

STAND. COM. REP. NO.

1042

Honolulu, Hawaii

MAR 27 2009

RE: H.B. No. 1686
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Education and Housing, to which was referred H.B. No. 1686, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS,"

begs leave to report as follows:

The purpose of this measure is to clarify aspects of the charter schools law by:

- (1) Eliminating the per-pupil method of funding for charter schools and requiring the charter schools to follow the same budgetary request process as other state agencies; and
- (2) Requiring the Charter School Administrative Office to submit a report of all means of financing with its budgetary request to the Director of Finance.

Testimony in support of this measure was submitted by one state agency. Seven state agencies, including schools, and seventeen individuals submitted testimony in opposition. Comments were submitted by three stage agencies. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee has replaced the contents of this measure with S.B. No. 496, S.D. 2, a charter school measure previously heard in this Committee. Your Committee has also made additional

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amendments to S.B. No. 496, S.D. 2. While there are many comparable provisions in both measures, your Committee believes S.B. No. 496, S.D. 2, presents a more comprehensive approach.

As amended, this measure:

- (1) Requires a Charter School Board to comply with Board of Education policies and Department of Education directives regarding special education and federal programs;
- (2) Clarifies that the Charter School Review Panel is subject to the requirements of the sunshine law;
- (3) Authorizes the Board of Education to remove a Charter School Review Panel member for cause;
- (4) Requires the Charter School Review Panel to approve the charter schools budget, capital improvement projects, and recommendations to allocate non-per-pupil facilities funds to charter schools with facilities needs;
- (5) Clarifies that the budget request submitted by the charter schools shall include all anticipated means of financing;
- (6) Clarifies that the budget request shall include funding for the projected enrollment for each charter school for the next school year;
- (7) Specifies the duties of the Executive Director of the Charter School Administrative Office with regard to the preparation of the budget;
- (8) Clarifies that the salary of the Executive Director and staff shall not exceed two per cent of the total annual general fund allocation, at an amount to be determined by the panel;
- (9) Changes the requirements for the per-pupil funding, and leaving unspecified the amount the Department of Education may retain for administrative costs from charter schools federal funds;

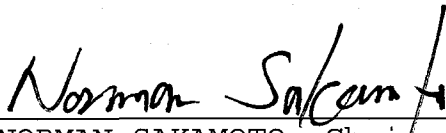


- (10) Requires the Charter School Review Panel to evaluate a charter school on its fourth anniversary and every five years after; and
- (11) Makes the Act effective July 1, 2050, for the purposes of continuing discussion.

Your Committee also acknowledges the work of the Board of Education and the Charter Schools Review Panel in developing a Memorandum of Agreement to identify applicable policies and directives and federal and state laws.

As affirmed by the record of votes of the members of your Committee on Education and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1686, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1686, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Education and
Housing,



NORMAN SAKAMOTO, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Education and Housing
EDH

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1086 HDZ	EDH, WAM	3-20-09		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAKAMOTO, Norman (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne				✓
GALUTERIA, Brickwood	✓			
TSUTSUI, Shan S.	✓			
HEMMINGS, Fred				✓
TOTAL	4			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: right; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes