THE SENATE TWENTY-SIXTH LEGISLATURE, 2011 STATE OF HAWAII

S.B. NO. ¹¹⁷⁴ s.d. 1

A BILL FOR AN ACT

RELATING TO CHARTER SCHOOLS.

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

SECTION 1. The legislature finds that during the 2010
regular session, the legislature passed Senate Concurrent
Resolution No. 108, S.D. 2, requesting the convening of a task
force to establish a consistent funding formula, process, or
both, by which equitable funding to charter schools could be
determined.

7 The legislature further finds that facilities funding for 8 charter schools is a critically important issue but recognizes 9 that establishment of a needs-based facilities funding formula 10 is a work in progress.

11 The purpose of this Act is to require the charter school 12 administrative office to include a detailed explanation as to 13 the formula used and funding request breakdown by school with 14 any budget request for needs-based facilities funding. This Act 15 also re-establishes the charter schools funding task force 16 created by Senate Concurrent Resolution No. 108, S.D. 2 (2010), 17 and requires the task force to develop a needs-based facilities 18 funding formula, process, or both, for charter schools. 2011-1143 SB1174 SD1 SMA-1.doc

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SECTION 2. Section 302B-8, Hawaii Revised Statutes, is 1 amended by amending subsection (b) to read as follows: 2 The executive director, under the direction of the 3 "(b) panel and in consultation with the charter schools, shall be 4 responsible for the internal organization, operation, and 5 management of the charter school system, including: 6 Preparing and executing the budget and the capital 7 (1) improvement projects request for the charter schools, 8 including submission of the all means of finance 9 budget request that reflects all anticipated 10 expenditures to the panel, the board, the governor, 11 and the legislature; provided that, in preparing the 12 budget request with regard to needs-based facilities 13 14 funding, the executive director shall ensure that, as a budget item separate from other operating costs, the 15 request [provides: 16 (A) Funding for projected enrollment for the next 17 18 school-year-for each charter school; (B) A calculation showing the per-pupil-funding based 19 20 on the department of budget and finance's debt 21 service appropriation for the department of 22 education-divided by the department of

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1		education's actual enrollment that school year;
2		and
3		(C) That no less than seventy per cent of the amount
4		appropriated shall be allocated by the office to
5		start up charter schools on a per pupil basis;
6		provided that the funds remaining shall be
7		allocated to charter schools with facilities
8		needs as recommended by the office and approved
9		by the panel;]
10		is accompanied by a detailed explanation as to the
11		formula used and funding request breakdown by school;
12	(2)	Allocating annual appropriations to the charter
13		schools and distribution of federal funds to charter
14		schools;
15	(3)	Complying with applicable state laws related to the
16		administration of the charter schools;
17	(4)	Preparing contracts between the charter schools and
18		the department for centralized services to be provided
19		by the department;
20	(5)	Preparing contracts between the charter schools and
21		other state agencies for financial or personnel

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1 services to be provided by the agencies to the charter 2 schools; Providing independent analysis and recommendations on 3 (6) 4 charter school issues; 5 (7) Representing charter schools and the charter school system in communications with the board, the governor, 6 7 and the legislature; 8 (8) Providing advocacy, assistance, and support for the 9 development, growth, progress, and success of charter 10 schools and the charter school system; 11 (9) Providing guidance and assistance to charter 12 applicants and charter schools to enhance the 13 completeness and accuracy of information for panel 14 review; 15 (10)Assisting charter applicants and charter schools in 16 coordinating their interactions with the panel as 17 needed; 18 Assisting the panel to coordinate with charter schools (11)19 in panel investigations and evaluations of charter 20 schools;

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1	(12)	Serving as the conduit to disseminate communications
2		from the panel, the board, and the department to all
3		charter schools;
4	(13)	Determining charter school system needs and
5		communicating those needs to the panel, the board, and
6		the department;
7	(14)	Establishing a dispute resolution and mediation
8		process; and
9	(15)	Upon request by one or more charter schools, assisting
10		in the negotiation of a collective bargaining
11		agreement with the exclusive representative of its
12	•	employees."
13	SECT	ION 3. (a) There is established within the charter
14	school ad	ministrative office for administrative purposes only,
15	the chart	er schools facilities funding task force.
16	(b)	The task force shall consist of the following members:
17	(1)	The chief financial officer of the charter school
18		administrative office;
19	(2)	The chief financial officer of the department of
20	ç	education;
21	(3)	The director of finance, or the director's designee;

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1	(4)	The chairperson of the house of representatives
2	~	committee on finance;
3	(5)	The chairperson of the senate committee on ways and
4		means;
5	(6)	A representative of the Ho'okako'o Corporation;
. 6	(7)	The executive director of the Hawaii Charter Schools
7		Network, or the executive director's designee; and
8	(8)	A representative of the charter school review panel.
9	(c)	The task force shall determine a needs-based
10	facilitie	s funding formula, process, or both, to be used by all
11	agencies	in the calculation of charter school facilities funding
12	in the St	ate. In making this determination the task force shall
13	examine v	arious aspects of needs-based facilities funding.
14	(d)	The charter school administrative office shall provide
15	staff sup	port to the task force.
16	(e)	The task force shall submit a report of its findings
17	and recom	mendations, including any proposed legislation, to the
18	legislatu	re no later than twenty days prior to the convening of
19	the regul	ar session of 2012.
20	The	task force shall cease to exist on July 1, 2012.
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SECTION 4. This Act shall take effect upon its approval.



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Report Title:

Charter Schools; Funding Formula; Task Force

Description:

Amends section 302B-8, HRS, to require budget requests by the charter school administrative office for needs-based facilities funding to be accompanied by a detailed explanation as to the formula used and the funding request breakdown by school. Establishes a task force to determine a needs-based facilities funding formula, process, or both, to be used by all agencies in the calculation of charter school facilities funding. (SD1).

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