

DAVID Y. IGE  
GOVERNOR



JOHN S.S. KIM  
CHAIRPERSON

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

<http://CharterCommission.Hawaii.Gov>  
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FOR: HB 2511 HD1 Relating to Charter Schools  
DATE: February 21, 2020  
TIME: 11:00 A.M.  
COMMITTEE: Committee on Finance  
ROOM: Conference Room 308  
FROM: Yvonne Lau, Interim Executive Director  
State Public Charter School Commission

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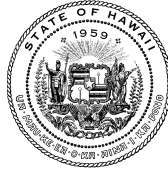
Chair Luke, Vice Chair Cullen, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this testimony in **SUPPORT of HB 2511 HD1** which provides funding for the rental or lease of facilities, infrastructure costs, and the repair and maintenance of network infrastructure for public charter schools.

Facilities costs for charter schools continues to be one of the greatest unaddressed challenges for Hawaii’s chartering system. In school year 2018-2019, charter schools expended more than \$11.1 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 \$33,400 to a high of \$1.4 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.



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

**House Committee on Finance**

Friday, February 21, 2020  
11:00 a.m.  
Hawaii State Capitol, Room 308

**House Bill 2511, Relating to Charter Schools**

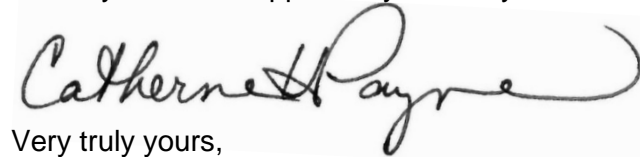
Dear Chair Luke, Vice Chair Cullen, and Members of the Committee:

The Board of Education ("Board") supports HB 2511, which would appropriate general funds for infrastructure costs, lease or rent assistance, and repair and maintenance of network infrastructure for charter schools.

The Board supports proposed legislation that addresses charter school facilities needs as a longstanding and unresolved issue that the Board cites in its annual charter school report to the Legislature every year.

The Board's position on this measure is only in regards to the general public policy matter of providing resources to offset charter school facilities costs, and the Board defers to the State Public Charter School Commission and each affected charter school on operational and implementation matters that this measure might affect.

Thank you for this opportunity to testify on behalf of the Board.



Very truly yours,

Catherine Payne  
Chairperson, Board of Education  
Chairperson, 2020 Legislative Ad Hoc Committee



**HB2511 HD1**  
**RELATING TO CHARTER SCHOOLS**  
Ke Komike Hale o ka 'Oihana 'Imi Kālā

Pepeluali 21, 2020

11:00 a.m.

Lumi 308

The Office of Hawaiian Affairs (OHA) **SUPPORTS** HB2511 HD1, which would provide funding to the State Public Charter School Commission to allocate to state public charter schools for infrastructure costs, rental or lease of facilities, and repair and maintenance of network infrastructure, as determined by the Commission. **This bill would help alleviate the unique financial burdens borne by start-up public charter schools in meeting their basic facilities needs.**

Hawai'i's public charter schools are indeed deserving of equity, and have already demonstrated their potential for innovation and excellence notwithstanding their unique financial challenges. Most recently, some public charter schools have outperformed the state average in areas such as on-time graduation rates, college matriculation rates, and reduced chronic absenteeism, as reflected in the latest Strive HI SY 2017-2018 performance scores; lessons learned in such charter schools can benefit students and schools throughout our public education system. As a testament to Hawai'i's charter schools' success, on December 6, 2016, the BOE-approved updated State Education Strategic Plan for 2017-2020 describes "the shared objectives for equity and excellence for every child across Hawai'i's nearly 300 public schools, including our public charter schools and Hawaiian language medium schools"; the Plan also includes the objective that "Hawai'i public schools will foster innovation and the expansion of existing public school 'Bright Spots,' which includes learning from charter schools that were established as innovation labs" (emphasis added).

Unfortunately, although Hawai'i's public charter schools continue to demonstrate their distinct value to Hawai'i's students, addressing public charter schools' facilities needs continues to be a critical and longstanding issue in the charter school community. Start-up charter schools in particular must pay for substantial facilities costs using their already-stretched operational funds. This is a cost that is not borne by conversion charter schools, or schools under the Hawai'i Department of Education, and that may unfairly impede start-up schools from realizing their full potential for their students and as "innovation labs" for public education as a whole.

Notably, the State Board of Education (BOE) itself has acknowledged the longstanding need to address this funding disparity, and its most recent report to the 2019 Legislature "recommends that the Legislature provide some form of facilities funding to

charter schools to address this unmet [facilities funding] need.” The BOE’s report also recognized the importance of our public charter schools as an integral component of our public education strategy.

**To fully realize the potential for innovation in charter schools that may in turn foster greater student success in our public school system as a whole, it is critical that public charter schools receive adequate appropriations for facilities funding.** HB2511 HD1 will help bring equity to our public charter schools, and address the longstanding problem of funding for charter schools’ facilities.

Therefore, OHA urges the Committee to **PASS** HB2511 HD1. Mahalo nui for the opportunity to testify on this important measure.



## **HOUSE BILL 2511, HD1, RELATING TO CHARTER SCHOOLS**

FEBRUARY 21, 2020 · HOUSE FINANCE  
COMMITTEE · CHAIR REP. SYLVIA LUKE

**POSITION:** Support.

**RATIONALE:** The Democratic Party of Hawai'i Education Caucus supports HB 2511, HD1, relating to charter schools, which provides funding for the rental or lease of facilities through legislative appropriations and bond authorizations to the State Public Charter School Commission for the design, planning, construction, repair, and maintenance of public charter school improvements.

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 \$13,748 per-pupil each year, charter schools receive roughly \$7,500 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 no less than \$10 million to HSPCSC to allocate based on need and financial performance.

**HB-2511-HD-1**

Submitted on: 2/19/2020 12:16:53 PM

Testimony for FIN on 2/21/2020 11:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Hope McKeen	Individual	Support	No

Comments:

1) Charter schools get no funding for facilities and facilities expenses are taken from the Per Pupil Allocation (PPA) that should go directly to student programs, the PPA for charter students is significantly less than the calculated PPA for students on DOE campuses

2) Charter Schools across the state pay approximately \$15million annually in lease expenses

3 Please support equitable access to adequate school facilities for all Hawai'i students

**HB-2511-HD-1**

Submitted on: 2/19/2020 12:19:32 PM

Testimony for FIN on 2/21/2020 11:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kehaulani Shintani	Individual	Support	No

Comments:



**HB-2511-HD-1**

Submitted on: 2/19/2020 1:29:40 PM

Testimony for FIN on 2/21/2020 11:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Bobbie Lee Kainoa Bapitste	Individual	Support	No

Comments:

**HB-2511-HD-1**

Submitted on: 2/19/2020 1:53:21 PM

Testimony for FIN on 2/21/2020 11:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Miki?ala Taylor	Individual	Support	No

Comments:

**HB-2511-HD-1**

Submitted on: 2/19/2020 1:53:55 PM

Testimony for FIN on 2/21/2020 11:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Emilia Kaawa	Individual	Support	No

Comments:

**HB-2511-HD-1**

Submitted on: 2/19/2020 1:54:40 PM

Testimony for FIN on 2/21/2020 11:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Haulikeola H Pakele	Individual	Support	No

Comments:

**HB-2511-HD-1**

Submitted on: 2/19/2020 1:56:53 PM

Testimony for FIN on 2/21/2020 11:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Noah W Davis	Individual	Support	No

Comments:

All public schools should have adequate funding for facilities.

**HB-2511-HD-1**

Submitted on: 2/19/2020 2:11:51 PM

Testimony for FIN on 2/21/2020 11:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kaakapua Swain	Individual	Support	No

Comments:

**HB-2511-HD-1**

Submitted on: 2/19/2020 2:16:46 PM

Testimony for FIN on 2/21/2020 11:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Haawinamaikalani Wise	Individual	Support	No

Comments:

I am a parent of a student at a public charter school and I am in full support of HB2511. Currently Charter schools get no funding for facilities and facilities expenses are taken from the Per Pupil Allocation (PPA) that should go directly to student programs, the PPA for charter students is significantly less than the calculated PPA for students on DOE campuses.

Please support equitable access to adequate school facilities for all Hawai'i students.

**HB-2511-HD-1**

Submitted on: 2/19/2020 9:10:55 PM

Testimony for FIN on 2/21/2020 11:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Tiffany Edwards Hunt	Individual	Support	No

Comments:

Aloha,

I'm writing to express my support for HB 2511 and any and all efforts to ensure charter schools receive facilities funding. After 20 years of their existence, it's about time that these schools be treated fairly and equitably. Noteworthy is the fact that I am a public school teacher, but I do not choose charter as a teacher at this time. A lot of it has to do with the fact that the two charter schools where I previously worked (Kua O Ka La Public Charter School and Na Wai Ola Public Charter School) didn't have the facilities and resources that I personally need to be comfortable doing my job properly. As a parent, though, I am fully supportive of my children's charter school (HAAS), and I commend them for being as creative as possible, to obtain facilities for their elementary, middle and high schools. I absolutely love the education my children are getting at HAAS. But, honestly, as my daughter looks to go to HAAS Middle School next year, I'm not at all excited about her being taught in a Quonset hut. For the facility alone, I would consider moving her to my school. But you know what? She wouldn't be with her friends? She wouldn't have access to Hawaiian studies in 7th grade. She wouldn't be able to take French or surf class, and be able to build her own yearbook, or learn how to garden. Everything about her school is wonderful, except that Quonset hut. Please level the playing field for these charter schools. Give them facilities funding. Make us taxpayers feel like we are actually being served, and that our children are given EVERY opportunity to succeed. Please, it's about time. I'm happy to answer questions and provide further commentary, if it will convince you to make the right decision in favor of charter school funding. Mahalo. Tiffany Edwards Hunt, Puna





**LATE**

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Corey Rosenlee  
President  
Osa Tui Jr.  
Vice President  
Logan Okita  
Secretary-Treasurer  
Wilbert Holck  
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON  
FINANCE

RE: HB 2511, HD1 - RELATING TO CHARTER SCHOOLS

FRIDAY, FEBRUARY 21, 2020

COREY ROSENLEE, PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Luke and Members of the Committee:

The Hawaii State Teachers Association **strongly supports HB 2511, HD1** 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 \$7,359 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.**

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.