



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 03/18/2015
Time: 02:00 PM
Location: 309
Committee: House Education

Department: Education

Person Testifying: Kathryn S. Matayoshi, Superintendent of Education

Title of Bill: SB 0836, SD2 RELATING TO PUBLIC CHARTER SCHOOLS.

Purpose of Bill: Requires state departments, upon the closure of facilities, to consider the facility's suitability for use by public charter schools or early learning pre-plus programs, and to notify the department of education, state public charter schools commission, and executive office on early learning of the availability and suitability of the facility. (SD2)

Department's Position:

The Department of Education would like to provide comments of concern related to SB836, SD2. The intent of the measure is to provide a process to more readily identify needed facility space for charter and preschools. However, we are concerned that the process places DOE in a role of managing facilities that are not under its control or management. The measure appears to propose to bypass the oversight and management of state buildings that are more appropriately overseen by the Department of Accounting and General Services.

As such, the Department of Education cannot support this measure

DAVID IGE
GOVERNOR



CATHERINE PAYNE
CHAIRPERSON

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
(‘AHA KULA HO‘ĀMANA)

<http://CharterCommission.Hawaii.Gov>
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FOR: SB836 SD2 Relating to Education
DATE: Wednesday, March 18, 2015
TIME: 2:00 p.m.
COMMITTEE(S): House Committee on Education
ROOM: Conference Room 309
FROM: Tom Hutton, Executive Director
State Public Charter School Commission

Chair Takumi, Vice Chair Ohno, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony in support of Senate Bill 836 SD2, “Relating to Public Charter Schools,” which would provide much needed facilities support for charter schools.

The need to address facilities costs for start-up charter schools is arguably the greatest unaddressed challenge for Hawaii’s chartering system. Currently, start-up charter schools must pay for the costs of their facilities from out of their already stretched operational funds.

This bill is one of several being considered by the Legislature that would provide facilities support to charter schools. SB836 SD2 would require state departments to identify unused state properties that may be suitable for use by a public charter school or an early learning program, such as a pre-plus program, or another use by the Department of Education, and would set forth a process by which schools or early learning programs, through the Commission, the Executive Office on Early Learning, and the Department of Education, might be authorized to use and occupy such facilities.

Provisions for actual financial support for charter school facilities that are similar to those that had been included in this bill as originally introduced—namely, the granting of limited general obligation bond authority to support charter facilities and the establishment of a working group to help with allocation decisions—are included in another measure now before this Committee, Senate Bill 849 SD1, which the Commission also strongly supports.

The Commission acknowledges the State's fiscal challenges. Nevertheless, we remain hopeful that among the various proposals currently in motion in the Legislature, a way can finally be found to make a start in addressing this longstanding problem.

Thank you for the opportunity to provide this testimony.



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TESTIMONY BEFORE THE HOUSE
COMMITTEE ON EDUCATION

DATE: WEDNESDAY, MARCH 18, 2015

RE: S.B. 836, SD2 – RELATING TO PUBLIC CHARTER SCHOOLS

PERSON TESTIFYING: JOAN LEWIS, VICE PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

The Honorable Chair Takumi, Vice Chair Ohno and Members of the Committee

The Hawaii State Teachers Association (HSTA) **supports S.B. 836, SD2** relating to Charter Schools and Early Learning programs.

HSTA has long supported early learning and believes this bill reinforces the concept of “children first”. Providing facilities for Charter Schools and Early Learning is an appropriate use of state lands and facilities. This is a first step towards the establishment of an ongoing relationship between the departments to facilitate the use of their facilities for the benefit of learning opportunities in a variety of educational scenarios.

HSTA appreciates the support of the legislature in recognizing the need for facilities for both Charter Schools and Early Learning programs.

HSTA, and our 13,500 public and public charter schoolteachers, **support S.B. 836, SD2.**



SB836 SD2
RELATING TO PUBLIC CHARTER SCHOOLS
House Committee on Education

March 18, 2015

2:00 p.m.

Room 309

The Office of Hawaiian Affairs (OHA) **SUPPORTS WITH AMENDMENTS** SB836 SD2, which seeks to alleviate the unique financial burdens borne by start-up public charter schools in meeting their facilities needs.

Meeting start-up charter schools' facilities needs is a challenge for Hawai'i's public charter schools. Currently, start-up charter schools must pay for the costs of their facilities using their operational funds. This is a cost that is not borne by conversion charter schools, or schools under the Hawai'i State Department of Education (DOE). OHA believes that the innovative approach proposed in SB836 SD2 has the potential to relieve some of the significant financial burdens felt by start-up public charter schools, including Hawaiian-focused charter schools.

To address this disparity, SB836 SD2 makes certain proposals relating to the potential use of vacant state facilities of all state departments by public charter schools, pre-plus programs, and any other purpose the DOE deems appropriate. SB836 SD2 would also authorize and require the DOE to make a final determination, if any, for use by public charter schools and pre-plus programs of vacant state facilities of all state departments.

OHA notes, however, that the DOE raised concerns in its testimony before the Senate Ways and Means Committee (WAM) that this responsibility places the DOE in the role of managing facilities beyond its expertise and purview, and appeared to bypass the oversight and management of state buildings and land that are more appropriately overseen by the Department of Accounting and General Services (DAGS) and the Department of Land and Natural Resources (DLNR). In its testimony to the Senate WAM, the DLNR noted that as its mission is the stewardship of the State's natural, cultural and recreational resources, it does not manage the type of state facilities contemplated by this measure.

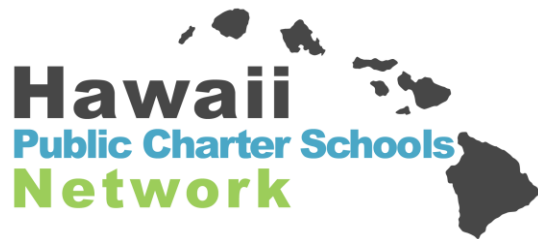
In light of the concerns raised by the DOE and the DLNR, and to the extent that Haw. Rev. Stat. section 26-6 authorizes the DAGS to operate and maintain public buildings for departments of the State, OHA respectfully submits that this measure be amended to substitute DAGS in place of the DOE for making the final determination on the use of vacant state facilities by public charter schools and pre-plus programs.

Accordingly, OHA respectfully recommends that page 3, line 10 be amended to read:

“department of accounting and general services for final determination of which charter...”

Therefore, OHA urges this Committee to **PASS WITH AMENDMENTS** SB836 SD2.

Mahalo nui for the opportunity to testify on this important measure.



Hawaii State House of Representatives
Committee on Education

DATE: Wednesday, March 18, 2015

TIME: 2:00 p.m.

PLACE: Conference Room 309, Hawaii State Capitol

Chair Takumi, Vice Chair Ohno, and members of the Committee,

Re: SB836 SD2 – RELATING TO PUBLIC CHARTER SCHOOLS

Mahalo for the opportunity to testify in support of SB836 SD2. However, **the Hawaii Public Charter Schools Network prefers the charter school facilities solutions that are contained in HB1251 HD1**, a comprehensive bill that:

- requires state departments, upon the closure of facilities, to consider the facility's suitability for use by public charter schools or early learning pre-plus programs, and to notify the state public charter schools commission or executive office on early learning of the availability and suitability of the facility;
- requires more detailed annual reporting by the state public charter school commission;
- establishes a charter school facilities funding working group;
- authorizes the issuance of general obligation bonds; and,
- appropriates funds for public charter school facilities design, planning, construction, repair and maintenance.

In 2005 the Legislative Reference Bureau in its report entitled, *On the Level? Policy, Law and the Charter School Movement* stated, "Unlike their public school, conversion school, and school-within-school counterparts, start-up schools must rent or build facilities, or ask the public to donate facilities, or both. The cost of building public schools is usually spread out over twenty years through the issuance of general obligation bonds. Neither the BOE, the HIDOE, nor individual public schools, are responsible for debt service—or the payment of principal and interest on these bonds. These bonds are the responsibility of the State, and are backed by it's the full faith and credit (i.e., taxing power)." Some charter schools have facilities on state land and have access through the normal CIP process - others do not (see attachment).

The language in HB1251 HD1 for the charter school facilities working group is a solution oriented idea to address any remaining questions or concerns about charter schools receiving G.O. Bond funding. This bill adds "risk and recourse to the State" language to the criteria that the working group is to consider, an

added protection to the State as the director of budget and finance would be a part of the working group.

Also in HB 1251 HD1 is language that is envisioned to provide relief to charter schools that are either not on state land and/or paying rent for school facilities with the per pupil allocation they receive from the State. HPCSN supports this language to appropriate funds to the facilities working group to allocate to charter schools for facilities related expenses.

Hawaii Public Charter Schools Network (HPCSN) represents 30 of 34 public charter schools in Hawaii and is committed to quality education for all public school students in Hawaii through our support of, and work with, Hawaii's public charter schools.

Thank you for your attention to and consideration of this very important matter to charter schools. Your support of Hawaii's public students is greatly appreciated.

Mahalo Nui Loa,

A handwritten signature in black ink, appearing to read 'Lynn Finnegan', with a horizontal line extending to the right.

Lynn Finnegan
Executive Director

Attachment

Charter Schools Facilities Bills

			GO Bond	General Funds
On state land	Lease	Kawaikini, Kekaha+, Kanuikapono, Halau Ku Mana, ULS, Hakipuu, Ka Waihona,	P	A
	USDA loan	Kamakau, WHEA+, Kanu o ka Aina, Volcano ~+	P	A
	Conversions	Kualapuu, Lanikai^, Waialae^, Kamaile, Waimea Middle^, Lapahoehoe	P	A
Not on state land	Lease	Kihei, KANAKA, MBTA, HTA, Voyager, Halau Lokahi, Connections+, Na Wai Ola, Kua o ka La , HAAS, SEEQS, Malama Honua		P
	USDA loan	Kona Pacific, Innovations.		P
Facilities are on both on state land and not on state land		Nawahi	A	P
Checking status		Ka Umeke, Laahana		A

Note: Leases could be held by non-profit, school enters lease with non-profit

[Blue](#) = Checking/verifying with schools

P = Priority

A = Applies

+ Received GIA

^ Received CIP and/or upgrades through the DOE system

~ USDA in process

LATE

SB836

Submitted on: 3/18/2015

Testimony for EDN on Mar 18, 2015 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Curtis Muraoka	Individual	Support	No

Comments: This is one of several great ideas now being considered to support and provide for public school students who attend charters.