
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 have been
2 reports that the state public charter school commission has
3 placed certain conditions on per-pupil funding allocations that
4 are inconsistent with chapter 302D, Hawaii Revised Statutes,
5 which governs public charter schools, and the legislative intent
6 of that chapter.

7 The purpose of this Act is to ensure compliance with the
8 letter and spirit of chapter 302D, Hawaii Revised Statutes, by:

- 9 (1) Requiring authorizers to timely provide certain
10 information received from the department of education
11 to charter schools;
- 12 (2) Amending the manner in which per-pupil funds are
13 disbursed to public charter schools; and
- 14 (3) Appropriating funds.

15 SECTION 2. Section 302D-28, Hawaii Revised Statutes, is
16 amended by amending subsections (d) through (f) to read as
17 follows:



1 "(d) Charter schools shall be eligible for all federal
2 financial support to the same extent as department schools. The
3 department shall provide all authorizers with all state-level
4 federal grant proposals submitted by the department that include
5 charter schools as potential recipients and timely reports on
6 state-level federal grants received for which charter schools
7 may apply or are entitled to receive. Authorizers shall timely
8 provide the information received from the department to the
9 charter schools, as applicable. Federal funds received by the
10 department for charter schools shall be transferred to
11 authorizers for distribution to the charter schools they
12 authorize in accordance with the federal requirements. If
13 administrative services related to federal grants are provided
14 to the charter school by the department, the charter school
15 shall reimburse the department for the actual costs of the
16 administrative services in an amount that shall not exceed six
17 per cent of the charter school's federal grants.

18 Any charter school shall be eligible to receive any
19 supplemental federal grant or award for which any department
20 school may submit a proposal, or any supplemental federal grants
21 limited to charter schools; provided that if department



1 administrative services, including funds management, budgetary,
2 fiscal accounting, or other related services, are provided with
3 respect to these supplemental grants, the charter school shall
4 reimburse the department for the actual costs of the
5 administrative services in an amount that shall not exceed six
6 per cent of the supplemental grant for which the services are
7 used.

8 All additional funds generated by the governing boards,
9 that are not from a supplemental grant, shall be held separate
10 from allotted funds and may be expended at the discretion of the
11 governing boards.

12 (e) ~~Authorizers~~ The commission shall calculate a general
13 fund per-pupil amount based upon the amount of general funds
14 appropriated by the legislature and released by the governor and
15 the projected enrollment amount used to calculate the general
16 funds appropriated pursuant to subsection (a).

17 Authorizers shall submit a report to the legislature no
18 later than twenty days prior to the convening of each regular
19 session that contains each charter school's current school year
20 projection that is used to submit the budget request, the
21 updated May 15 enrollment projection, the actual October 15



1 enrollment count, the authorizer's reviewed and verified
2 enrollment count, and the November 15 enrollment count.

3 (f) To enable charter schools to access state funding
4 prior to the start of each school year, foster their fiscal
5 planning, enhance their accountability, and avoid over-
6 allocating general funds to charter schools based on self-
7 reported enrollment projections, [~~authorizers~~] the commission
8 shall:

9 (1) Provide sixty per cent of a charter school's per-pupil
10 allocation based on the charter school's projected
11 student enrollment no later than July 20 of each
12 fiscal year; provided that the charter school shall
13 have submitted to its authorizer a projected student
14 enrollment no later than May 15 of each year;

15 (2) Provide an additional thirty per cent of a charter
16 school's per-pupil allocation no later than December 1
17 of each year, based on the October 15 student
18 enrollment, as reviewed and verified by the
19 authorizer; provided that the school is in compliance
20 with all financial reporting requirements; and



1 (3) Retain no more than the balance of the remaining ten
2 per cent of a charter school's per-pupil allocation,
3 as a contingency balance to ensure fiscal
4 accountability and compliance, no later than June 30
5 of each year;
6 provided that [~~authorizers~~] the commission, in its discretion,
7 may consult with the board and may make adjustments in
8 allocations based on noncompliance with charter contracts, and
9 the board may make adjustments in allocations based on
10 noncompliance with board policies made in the board's capacity
11 as the state education agency, department directives made in the
12 department's capacity as the state education agency, the board's
13 administrative procedures, and board-approved accountability
14 requirements."

15 SECTION 3. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$ or so
17 much thereof as may be necessary for fiscal year 2022-2023
18 for the state public charter school commission to allocate to
19 charter schools, based on the distribution methodology
20 determined by the charter school facilities funding working
21 group, for infrastructure costs, lease or rent assistance based



1 in part on the need and financial performance of the charter
2 schools, and repair and maintenance of network infrastructure;
3 provided that eligible charter schools shall secure the review
4 and approval of any lease agreement by the department of the
5 attorney general.

6 The sum appropriated shall be expended by the state public
7 charter school commission for the purposes of this Act.

8 SECTION 4. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 5. This Act shall take effect on July 1, 2050.



Report Title:

Charter Schools; State Public Charter School Commission; Federal Funding; Appropriation

Description:

Requires authorizers to timely provide certain information received from the Department of Education to charter schools. Amends the manner in which per-pupil funds are disbursed to public charter schools. Appropriates funds. Effective 7/1/2050. (SD1)

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