


STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
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OFFICE OF THE SUPERINTENDENT

January 16, 2025

TO: The Honorable Ken Kuraya
Chairperson, Finance and Infrastructure Committee

FROM: Keith T. Hayashi
Superintendent 

SUBJECT: Fees for Student Activities, Summer School, School Meals, and Bus
Transportation

1. EXECUTIVE SUMMARY

The Hawai'i State Department of Education (Department) seeks the Hawai'i State Board of Education's (Board) approval of increases in fees for: (1) student activities; (2) summer school tuition; and (3) school meals. The Department is also providing information on the actions it will be taking to recommend changes to its administrative rules to allow for changes to bus transportation fees.

Students and their families pay fees for activities and certain services provided by the Department. Some fees require Board approval, while other fees are approved through the process of rulemaking for amending Hawai'i Administrative Rules (HAR), by the Superintendent or by a school with the approval of the School Community Council.

Board Policy 303-10, Fee for Service, authorizes the Department to set and adjust fees:

"The Department shall determine and assess reasonable fees of public, private, public charter school, and homeschooled students enrolling in Department schools' activities or services when such participation is allowed by law, rule or policy. Fees shall be approved in accordance with procedures established by the Department or overriding law, rule, or policy. A service fee shall be required for access to services and activities for students not enrolled in Department schools unless prohibited by law, rule, or policy."

In addition to Board Policy 303-10, various laws and policies authorize either the Board, Superintendent, or schools to establish or adjust fees as referenced in this memorandum. Additionally, Standard of Practice 1905 authorizes certain other fees to be assessed by schools with the approval of the School Community Council. Several offices including the Office of Curriculum and Instructional Design (OCID), Office of Facilities and Operations, and Office of Strategy, Innovation and Performance, and other Department personnel, considered each of the programs where fees are charged to students and their families.

2. STUDENT ACTIVITY FEES

Recommendation:

The Department is requesting Board approval of increases to the maximum allowable charges for the Student Activity Fees, as noted in Table 1, beginning in School Year (SY) 2026-27.

Effective and Compliance Date:

Upon Board approval, implementation would begin in SY 2026-27.

Background and Discussion:

An increase in the maximum allowable amount for student fees is necessary to maintain these co-curricular programs. This fee was last increased in 2011, and costs to provide opportunities for students to participate in co-curricular service, leadership, and learning opportunities have risen.

The Department is authorized under section 302A-1130(a), Hawai'i Revised Statutes (HRS), to "assess and collect special fees and charges from students for co-curricular activities."

Generally, there are two categories of student activity fees: student ("co-curricular") activities and "other" fees. Tables 1 and 2 list the current and recommended maximum allowable charges for student activities and other fees, respectively. Schools have the flexibility to set fees at an amount below the maximum. These fees are not set as mandatory fees, but rather "fees to participate" in a program or activity (e.g., attending school athletic events at a discounted rate with the athletic book, cap, and gown for commencement ceremony).

Table 1. Student Activity Fees (Maximum Allowable), Current and Recommended for Board Action

Fee Type	Current Maximum Allowable (since 2011)	Recommended Maximum Allowable starting with SY 2026-27
Student Association Fees	\$10	\$20
School Club Dues (per club)	\$10	\$20
Class Dues for Grades 6-8	\$5	\$15
Class Dues for Grades 9-12	\$8	\$18

Table 2. Other Student Fees (Maximum Allowable), Current and Recommended for Superintendent Approval (No Board Action Required)

Fee Type	Current Maximum Allowable (since 2011)	Recommended Maximum Allowable starting with SY 2026-27
Athletic Books	\$25	\$35
Yearbooks	\$50	\$75
Caps and Gowns (basic)	\$25	\$125
Newspapers	\$10	\$15

*Note: The Caps and Gowns fee is not the same as a graduation fee which some schools assess. A graduation fee may cover costs with related ceremony expenses such as venue rental, transportation, rental of chairs, sound equipment, and security.

Authorization:

Authorization for setting the aforementioned fees are provided as follows:

- Student Activity Fees: Under section 8-32-2, HAR, "Schools may assess and collect special fees and charges from pupils for co-curricular activities. The maximum allowable charges for class dues (middle/intermediate and high

schools), student association fees, and school club dues shall be established by the board of education.”

- Other Fees: Under section 8-32-5, HAR, “The Superintendent shall determine the maximum allowable charge for athletic books, yearbooks, newspapers, and caps and gowns.”

There may be fees that students pay to outside vendors. For example, some high schools direct students to purchase cap and gowns directly from vendors. The maximum allowable fees does not apply to private vendors.

School principals informed the proposal to adjust fees and provided information on how they currently address financial assistance to those students who may need it. The Department understands that increasing fees may cause hardship for families who will need to pay for these programs. Also, a student’s participation in multiple clubs that collect dues may be hindered by the cost of selecting these activities. High school principals who were sampled indicated that support is provided for students who experience financial hardships to pay fees. Students who are identified as having unstable housing under the McKinney Vento Act receive financial assistance to cover the fees. In other cases, teachers or counselors notify administrators of students who may need assistance, and students may have fees covered by a school’s parent-teacher-student organization, work-to-earn, scholarships, staff member support, and outside agencies and organizations.

3. SUMMER SCHOOL TUITION

Recommendation:

The Department is requesting Board approval of an increase in summer school fees (“tuition”) beginning in fiscal year 2026, as described in Table 3.

Effective and Compliance Date:

Upon Board approval, the Summer School Fee increase would take effect in Summer 2026.

Background and Discussion:

The Department has long had a summer school program. Title 8 of the HAR, “Public School Summer Tuitions,” was established in 1977. Summer programs were expanded from 2021 to 2025, as the Department supported a variety of summer learning programs as part of pandemic recovery: Kindergarten Summer Start, Summer Learning Hub, Summer Athletic Camp, and Official Summer School. Moving forward, the Department will use the term “summer school” to refer to academic enrichment, acceleration and/or remediation experiences, including

Kindergarten Summer Start, Summer Learning Hub, and Official Summer School. Summer Athletic Camp will not be classified as a summer school program.

The Department does not have recurring funding for summer school programs, except for 1 full-time equivalent OCID employee for coordination. The Board last approved an increase in the cost of summer school tuition fee in June 2010, raising the fee from \$160 to \$190 beginning Summer 2011. In the past, summer school programs were self-supporting from fees and/or subsidized by grant funding and schools struggled to offer summer school programs as self-supporting financially.

From 2021 to 2025, summer learning was funded by federal Elementary and Secondary School Emergency Relief (ESSER) as a strategy for recovery from pandemic-impacted learning loss. During that period, approximately 95% of schools offer summer programming and over 27,000 students participated annually.

As the federal ESSER funding for summer school has ended, the Department is adjusting the summer school fees to accommodate increased costs over the last 15 years. For example, part-time teacher compensation has increased, necessitating an increase in fees for a self-sustaining program. The recommended fee schedule starts with a fee of \$260 for a 120 hour, 6 week program for Summer 2026.

Table 3. Summer School Tuition Fee (Maximum Allowable), Current and Recommended

CURRENT TUITION	2026	2027	2028	2029	2030
\$190	\$260	\$330	\$400	\$450	\$490

Schools will prorate the fees based on the duration of their summer school program. Schools will charge fees based on the number of weeks, days, and hours of their summer school program. The fee is based on the cost of offering a summer school program. The cost model is based on a 1:20 teacher/student ratio and includes the cost of teachers, supplies, and other staffing costs (e.g., custodian, security attendant, health assistant, office assistant). The cost model assumes inflation-based information from the University of Hawai'i Economic Research Organization.

If the Department obtains funds to cover the cost of summer school (e.g., legislative appropriation, grants), the funding could subsidize a portion or all of the tuition. The Board approved the Department's biennium budget request for a recurring legislative appropriation for summer school, and the Governor's executive budget included the request for the biennium budget for fiscal years 2025-27. If state

legislative appropriations are funded at the level of the Department's biennium budget request, summer school for Department students would be subsidized.

Parents and guardians may be concerned about the increased cost, and families may choose not to enroll students in a summer learning program. Options for financial relief include applying for available scholarships with outside organizations, waiver of fees based on family income or hardship.

Implementing the recommended tuition fee increase may contribute to improved student attendance and completion rates. By requiring a financial commitment, students and families may be more likely to prioritize enrollment and program attendance. The increased sense of ownership can lead to greater engagement in the summer learning opportunity. Students may also realize the importance of passing their classes during the SY to avoid the cost of tuition for credit recovery.

Authorization:

Authorization for setting the aforementioned fees is provided under section 8-30-2, HAR, "The tuition shall be established by the Superintendent of the Department, upon approval by the Board."

4. SCHOOL MEALS

Recommendation:

The Department is requesting Board approval of increases to school meal prices beginning in SY 2025-26, as described in Table 4.

Effective and Compliance Date:

Upon Board approval, the meal price increase would take effect at the beginning of SY 2025-26.

Background and Discussion:

The Department is pursuing an increase in school meal prices that is necessary to ensure the continued sustainability of the meal program and address the rising food and operational costs. The Board last approved an increase on April 7, 2015, effective in SY 2015-16, which increased student breakfast by \$0.10 and increased student lunch by \$0.25 to the current rates, described in Table 4. The 2015 increase addressed the rising labor cost and inflation rates, as well as comply with the United States Department of Agriculture – Food and Nutrition Services federal guidelines. The recommended increase will allow the Department to maintain the quality of meals provided while adhering to the standards set by federal child nutrition programs.

Further, section 302A-405, HRS, requires that meal prices cover at least half of the meal production costs. Currently, the cost of producing a lunch is approximately \$9.00, whereas students in grades K-8 are charged \$2.50 and high school students \$2.75. These prices fall well below the mandated threshold, necessitating an adjustment to align with legal requirements and ensure the program’s financial viability. Additionally, it supports the continued provision of high-quality, nutritious meals that meet federal child nutrition standards.

The recommended increase may impose additional financial burdens on families, particularly those with multiple children. The higher meal prices could lead to decreased student participation, potentially affecting overall program revenue and student nutrition. However, assistance is available for students who qualify for free or reduced-price meals.

The Department recommends that the increase to comply with 302A-405, HRS, be implemented over a four-year period. The Department will monitor the student participation each year to determine what impact of the increase on student participation.

The recommended price increase may affect the Department’s policies on student nutrition and financial management, particularly by potentially increasing negative balances or lunch loans due to higher meal prices. This could require revisions to policies managing meal debt.

Maintaining a high-quality meal program is critical for student health and learning. Nutritious meals support academic performance and overall well-being. Aligning meal prices with operational costs helps ensure the long-term sustainability of these benefits.

Table 4. Recommended School Meal Prices

Meal	Current Price (since 2015-16)	SY 2025-26	SY 2026-27	SY 2027-28	SY 2028-29
Student Breakfast (Grades K-8)	\$1.10	\$1.35	\$1.60	\$1.85	\$2.10
Student Breakfast (Grades 9-12)	\$1.20	\$1.45	\$1.70	\$1.95	\$2.20

Meal	Current Price (since 2015-16)	SY 2025-26	SY 2026-27	SY 2027-28	SY 2028-29
Second Breakfast and Adult Breakfast	\$2.40	\$3.50	\$4.00	\$4.50	\$5.00
Student Lunch (Grades K-8)	\$2.50	\$3.00	\$3.75	\$4.25	\$4.75
Student Lunch (Grades 9-12)	\$2.75	\$3.25	\$4.00	\$4.50	\$5.00
Second Lunch and Adult Lunch	\$5.50	\$7.50	\$8.50	\$9.50	\$10.00

Authorization:

Authorization for setting the aforementioned fees is provided under section 8-37-3, HAR, “The price of meals shall be established by the superintendent of education upon approval by the Board and in accordance with state and federal laws and regulations.”

5. SCHOOL BUS FARE

No Board action is required. This item is for information only.

Upon completion of the administrative rules adoption process, pursuant to Chapter 91, HRS. The fare increase would be implemented beginning August 4, 2025, the first day of school, or the beginning of the academic quarter following approval of the administrative rule amendment by the Governor, whichever is later.

Background and Discussion:

The Department will be pursuing amendments to Chapter 8-27, HAR, Transportation of Students, to allow school bus fares to be increased regularly in accordance with county bus fare rates. Chapter 8-27, HAR, was last revised in 2021, and required that school bus fares be set through the administrative rulemaking process.

The recommended action would be to amend Chapter 8-27, HAR, to:

- Conform the rule to current practice, which offers quarterly passes and no longer offers single trips or annual passes;
- Allow the Department to adjust the bus fare without the necessity of amending Chapter 8-27, HAR, provided the public is afforded the opportunity to provide testimony prior to ac; and
- Remove language that may provide reimbursement to schools for the cost to schools of the school bus program, as this is an obsolete practice.

The Department should regularly adjust the school bus fares so that changes are manageable by parents, rather than less-frequent, larger increases. School bus fares were last increased in July 2021. The current annual cost to operate the regular school bus per student rider is \$1,632.00, which equates to approximately \$408.00 per academic quarter.

Adjustment of bus fares would closely mirror adjustments made to county bus fares. The price for a monthly youth HOLO card for TheBus increased from \$35.00 to \$40.00 effective July 1, 2023. Aligning the school bus fare with the current youth fare for the city bus on O‘ahu will ensure a consistent and equitable rate for both transportation options available to students on O‘ahu. The annual cost of a HOLO card for the ten (10) months required for an academic year is \$400.00. Students on Kaua‘i pay \$25.00 per month for a county bus pass with no option of replacement if their pass gets lost or stolen. Students on Maui and Hawai‘i Island currently ride free on county buses.

Upon approval of the recommended amendments through the administrative rules process, the school bus fare may be increased as set forth below in two annual steps:

School Bus Quarterly Pass	2011 Rates (when the last adjustment was made)	Current Rate (as of SY 2024-25)	Recommended (starting SY 2025-26)	Recommended (starting SY 2026-27)
One-Way (AM or PM only)	\$30.00	\$36.00	\$42.50	\$50.00
Round Trip (AM and PM)	\$60.00	\$72.00	\$85.00	\$100.00

The current rule provides that any increase in the school bus fare must be accomplished by rulemaking. This recommended change would provide the Department with flexibility to recommended changes while still allowing for public input.

Authorization:

School bus fares are currently set in Chapter 8-27, HAR.

6. SUMMARY OF RECOMMENDATIONS

The Department recommends Board approval of the following as described herein:

1. Increases to the maximum allowable amount for Student Activity Fees beginning with SY 2026-27, as described in Table 1;
2. A Summer School Fee Schedule to be implemented beginning Summer 2026, as described in Table 3; and
3. Increases to school meal prices to be implemented beginning SY 2025-26, as described in Table 4.

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c: Deputy of Academics
Deputy of Strategy and Administration
Deputy of Operations
Office of Curriculum and Instructional Design
Office of Facilities and Operations
Office of Strategy, Innovation, and Performance