

---

---

# 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 there are nearly  
2 twelve thousand students enrolled in the thirty-seven public  
3 charter schools operating under the governance of the public  
4 charter school commission and the board of education. The  
5 majority of charter school funding is provided on a non-facility  
6 general fund per-pupil basis, calculated from the sum of certain  
7 general fund non-facility operating appropriations to the  
8 department of education, and each charter school's pro rata  
9 enrollment compared to the total public education enrollment.  
10 Charter school non-facility general fund per-pupil funding has  
11 been \$6,846, \$7,089, and \$7,323 in the school years 2015-2016,  
12 2016-2017, and 2017-2018, respectively. Charter schools use  
13 this funding to pay for a wide range of school-related expenses,  
14 such as for teachers and administrative staff, school  
15 facilities, meal service, and student transportation. Notably,  
16 a significant amount of charter schools' expenses may not be  
17 borne by schools operated under the department of education.



1 Accordingly, while the non-facility general fund per-pupil  
2 funding provided to charter schools has increased each year,  
3 charter school operational costs continue to rise, and gaps  
4 continue to remain between public charter schools and schools  
5 under the operation of the department of education. As the  
6 public charter school commission's Strategic Vision and Plan  
7 2019-2023 explains, "[f]unding gaps continue in per-pupil  
8 allocation, facilities, payroll, transportation and food  
9 services, causing charter schools to use the already meager per  
10 pupil allocation to provide basic services that are provided  
11 through centralized services by the Department of Education  
12 (DOE), Accounting and General Services (DAGS) and Department of  
13 Transportation (DOT) for other public schools."

14 The legislature finds that facilities funding and the lack  
15 of facilities has been a long-standing issue for many of  
16 Hawaii's charter schools. For example, start-up public charter  
17 schools that lack adequate building facilities are sometimes  
18 forced to hold classes outdoors, on covered lanais, or in  
19 unstable temporary structures.



1 The purpose of this Act is to:

2 (1) Add the rental or lease of facilities and payment of  
3 debt service to the list of explicitly authorized uses  
4 of legislative appropriations and bond authorizations  
5 made for charter school facilities funding;

6 (2) Make housekeeping amendments for clarity and  
7 consistency; and

8 (3) Provide funding to the state public charter school  
9 commission for the design, planning, construction,  
10 repair, and maintenance of public charter school  
11 improvements; the expansion or improvement of  
12 instructional space; the rental, lease, or payment of  
13 debt service of facilities; the provision of food  
14 services; and the provision of restroom facilities.

15 SECTION 2. Section 302D-29.5, Hawaii Revised Statutes, is  
16 amended by amending subsection (a) to read as follows:

17 "(a) Beginning with the 2016-2017 fiscal year, and each  
18 fiscal year thereafter, the legislature shall consider making an  
19 appropriation and bond authorization to the commission for the  
20 design, planning, construction, repair, and maintenance of  
21 public charter school improvements to address issues of health,



1 safety, and legal compliance; [~~expand or improve~~] the expansion  
2 or improvement of instructional space; [~~provide for~~] the rental  
3 or lease of facilities and debt service for financing; the  
4 provision of food services; or [~~provide~~] the provision of  
5 restroom facilities. The appropriation and bond authorization  
6 for charter schools shall be separate from, and in addition to,  
7 any appropriation made to charter schools pursuant to [~~this~~  
8 ~~section and~~] section 302D-28. [~~These amounts shall be~~  
9 ~~prioritized for allocation by the charter school facilities~~  
10 ~~funding working group.~~]"

11 SECTION 3. There is appropriated out of the general  
12 revenues of the State of Hawaii the sum of \$                    or so much  
13 thereof as may be necessary for fiscal year 2019-2020 and the  
14 same sum or so much thereof as may be necessary for fiscal year  
15 2020-2021 for the public charter school commission to allocate  
16 to charter schools, as determined by the commission, for the  
17 design, planning, construction, repair, and maintenance of  
18 public charter school improvements; the expansion or improvement  
19 of instructional space; the rental or lease of facilities; debt  
20 service for financing; the provision of food services; and the  
21 provision of restroom facilities.



# H.B. NO. 729

1           The sums appropriated shall be expended by the public  
2 charter school commission for the purposes of this Act.

3           SECTION 4. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5           SECTION 5. This Act shall take effect on July 1, 2019.

6

INTRODUCED BY: *Clayton Tolson (BR)*

JAN 22 2019



# H.B. NO. 729

**Report Title:**

Charter Schools; Appropriation; Infrastructure Funding and Improvement

**Description:**

Allows charter schools to use appropriated funds for facilities improvement, rental, and construction and other infrastructure improvements. Appropriates funds for facilities and infrastructure improvement.

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

