

Date: 03/02/2009

Committee: House Finance

Department: Education

Person Testifying: Patricia Hamamoto, Superintendent of Education

Title of Bill: HB 1686, HD1(HSCR272) RELATING TO CHARTER SCHOOLS.

Purpose of Bill: Improves the charter school funding mechanism to ensure that charter schools receive fair and equitable funding. (HB1686 HD1)

Department's Position: The Department of Education supports H. B. No. 1686, H. D. 1 which requires the executive director of the Charter School Administrative Office to prepare a separate capital improvement projects budget, and to include a report of all means of financing in the preparation of the charter school budget.

Because this measure clarifies that the capital improvement projects budget is to be a separate calculation, the Department recommends an amendment to HRS Section 302B - 12, subsection (a) (2), to state that the request for the per-pupil amount for general fund appropriations be based on the most recently-approved executive operating budget recommendations for the Department, i.e. add the word "operating". This would further clarify that the Department's capital improvements project budget is not included in the per-pupil amount.

In addition, the Department's operating general funds should only be considered in the per-pupil calculation amount. We recommend the wording to be ". . . and for only general funds for comparability and equity, excluding federal, special, trust, revolving, or other funds" instead of ". . . and for all means of financing except federal funds."

Thank you for the opportunity to testify on this measure.



KAMEHAMEHA SCHOOLS

Testimony to the House Committee on Finance
Hearing Date: Monday, March 2, 2009
3:30 p.m. – Conference Room 308

Shawn Malia Kana'iaupuni, PhD
Director, Public Education Support (PEdS) Division
Kamehameha Schools

Re: HB 1686, HD 1 Relating to Charter Schools

Good afternoon Chair Oshiro, Vice Chair Lee and members of the House Committee on Finance. My name is Shawn Malia Kana'iaupuni, PhD, director, Public Education Support (PEdS) Division at Kamehameha Schools. Thank you for this opportunity to testify in support of HB 1686, HD 1 relating to charter schools.

We strongly support equitable and fair funding for public charter schools and want to ensure that any mechanism intended to address funding issues will not result in reduced funding amounts. We believe that this measure in its current form is a positive step toward addressing the funding concerns of charter schools. We look forward to positively engaging in public dialog to support charters.

Kamehameha Schools has been a collaborator in the charter school movement for more than six years now. As part of our Education Strategic plan, KS hopes to significantly impact more Hawaiian children ages 0-8 and grades 4-16+, and their families/ caregivers over the next five years, in collaboration with others whenever possible.

Currently, Kamehameha Schools works with 12 nonprofit tax-exempt organizations, including `Aha Pūnana Leo, OHA, KALO and Ho`okāko`o Corporation, to assist a total of 14 start-up and 3 conversion charters with special projects, professional development, and technical assistance. Kamehameha Schools believes that these efforts provide more positive educational choices and ultimately enhances academic achievement and greater school engagement for Hawaiian students. Through these collaborations, Kamehameha Schools currently assists more than 3,200 students in eleven communities on 4 major islands, within the public education system.

Recent research conducted over the past three years shows that Hawaiian-focused charter schools are implementing positive educational strategies and make a difference to Hawai'i's public school landscape in the following ways:

- They demonstrate success in helping "at-promise" students jump-start academic momentum using rigorous place-based and project-based strategies;
- The schools provide relevant and rigorous education in ways that engage both Hawaiian and non-Hawaiian students;
- They cultivate values of environmental stewardship and civic responsibility among future leaders;
- They build a strong sense of 'ohana through caring and supportive student/teacher relationships;
- They enhance the well-being, family involvement, and economic sustainability of communities.

In summary, supporting and replicating the successful strategies found in Hawaiian-focused charter schools is a good way to invest in education that has potential benefits for the entire public school system.

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FINTestimony

From: Director [Director@WHEA.net]
Sent: Sunday, March 01, 2009 5:49 PM
To: FINTestimony
Subject: Testimony in Support of HB1686

Testimony to House of Representatives Committee on Finance (FIN)
 For Hearing Monday, 03-02-09 3:30pm in House conference room 308

HB1686 Relating to Public Charter Schools

Testimony in Support

Curtis Muraoka, Co-Director
 West Hawai'i Explorations Academy Public Charter School

Aloha Chair Oshiro, Vice Chair Lee, and Esteemed Members of the Committee on Finance:

Thank you for your diligence in such interesting times—I appreciate the difficulties you all face, and the weight you all bear in our current economic winter. It is our sincerest wish that we all survive this together.

With that said, I encourage you to take decisive action in support of saving the statutory public charter school budget *intact*. HB1686 in its current iteration appears to be a very solid effort to that end by House EDN to fund students at all public schools with fairness and equity without regard to the kind of public school they attend. We appreciate Chair Takumi's sincerity and candor.

Specific to actions that would save the funding of public charter schools, booming growth and demand for enrollment must be considered carefully, realistically and seriously. The more children, the more money is needed to provide fair and understandable funding per child. This is not to be confused with a system *increase*, since each additional child is being funded, not the system itself.

I am sure you will all agree that children and families, without regard for the kind of public school they choose to attend, deserve funding parity.

Be assured that public charter schools believe strongly that the Department of Budget and Finance last session did not appear to follow the statutory provisions of Section 302B-12 to put forth "*a per-pupil amount for each regular education and special education student, which shall be equivalent to the total per-pupil cost based upon average enrollment in all regular education cost categories, including comprehensive school support services but excluding special education services, and for all means of financing except federal funds*". We remain unsure whether or not "all means of financing" were indeed considered by B&F prior to and during the 2008 session.

Further adding to the confusion was the broadly inexact sentiment that public charter schools received an *increase* in their budget, when in fact on a per-school and per-capita basis, our final budget was, *ipso facto*, a budget *reduction*, or cut.

Therefore, we ask that you think of the proposed public charter school budget methodology in HB1686 as an effort to save intact a fair and understandable per pupil amount.

In closing, allow me to respectfully remind you that Hawai'i charter school legislation has been soundly criticized over the last 8 years on a national level. With President Obama's comments in support of public charter school education in his address to Congress last Tuesday, we are hoping a sea change is at hand. HB1686 could be a meaningful inroad toward such positive change.

Sincerely,
Curtis Muraoka
Co-Director, WHEAPCS
and
Secretary, Hawai'i Charter Schools Network
The Unified Voice of Hawai'i's 31 Public Charter Schools

Attention: Rep. M. Oshiro, Chair, Rep. M. Lee, and Members of the Committee on Finance

Testimony of Linda Elento, (808) 235-7610

Hearing: Monday, March 2, 2009, 3:30 pm

HB1686 H.D.1

Charter Schools: Funding

I support fair and equitable funding for charter schools, and I ask the Committee on Education to consider additions to HB1686 to clarify funding, the authority of the charter schools and of the Board of Education, and the role of the Executive Director of the Charter School Administrative Office and Charter School Review Panel in regards to special education for students at charter schools. The Board of Education recently combined special education and regular education matters into one committee: I ask the Legislature consider that special education for children in charter schools cannot be separated in funding, in programs, or in practice in charter schools.

In consideration of Hawaii's definition of charter school (HRS302B-01)--

"Charter school" refers to those public schools holding charters to operate as charter schools under this chapter, including start-up and conversion charter schools, and that have the flexibility and independent authority to implement alternative frameworks with regard to curriculum, facilities management, instructional approach, virtual education, length of the school day, week, or year, and personnel management.

This bill needs to include amendments to HRS302B-15 (Special Education):

The department shall allow charter schools to choose between receiving special education services in the same manner provided to other schools, and other options including receiving funds or a combination of funds and services. Regardless of the choice that the public charter schools make, the State Board of Education must ensure that students with disabilities attending public charter schools and their parents retain all their rights under federal and state laws.

This bill should make clear the role of the Executive Director and Charter School Review Panel regarding special education policies, procedures, authority and funding.

In accordance with the *Individuals with Disabilities Education Improvement Act of 2004*, Charter Schools should be allowed, by Hawaii statute, to request funding and services as well as individually contract with the Department when special education services are required of its students. Otherwise, the Charter School fails to meet its State definition of Charter School when the Department makes decisions affecting the Charter School's ability to "have the flexibility and independent authority" in the provision of special education services. Children with disabilities are unfairly discriminated against and possibly kept from receiving the unique benefits of the Charter School when the Charter School is not able to determine and implement "alternative frameworks with regard to curriculum, facilities management, instructional approach, virtual education, length of the school day, week, or year, and personnel management" because the Department puts constraints for these children to receive the special education and supports necessary to succeed.

Thank you for the opportunity to present testimony.

FINTestimony

From: tom macdonald [tjmacdonald@earthlink.net]
sent: Monday, March 02, 2009 11:22 AM
To: FINTestimony
Subject: Fw: Testimony in Favor of HB1686 HD1 March 2, 3:30

SORRY, I SENT THIS TO EDN IN ERROR

>
>I am the Finance Chair of the Charter School Review Panel and I am testifying in support of HB 1686 HD 1 with modification suggested below.
>
>We in the Charter School community appreciate the efforts Rep. Takumi and this Committee have been making to insure that Charter School students receive per-pupil funding equal to the funding that students in regular public schools receive.
>
>The funding formula contained in this Bill will provide such equitable funding.
>
>However, I have to agree with statements made by Curtis Muraoka in his testimony on behalf of the Charter School Network: The Department of Budget and Finance does not follow the existing statutory per-pupil funding formula in Section 302 B-12.
>For the 2009-11 biennium, for example, B&F did not base its calculation on "all means of financing" as 302 B 12 calls for. B&F arbitrarily subtracted \$195 million of debt service from the calculation, resulting in a reduction in the recommended appropriation of more than \$1,100 per pupil. B&F also deleted two other items totalling \$74 million. The total reduction imposed by B&F amounted to over \$1,500 per pupil from what the statute calls for. This represents a reduction of nearly 20% and follows an 11% reduction Charter Schools had to deal with in the current year. Needless to say, this makes it very difficult to provide the quality of education that Charters strive for.
>
>If there is some way in which this Committee could amend HB 1686 to provide certainty that the statutory formula would be followed by B&F, Charter Schools would be most appreciative.
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>Thank you for this opportunity to testify.