# SB 496

## Linda Lingle Governor





### **Charter School Administrative Office**

1111 Bishop Street, Suite 516 Honolulu, Hawaii 96813 Tel: 586-3775 Fax: 586-3776

FOR:

SB496 SD1, Relating to Charter Schools

DATE:

Tuesday, March 3, 2009

TIME:

9:30 a.m.

ROOM:

**COMMITTEE(S): Ways and Means Conference Room 211** 

FROM:

Maunalei Love, Executive Director

Testimony in support of S.B. No. 496 SD1 with proposed amendments.

Chair Kim, Vice Chair Tsutsui, and Members of the Committee:

Aloha, I am Maunalei Love, executive director of the Charter School Administrative Office. I want to thank the chair and the entire committee for the time and effort being spent to remedy the issue of properly funding the public charter schools. In my years of advocating for Hawaii's charter schools, funding has always been of concern due to the ambiguity of determining how to develop a funding formula that will address differing structures. Charter school advocates were hopeful when the statutory funding formula as outlined in 302B-12 (a) was passed, but this formula has never been followed and to date, equity in funding has eluded public charter schools.

This bill seeks to remedy this problem (and equitably fund the charter schools) and additionally adds a mechanism for submitting capital improvement requests. We appreciate the committee's attention to this matter. The language of SD1 has some problems as follows:

- 1. Section 4, page 9 provides the manner in which the executive director should be "preparing the budget request with regard to facilities funding." However, nowhere in the bill is there any provision that adds a facilities funding formula in the budget request. In other words, the director doesn't have ability to prepare the budget request to include "facilities funding." I recommend that some amendment must be made to HRS Section 302B-12 that adds a facilities funding formula.
- 2. Section 4, page 9 the manner describes using "a calculation showing the per-pupil funding based on a portion of the department's debt service appropriation divided by the department's actual enrollment that school year" (emphasis added). This language is vague at best. It should be clarified to read, "a calculation showing the per-pupil funding based on the department's debt service appropriation divided by the department's actual enrollment that school year."
- 3. Section 5, page 16, lines 4-11 and 19-21, and page 17, lines 1-2 This section would require charter schools to pay 5% of any federal grant or subsidy to the department of education, regardless of whether the DOE provided any administrative assistance or not. We agree with placing a 5% cap on this fee but strongly recommend that the existing language on this portion of the statute remain as it currently is.

- 4. Page 18, lines 11-15 The proposed language would hold back the charters' final allocation until after the school year is completed. We recommend that the January 1 date be kept but that the language be amended in the bill as follows:
  - "Retain the remaining ten per cent of a charter school's per-pupil allocation to be provided no later than January 1st of each year as a contingency balance to ensure fiscal accountability[;] and compliance; provided that the panel may make adjustments in allocations based on noncompliance with federal and state reporting requirements, panel policies and directives, the office's administrative procedures, and [board-]panel-approved accountability requirements.
- 5. We continue to believe that any language concerning the board's policies and the department's directives as unnecessary and redundant.

I continue to support the proper funding of the public charter schools and commend the committee for its attention and support to ensure that this issue be resolved. I respectfully ask that this bill be passed with the recommended language offered above.

The CSAO is ready, willing, and able to help with rewriting of amendments. Please feel free to contact us at any time. Thank you for this opportunity to testify.



March 2, 2009

Attention: <u>COMMITTEE ON WAYS AND MEANS</u>

From: Linda Elento, Kaneohe parent; Board director, Hawaii Down Syndrome Congress

Hearing: March 3, 2009, 9:30 am

## SB496 Charter Schools

The Board of Education recently combined special education and regular education matters into one committee. <u>I ask the Legislature to consider that special education for children in charter schools cannot be separated from regular education in funding, in programs, or in practice in charter schools.</u>

The Charter School Review Panel may well be the choice for the authority and responsibility for the special education of their charter school students. 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.

I am a parent of a young child with Down syndrome who was dismissed from a charter school when the Department interfered. He is now re-enrolled as a student at our charter school of choice. I ask that you strongly consider that dividing the responsibility of special education to the Department is not in the best interest of our students, their families or the State definition of Charter School. Thank you for your consideration of this information.

Specify that charter schools are exempt from the directives of the Department of Education;

Amend HRS302B-15 (Special Education funding) based on federal law: 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.

Make clear the role of the Executive Director of the Charter School Administrative Office regarding special education policies, procedures, authority and funding, including the line of authority for special education law compliance as well as individual decisions made for students which must be within the Charter Schools.

Consider naming the Charter School Review Panel as the agency to ensure students and parents are afforded all the rights of the IDEA and to receive and distribute funds to provide special education and services to students at charter school.



### WRITTEN ONLY

## TESTIMONY BY GEORGINA K. KAWAMURA DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE STATE OF HAWAII TO THE SENATE COMMITTEE ON WAYS AND MEANS ON SENATE BILL NO. 496, S.D. 1

March 3, 2009

#### RELATING TO CHARTER SCHOOLS

Senate Bill No. 496, S.D. 1, establishes a mechanism for funding Charter School operations which provides that the per pupil funding amount for Charter School students shall not be less than the total per pupil amount for Department of Education students. Senate Bill No. 486 also establishes a mechanism for funding Charter School facilities based on the Department of Education's debt service appropriation divided by actual enrollment.

We oppose this bill because it does not represent the true cost of operating the Charter Schools.

We maintain that the most accurate and fair method of budgeting for the Charter Schools would be to review actual needs and expenditures, as well as actual revenues, similar to the budgeting method for the Department of Education and other State departments.