S.B. NO. <sup>937</sup> S.D. 1

# A BILL FOR AN ACT

RELATING TO CHARTER SCHOOLS.

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

1 SECTION 1. The legislature finds that there are nearly 2 twelve thousand students enrolled in the thirty-seven public 3 charter schools operating under the governance of the state 4 public charter school commission and the board of education. 5 The majority of charter school funding is provided on a non-6 facility general fund per-pupil basis, calculated from the sum 7 of certain general fund non-facility operating appropriations to 8 the department of education and each charter school's pro rata 9 enrollment compared to the total public education enrollment. 10 Charter school non-facility general fund per-pupil funding has 11 been \$6,846, \$7,089 and \$7,323 in school years 2015-2016, 2016-12 2017, and 2017-2018, respectively. Charter schools use this 13 funding to pay for a wide range of school-related expenses, such 14 as for teachers and administrative staff, school facilities, 15 meal service, and student transportation. Notably, a 16 significant amount of charter schools' expenses may not be borne 17 by schools operated under the department of education.



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1 Accordingly, while the non-facility general fund per-pupil 2 funding provided to charter schools has increased each year, 3 charter school operational costs continue to rise, and gaps 4 continue to remain between public charter schools and schools 5 under the operation of the department of education. As the 6 state public charter school commission's 2019-2023 Strategic Vision and Plan explains, "[f]unding gaps continue in per pupil 7 allocation, facilities, payroll, transportation and food 8 9 services, causing charter schools to use already meager per 10 pupil allocation to provide basic services that are provided 11 through centralized services by the Departments of Education 12 (DOE), Accounting and General Services (DAGS) and Department of Transportation (DOT) for other public schools." 13

14 The legislature further finds that the potential disparity 15 in per-pupil funding for food services is particularly 16 concerning. The department of education's 2017-2018 Strive HI 17 Performance System results show that a majority of public 18 charter school students meet the poverty threshold for free or 19 reduced lunch; however, many charter schools report that they 20 are unable to access National School Lunch Program subsidies for 21 a number of reasons. As a result, these schools must either ask



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students to bring their own lunch or purchase lunch from a
vendor or provide lunch to students at the free or reduced rate
and waive the subsidy, neither of which is satisfactory or fair
to the schools and their students.

5 The board of education has recognized the importance of the 6 State's public charter schools as an integral component of 7 public education strategy, and its Education Strategic Plan 8 2017-2020 describes shared objectives for equity and excellence 9 for every child across Hawaii's nearly three hundred public 10 schools, including the State's public charter schools. Despite 11 these objectives, some public charter schools continue to be 12 forced to require their students to provide their own lunch or 13 use the schools' non-facility general fund per-pupil funding to 14 pay for free or reduced rate lunches for their students.

15 The purpose of this Act is to provide funding to the state 16 public charter school commission to allocate to public charter 17 schools for student meal service costs.

18 SECTION 2. There is appropriated out of the general 19 revenues of the State of Hawaii the sum of \$ or so 20 much thereof as may be necessary for fiscal year 2019-2020 and 21 the same sum or so much thereof as may be necessary for fiscal

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year 2020-2021 for the state public charter school commission to
allocate to charter schools for meal service costs, as
determined by the commission.
The sums appropriated shall be expended by the state public
charter school commission for the purposes of this Act.

6 SECTION 3. This Act shall take effect on July 1, 2019.



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#### Report Title:

Charter Schools; Meal Service Costs; Appropriation

#### Description:

Appropriates funds to the state public charter school commission to allocate to charter schools for meal service costs. (SD1)

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