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S.C.R. NO. **53**

FEB 2 2 2017

SENATE CONCURRENT RESOLUTION

REQUESTING A STUDY ON THE PER-PUPIL FUNDING SYSTEM FOR PUBLIC CHARTER SCHOOLS TO DETERMINE WHETHER THE SYSTEM FULFILLS ITS STATUTORY PURPOSE OF EQUALIZING OPERATIONAL FUNDING AMONG PUBLIC SCHOOLS.

WHEREAS, Hawaii's public charter schools are a part of the state public education system and contribute to that system as a whole by providing alternative educational options and modeling innovative practices; and

WHEREAS, each public charter school is a single state entity, self-governed by a volunteer governing board, independently managed, and primarily dependent on state funding in order to operate; and

WHEREAS, charter schools receive the majority of their funding through general fund appropriations based on a general fund per-pupil allotment, which is based on a formula that adds up the total funding allocated to certain programs within the Department of Education and then distributes monies based on reasonable projected enrollment figures for each public charter school; and

WHEREAS, section 302D-28, Hawaii Revised Statutes, mandates that the non-facility general fund per-pupil funding for public charter school students be the same as the general fund per-pupil amount provided to the Department of Education in its most recently approved executive budget; and

WHEREAS, questions have been raised about whether the perpupil funding system equalizes funding for public charter schools as intended; and

WHEREAS, public charter schools must also meet other expenses, including facility costs; and

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WHEREAS, the State Public Charter School Commission has warned in its annual reports that financial data from the public charter schools reveal short-term financial strain as well as long-term operational sustainability challenges; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2017, the House of Representatives concurring, that the Legislative Reference Bureau is requested to conduct a study on the perpupil funding system to determine whether the system fulfills its statutory purpose of equalizing operational funding among public schools; and

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BE IT FURTHER RESOLVED that the Department of Education and State Public Charter School Commission are requested to come to an agreement on:

(1) The per-pupil funding system cost categories to be reported to the Legislative Reference Bureau;

(2) What is to be included in these categories;

(3) The format for data submission; and

(4) Any other fiscal information that would be relevant to the Legislative Reference Bureau's study,

prior to any data being submitted to the Legislative Reference Bureau; and

 BE IT FURTHER RESOLVED that by June 30, 2017, the Department of Education and State Public Charter School Commission are requested to provide specific data to the Legislative Reference Bureau detailing what the present system of funding is comprised of within the statutory allocation, to permit the Bureau to target its study and complete it in a timely manner; and

BE IT FURTHER RESOLVED that the State Public Charter School Commission, Hawaii Public Charter School Network, Hawaii Educational Policy Center, and other stakeholder agencies are

requested to provide other information and assistance as requested by the Legislative Reference Bureau; and

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BE IT FURTHER RESOLVED that the Legislative Reference Bureau is requested to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019; and

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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Director of the Legislative Reference Bureau, Chairperson of the Board of Education, Superintendent of Education, Chairperson of the State Public Charter School Commission, Executive Director of the State Public Charter School Commission, Executive Director of the Hawaii Public Charter School Network, and Director of the Hawaii Educational Policy Center.

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OFFERED BY: