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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

FOR: SB 197 SD1 Relating to Charter Schools
DATE: Friday, March 17, 2017
TIME: 2:00 PM
COMMITTEE(S): House Committee on Education
ROOM: Conference Room 309
FROM: Sione Thompson, Executive Director
State Public Charter School Commission

Testimony in support SB 197 SD1

Chair Woodson, Vice Chair Har, and members of the Committee:

The State Public Charter School Commission appreciates the opportunity to submit this testimony in strong support of Senate Bill 197 SD1, which would provide funding for start-up grants to pre-opening charter schools that would address priority system needs identified by the Commission.

In its current Request for Proposals for new charter schools, the Commission has welcomed applications to create schools that would provide additional enrollment capacity in geographic areas where existing department of education schools are already exceeding, have already reached, or are projected to reach or exceed, full enrollment capacity; or that would present alternatives for improving academic outcomes in their communities. While welcoming such proposals, the Commission has not lowered its rigorous approval bar for these applications.

The targeted availability of grants for start-up schools would add a significant incentive for these especially desirable applications and could provide important support to some newly created, pre-opening schools in their start-up year before they become fully operational. Because pre-opening charter schools will not receive their funding to open and operate the new charter school until July 20th of the year they are scheduled to open their doors, having this start-up grant would assist new charters in this critical time period.

For a time before the Commission's creation, start-up grants were made available to newly approved pre-opening schools. Hawaii is not currently in a position to avail itself of federal grants that have been created for this important purpose, although that is something the Commission hopes to pursue in the future.

Thank you for the opportunity to provide this testimony.



SB197 SD1
RELATING TO CHARTER SCHOOLS
House Committee on Education

March 17, 2017

2:00 PM

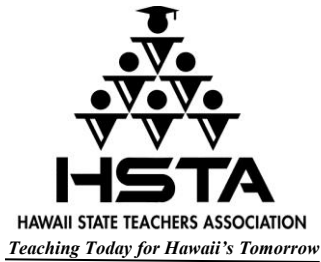
Room 309

The Office of Hawaiian Affairs (OHA) **SUPPORTS** SB197 SD1, which appropriates funding for fiscal years 2017-2018 and 2018-2019 for newly approved public charter schools, to assist with the substantial pre-opening costs associated with meeting the priority needs identified by the State Public Charter School Commission (Commission).

For a period of time prior to the Commission's creation in Act 130, Session Laws of Hawai'i 2012, state start-up grants were made available to newly approved, pre-opening public charter schools, to assist with their substantial pre-opening costs. These state start-up grants provided much needed funding to new public charter schools, particularly as these schools endeavored to establish themselves in their various communities, explore fundraising opportunities, and meet other start-up priorities. Currently, however, pre-opening public charter schools have no such state assistance in meeting their numerous fiscal challenges. Furthermore, Hawai'i Revised Statutes Section 302D-14.5 precludes pre-opening schools from accessing per-pupil and other funding available to operational public charter schools, exacerbating their fiscal burden during this critical period in their development.

OHA has been a strong supporter of Hawai'i's public charter schools, many of which provide a culturally-grounded education for Native Hawaiian and other children. Seventeen of the thirty-four public charter schools in Hawai'i are Hawaiian-focused and Hawaiian language immersion charter schools, in which OHA has invested over \$18.6 million since FY 2006 (School Year 2005-2006). OHA has made this investment because research has found that Hawaiian students exposed to culturally-driven educational strategies have a stronger sense of socio-emotional well-being, deeper engagement with their schools, and a stronger commitment to civic activities in their community, factors which are directly tied to greater academic achievement. Easing the fiscal burdens borne by pre-opening public charter schools may allow a greater number of students, including Native Hawaiian students, to access the advantages of a culturally-driven education through our public charter school system.

Accordingly, OHA urges the Committee to **PASS** SB197 SD1. Mahalo nui for the opportunity to testify on this measure.



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

TESTIMONY BEFORE THE HOUSE COMMITTEE ON
EDUCATION

RE: SB 197, SD1 - RELATING TO CHARTER SCHOOLS.

FRIDAY, MARCH 17, 2017

COREY ROSENLEE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Woodson and Members of the Committee:

The Hawaii State Teachers Association **opposes SB 197, SD1**, relating to charter schools.

Hawaii's public schools are besieged by overcrowding and declining infrastructure. Our state's school facilities are, on average, over 65-years-old. Yet, at Campbell High School, enrollment stands at 3,049 students, up 15 percent from 2010 and roughly 1,000 more students than in 2005. Campbell was built to serve 1,700 students, meaning that it is operating at 80 percent overcapacity.

Campbell is not the only school facing overcrowding. Numerous schools throughout the state crowd keiki into crumbling buildings, creating classroom experiences that inhibit learning and impede safety. Nonetheless, providing seed money to charter schools is not and should not be the solution to overcrowded classrooms.

While we appreciate this bill's attempt to ease school congestion, we note that it would divert resources from traditional public schools. Charter schools and traditional departmental schools do not follow the same educational paradigm. Charter schools are public schools of choice, in which enrollment is opted into by the families of students. Moreover, despite accountability requirements, charter schools are freed from many of the regulations governing traditional public schools.

Late last year, the State Auditor criticized the Hawaii State Public Charter School Commission for inadequate monitoring of charter school finances and compliance with state regulations, saying "the commission staff's inconsistent enforcement of

some but not all compliance requirements does not fulfill the commission's statutory responsibilities." To cite just a few of the problems noted by the State Auditor, Ka Waihona Public Charter School obtained a \$300,000 line of bank credit "without proper authority" and "for purposes not allowable by law," Hawaii Technology Academy is encumbered by \$1.1 million of debt stemming from a contract it signed with the profitmaking online education company K12 Classroom LLC, and declining enrollment at several charter schools has impacted long-term financial sustainability. While these findings should not be interpreted as an indictment of all charter schools, funding charter school start-ups to address overcrowding and infrastructure problems diverts funds from the repair, maintenance, and capital improvement of public schools that already exist, including charters.

Overcrowding must be solved by increasing funding for public schools. Given this proposal's depletion of resources for our already underfunded school system, however, the Hawaii State Teachers Association asks your committee to **oppose** this bill.

To: Rep. Justin Woodson, Chair
Rep. Sharon Har, Vice Chair
Members, House Committee on Education

From: Laura Smith, President/CEO
Goodwill Hawaii

Date: March 15, 2017

Re: **Testimony in Support of SB197, SD1, Relating to Start-Up Grants for New Charter Schools**

Hearing:

Friday, March 17, 2017, 2:00pm

Thank you for the opportunity to testify in strong support of SB197, which would provide start-up grants for newly approved, pre-opening public charter schools.

Goodwill Industries of Hawaii, Inc. (Goodwill) is among the largest human service non-profit organizations in Hawaii. Our mission is to help people with employment barriers reach their full potential and achieve self-sufficiency. Last year, Goodwill served over 11,000 people, placing nearly 1,500 into jobs in our community. In 2016, the Hawaii Public Charter School Commission awarded the accreditation of Goodwill's Kapolei Charter School. The School will open in Fall of 2017 and will serve ninth through twelfth graders.

Public charter schools exist to innovate and initiate positive change in the educational system. In Hawaii, alternative educational choices are particularly needed for high-risk students, who experience significant obstacles that impede their academic success. Various social issues such as health disparities, crime, substance abuse, un-employment and poverty are all intricately linked to educational achievement.

Once a new public charter school has received approval from the Hawaii Public Charter School Commission, it begins to plan and prepare for the beginning of the next school year. This time period between approval and school start is replete of various expenses; these costs include:

- **Facility** – rent/lease costs, renovations/repairs to prepare the facility(ies).
- **Personnel** – hiring the School Director, Office Manager, Registrar, and other Administrative staff prior to the school start to prepare for school opening.
- **Supplies** – purchasing curricular and other school supplies prior to school start.

Public charter schools are provided per-pupil funding by the Hawaii State Department of Education. This funding, however, does not begin until the start of the school year. Thus, ***Hawaii's public charter schools do not receive any funding support from our State to cover these***

critical start-up activities, necessary to successfully prepare for the start of the school year. The burden, then, lies on the school staff and supporters to raise adequate funding to cover these costs. This detracts from time and focus spent on such key pre-opening activities as finalizing curricula, community outreach, and training school staff.

This Bill would provide the Hawaii Public Charter School Commission with funding to allocate to newly-approved, pre-opening public charter schools to support the various costs associated with opening a new charter school. This support would alleviate the significant strain on charter school personnel to develop funding for the start-up costs, and enable schools to focus their resources instead on preparing for a successful academic environment for its students.

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March 17, 2017

COMMITTEE ON EDUCATION

Rep. Justin Woodson, Chair; Rep. Sharon Har, Vice Chair; and Committee Members
Public Hearing, March 17, 2017 at 2:00 p.m., Conference Room 309

**TESTIMONY of WILLIAM F. ANONSEN
MANAGING PARTNER/PRINCIPAL of THE MARITIME GROUP, LLC
IN SUPPORT of S.B. 197 SD1**

My name is William Anonsen and I am the Managing Partner/Principal of THE MARITIME GROUP, LLC. We support SB 197 SD1 which would provide funding to State Public Charter Schools for start-up grants for newly approved, pre-opening public charter schools.

We can be very proud of the continued successes the Hawaii's Public Charter School Network continues to make on several educational learning fronts, which has excelled in program development, excellence and student achievement, despite the lack of appropriate funding, facilities and sufficient sustainable resources.

I continue to be a strong advocate for the importance of education; it is the best investment we can make in our collective future. We have a fiduciary responsibility as a community to ensure that all students are well prepared for higher education and have the opportunity to pursue the career of their choice by ensuring mastery of the basic learning skills, knowledge, and tools needed to succeed in this ever evolving 21st century global economy.

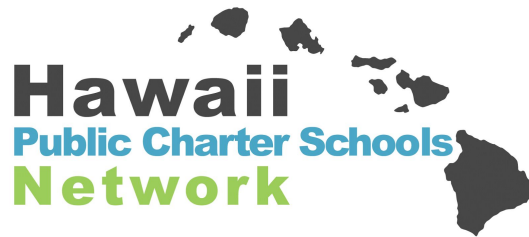
HPCSN's unique educational model helps to improve academic performance, developing the "whole child," to best prepare themselves for life-time learning and a rewarding future. Through innovative, challenging classroom learning experiences and extended learning programs, I believe our charter schools instill an appreciation for education and high academic and personal standards, preparing students to become responsible contributors to their communities and world. These unique structured charter schools throughout Hawaii help to motivate students to achieve high academic standards, enjoy learning, and develop as ethical, literate, well-rounded and self-sufficient citizens who will contribute actively to their communities.

***Mahalo for the opportunity to comment in support of this measure,
one of the most important investments we can make in our collective future as a community.***

Sincerely,

William F. Anonsen

William F. Anonsen
Managing Partner/Principal



March 17, 2017

To: Hon. Justin Woodson, Chair
Hon. Sharon E. Har, Vice Chair
House Committee on Education

From: Jeannine Souki, Executive Director
Hawaii Public Charter Schools Network

Re: **SB 197 SD1 – RELATING TO CHARTER SCHOOLS – Support
Conference Room 309 – Hawaii State Capitol – March 17, 2017, 2:00 P.M.**

On behalf of the Hawaii Public Charter School Network (HPCSN), I am submitting our testimony in support of [SB 197](#) SD1, Relating to Charter Schools. This bill would authorize start up funding for newly approved, pre-opening public charter schools.

This initiative is a much-needed step to provide funding for start-up grants that help new charter schools approved by the Charter School Commission. Previously, Hawaii’s public charter schools were eligible for state grants to assist with their significant start-up costs. Public charter schools approved after Act 130 (2012) have shared serious challenges they face with the start up of a new school. Currently, the burden of starting a new charter school from idea conception, to charter application, contract approval, school formation, staff hiring, student recruitment and securing and retrofitting existing space is done without any state funding until the school is ready to open its doors to students. This is an enormous burden for even the most visionary and committed school leaders and community volunteers.

Even after three years in operation, a start-up public charter school can continue to be challenged by the “chicken-or-egg” dilemma of having to draw facilities costs from very modest per pupil funding and fundraising resources especially as they seek to grow enrollment or add grades over time, which helps charter schools become more sustainable. The provision of state start-up grants have helped several public charter schools gain firmer footing in the early years as schools become established in their respective communities. This should be reinstated for the growth of public charter schools within the state.

HPCSN works to support public charter schools in Hawaii and to be a voice for children and families that seek choice in an independent public school setting. Mahalo for your consideration!



KAMEHAMEHA SCHOOLS®

House Committee on Education

Time: 2:00 p.m.

Date: March 17, 2017

Where: State Capitol Room 309

TESTIMONY

By Ka'ano'i Walk
Kamehameha Schools

To: Chair Woodson, Vice Chair Har and Members of the Committee

RE: **SB 197, SD1, Relating to Charter Schools**

E ka Luna Ho'omalū Woodson, ka Hope Luna Ho'omalū Har a me nā Lālā o ke Kōmike Ho'ona'auao o ka Hale o nā Lunamaka'āinana, aloha! My name is Ka'ano'i Walk and I serve as the Senior Policy Analyst of the Kūamahi Community Education Group of Kamehameha Schools.

We are writing to **support SB 197, SD1**, relating to Charter Schools, and offer the following comments:

This measure appropriates moneys for start-up grants for newly approved, pre-opening public charter schools. We believe it is an important step toward increasing culture-based educational opportunities for Hawai'i public school students, especially Native Hawaiians.

Founded in 1887, Kamehameha Schools is an organization striving to advance a thriving Lāhui where all Native Hawaiians are successful, grounded in traditional values, and leading in the local and global communities. We believe that community success is individual success, Hawaiian culture-based education leads to academic success and local leadership drives global leadership.

'A'ohē hana nui ke alu 'ia. No task is too large when we all work together! Mahalo nui.



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

TESTIMONY FOR SENATE BILL 197, SENATE DRAFT 1, RELATING TO CHARTER SCHOOLS

House Committee on Education
Hon. Justin H. Woodson, Chair
Hon. Sharon E. Har, Vice Chair

Friday, March 17, 2017, 2:00 PM
State Capitol, Conference Room 309

Honorable Chair Woodson and committee members:

I am Kris Coffield, representing IMU Alliance, a nonpartisan political advocacy organization that currently boasts over 350 members. On behalf of our members, we offer this testimony in opposition to Senate Bill 197, SD1, relating to charter schools.

We appreciate this bill's effort to ease overcrowding in Hawai'i's public schools, but oppose the diversion of public funds and resources from public school classrooms to privately governed charter schools.

In May of 2015, the state revoked the charter for Halau Lokahi Public Charter School. When the Hawaii State Public Charter School Commission (HSPCSC) combed through the school's records, they noted approximately \$100,000 in questionable expenditures, which were reported to the Attorney General's Office for investigation. Lokahi's director and two of its employees were arrested. Moreover, the school's rent payments reached \$33,000 per month, an unsustainable amount for the struggling school. To cut costs, Lokahi contracted a for-profit charter school company from the mainland to provide online curricula. This and other other savings efforts were to no avail, however, as the school eventually closed and its charter was rescinded, leaving local taxpayers potentially on the hook for hundreds of thousands of dollars in contracted debt.

While the experience of Lokahi does not represent all charter schools, it speaks to the potential pitfalls involved in privatizing public education. Originally intended to be sites of educational innovation, charter schools have become "school choice" models producing mixed results. According to HSPCSC, charter schools differ from traditional public schools in three ways:

- **Choice:** Charter schools give families the opportunity to **choose** the school most suitable for their children's educational well being. Teachers **choose** to create and work at schools

where they directly shape the best working and learning environment for their students and themselves.

- *Accountability:* Charter schools are judged on how well they meet the academic, financial, and organizational performance expectations set forth in their charter performance contracts. Additionally, because charter schools are **schools of choice**, another measure of accountability is student enrollment—if students and their families are unhappy, they can **choose** to go elsewhere.
- *Autonomy:* While charter schools must adhere to the same federal laws and regulations and state standards as all other public schools, they have **flexibility with curriculum and direct management of energy and resources**, allowing them to be innovative.

What is clear, even from HSPCSC’s description, is that charter schools are designed to advance the “school choice” agenda by providing alternatives to traditional public schools, in which curriculum and resources are managed by governing boards composed of private interests—members of charter school boards, the State Auditor has noted, sometimes violate conflict-of-interest practices by comingling nonprofit and charter school affairs). In contrast, departmental schools are offered little flexibility and are tasked with meeting the needs of every student who walks through their classroom doors.

Thus, providing funds to charter schools to rectify overcrowding sets the precedent that public school concerns can be addressed through the expansion of school choice initiatives, in which there is evidence of financial and ethical impropriety and from which public school resources may be diluted. In our view, passing this bill is akin to supporting a school voucher program, in which school choice is emphasized over support for quality public education. To address overcrowding in our state’s public school classrooms, we urge the committee to increase funding for facilities by amending the State Constitution to allow a surcharge to be levied on property taxes for visitor accommodations and residential investment units.

Passing this bill could lay the groundwork for additional efforts to privatize public education. Accordingly, and on behalf of public school students and teachers, we **oppose** this bill.

Sincerely,
Kris Coffield
Executive Director
IMUAlliance

EDNtestimony

From: mailinglist@capitol.hawaii.gov
Sent: Friday, March 17, 2017 7:17 AM
To: EDNtestimony
Cc: dkapua@gmail.com
Subject: Submitted testimony for SB197 on Mar 17, 2017 14:00PM

SB197

Submitted on: 3/17/2017
Testimony for EDN on Mar 17, 2017 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Kapua Keliikoa-Kamai	Individual	Support	No

Comments: Aloha kakou,..... I FULLY SUPPORT SB197 SD1 - RELATING TO CHARTER SCHOOLS. Appropriates moneys for start-up grants for newly approved, pre-opening public charter schools. Effective 7/1/2050.-.....-.....-..... Passage of SB197 will provide crucial financial assistance enhancing an efficient & organized public charter school opening, especially since per-pupil funding isn't available until July of their first year. It is not surprising that some start-up PCS have been established and operational more expeditiously than some new DOE public schools - a big savings to the educational community and State. I'm very pleased to see this Bill designating funds that were previously available (start-up grants) to new pre-opening charter schools, mahalo nui-..... -.....-..... These PCS already passed a very competitive and rigorous process that approved their opening. Please continue supporting innovative education in geographical areas where existing public schools either are/or soon will be over capacity and/or are under performing academically. Today's students need every opportunity to succeed in tomorrow's ever-challenging world. Public charter schools improves students' opportunities to thrive!-.....-.....-..... Mahalo for allowing me to express my STRONG SUPPORT OF SB 197 SD1. Please pass Bill 197 SD1 out of your committee.....- -- Me ka haahaa,..... Kapua Keliikoa-Kamai..... Concerned Waianae Community Member..... Proud mother of two Halau Ku Mana PCS students

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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