTER SCHOOLS.

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

1 SECTION 1. The purpose of this Act is to provide adequate
2 education to charter school students on the Waianae coast on the
3 island of Oahu, inasmuch as these keiki o ka aina have, through
4 no fault of their own, traditionally been deprived of an
5 adequate education for them to succeed in life.

6 SECTION 2. Section 302B-12, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "§302B-12 **Funding and finance.** (a) Beginning with fiscal
9 year 2009-2010, and each fiscal year thereafter, the non-
10 facility per-pupil funding request for charter school students
11 shall not be less than the per-pupil amount to the department in
12 the most recently approved executive budget recommendation for
13 the department, as set forth in paragraph (2); provided that:

14 (1) The per-pupil funding request shall include funding
15 for projected enrollment figures for each charter
16 school; and

17 (2) The per-pupil request for each regular education and
18 special education student shall:



1 (A) Include all regular education cost categories,
2 including comprehensive school support services,
3 but excluding special education services;
4 provided that special education services are
5 provided and funded by the department;

6 (B) Include all means of financing except federal
7 funds, as reported in the most recently-approved
8 executive budget recommendations for the
9 department; provided that in preparing the budget
10 the executive director shall include an analysis
11 of the proposed budget in relationship to the
12 most recently published department consolidated
13 annual financial report; and

14 (C) Exclude fringe benefit costs and debt service.

15 (b) Fringe benefit costs for charter school employees,
16 regardless of the payroll system utilized by a charter school,
17 shall be included in the department of budget and finance's
18 annual budget request. No fringe benefit costs shall be charged
19 directly to or deducted from the charter school per-pupil
20 allocations.

21 The legislature shall make an appropriation based upon the
22 budget request; provided that the legislature may make



1 additional appropriations for fringe, workers' compensation, and
2 other employee benefits and facility costs. The legislature may
3 make additional appropriations for other requested amounts that
4 benefit charter schools.

5 The governor, pursuant to chapter 37, may impose
6 restrictions or reductions on charter school appropriations
7 similar to those imposed on other public schools.

8 (c) Charter schools shall be eligible for all federal
9 financial support to the same extent as all other public
10 schools. The department shall provide the office with all
11 state-level federal grant proposals submitted by the department
12 that include charter schools as potential recipients and timely
13 reports on state-level federal grants received for which charter
14 schools may apply or are entitled to receive. Federal funds
15 received by the department for charter schools shall be
16 transferred to the office for distribution to charter schools in
17 accordance with the federal requirements. If administrative
18 services related to federal grants and subsidies are provided to
19 the charter school by the department, the charter school shall
20 reimburse the department for the actual costs of the
21 administrative services in an amount that shall not exceed six



1 and one-half per cent of the charter school's federal grants and
2 subsidies.

3 Any charter school shall be eligible to receive any
4 supplemental federal grant or award for which any other public
5 school may submit a proposal, or any supplemental federal grants
6 limited to charter schools; provided that if department
7 administrative services, including funds management, budgetary,
8 fiscal accounting, or other related services, are provided with
9 respect to these supplemental grants, the charter school shall
10 reimburse the department for the actual costs of the
11 administrative services in an amount that shall not exceed six
12 and one-half per cent of the supplemental grant for which the
13 services are used.

14 All additional funds generated by the local school boards,
15 that are not from a supplemental grant, shall be held separate
16 from allotted funds and may be expended at the discretion of the
17 local school boards.

18 (d) To enable charter schools to access state funding
19 prior to the start of each school year, foster their fiscal
20 planning, and enhance their accountability, the office shall:

21 (1) Provide fifty per cent of a charter school's per-pupil
22 allocation based on the charter school's projected



1 student enrollment no later than July 20 of each
2 fiscal year; provided that the charter school shall
3 have submitted to the office a projected student
4 enrollment no later than May 15 of each year;

5 (2) Provide an additional forty per cent of a charter
6 school's per-pupil allocation no later than
7 November 15 of each year; provided that the charter
8 school shall have submitted to the office:

9 (A) Student enrollment as verified on October 15 of
10 each year; provided that the student enrollment
11 shall be verified on the last business day
12 immediately prior to October 15 should that date
13 fall on a weekend; and

14 (B) An accounting of the percentage of student
15 enrollment that transferred from public schools
16 established and maintained by the department;
17 provided that these accountings shall also be
18 submitted by the office to the legislature no
19 later than twenty days prior to the start of each
20 regular session; and

21 (3) Retain no more than ten per cent of a charter school's
22 per-pupil allocation no later than June 30 of each



1 year as a contingency balance to ensure fiscal
2 accountability and compliance;
3 provided that the panel may make adjustments in allocations
4 based on noncompliance with board policies made in the board's
5 capacity as the state education agency, department directives
6 made in the department's capacity as the state education agency,
7 the office's administrative procedures, and board-approved
8 accountability requirements.

9 (e) The department shall provide appropriate transitional
10 resources to a conversion charter school for its first year of
11 operation as a charter school based upon the department's
12 allocation to the school for the year prior to the conversion.

13 (f) No start-up charter school or conversion charter
14 school may assess tuition.

15 (g) Notwithstanding any other provision of law, including
16 the Hawaii Revised Statutes, the Hawaii administrative rules, or
17 the provisions of any memoranda, documents, policies or writings
18 of any part of the state government, charter school students who
19 attend charter schools whose primary campuses are located in the
20 Waianae district of Oahu shall be entitled to enroll as full
21 time students in both the Waianae charter school and the
22 education laboratory charter school. Both the Waianae charter



1 school and the education laboratory charter school shall receive
 2 per-pupil funding for the dually enrolled student; provided that
 3 no more than one hundred students shall be dually enrolled.
 4 This one hundred student census shall be equally divided between
 5 the Waianae charter schools. As used in this section, Waianae
 6 charter schools shall be the charter schools that have their
 7 primary campus located on land that exists from mauka to makai
 8 on the island of Oahu between Kaena point and Kahe point."

9 SECTION 3. New statutory material is underscored.

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

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Report Title:

Charter Schools; Dual Enrollment

Description:

Authorizes no more than 100 students at charter schools in the Waianae district to concurrently enroll in the education laboratory charter school. Authorizes both the Waianae charter school and the education laboratory charter school to receive per pupil funding for dually enrolled students.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

