

DAVID Y. IGE  
GOVERNOR



CATHERINE PAYNE  
CHAIRPERSON

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

<http://CharterCommission.Hawaii.Gov>  
1111 Bishop Street, Suite 516, Honolulu, Hawaii 96813  
Tel: (808) 586-3775 Fax: (808) 586-3776

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FOR: HB 2508 HD1 Relating to Charter Schools  
DATE: March 19, 2017  
TIME: 3:15 P.M.  
COMMITTEE: Senate Committee on Education  
ROOM: Room 229  
FROM: Sione Thompson, Executive Director  
State Public Charter School Commission

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Chair Kidani, Vice Chair Kahele, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony in **SUPPORT of HB 2508 HD1**, which would provide funding to charter schools for infrastructure costs, the rental or lease of charter school facilities, and the repair and maintenance of network infrastructure.

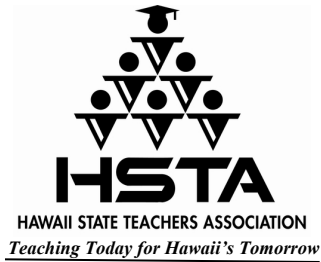
Facilities costs for charter schools is one of the greatest unaddressed challenges for Hawaii’s chartering system. Facilities funding has been and continues to be a long-standing issue for charter schools.

In school year 2016-2017, charter schools expended approximately \$10.4 million for rent/lease payments, repair and maintenance, and utilities payments. The Commission determined this figure based on information provided from the annual audits that all charter schools are required to complete, pursuant to Section 302D-32, Hawaii Revised Statutes.

The needs of each individual charter school vary greatly as shown by a range of facility-related expenses, which start at about \$41,000 to a high of \$1.3 million. The reasons for this wide disparity can be attributed to the wide range of facilities that charter schools operate in, which include former Department of Education schools, unused state facilities, private buildings, and new campuses built from scratch.

Any support provided by this committee and the Legislature would go far in addressing the challenge that charter schools have faced in regards to facilities funding.

Thank you for the opportunity to provide this testimony.



1200 Ala Kapuna Street ♦ Honolulu, Hawaii 96819  
Tel: (808) 833-2711 ♦ Fax: (808) 839-7106 ♦ Web: www.hsta.org

Corey Rosenlee  
President  
Justin Hughey  
Vice President  
Amy Perruso  
Secretary-Treasurer  
Wilbert Holck  
Executive Director

TESTIMONY BEFORE THE SENATE COMMITTEE ON  
EDUCATION

RE: HB 2508, HD 1 - RELATING TO CHARTER SCHOOLS

MONDAY, MARCH 19, 2018

COREY ROSENLEE, PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Kidani and Members of the Committee:

The Hawaii State Teachers Association **strongly supports HB 2508, HD 1,** relating to charter schools.

Facilities funding is a long-standing issue for charter schools. In Hawai'i, start-up charter schools have paid the costs of their facilities from operational funds. In 2013, however, lawmakers authorized the Hawai'i State Public Charter School Commission to request facilities funding as part of its annual budget request. Later, in 2015, legislators called for a working group to establish a framework for providing facilities funding and support for public charter school facilities with adequate prioritization, oversight, and accountability.

Today, amounts received by charter schools fail to keep pace with the cost of providing and quality instruction and maintaining adequate facilities. Charter schools receive \$7,323 per-pupil, most of which is disbursed toward operational expenses, often leaving charters to rely on private donations to fund facilities and rent. Charter schools' per-pupil operating funds cover items like salaries, collective bargaining costs, curricula, school supplies, equipment, and utilities, but do not encompass the facilities and maintenance costs that comprise approximately 10 percent of charter school budgets, according to the Hawai'i Public Charter Schools Network.

Poorly funded charter schools are sometimes forced to hold classes in unstable temporary structures to the detriment of their students' learning and safety.

Accordingly, we urge the committee to approve additional state funds for the repair, maintenance, acquisition, and rental of charter school facilities. We also encourage your committee to consider ways of improving charter school facilities funding over the long-term, rather than through one-year legislative add-ons, to ensure that our state's charter school students have the opportunity to receive instruction in 21<sup>st</sup> Century facilities that prepare them for today's cutting-edge workplace.

To provide charter schools with the funds they need for their students to succeed, the Hawaii State Teachers Association asks your committee to **support** this bill.



46-063 Emepela Pl. #U101 Kaneohe, HI 96744 · (808) 679-7454 · Kris Coffield · Co-founder/Executive Director

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**TESTIMONY FOR HOUSE BILL 2508, HOUSE DRAFT 1, RELATING TO CHARTER SCHOOLS**

**Senate Committee on Education  
Hon. Michelle N. Kidani, Chair  
Hon. Kaiali'i Kahele, Vice Chair**

**Monday, March 19, 2018, 3:15 PM  
State Capitol, Conference Room 229**

Honorable Chair Kidani and committee members:

I am Kris Coffield, representing IMUAlliance, a nonpartisan political advocacy organization that currently boasts over 400 members. On behalf of our members, we offer this testimony in support of House Bill 2508, HD 1, relating to charter schools.

Public charter schools serve as sources of scholastic innovation. While many charter schools operate in urban areas, others meet the academic needs of remote areas lacking comprehensive public school facilities and programming. Additionally, many charter schools provide immersive instruction in Native Hawaiian culture and language.

Yet, charter schools receive inadequate funding to support student learning. While traditional DOE schools receive \$12,855 per-pupil each year, charter schools receive \$7,323 per-pupil, out of which must be paid operational costs including curricula, salaries, and school supplies, leaving little for facilities, maintenance, and rent. Although the Hawai'i State Public Charter School Commission may request facilities funding as part of its annual budget request, amounts received in recent fiscal years have not satisfied the rising cost of providing and maintaining quality facilities. In turn, charter schools that lack adequate building space are forced to conduct class outdoors, on covered lanais, or in unsafe provisional structures.

To compensate for insufficient facilities funding, charter schools often seek revenue from nongovernmental, nonprofit, and corporate entities. While all charter schools in Hawai'i are required to operate as public schools, forcing charter schools to rely on nongovernmental funding sources increases private involvement in charter school programming, which undermines public accountability of the state's charter school network. Furthermore, reliance on private funding by

public charter schools could generate efforts to establish private charter schools and private charter school authorizers in Hawai'i, which would transfer control of public education to private entities and erode available resources for traditional public schools. To maintain the public status of charter schools, then, lawmakers should appropriate additional public funds to allocated by the HSPCSC based on need and financial performance.

Mahalo for the opportunity to testify in support of this bill.

Sincerely,  
Kris Coffield  
*Executive Director*  
IMUAlliance

March 18th, 2018

To: Senator Michelle N. Kidani, Chair  
Senator Kaialii Kahele, Vice Chair  
Senate Committee on Education

From: Bruce Broisman, Policy Fellow  
Hawaii Children's Action Network

Re: **H.B. 2508, HD1 – Relating to Charter Schools – SUPPORT**  
**Hawaii State Capitol, Room 229, March 19th, 2018, 3:15 PM**

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**On behalf of Hawaii Children's Action Network (HCAN), we are writing to support HB 2508, HD1— Relating to Charter Schools.**

Charter schools throughout Hawaii remain underfunded, resulting in students studying facilities that do not meet the needs of a high-quality education necessary for future economic success.

Charter schools today serve 11,160 students. While concentrated in Honolulu, these schools serve rural and underserved communities. Additionally, charter schools provide an opportunity for educators to experiment with new methods and structures, allowing a diverse range of students to learn in the way that works best for them.

These schools remain a part of the public educational system. Despite this, charter schools receive only 57% of the per-student funding of traditional public schools. This results in students being housed in facilities that do not meet the minimum requirements of a modern, high-quality education.

Research<sup>i</sup> demonstrates that charter schools perform at similar—if not better—levels regarding return on investment and student performance. These schools form a critical part of the public education system. Hawaii's keiki have deserve opportunity to attend safe schools that are able to support their academic success.

**For these reasons, HCAN respectfully requests that the committee pass this bill.**

*HCAN is committed to building a unified voice advocating for Hawaii's children by improving their safety, health, and education.*

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<sup>i</sup> DeAngelis, Corey and Wolf, Patrick and Maloney, Larry and May, Jay, Bigger Bang, Fewer Bucks? The Productivity of Public Charter Schools in Eight U.S. Cities (February 15, 2018). EDRE Working Paper No. 2018-01. Available at SSRN: <https://ssrn.com/abstract=3125824> or <http://dx.doi.org/10.2139/ssrn.3125824>



david.miyashiro@hawaiikidscan.org  
hawaiikidscan.org

David Miyashiro  
Executive Director

March 19, 2018

Committee on Education  
Senator Michelle N. Kidani, Chair  
Senator Kaiali'i Kahele, Vice Chair

State Capitol  
415 South Beretania Street  
Honolulu, HI 96813

Aloha Chair Kidani, Vice Chair Kahele and Members of the Committee,

HawaiiKidsCAN supports HB 2508 HD 1, which appropriates funds for infrastructure costs, the rental or lease of charter school facilities, and the repair and maintenance of network infrastructure of charter schools.

Founded in 2017, HawaiiKidsCAN is a nonprofit organization committed to ensuring that Hawaii has an excellent and equitable education system that reflects the true voices of our communities and, in turn, has a transformational impact on our children and our state. HawaiiKidsCAN is a branch of 50CAN: The 50-State Campaign for Achievement Now.

HawaiiKidsCAN is supporting HB 2508 HD 1 because Hawaii charter schools are making a transformational difference for students, providing diverse learning opportunities across our state. Hawaii is fortunate that our public charter schools are true partners in the effort to ensure every child has the opportunity to access the learning environment that works best for them. Our local public charter schools provide many different models for learning, including: project-based learning, arts integration, Hawaiian culture, Hawaiian language immersion, voyaging, a focus on sustainability and the environment, and blended in-person and online learning, to name just a few.

Unfortunately, many of these public schools are on unequal footing when it comes to basic facilities support, making it much more difficult for educators to focus on providing the best possible education for students. Even successful school leaders have described facilities costs as “crippling,” and many schools have reported spending significant portions of their budget on facilities - funds that could be going directly to enhancing student learning. While traditional Department of Education public schools receive more than \$12,500 per student and do not have to pay for facilities or utilities, charter schools get by with just over \$7,000 per pupil while paying for facilities, utilities and repairs in one of the most expensive real estate markets in the nation.

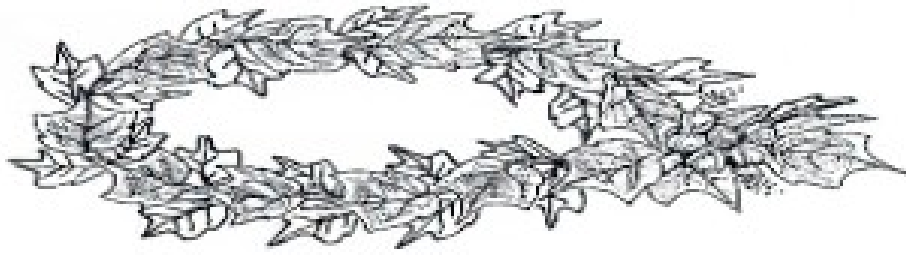
We all want to see kids in our public schools succeed, so we should ensure that all of these schools are equipped with the fundamental resources they need to provide an excellent education.





Mahalo,

David Miyashiro  
Founding Executive Director  
HawaiiKidsCAN



*'A'ole pau ka 'ike i ka hualau ho'okahi*

## **Connections Public Charter School**

*A Community, Business & Education Learning 'Ohana*

**Testimony in Support of HB 2508 HD1**

**John Thatcher, Principal, Connections PCS**

Chairperson Kidani, Vice-Chair Kahele and members of the Senate Committee on Education:

The Charter School Facilities Initiative (CSFI) informs states of policies and practices by collecting and disseminating comprehensive data regarding charter school facilities, including the cost and quality of charter school buildings, charter school access to school district facilities, and availability of local and state funding for charter school facilities. The Charter School Facilities Initiative is funded in part by the National Charter School Resource Center (NCSRC).

The NCSRC works to support the development of high-quality charter schools. It provides technical assistance to sector stakeholders and has a comprehensive collection of online resources addressing the challenges charter schools face. The website hosts reports, webinars, and newsletters focusing on facilities, funding opportunities, authorizing, English Learners, special education, military families, board governance, and other topics. The NCSRC is funded by the U.S. Department of Education and led by education consulting firm Safal Partners.

Charter school laws across the country place the burden of obtaining and paying for facilities on the charter schools themselves. As a result, charter schools often struggle to find suitable and affordable facilities, and charter leaders routinely identify facilities as one of their top challenges of running a school.

After fifteen years of charter schools in Colorado, state policy continued to provide an inadequate and inequitable structure for charter school capital needs. In response, the Colorado League of Charter Schools commissioned a 2010 Task Force to build the case for changes to remove barriers to adequate and equitable access to public school facilities and financing for Colorado charter schools. While the need to improve the landscape of charter school facilities and facilities financing was evident within the charter community, the League understood that anecdotes and hearsay were insufficient to influence policy makers; a key missing piece was reliable data on the condition and cost of charter school facilities. In order to provide reliable data in support of the League's Task Force objectives, the League developed a comprehensive survey, the Charter School Facilities Survey, to gather objective, reliable facilities data from Colorado's charter

community. The League published the results of the Charter School Facilities Survey in a 2008 report entitled "Shortchanged Charters: How Funding Disparities Hurt Colorado's Charter Schools." The Report, and the data the survey revealed, provided the League's Task Force with the necessary information to build its policy framework.

Since then the League has been able to leverage that combination of data and policy to make substantial gains in its facilities efforts. For example, the League was able to successfully obtain more capital construction funds for charter schools, make legislative changes that required school districts to include district authorized charter schools in bond election discussions, and provide for the inclusion of charter schools as eligible applicants in the Colorado Building Excellent Schools Today program, a competitive grant program that provides funding to school districts and charter schools for capital construction projects.

Seeing the success of the Colorado facilities initiative, the National Alliance for Public Charter Schools partnered with the League to use the Colorado facilities survey model in other states to assess the charter facilities landscape across the country. In a pilot program spanning six months in 2010-11, the League and the Alliance partnered with state charter school organizations in Georgia, Indiana and Texas to collect state-specific data comparable to what took place in Colorado. Since then, many additional states have joined the project.

The CSFI project has performed research and published findings from 14 states. In comparing each state's findings, many common trends and themes have been discovered. In fact, it appears that charters in the 14 states studied thus far often face similar facilities challenges.

The following are some examples of common findings that have arisen so far.

- Charter schools are forced to spend significant operating dollars on buildings.
- Fewer than half of charter schools have kitchen facilities compliant with National School Lunch Program NSLP guidelines.
- Local and state capital funding programs are not a significant source of funding for charter school facilities.
- Charter school access to empty or underutilized public school land or buildings is sporadic.
- Common amenities such as libraries, sports fields, gymnasiums, lunch rooms, etc. are limited for charter school students.
- Charter school facilities and classrooms are too small compared to industry standards.

There is a federal financial incentive for having in place strong facilities policies at the state level. The federal Charter Schools Program awards funds to states that open, replicate, and expand high-quality charter schools with priority given to states based on the availability of facilities to charter schools. The program prioritizes applicants located in states that provide their charter schools with direct facilities funding, assistance with acquiring facilities, access to public facilities, provide charter schools with access to bonds or mill levies, or provide them with low or no-cost leasing privileges. State policy funding options include: providing a per-pupil facilities allowance to charter schools, creating a charter school facility grant program, providing a charter school facility

revolving loan program, ensuring that charter schools have equal access to all of the existing state facilities programs for regular public schools, and providing charter schools with access to local property tax dollars generated for facilities.

Fifteen states, and Washington D.C., provide an annual per-pupil facilities allocation to their charter schools. Four states (Arizona, Georgia, Minnesota, New York), and Washington D.C. provide more than \$1,000 in per-pupil facilities funding annually to their charter schools. Eleven other states (California, Indiana, Massachusetts, New Mexico, Colorado, Idaho, Ohio, Pennsylvania, Tennessee and Utah) provide their charter schools with less than \$1,000 a year in per-pupil facilities funding. Fifteen states and Washington D.C. have created charter school facility grant programs but only seven are currently funding these programs (Arkansas, California, Connecticut, Georgia, New York, Ohio, and Washington D.C.). Eleven states and Washington D.C. have created a charter school facility loan program but only six jurisdictions are funding these programs (California, Louisiana, Nevada, South Carolina, Utah and Washington D.C.). Seven states ensure that charter schools have access to existing state facilities (Alaska, Colorado, Delaware, New Hampshire, Oklahoma, Rhode Island, and Wyoming). Five states provide charter schools with access to local property taxes (Alaska, Colorado, Florida, New Mexico, and Ohio).

Over the past 10 years enrollment in charter schools has nearly tripled in the United States and doubled in Hawaii. Demand for charter schools is increasing and there is significant unmet demand due to lack of capacity. Hawaii law allows the state charter school commission to request facilities funding as part of its annual budget request. This year, the Hawaii Board of Education has asked the Legislature for facilities support for charter schools. In its annual report to the Legislature, the state charter schools commission noted that charter schools “were generally in fair financial position as of June 30, 2017” but “may not remain on firm financial footing for the long term if current levels of available funding are not maintained in coming years.” Facilities funding is critical for the long-term survival of charter schools in Hawaii. I urge you to support HB 2508 HD1.

Mahalo!

**HB-2508-HD-1**

Submitted on: 3/16/2018 3:55:19 PM

Testimony for EDU on 3/19/2018 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Michael Kramer	Testifying for Friends of Kona Pacific Public Charter School	Support	No

Comments:

Members of the Education Committee,

As President of Friends of Kona Pacific Public Charter School, we are responsible for all facilities for Kona Pacific Public Charter School. Due to the lack of facilities funding from the state, we have had to look to federal and private sources of funding to own the land upon which the school sets and to construct classrooms. It has been challenging, to say the least. There is an obvious issue of fairness here when it comes to facilities finding. These are, after all, public schools, funded by taxpayer dollars. Hampering their ability to provide equal opportunities given the shortage of facilities is, legally, separate but unequal treatment. The state should not risk the serious possibility of a class action lawsuit, which will ultimately be more costly, the state needs to instead assure that charter school students are not being discriminated against unfairly by virtue of the type of public school they attend. Thank you for your support.

Michael Kramer

Kailua-Kona

**HB-2508-HD-1**

Submitted on: 3/16/2018 8:15:58 PM

Testimony for EDU on 3/19/2018 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
phil fisher	Individual	Support	No

Comments:

Please pass this bill. Charter school students deserve adequate facilities to learn in.

Phil Fisher

KPPCS parent

**HB-2508-HD-1**

Submitted on: 3/16/2018 4:23:08 PM

Testimony for EDU on 3/19/2018 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Roxanne Carvalho	Individual	Support	No

Comments:

As a product of a public school here in Hawai'i, I knew that I wanted me children to have a better education and more opportunities that my husband and I had had. We were fully aware of what the facilities that my child would be using at school, but I didn't realize that a large reason for this it is due to the lack of funding that is provided. Wanting to understand exactly how the school operates, I volunteered on two of the boards that supports our children's charter school. I was appalled to learn how much the state supports these children.

It's difficult to know that your child could have more resources available if I gave up on what I believe in. However, I don't want my children to have that type of mindset so as their parent I have to set a good example. I watched, as I tutored math in a high school in Hawai'i, how disrespectful students could be. I learned from an anthropology course in college that my sense of not belonging stemmed from my lack of knowledge of my culture and language. I experienced firsthand how transforming and invigorating it was for me to learn about my culture and language. For all of these reasons, and more, I have continued and will continue to send my children to their charter school.

Yet, day after day, we see what can be done with the budget that the school is given. There are so many improvements that need to be done, but so little resources to allow it to happen. Thank God for the grants that they have been provided that allow our children to no longer be in tents, but in portable buildings. However, had it not been for the generous donations thus far, where would our children be? It saddens me to know that their peers at DOE public schools appear to be more important in the eyes of the state than them. All of Hawai'i children will be the future of Hawai'i, can we not treat them fairly.

**HB-2508-HD-1**

Submitted on: 3/16/2018 5:24:52 PM

Testimony for EDU on 3/19/2018 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Zahava Zaidoff	Individual	Support	No

Comments:

Aloha Chair, Vice Chair, and committee members,

I stand in strong support of this bill. Charter schools have been struggling for way too long without appropriate funding. Our keiki who attend charter schools are still subject to the DOE requirements and have been expected to do moore with less for far too long. If the desired result is a healthy environment and education of our youth, then it is about time that Charter schools receive facilities funding so that the schools can use every penny of their money on curriculums and needs for our youth instead of worrying about splitting the money between curriculum needs and termites, rent, and painting walls.

Mahalo in advance for your support!

Zahava Zaidoff

Mother of a 5th grade girl a charter school on Big Island and Governing Board member of a charter school



**HB-2508-HD-1**

Submitted on: 3/17/2018 6:35:06 AM

Testimony for EDU on 3/19/2018 3:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Charlene Mersburgh	Individual	Support	No

Comments:

I am in support of HB2508. As a parent of a child that attends Hawaii Technology Academy, I can say increased facilities funding is a needed and welcomed. Charter schools have helped create unique learning opportunities. Thank you for supporting HB2508.