

Honolulu, Hawaii

FEB 11 2014

RE: S.B. No. 2517  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committee on Education, to which was referred S.B. No. 2517 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize the State Public Charter School Commission (Commission) to request the issuance of general obligation bonds from the Director of Finance and to allocate the proceeds thereof for the design, planning, construction, repair, and maintenance of public charter school facilities;
- (2) Create a working group comprising of the Chair of the Commission, Executive Director of the Commission, Director of Finance, Chair of the Senate Committee on Ways and Means, and Chair of the House of Representatives Committee on Finance, or their designees; and
- (3) Task the working group with determining the criteria for and prioritization of the allocation of the proceeds of any issuance of general obligation bonds for public charter school facilities, based in part on the performance and need of the public charter schools.



Your Committee received testimony in support of this measure from the State Public Charter School Commission, Kamehameha Schools, Hawai'i Public Charter School Network, and two individuals. Your Committee received comments on this measure from the Department of Budget and Finance and Kama'aha Education Initiative.

Your Committee finds that funding for facilities at Hawaii's charter schools has been a long standing issue that needs creative solutions. Throughout the summer and fall of 2013, key stakeholders from the charter school community, Board of Education, Department of Education, Department of Budget and Finance, Governor's Office, and Legislature met as an informal working group to develop innovative and unique approaches to address a number of funding challenges faced by charter schools.

This measure will provide the Commission and charter schools with a means of financing the design, planning, construction, repair, and maintenance of charter school facilities in a way that is responsive to charter schools' performance and needs. This measure also involves the relevant financial stakeholders in helping to determine the criteria for and the prioritization of the allocation of bond revenues for public charter school facilities.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$5,000,000; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2517, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2517, S.D. 1, and be referred to the Committee on Ways and Means.



Respectfully submitted on  
behalf of the members of the  
Committee on Education,



---

JILL N. TOKUDA, Chair



