

Honolulu, Hawaii

**APR 28**, 2006

RE: S.B. No. 2719  
S.D. 2  
H.D. 1  
C.D. 1

Honorable Robert Bunda  
President of the Senate  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2719, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to improve Hawaii's charter school system by adopting many of the priority proposals developed by the Task Force on Charter School Governance that was established by Act 87, Session Laws of Hawaii 2005. Among other things, this bill:

- (1) Provides consistency and clarity for statutes relating to the administration and governance of charter schools by recodifying and reorganizing the statutes into a new chapter;



- (2) Renames the Charter School Review Panel as the Charter School Oversight Panel, and more clearly specifies its powers;
- (3) Changes the limit on the number of charter schools that may be established;
- (4) Creates clarity in the establishment of start-up and conversion charter schools;
- (5) Enhances and clarifies the powers and duties of the Charter School Administrative Office (CSAO) and its executive director;
- (6) Clarifies civil service provisions for charter school employees; and
- (7) Clarifies collective bargaining provisions for charter school employees.

Upon careful consideration, your Committee on Conference has amended this bill by substituting the language in this bill with the language of companion bill H.B. No. 2962, S.D. 1, and further amending the bill by:

- (1) Expanding the charter school review panel's (Panel's) membership and duties, rather than renaming it "charter school oversight panel", as follows:
  - (a) Relating to composition, including:
    - (1) Requiring representation from start-up charter schools and conversion charter schools on the Panel;
    - (2) No longer requiring BOE to appoint Panel members from a list of qualified nominees;
    - (3) Stipulating that the terms of appointed Panel members begin July 1;
    - (4) Clarifying that two appointed members, rather than one, serve an initial term of one year;
    - (5) Allowing BOE to add and replace Panel members whenever positions become vacant;



- (6) Providing for the designation of the chair of the Panel for each school year and whenever there is a vacancy;
- (b) Relating to responsibilities and operations, including:
- (1) Amending the definition of "charter school review panel";
  - (2) Requiring the Panel to be accountable to and report to BOE;
  - (3) Limiting the Panel's functions to reviewing, recommending, and evaluating;
  - (4) Specifying that if BOE does not issue or deny a charter, approve or deny significant amendments to detailed implementation plans, or take action on recommendations for charter school probation or charter revocation, within 60 calendar days of receipt, the Panel's recommendations on such shall automatically become effective;
  - (5) Requiring BOE to adopt rules for an appeals process in the case that the Panel decides not to recommend the issuance of a new charter, or to recommend significant amendments to detailed implementation plans;
  - (5) Requiring BOE to provide for the staff support and expenses of the Panel;
  - (6) Removing the authorization for the Panel to adopt administrative rules;
  - (7) Removing the conditions for the Panel's exemption from the Sunshine Law, or Chapter 92, Hawaii Revised Statutes (HRS);
- (2) Designating the Board of Education (BOE) as the charter authorizer and clarifying the associated responsibilities, including, in addition to those already mentioned:



- (a) Implementation of Panel recommendations, if BOE concurs, unless it does not act upon the recommendations within a certain period of time;
  - (b) Reporting to the Legislature;
- (3) Changing the definition of "detailed implementation plan" to mean the document that details a charter school's purpose, focus, operations, organization, finances, and accountability, and becomes the basis for a performance contract between BOE and the charter school;
- (4) Allowing one new start-up charter school to be authorized for each existing start-up, but not conversion charter school, that has received a certain accreditation or for each start-up charter school whose charter is revoked, and setting a limit of 25 conversion charter schools;
- (5) Changing the start-up and conversion charter school application process, including:
- (a) Removing specific deadlines and stipulations for the detailed process, and instead requiring BOE to determine the schedule and provisions;
  - (b) Removing provisions for the issuance of provisional approval of a charter;
  - (c) Requiring that upon approval of a start-up or conversion charter school, CSAO shall submit to BOE a proposed budget for its funding;
- (6) Changing the requirements that local school boards must adhere to as a condition of their exemption from Chapter 92, HRS, including:
- (a) Requiring local school boards to make available only the notices and agendas of public meetings;
  - (b) Removing specific instructions regarding internal procedures; and
  - (c) Requiring local school boards to make available the minutes from public meetings on a timely basis;



- (7) Changing the responsibilities of the CSAO and its executive director, including:
  - (a) No longer requiring the executive director to communicate BOE's positions, policies, and view on charter schools to policy makers, charter schools, and the public;
  - (b) Requiring the executive director to take on additional functions as follows:
    - (1) Provide guidance and assistance to charter applicants and charter schools in various capacities;
    - (2) Assist BOE in coordinations with charter schools in BOE investigations and evaluations of charter schools; and
    - (3) Serve as the communicator between charter schools and BOE and the Department of Education (DOE);
  - (c) Requiring the executive director to be evaluated annually by BOE only;
  - (d) Requiring CSAO to withhold funds for charter school enrollments that are inconsistent with approved detailed implementation plans, and to repay overpayments or over-allocations received by charter schools when not repaid in a timely manner; and
- (8) Further clarifying the civil service provisions for employees of DOE schools that become conversion charter schools and employees of conversion charter schools;
- (9) Clarifying that licensed charter school teachers, as determined by the Hawaii Teacher Standards Board, who are not yet tenured and are entering or returning to DOE after employment at a charter school, are subject to no more than one year of probation;
- (10) Authorizing BOE to make adjustments in per-pupil allocations;



- (11) Allowing a nonprofit organization that governs more than one conversion charter school to cast one vote representing each school it governs;
- (12) Clarifying that funds for charter schools through DOE's weighted student formula shall be transferred by DOE to CSAO for distribution to the charter schools;
- (13) Requiring annual self-evaluations from the charter schools to be submitted to BOE, requiring BOE to conduct multi-year evaluations of certain charter schools, and allowing BOE to conduct special evaluations of charter schools at any time;
- (14) Authorizing BOE to place a charter school on probationary status, provided that among other things:
  - (a) The Panel evaluates the charter school or review an evaluation of the charter school and makes recommendations to BOE; and
  - (b) BOE and CSAO are involved in substantive discussions with the charter school regarding the areas of deficiencies;
- (15) After a decision to revoke its charter, allowing a charter school to remain open until a plan for an orderly shut-down and transfer of students and assets is developed and executed, or until the school year ends, whichever comes first, unless there is an immediate concern for student or employee health or safety, in which case BOE may adopt an interim restructuring plan;
- (16) Requiring BOE to adopt rules pursuant to chapter 91 for placing charter schools on probation and for revoking a charter;
- (17) Adding a provision for assault in the second degree on charter school employees;
- (18) Removing the \$200,000 appropriation for BOE to carry out its duties relating to charter schools;
- (19) Inserting provisions to allow the State to enter into long-term leases of lands and buildings with charter schools for the location of school facilities;



- (20) Changing the effective date to upon approval; and
- (21) Making technical, nonsubstantive changes for clarity, consistency, and style, including renumbering the sections of chapter 302B as needed.

Your Committee on Conference respectfully urges BOE to adopt rules in an expeditious manner to ensure efficient implementation of the provisions of this bill for the improvement of Hawaii's charter school system.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2719, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2719, S.D. 2, H.D. 1, C.D. 1.

Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

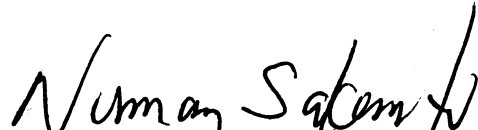
ON THE PART OF THE SENATE



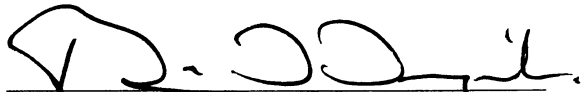
ROY TAKUMI, Co-Chair



DWIGHT TAKAMINE, Co-Chair



NORMAN SAKAMOTO, Chair



BRIAN T. TANIGUCHI, Co-Chair



BRIAN KANNO, Co-Chair



**Hawaii State Legislature**

**Record of Votes of a  
Conference Committee**

Bill / Concurrent Resolution No.: <b>SB 2719, SD 2, HD 1</b>	Date/Time: <b>4/28/06 4:45pm</b>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
SAKAMOTO, Norman, Chr.	✓				TAKUMI, Roy M., Co-Chr.	✓			
TANIGUCHI, Brian, Co-Chr.	✓				TAKAMINE, Dwight Y., Co-Chr.	✓			
KANNO, Brian, Co-Chr.	✓				FINNEGAN, Lynn		✓		
TSUTSUI, Shan S.				✓					
HOGUE, Bob	✓								
<b>TOTAL</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>TOTAL</b>	<b>2</b>	<b>1</b>	<b>-</b>	<b>-</b>

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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**Distribution:**     
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