

JAN 18 2019

A BILL FOR AN ACT

RELATING TO EDUCATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 302A-706, Hawaii Revised Statutes, is
2 amended by amending its title and subsection (a) to read as
3 follows:

4 "§302A-706 [~~Teacher national board~~] National certification
5 incentive program. (a) There is established within the
6 department the [~~teacher~~] national [~~board~~] certification
7 incentive program to recognize and support exemplary [~~teaching~~]
8 educational practice by supporting public school teachers and
9 school psychologists who have achieved national [~~board~~]
10 certification under the certification program of the National
11 Board for Professional Teaching Standards[~~+~~] or the National
12 Association of School Psychologists. The [~~teacher~~] national
13 [~~board~~] certification incentive program shall provide:

14 (1) A \$5,000 bonus per year for each public school teacher
15 or school psychologist who maintains current national
16 [~~board~~] certification;



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- 1 (2) Up to \$1,500, depending on the certification fee
2 structure, upon completing all components of the
3 certification program of the National Board for
4 Professional Teaching Standards[+] or National
5 Association of School Psychologists;
- 6 (3) A reimbursement of the remainder of the national
7 [board] certification application fee upon achievement
8 of national [board] certification; [and]
- 9 (4) An additional \$5,000 bonus per year for each public
10 school teacher or school psychologist who maintains
11 current national [board] certification and who
12 [teaches] is employed at:
- 13 (A) A school [~~in a focus, priority, or~~
14 ~~superintendent's zone, or other similar~~
15 ~~designation, as determined]~~ that has been
16 identified for comprehensive or targeted support
17 and improvement by the department; provided that
18 all teachers receiving the bonus under this
19 subparagraph during the 2018-2019 school year
20 shall remain eligible for the bonus subject to
21 the limitations imposed under paragraph (5);



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- 1 (B) A school with a high turnover rate, as determined
- 2 by the department; or
- 3 (C) A hard-to-fill school, as determined by the
- 4 department [-]; and
- 5 (5) An additional \$5,000 bonus per year for any teacher or
- 6 school psychologist employed at a public school who
- 7 received a yearly bonus pursuant to paragraph (4);
- 8 provided that the teacher or school psychologist
- 9 maintains national certification and continues working
- 10 in the same school after the school transitions from
- 11 the qualifying designation pursuant to paragraph (4);
- 12 provided further that the teacher or school
- 13 psychologist shall receive the additional bonus from
- 14 the time the school no longer meets any of the
- 15 criteria under paragraph (4) until the end date of the
- 16 teacher's or school psychologist's national
- 17 certification in effect at the time the school lost
- 18 its designation, or until the teacher or school
- 19 psychologist is no longer employed at the school,
- 20 whichever occurs first."



1 SECTION 2. Section 302D-28, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§302D-28 **Funding and finance.** (a) Beginning with fiscal
4 year 2012-2013, and each fiscal year thereafter, the non-
5 facility general fund per-pupil funding request for charter
6 school students shall be the same as the general fund per-pupil
7 amount to the department in the most recently approved executive
8 budget recommendation for the department and shall be based upon
9 reasonable projected enrollment figures for all charter schools.
10 The general fund per-pupil request for each regular education
11 and special education student shall:

12 (1) Include all general fund regular education cost
13 categories, including comprehensive school support
14 services, but excluding special education services,
15 adult education, and the after-school plus program;
16 provided that these services are provided and funded
17 by the department; and

18 (2) Exclude fringe benefit costs; costs of teacher
19 incentives, bonuses, and other compensation beyond
20 regular wages; and debt service.



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1 (b) Fringe benefit costs for charter school employees,
2 regardless of the payroll system utilized by a charter school,
3 shall be included in the department of budget and finance's
4 annual budget request. No fringe benefit costs shall be charged
5 directly to or deducted from the charter school per-pupil
6 allocations.

7 The legislature shall make an appropriation based upon the
8 budget request; provided that the legislature may make
9 additional appropriations for facility and other costs.

10 The governor, pursuant to chapter 37, may impose
11 restrictions or reductions on charter school appropriations
12 similar to those imposed on department schools.

13 (c) Notwithstanding any law to the contrary, to ensure
14 non-facility per-pupil general fund amounts allocated for the
15 department and charter school students are equal on an
16 annualized fiscal year basis, each year the director of finance
17 shall:

18 (1) Determine the sum of general fund appropriations made
19 for department and charter school student non-facility
20 costs described in subsections (a) and (b);



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- 1 (2) Determine the sum of department and charter school
2 student enrollment based on reviewed and verified
3 student enrollment counts as of October 15;
- 4 (3) Determine a per-pupil amount by dividing the sum of
5 general fund appropriations determined under paragraph
6 (1) by the sum of student enrollment determined under
7 paragraph (2);
- 8 (4) Transfer a general fund amount between the department
9 and charter schools that will provide each with a per-
10 pupil allocation equal to the amount determined on an
11 annualized fiscal year basis under paragraph (3); and
- 12 (5) Annually account for all calculations and transfers
13 made pursuant to this subsection in a report to the
14 legislature, governor, department, and charter
15 schools.

16 This subsection shall not limit the ability of the director of
17 finance to modify or amend any allotment pursuant to chapter 37.

- 18 (d) Charter schools shall be eligible for all federal
19 financial support to the same extent as department schools. The
20 department shall provide all authorizers with all state-level
21 federal grant proposals submitted by the department that include



1 charter schools as potential recipients and timely reports on
2 state-level federal grants received for which charter schools
3 may apply or are entitled to receive. Federal funds received by
4 the department for charter schools shall be transferred to
5 authorizers for distribution to the charter schools they
6 authorize in accordance with the federal requirements. If
7 administrative services related to federal grants are provided
8 to the charter school by the department, the charter school
9 shall reimburse the department for the actual costs of the
10 administrative services in an amount that shall not exceed six
11 per cent of the charter school's federal grants.

12 Any charter school shall be eligible to receive any
13 supplemental federal grant or award for which any department
14 school may submit a proposal, or any supplemental federal grants
15 limited to charter schools; provided that if department
16 administrative services, including funds management, budgetary,
17 fiscal accounting, or other related services, are provided with
18 respect to these supplemental grants, the charter school shall
19 reimburse the department for the actual costs of the
20 administrative services in an amount that shall not exceed six



1 per cent of the supplemental grant for which the services are
2 used.

3 All additional funds generated by the governing boards,
4 that are not from a supplemental grant, shall be held separate
5 from allotted funds and may be expended at the discretion of the
6 governing boards.

7 (e) Authorizers shall calculate a general fund per-pupil
8 amount based upon the amount of general funds appropriated by
9 the legislature and released by the governor and the projected
10 enrollment amount used to calculate the general funds
11 appropriated pursuant to subsection (a).

12 Authorizers shall submit a report to the legislature no
13 later than twenty days prior to the convening of each regular
14 session that contains each charter school's current school year
15 projection that is used to submit the budget request, the
16 updated May 15 enrollment projection, the actual October 15
17 enrollment count, the authorizer's reviewed and verified
18 enrollment count, and the November 15 enrollment count.

19 (f) To enable charter schools to access state funding
20 prior to the start of each school year, foster their fiscal
21 planning, enhance their accountability, and avoid over-



1 allocating general funds to charter schools based on self-
2 reported enrollment projections, authorizers shall:

3 (1) Provide sixty per cent of a charter school's per-pupil
4 allocation based on the charter school's projected
5 student enrollment no later than July 20 of each
6 fiscal year; provided that the charter school shall
7 have submitted to its authorizer a projected student
8 enrollment no later than May 15 of each year;

9 (2) Provide an additional thirty per cent of a charter
10 school's per-pupil allocation no later than December 1
11 of each year, based on the October 15 student
12 enrollment, as reviewed and verified by the
13 authorizer, only to schools in compliance with all
14 financial reporting requirements; and

15 (3) Retain no more than the balance of the remaining ten
16 per cent of a charter school's per-pupil allocation,
17 as a contingency balance to ensure fiscal
18 accountability and compliance, no later than June 30
19 of each year;

20 provided that authorizers may make adjustments in allocations
21 based on noncompliance with charter contracts and the board may



1 make adjustments in allocations based on noncompliance with
2 board policies made in the board's capacity as the state
3 education agency, department directives made in the department's
4 capacity as the state education agency, the board's
5 administrative procedures, and board-approved accountability
6 requirements.

7 (g) The department shall provide appropriate transitional
8 resources to a conversion charter school for its first year of
9 operation as a charter school based upon the department's
10 allocation to the school for the year prior to the conversion.

11 (h) No charter school may assess tuition; provided that a
12 charter school may assess and collect special fees and charges
13 from students for co-curricular activities. Any special fees
14 and charges collected pursuant to this subsection shall be
15 deposited into insured checking or savings accounts and expended
16 by each individual charter school.

17 (i) Funds necessary to pay for teacher incentive programs,
18 bonuses, and other compensation required by law or collective
19 bargaining beyond regular wages shall not be paid out of a
20 charter school's facilities funding or per-pupil funds.
21 Beginning with fiscal year 2019-2020, and each fiscal year



1 thereafter, the funding request for teacher incentive programs,
2 bonuses, and other compensation required by law or collective
3 bargaining beyond regular wages for each charter school shall be
4 a separate line item in the general appropriations act and
5 supplemental appropriations act."

6 SECTION 3. There is appropriated out of the general
7 revenues of the State of Hawaii the sum of \$ or so
8 much thereof as may be necessary for fiscal year 2019-2020 and
9 the same sum or so much thereof as may be necessary for fiscal
10 year 2020-2021 to pay for the following bonuses for public
11 school teachers, public charter school teachers, and school
12 psychologists:

- 13 (1) Collectively bargained placement bonuses in schools
14 determined as hard-to-fill by the department of
15 education; and
16 (2) National certification incentive program bonuses as
17 outlined pursuant to section 302A-706, Hawaii Revised
18 Statutes.

19 The sums appropriated shall be expended by the department
20 of education for the purposes of this Act.



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

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

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INTRODUCED BY: Michelle Lodi

Dan Udell

Don K...

[Signature]

Arnie & Arnie

[Signature]

Clarence K. Fishburn

[Signature]



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Report Title:

Education; National Certification Incentive Program and Funding;
Teachers; School Psychologists; Appropriation

Description:

Renames the teacher national board certification incentive program the national certification incentive program. Expands program eligibility to include school psychologists. Clarifies requirements and incentives of the program. Clarifies that teacher incentives, bonuses, and compensation beyond regular wages are excluded from the per-pupil request and included as separate line item in the budget for public charter schools. Appropriates funds.

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

