
A BILL FOR AN ACT

RELATING TO EDUCATION.

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

- 1 SECTION 1. The legislature finds that there are two
2 important purposes for charter schools, namely:
- 3 (1) Providing administrators, parents, students, and
4 teachers with expanded alternative public school
5 choices in the types of schools, educational programs,
6 opportunities, and settings including services for
7 underserved populations, geographical areas, and
8 communities; and
- 9 (2) Encouraging and, when resources and support are
10 provided, serving as a research venue for the
11 development, use, and dissemination of alternative and
12 innovative approaches to educational governance,
13 financing, administration, curricula, technology, and
14 teaching strategies.

15 The legislature finds that confusion continues over the
16 appropriate relationship between and among the board of
17 education, the executive director of the charter school



1 administrative office, and the involvement of charter schools in
2 providing necessary input and participation in evaluating the
3 executive director. Many feel the level of autonomy required by
4 the executive director and the charter school administrative
5 office in order to fully implement the law has not been
6 realized.

7 The legislature also finds that the board of education has
8 an increasingly complex and challenging task in the
9 administration and oversight of department of education schools
10 and in the implementation of Act 51, Session Laws of Hawaii
11 2004. With part-time members, and a relatively small support
12 staff, the board cannot devote the appropriate amount of time,
13 focus, energy, and resources to discharge all the duties of a
14 charter school authorizer, from approval of new charters, to
15 accountability, to proactive support to ensure the success of
16 the charter schools. Time devoted to understanding and
17 implementing the duties of an authorizer of charter schools is
18 also time taken away from the tasks of holding department of
19 education schools accountable. The time it took the board to
20 appoint the members of the review panel and the delays in
21 development of proposed administrative rules illustrate an
22 increasingly frustrating situation.



1 Consequently, in order to facilitate the appropriate focus,
2 time, knowledge, and resources on both the department of
3 education schools and the charter schools, the legislature
4 believes that certain important and time-consuming duties of
5 charter school authorization and oversight should be delegated
6 to the charter school review panel.

7 The purpose of this Act is to:

- 8 (1) Clarify that the board of education will continue to
9 play a significant role in policymaking for charter
10 schools by retaining the power to adopt administrative
11 rules, appointing the members of the charter school
12 review panel, authorizing new charter schools after
13 receiving a recommendation from the panel, and serving
14 as an appeals board for applicants or charters that
15 are unhappy with decisions of the charter school
16 review panel;
- 17 (2) Delegate the primary role of approving amendments to
18 detailed implementation plans, placing charter schools
19 on probation, revocation of charter schools, and the
20 appointment and evaluation of the executive director
21 to the charter school review panel;



- 1 (3) Clarify how the executive director is appointed and
- 2 evaluated;
- 3 (4) Update the funding formula to ensure that charter
- 4 school allocations are based on the most recent
- 5 department budget base, and to include a per-pupil
- 6 allocation for start-up charter school facility costs;
- 7 (5) Clarify that local school boards have the authority to
- 8 enter into long-term lease agreements; and
- 9 (6) Shift the burden of providing staff and resources for
- 10 the charter school review panel from the board of
- 11 education to the charter school administrative office
- 12 and require the office to prepare a special budget
- 13 request for operations of the charter school review
- 14 panel.

15 SECTION 2. Section 89-6, Hawaii Revised Statutes, is
16 amended by amending subsection (g) to read as follows:

17 "(g) The following individuals shall not be included in
18 any appropriate bargaining unit or be entitled to coverage under
19 this chapter:

- 20 (1) Elected or appointed official;
- 21 (2) Member of any board or commission; provided that
- 22 nothing in this paragraph shall prohibit a member of a



1 collective bargaining unit from serving on a local
2 school board of a charter school or the charter school
3 review panel established under chapter 302B;

4 (3) Top-level managerial and administrative personnel,
5 including the department head, deputy or assistant to
6 a department head, administrative officer, director,
7 or chief of a state or county agency or major
8 division, and legal counsel;

9 (4) Secretary to top-level managerial and administrative
10 personnel under paragraph (3);

11 (5) Individual concerned with confidential matters
12 affecting employee-employer relations;

13 (6) Part-time employee working less than twenty hours per
14 week, except part-time employees included in
15 bargaining unit (5);

16 (7) Temporary employee of three months' duration or less;

17 (8) Employee of the executive office of the governor or a
18 household employee at Washington Place;

19 (9) Employee of the executive office of the lieutenant
20 governor;

21 (10) Employee of the executive office of the mayor;

22 (11) Staff of the legislative branch of the State;



1 (12) Staff of the legislative branches of the counties,
2 except employees of the clerks' offices of the
3 counties;

4 (13) Any commissioned and enlisted personnel of the Hawaii
5 national guard;

6 (14) Inmate, kokua, patient, ward, or student of a state
7 institution;

8 (15) Student help;

9 (16) Staff of the Hawaii labor relations board;

10 (17) Employee of the Hawaii national guard youth challenge
11 academy; or

12 (18) Employees of the office of elections."

13 SECTION 3. Section 302A-101, Hawaii Revised Statutes, is
14 amended by amending the definition of "charter school review
15 panel" or "panel" to read as follows:

16 ""Charter school review panel" or "panel" means the panel
17 established in section 302B-3 [~~with the powers and duties to~~
18 ~~make recommendations to the board regarding charter schools]~~."

19 SECTION 4. Section 302A-1101, Hawaii Revised Statutes, is
20 amended by amending subsection (d) to read as follows:

21 "(d) The board shall [~~serve as the charter authorizer for~~
22 ~~charter schools, with]~~ appoint the charter school review panel,



1 which shall have the power and duty to [~~issue charters,~~
2 recommend to the board new charter schools, oversee and monitor
3 charter schools, hold charter schools accountable for their
4 performance, and revoke charters."

5 SECTION 5. Section 302B-1, Hawaii Revised Statutes, is
6 amended by amending the definitions of "local school board" and
7 "organizational viability" to read as follows:

8 "Local school board" means the autonomous governing body
9 of a charter school that receives the charter and is responsible
10 for the financial and academic viability of the charter
11 school[~~]~~ and implementation of the charter, [~~and~~] possesses the
12 independent authority to determine the organization and
13 management of the school, the curriculum, virtual education, and
14 compliance with applicable federal and state laws, [~~and that~~]
15 has the power to negotiate supplemental collective bargaining
16 agreements with exclusive representatives of their employees[~~]~~,
17 and has the authority to enter into long-term lease agreements.

18 "Organizational viability" means that a charter school:

- 19 (1) Has been duly constituted in accordance with its
20 charter;
- 21 (2) Has a local school board established in accordance
22 with law and the charter school's charter;



- 1 (3) Employs sufficient faculty and staff to provide the
2 necessary educational program and support services to
3 operate the facility in accordance with its charter;
- 4 (4) Maintains accurate and comprehensive records regarding
5 students and employees as determined by the office;
- 6 (5) Meets appropriate standards of student achievement;
- 7 (6) Cooperates with board, panel, and office requirements
8 in conducting its functions;
- 9 (7) Complies with applicable federal, state, and county
10 laws and requirements;
- 11 (8) In accordance with office guidelines and procedures,
12 is financially sound and fiscally responsible in its
13 use of public funds, maintains accurate and
14 comprehensive financial records, operates in
15 accordance with generally accepted accounting
16 practices, and maintains a sound financial plan;
- 17 (9) Operates within the scope of its charter and fulfills
18 obligations and commitments of its charter;
- 19 (10) Complies with all health and safety laws and
20 requirements; and
- 21 (11) Complies with all [~~board~~] panel directives, policies,
22 and procedures."



1 SECTION 6. Section 302B-3, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending subsections (a) to (d) to read:

4 "(a) There is established the charter school review panel,
5 which shall be placed within the department for administrative
6 purposes only. The panel shall be accountable to [~~and report~~
7 ~~to~~] the charter schools, the board[-], and the general public.

8 (b) The panel shall consist of [~~nine~~] eleven members, and
9 shall include:

10 (1) Two licensed teachers regularly engaged in teaching;
11 provided that one teacher is employed at a start-up
12 charter school, and one teacher is employed at a
13 conversion charter school;

14 (2) Two educational officers; provided that one
15 educational officer is employed at a start-up charter
16 school, and one educational officer is employed at a
17 conversion charter school;

18 (3) One member or former member of a charter school local
19 school board;

20 (4) The chair of the board of education or the chair's
21 designee;



1 ~~[(5)]~~ ~~The executive director or the executive director's~~
2 designee;

3 ~~[(6)]~~ (5) A representative of Hawaiian culture-focused
4 schools; ~~[and]~~

5 ~~[(7)]~~ (6) A representative of the University of Hawaii~~[-]~~;

6 (7) One member with a background in business or
7 accounting;

8 (8) One member with a background in the building trades or
9 real estate; and

10 (9) A representative from the Hawaii Independent Schools
11 Association.

12 (c) The board shall appoint the remaining members of the
13 panel other than the chair of the board ~~[and the executive~~
14 ~~director]~~.

15 (d) Appointed panel members shall serve not more than
16 three consecutive three-year terms, with each term beginning on
17 July 1; provided that the initial terms of the appointed members
18 that commence after June 30, 2006, shall be staggered as
19 follows:

20 (1) ~~[Three]~~ Four members to serve three-year terms;

21 (2) ~~[Two]~~ Three members to serve two-year terms; and

22 (3) ~~[Two]~~ Three members to serve a one-year term."



1 2. By amending subsections (i) to (k) to read:

2 "(i) The powers and duties of the panel shall be to:

3 (1) Review charter applications for new charter schools in

4 accordance with sections 302B-5 and 302B-6 and make

5 recommendations to the board for the issuance of new

6 charters; provided that if the board does not issue or

7 deny the charter within sixty calendar days of the

8 board's receipt of the recommendations, the

9 recommendations shall automatically become effective;

10 (2) Review, approve, or deny significant amendments to

11 detailed implementation plans to maximize the school's

12 financial and academic success, long-term

13 organizational viability, and accountability~~[, and~~

14 ~~make recommendations to the board; provided that if~~

15 ~~the board does not approve or deny the amendments~~

16 ~~within sixty calendar days of receipt of the~~

17 ~~recommendations, the recommendations shall~~

18 ~~automatically become effective;]~~. Charter schools

19 that are denied a significant amendment to their

20 detailed implementation plan, within sixty calendar

21 days, may appeal to the board for a final decision;



- 1 (3) ~~[Recommend to the board]~~ Adopt reporting requirements
2 for charter schools;
- 3 (4) Review annual self-evaluation reports from charter
4 schools and ~~[make recommendations to the board;]~~ take
5 appropriate action;
- 6 (5) ~~[As directed by the board, evaluate]~~ Evaluate any
7 aspect of a charter school that the ~~[board]~~ panel may
8 have concerns with ~~[and make recommendations to the~~
9 ~~board;]~~ and take appropriate action, which may include
10 probation or revocation; ~~[provided that if the board~~
11 ~~does not take action on the recommendations within~~
12 ~~sixty calendar days, the recommendations shall~~
13 ~~automatically become effective;]~~
- 14 (6) Periodically ~~[recommend to the board]~~ adopt
15 improvements in the ~~[board's]~~ panel's monitoring and
16 oversight of charter schools; and
- 17 (7) Periodically ~~[recommend to the board]~~ adopt
18 improvements in the office's support of charter
19 schools and management of the charter school system.
- 20 (j) In the case that the panel decides not to recommend
21 the issuance of a new charter, or to ~~[recommend]~~ approve



1 significant amendments to detailed implementation plans, the
2 board shall adopt rules for an appeals process.

3 (k) The [~~board~~] office shall provide for the staff support
4 and expenses of the panel. The [~~board~~] office shall submit to
5 the legislature annual appropriation requests to fund the
6 operations of the panel."

7 SECTION 7. Section 302B-5, Hawaii Revised Statutes, is
8 amended by amending subsection (c) to read as follows:

9 "(c) The start-up charter school application process and
10 schedule shall be determined by the board, and shall provide for
11 and include the following elements:

- 12 (1) The submission of a letter of intent to operate a
13 start-up charter school;
- 14 (2) The timely transmittal of the application form and
15 completion guidelines to the interim local school
16 board;
- 17 (3) The timely submission to the [~~board~~] panel of a
18 completed application;
- 19 (4) The timely review of the application by the panel for
20 completeness, and notification of the interim local
21 school board if the application is complete or, if the
22 application is insufficient, a written statement of



- 1 the elements of the application that require
- 2 completion;
- 3 (5) The timely resubmission of the application;
- 4 (6) Upon receipt of a completed application, the convening
- 5 of the panel by the panel chairperson to begin review
- 6 of the application;
- 7 (7) The timely notification of the applicant of any
- 8 revisions the panel requests as necessary for a
- 9 recommendation of approval [~~to the board~~];
- 10 (8) The timely transmission of the panel's recommendation
- 11 to the board for adjudication;
- 12 (9) Following the submission of an application, issuance
- 13 of a charter or denial of the application by the board
- 14 by majority vote; provided that if the board does not
- 15 approve the application and issue a charter,
- 16 provisions requiring the board to:
- 17 (A) Clearly identify in writing its reasons for not
- 18 issuing the charter, which may be used as
- 19 guidelines for an amended plan; and
- 20 (B) Allow the local school board to revise its plan
- 21 in accordance with the board's guidelines, and



1 resubmit an amended plan within ten calendar
2 days;

3 (10) A provision for a final date on which a decision must
4 be made, upon receipt of an amended plan;

5 (11) A provision that no start-up charter school may begin
6 operation before obtaining board approval of its
7 charter; and

8 (12) A requirement that upon approval of the start-up
9 charter school, the office shall submit to the board a
10 proposed budget for funding of the start-up school for
11 submittal to the governor and legislature."

12 SECTION 8. Section 302B-8, Hawaii Revised Statutes, is
13 amended by amending subsections (a) to (e) to read as follows:

14 "(a) There is established a charter school administrative
15 office, which shall be attached to the department for
16 administrative purposes only. The office shall be administered
17 by an executive director, who shall be appointed without regard
18 to chapters 76 and 89 by the ~~[board]~~ panel based upon the
19 recommendations of an organization of charter schools operating
20 within the State or from a list of nominees submitted by the
21 charter schools. The ~~[board may]~~ panel shall hire the executive
22 director ~~[on a multi-year contract.]~~ for a term of not less than



1 two years, and shall offer the executive director a written
2 contract and may terminate the executive director's contract
3 only for cause. The executive director may hire necessary staff
4 without regard to chapters 76 and 89 to assist in the
5 administration of the office.

6 (b) The executive director, under the direction of the
7 ~~[board]~~ panel and ~~[in consultation with]~~ the charter schools,
8 shall be responsible for the internal organization, operation,
9 and management of the charter school system, including:

- 10 (1) Preparing and executing the budget for the charter
11 schools, including submission of the budget request to
12 the board, the governor, and the legislature;
- 13 (2) Allocating annual appropriations to the charter
14 schools and distribution of federal funds to charter
15 schools;
- 16 (3) Complying with applicable state laws related to the
17 administration of the charter schools;
- 18 (4) Preparing contracts between the charter schools and
19 the department for centralized services to be provided
20 by the department;
- 21 (5) Preparing contracts between the charter schools and
22 other state agencies for financial or personnel



- 1 services to be provided by the agencies to the charter
2 schools;
- 3 (6) Providing independent analysis and recommendations on
4 charter school issues;
- 5 (7) Representing charter schools and the charter school
6 system in communications with the board, the governor,
7 and the legislature;
- 8 (8) Providing advocacy, assistance, and support for the
9 development, growth, progress, and success of charter
10 schools and the charter school system;
- 11 (9) Providing guidance and assistance to charter
12 applicants and charter schools to enhance the
13 completeness and accuracy of information for panel or
14 board review;
- 15 (10) Assisting charter applicants and charter schools in
16 coordinating their interactions with the panel or the
17 board as needed;
- 18 (11) Assisting the [~~board~~] panel to coordinate with charter
19 schools in [~~board~~] panel investigations and
20 evaluations of charter schools;



- 1 (12) Serving as the conduit to disseminate communications
- 2 from the panel, the board, and the department to all
- 3 charter schools;
- 4 (13) Determining charter school system needs and
- 5 communicating [~~such~~] those needs [~~with~~] to the panel,
- 6 the board, and the department;
- 7 (14) Establishing a dispute resolution and mediation
- 8 [~~panel~~] process; and
- 9 (15) Upon request by one or more charter schools, assisting
- 10 in the negotiation of a collective bargaining
- 11 agreement with the exclusive representative of its
- 12 employees.
- 13 (c) The executive director shall be evaluated annually by
- 14 the board[~~er~~], the panel, and the charter schools. The annual
- 15 evaluation shall be conducted sufficiently in advance of the end
- 16 of a term to provide the executive director the opportunity to
- 17 respond to concerns and improve performance.
- 18 (d) The salary of the executive director and staff shall
- 19 be set by the [~~board~~] panel based upon the recommendations of
- 20 charter schools within the State; provided that the salaries and
- 21 operational expenses of the office shall be paid from the annual



1 charter school appropriation and shall not exceed two per cent
2 of the total allocation in any fiscal year.

3 (e) The office shall include in its annual budget request,
4 in addition to the per-pupil allocation for all charter schools,
5 additional funds to cover the estimated costs of:

6 (1) Vacation and sick leave accrued by employees
7 transferring to a charter school from another state
8 agency or department;

9 (2) Substitute teachers needed when a teacher is out on
10 vacation or sick leave;

11 (3) Adjustments to enrollments; [~~and~~]

12 (4) Arbitration in the grievance process[~~-~~];

13 (5) Costs associated with administrative and staff support
14 for the panel; and

15 (6) A per-pupil allocation based on per cent of the
16 department's debt service costs, averaged over a
17 three-year period, to start-up charter schools to
18 offset facility, infrastructure, and repair and
19 maintenance costs, and other requested amounts."

20 SECTION 9. Section 302B-12, Hawaii Revised Statutes, is
21 amended as follows:

22 1. By amending subsection (a) to read:



1 "(a) Beginning with fiscal year 2006-2007, and each fiscal
2 year thereafter, the office shall submit a request for general
3 fund appropriations for each charter school based upon:

4 (1) The actual and projected enrollment figures in the
5 current school year for each charter school;

6 (2) A per-pupil amount for each regular education and
7 special education student, which shall be equivalent
8 to the total per-pupil cost based upon average
9 enrollment in all regular education cost categories,
10 including comprehensive school support services but
11 excluding special education services, and for all
12 means of financing except federal funds, as reported
13 in the most recently [~~published department~~
14 ~~consolidated annual financial report,~~] approved
15 executive budget recommendations for the department;
16 provided that the legislature may make an adjustment
17 to the per-pupil allocation for the purposes of this
18 section; [~~and~~]

19 (3) Those fringe benefit costs requested shall be included
20 in the department of budget and finance's annual
21 budget request. No fringe benefit costs shall be
22 charged directly to or deducted from the charter



1 school per-pupil allocations unless they are already
2 included in the funds distributed to the charter
3 school. Reimbursements for fringe benefit costs shall
4 be distributed by the department of budget and finance
5 to charter schools on a quarterly basis; and

6 (4) A per-pupil allocation based on per cent of the
7 department's debt service costs, averaged over a
8 three-year period, to start-up charter schools to
9 offset facility, infrastructure, and repair and
10 maintenance costs, and other requested amounts.

11 The legislature shall make an appropriation based upon the
12 budget request; provided that the legislature may make
13 additional appropriations for fringe, workers' compensation, and
14 other employee benefits, a per-pupil allocation based on per
15 cent of the department's debt service costs, averaged over a
16 three-year period, to start-up charter schools to offset
17 facility, infrastructure, and repair and maintenance costs,
18 other facility costs, and other requested amounts.

19 The governor, pursuant to chapter 37, may impose
20 restrictions or reductions on charter school appropriations
21 similar to those imposed on other public schools."

22 2. By amending subsection (c) to read:



1 "(c) To enable charter schools to access state funding
2 prior to the start of each school year, foster their fiscal
3 planning, and enhance their accountability, the office shall:

4 (1) Provide fifty per cent of a charter school's per-pupil
5 allocation based on the charter school's projected
6 student enrollment no later than July 20 of each
7 fiscal year; provided that the charter school shall
8 submit to the office a projected student enrollment no
9 later than May 15 of each year;

10 (2) Provide an additional forty per cent of a charter
11 school's per-pupil allocation no later than
12 November 15 of each year; provided that the charter
13 school shall submit to the office:

14 (A) Student enrollment as verified on October 15 of
15 each year; provided that the student enrollment
16 shall be verified on the last business day
17 immediately prior to October 15 should that date
18 fall on a weekend; and

19 (B) An accounting of the percentage of student
20 enrollment that transferred from public schools
21 established and maintained by the department;
22 provided that these accountings shall also be



1 submitted by the office to the legislature no
2 later than twenty days prior to the start of each
3 regular session; and

4 (3) The remaining ten per cent per-pupil allocation of a
5 charter school no later than January 1 of each year as
6 a contingency balance to ensure fiscal accountability;

7 provided that the [~~board~~] panel may make adjustments in
8 allocations based on noncompliance with office administrative
9 procedures and board-approved accountability requirements."

10 SECTION 10. Section 302B-14, Hawaii Revised Statutes, is
11 amended by amending subsections (a) to (g) to read as follows:

12 "(a) Every charter school shall conduct annual self-
13 evaluations that shall be submitted to the [~~board~~] panel within
14 sixty working days after the completion of the school year[-],

15 or in accordance with reporting requirements adopted by the
16 panel. The self-evaluation process shall include but not be
17 limited to:

18 (1) The identification and adoption of benchmarks to
19 measure and evaluate administrative and instructional
20 programs;

21 (2) The identification of any innovations or research that
22 may assist other public schools;



1 (3) The identification of any administrative and legal
2 barriers to meeting the adopted benchmarks, and
3 recommendations for improvements and modifications to
4 address the barriers;

5 (4) An evaluation of student achievement within the
6 charter school;

7 (5) A profile of the charter school's enrollment and the
8 community it serves, including a breakdown of regular
9 education and special education students; and

10 (6) An evaluation of the school's organizational
11 viability.

12 (b) The ~~[board]~~ panel shall conduct multi-year evaluations
13 of charter schools that have been chartered for four or more
14 years. ~~[The board shall adopt rules pursuant to chapter 91 for~~
15 ~~its evaluations.]~~

16 (c) The ~~[board]~~ panel may conduct special evaluations of
17 charter schools at any time.

18 (d) The ~~[board]~~ panel may place a charter school on
19 probationary status; provided that:

20 (1) The panel evaluates the charter school or reviews an
21 evaluation of the charter school ~~[and makes~~
22 ~~recommendations to the board];~~



- 1 (2) The [~~board~~] panel and the office are involved in
2 substantive discussions with the charter school
3 regarding the areas of deficiencies;
- 4 (3) The notice of probation is delivered to the charter
5 school and specifies the deficiencies requiring
6 correction, the probation period, and monitoring and
7 reporting requirements;
- 8 (4) For deficiencies related to student performance, a
9 charter school shall be allowed two years to improve
10 student performance; and
- 11 (5) For deficiencies related to financial plans, a charter
12 school shall be allowed one year to develop a sound
13 financial plan.

14 The charter school shall remain on probationary status
15 until the [~~board~~] panel votes to either remove the charter
16 school from probationary status or revoke its charter.

17 (e) If a charter school fails to resolve deficiencies by
18 the end of the probation period, the [~~board~~] panel may revoke
19 the charter; provided that the vote of two-thirds of all the
20 members to which the [~~board~~] panel is entitled shall be required
21 to revoke the charter.



1 (f) The [~~board~~] panel may place a charter school on
2 probationary status or revoke the charter for serious student or
3 employee health or safety deficiencies; provided that:

4 (1) The charter school is given notice of specific health
5 or safety deficiencies and is afforded an opportunity
6 to present its case to the [~~board~~] panel;

7 (2) The [~~board~~] panel chair appoints a task group, which
8 may be an investigative task group [~~, the panel,~~] or
9 the office, to visit the charter school and conduct
10 meetings with its local school board and its school
11 community to gather input;

12 (3) Based on its findings, the task group shall recommend
13 to the [~~board~~] panel to revoke the charter, place the
14 charter school on probation, or continue the charter;

15 (4) The vote of two-thirds of all the members to which the
16 [~~board~~] panel is entitled shall be required to revoke
17 the charter;

18 (5) The best interest of the school's students guide all
19 decisions; and

20 (6) After a decision to revoke a charter, the charter
21 school shall be allowed to remain open until a plan
22 for an orderly shutdown or transfer of students and



1 assets is developed and executed, or until the school
2 year ends, whichever comes first.

3 (g) If there is an immediate concern for student or
4 employee health or safety at a charter school, the [~~board,~~
5 panel, in consultation with the office, may adopt an interim
6 restructuring plan that may include the appointment of an
7 interim local school board, an interim local school board
8 chairperson, or a principal to temporarily assume operations of
9 the school; provided that if possible without further
10 jeopardizing the health or safety of students and employees, the
11 charter school's stakeholders and community are first given the
12 opportunity to elect a new local school board which shall
13 appoint a new interim principal."

14 SECTION 11. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$, or so
16 much thereof as may be necessary for fiscal year 2007-2008, and
17 the same sum, or so much thereof as may be necessary for fiscal
18 year 2008-2009, to the charter school administrative office for
19 annual budget requests in addition to the per-pupil allocation
20 for all charter schools to cover the estimated costs of:



- 1 (1) Vacation and sick leave accrued by employees
- 2 transferring to a charter school from another state
- 3 agency or department;
- 4 (2) Substitute teachers needed when a teacher is out on
- 5 vacation or sick leave;
- 6 (3) Adjustments to enrollments;
- 7 (4) Arbitration in the grievance process;
- 8 (5) Costs associated with administrative and staff support
- 9 for the panel; and
- 10 (6) A per-pupil allocation based on per cent of the
- 11 department's debt service costs, averaged over a
- 12 three-year period, to start-up charter schools to
- 13 offset facility, infrastructure, and repair and
- 14 maintenance costs, and other requested amounts.

15 The sums appropriated shall be expended by the department
 16 of education for the purposes of this Act.

17 SECTION 12. Statutory material to be repealed is bracketed
 18 and stricken. New statutory material is underscored.

19 SECTION 13. This Act shall take effect upon its approval;
 20 provided that:

- 21 (1) Section 11 shall take effect on July 1, 2007; and



1 (2) The amendments made to section 89-6(g), Hawaii Revised
2 Statutes, by section 2 of this Act shall not be
3 repealed when section 89-6, Hawaii Revised Statutes,
4 is repealed and reenacted on July 1, 2008, pursuant to
5 section 8 of Act 245, Session Laws of Hawaii 2005.



Report Title:
Charter Schools

Description:

Expands the duties of the charter school review panel; clarifies the manner in which the executive director of the charter school administrative office is appointed and evaluated; updates the charter school funding formula; requires the charter school administrative office to provide staff and resources for the charter school review panel; and increases the membership of the charter school review panel. (SD2)

