

JAN 28 2015

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 facilities funding
2 has been a long-standing issue for charter schools nationally
3 and locally. In Hawaii, start-up charter schools have paid the
4 costs of their facilities from operational funds. Not until the
5 regular session of 2013, did the legislature authorize the state
6 public charter school commission to request facilities funding
7 as part of its annual budget request to the director of finance
8 beginning with the 2014-2015 fiscal year.

9 Most start-up charter schools do not have their own food
10 service facility. This shortcoming has been exacerbated by a
11 recent audit report of the public school food service program
12 that has forced the department of education to curtail its food
13 service support to charter schools. This forces most start-up
14 charter schools to expend scarce funds to contract outside
15 vendors to provide school meals.



1 The purpose of this Act is to create a charter schools food
2 service special fund and appropriate funds to meet the food
3 service needs of the State's public charter schools.

4 SECTION 2. Chapter 302D, Hawaii Revised Statutes, is
5 amended by adding three new sections to be appropriately
6 designated and to read as follows:

7 "§302D-A General obligation bonds; food service
8 facilities. (a) Notwithstanding any law to the contrary, the
9 commission shall be authorized to request the issuance of
10 general obligation bonds from the director of finance and
11 allocate the proceeds of any general obligation bonds to assist
12 public charter schools with the design, planning, construction,
13 repair, and maintenance of charter school food service
14 facilities.

15 (b) Notwithstanding any law to the contrary, the proceeds
16 of any general obligation bonds shall be allocated to the
17 commission for deposit into the charter schools food service
18 special fund established under section 302D-B irrespective of
19 whether a specific project or purpose has been provided for in a
20 legislative act authorizing the issuance of general obligation
21 bonds.



1 (c) Unless otherwise required by law, any public charter
2 school food service facilities constructed, in whole or in part,
3 through the proceeds of general obligation bonds shall be owned
4 by the State.

5 (d) Moneys appropriated for capital improvement projects
6 pursuant to any authorization of the issuance of general
7 obligation bonds for the design, planning, construction, repair,
8 and maintenance of public charter school facilities shall be
9 considered expended upon deposit into the charter schools food
10 service special fund.

11 §302D-B Charter schools food service special fund. (a)
12 There is established within the state treasury a special fund to
13 be known as the charter schools food service special fund to be
14 administered and expended by the commission.

15 (b) The moneys in the special fund shall be reserved for
16 use by the commission for the purpose of meeting the food
17 service needs of state public charter schools.

18 (c) The proceeds of any general obligation bonds
19 authorized by the director of finance pursuant to section 302D-A
20 shall be deposited into the charter schools food service special
21 fund.



1 (d) Funds may be allocated to various public charter
2 schools; provided that the commission shall allocate the funds
3 pursuant to criteria created by, and based upon the
4 prioritization schedule of the charter school facilities funding
5 working group pursuant to section 302D-C(b).

6 (e) The commission shall submit an annual report to the
7 legislature no later than twenty days prior to the convening of
8 each regular session providing the following:

9 (1) A summary of the criteria used by the commission in
10 allocating funds from the charter schools food service
11 special fund;

12 (2) The procedures and guidelines developed for the
13 appropriate use, expenditure, and oversight of funds;

14 (3) A detailed breakdown of the allocations made from the
15 charter schools food service special fund; and

16 (4) A detailed list of projects funded through the charter
17 schools food service special fund.

18 §302D-C Charter school food service facilities funding
19 working group. (a) There is established a charter school food
20 service facilities funding working group within the commission,
21 which shall consist of the following members or their designees:



- 1 (1) The chairperson of the commission;
- 2 (2) The executive director of the commission;
- 3 (3) The director of finance;
- 4 (4) The assistant superintendent, office of school
- 5 facilities and support services;
- 6 (5) The chair of the senate committee on ways and means;
- 7 and
- 8 (6) The chair of the house of representatives committee on
- 9 finance.

10 (b) The charter school food service facilities funding
11 working group shall determine criteria for and prioritize the
12 expenditures from the charter schools food service special fund,
13 based in part on the performance and needs of the public charter
14 schools. The working group shall also establish procedures and
15 guidelines for the appropriate use, expenditure, and oversight
16 of these funds."

17 SECTION 3. The director of finance is authorized to issue
18 general obligation bonds in the sum of \$5,000,000 or so much
19 thereof as may be necessary and the same sum or so much thereof
20 as may be necessary is appropriated for fiscal year 2015-2016



1 for the purpose of meeting the food service needs of the State's
2 public charter schools.

3 The sums appropriated shall be expended by the state public
4 charter school commission for the purposes of this Act.

5 SECTION 4. The appropriation made for the capital
6 improvement project authorized by this Act shall not lapse at
7 the end of the fiscal biennium for which the appropriation is
8 made; provided that all moneys from the appropriation
9 unencumbered as of June 30, 2018, shall lapse as of that date.

10 SECTION 5. In codifying the new sections added by section
11 2 of this Act, the revisor of statutes shall substitute
12 appropriate section numbers for the letters used in designating
13 the new sections in this Act.

14 SECTION 6. New statutory material is underscored.

15 SECTION 7. This Act shall take effect upon its approval;
16 provided that sections 3 and 4 shall take effect on July 1,
17 2015.

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S.B. NO. 1215

Report Title:

Public Charter Schools; Facilities; Food Service; Special Fund;
General Obligation Bonds; Appropriation

Description:

Authorizes the state public charter school commission to request the issuance of general obligation bonds and to allocate the proceeds thereof for the design, planning, construction, repair, and maintenance of public charter school food service facilities. Establishes a charter schools food service special fund. Authorizes the issuance of general obligation bonds, and appropriates funds to be deposited in the charter schools food service special fund for the purpose of meeting the food service needs of the State's public charter schools. Requires the state public charter school commission to report annually to the legislature regarding the expenditure of funds from the charter schools food service special fund. Establishes a working group to determine criteria for and prioritize the expenditures from the charter schools food service special fund.

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

