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# A BILL FOR AN ACT

RELATING TO PUBLIC CHARTER SCHOOLS.

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

1           SECTION 1. The legislature finds that the charter school  
2 movement has progressed over the past few decades into a system  
3 with its own administrative office and review panel to operate,  
4 maintain, and develop charter schools. The legislature finds  
5 that the cap on the number of start-up and conversion charter  
6 schools, originally intended to control the rapid growth of  
7 charter schools beyond the State's ability to manage them, is no  
8 longer necessary and may inhibit the further development and  
9 growth of the charter school system.

10           With the growth and maturation of the charter school  
11 system, however, the legislature also finds the need for greater  
12 accountability and improved processes within the system to  
13 ensure that prudent financial decisions are made and that a  
14 standard of quality is maintained across all charter schools.

15           Further, the legislature finds that some public charter  
16 schools face daunting obstacles such as the high cost of rent  
17 and less-than-desirable locations of their facilities, while the  
18 department of education is considering the closure of certain



1 non-charter public schools due to departmental financial  
2 constraints.

3 The purpose of this Act is to:

4 (1) Require the charter school review panel to adopt a  
5 clear process with rigorous criteria for charter  
6 schools to be reauthorized;

7 (2) Require the charter school review panel to reauthorize  
8 a charter school no later than four years following  
9 the initial issue of the charter and every four years  
10 thereafter;

11 (3) Require the charter school administrative office to  
12 withhold not more than two per cent of the annual  
13 general fund allocation for its operational expenses,  
14 including salaries for staff and the executive  
15 director;

16 (4) Require the charter school administrative office to  
17 report annually to the charter school review panel  
18 individual and aggregate expenditures of charter  
19 schools, clearly distinguishing between expenditures  
20 for operational and instructional purposes;

21 (5) Require per-pupil allocation checks paid by the  
22 charter school administrative office to individual



1 charter schools to be co-signed by the executive  
2 director of the charter school administrative office  
3 and an agent of the charter school review panel to  
4 encourage more intentional and well-informed financial  
5 decision-making;

6 (6) Repeal the cap on the number of start-up and  
7 conversion charter schools;

8 (7) Require the department of education to make available  
9 vacant school facilities or portions of school  
10 facilities for use by charter schools; provided that  
11 the facility is not used by the department to support  
12 education programs; and

13 (8) Make changes to charter school funding, including the  
14 establishment of the over-appropriation special fund,  
15 to further encourage fairness in funding and the  
16 availability of resources to charter schools.

17 SECTION 2. Chapter 302A, Hawaii Revised Statutes, is  
18 amended by adding a new section to be appropriately designated  
19 and to read as follows:

20 **"§302A- Use of vacant public school facilities by**  
21 **charter schools.** (a) When the department considers whether to  
22 close any particular public school, it shall simultaneously give

1 reasonable consideration to making all or portions of the  
2 facilities of the public school available for the exclusive  
3 occupancy and use by a charter school or joint occupancy and use  
4 by the charter school and the department; provided that the  
5 department may elect to use the facilities for the support of  
6 public education programs.

7       (b) The department shall submit a notice of possible  
8 availability of a public school to the charter school review  
9 panel as early as possible; provided that if a vacancy is  
10 established, a notice of vacancy shall be submitted to the  
11 charter school review panel no later than            days after the  
12 establishment of the vacancy.

13       (c) Pursuant to section 302B-A and upon receipt of a  
14 notice pursuant to subsection (b), the charter school review  
15 panel shall solicit applications from charter schools interested  
16 in using and occupying all or portions of the facilities of the  
17 public school and submit a prioritized list of charter schools  
18 to the department for final determination of which charter  
19 school, if any, shall be authorized to use and occupy the public  
20 school facilities.

21       (d) Upon the selection of a charter school to use a vacant  
22 school facility or portion of a school facility, the department



1 and the charter school review panel shall enter into necessary  
2 agreements within            days of the selection to carry out the  
3 purposes of this section.

4        (e) After receipt by the charter school review panel of a  
5 notice pursuant to subsection (b), if the charter school review  
6 panel does not provide a prioritized list of charter schools  
7 because no charter school has requested to use the facilities of  
8 the public school, or if the department receives the prioritized  
9 list but determines that no charter school on the list is an  
10 appropriate candidate to occupy and use the facilities, the  
11 department shall give reasonable consideration to making all or  
12 portions of the facilities of the public school, if closed,  
13 available for occupancy and use for other educational purposes.

14        (f) The department shall adopt rules necessary to carry  
15 out the purposes of this section.

16        (g) For purposes of this section, "public school" means  
17 any school that falls within the definition of public schools in  
18 section 302A-101, except for charter schools."

19        SECTION 3. Chapter 302B, Hawaii Revised Statutes, is  
20 amended by adding two new sections to be appropriately  
21 designated and to read as follows:



1            "§302B-A   Occupancy and use of facilities of public

2 schools.   (a)   When the department considers whether to close  
3 any particular public school, the department shall submit a  
4 notice of possible availability of a public school or notice of  
5 vacancy of a public school to the charter school review panel  
6 pursuant to section 302A- (b); provided that the public school  
7 is not to be used by the department to support education  
8 programs.

9            (b)   Upon receipt of a notice pursuant to section  
10 302A- (b), the charter school review panel shall solicit  
11 applications from charter schools interested in using and  
12 occupying all or portions of the facilities of the public school  
13 by:

14           (1)   Promptly notifying all charter schools that the public  
15               school is being considered for closure;

16           (2)   Affording each charter school an opportunity to submit  
17               an application with a written explanation and  
18               justification of why the charter school should be  
19               considered for possible occupancy and use of the  
20               facilities of the public school;

21           (3)   Fully considering the charter school's application;  
22               and



1       (4) Providing a written response to each charter school's  
2           application after the application has been fully  
3           considered.

4       (c) Based on the application and on other considerations,  
5 the charter school review panel shall compile a prioritized list  
6 of charter schools and submit the list to the department for  
7 final determination of which charter school, if any, shall be  
8 authorized to use and occupy the public school facilities.

9       (d) Upon the selection of a charter school to use a vacant  
10 school facility or portion of a school facility, the department  
11 and the panel shall enter into necessary agreements within  
12 days of the selection to carry out the purposes of this section;  
13 provided that any agreement between the panel and the department  
14 shall stipulate that a charter school that uses and occupies a  
15 public school facility or portion of a public school facility  
16 shall be responsible for the full or pro rata share of the  
17 repair and maintenance costs for that facility or portion of the  
18 facility, as the case may be.

19       (e) The panel shall adopt policies and procedures  
20 necessary to carry out the purposes of this section, including  
21 but not limited to:



- 1        (1) Procedures for charter schools to apply in writing to
- 2            use vacant school facilities;
- 3        (2) Criteria for the panel to use in determining which
- 4            charter schools to include on the prioritized list to
- 5            be submitted to the department; and
- 6        (3) Procedures for the panel to notify charter school
- 7            applicants that are granted or denied the use of
- 8            vacant school facilities.

9        (f) For purposes of this section, "public school" means  
 10 any school that falls within the definition of public schools in  
 11 section 302A-101, except for charter schools.

12        **§302B-B Over-appropriation special fund.** There is  
 13 established within the state treasury a special fund to be known  
 14 as the over-appropriation special fund, into which shall be  
 15 deposited all moneys collected pursuant to section 302B-12(d).  
 16 The special fund shall be administered in accordance with  
 17 section 302B-12(d)."

18        SECTION 4. Section 302A-1151, Hawaii Revised Statutes, is  
 19 amended to read as follows:

20        "[+]§302A-1151[+] **Sale of school lands unnecessary for**  
 21 **school purposes.** The chairperson of the board of land and  
 22 natural resources is hereby requested, upon the recommendation





1 and approval of the superintendent, to sell any state lands,  
2 including the buildings thereon, once used but no longer  
3 necessary for school purposes[-]; provided that no school  
4 facility or portion of a school facility shall be sold before  
5 that facility or portion of the facility is made available for  
6 use by the department or charter schools, pursuant to sections  
7 302A- and 302B-A."

8 SECTION 5. Section 302B-3, Hawaii Revised Statutes, is  
9 amended by amending subsection (i) to read as follows:

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

11 (1) Appoint and evaluate the executive director and  
12 approve staff and salary levels for the charter school  
13 administrative office;

14 (2) Review, approve, or deny charter applications for new  
15 charter schools in accordance with section 302B-5 for  
16 the issuance of new charters; provided that applicants  
17 that are denied a charter may appeal to the board for  
18 a final decision pursuant to section 302B-3.5;

19 (3) Review, approve, or deny significant amendments to  
20 detailed implementation plans to maximize the school's  
21 financial and academic success, long-term  
22 organizational viability, and accountability. Charter



1 schools that are denied a significant amendment to  
2 their detailed implementation plan may appeal to the  
3 board for a final decision pursuant to section  
4 302B-3.5;

5 (4) Pursuant to section 302B-A, compile and submit  
6 prioritized lists of charter schools to the department  
7 and enter into necessary agreements with the  
8 department to authorize charter schools to use and  
9 occupy vacant public school facilities or portions of  
10 school facilities;

11 [~~4~~] (5) Adopt reporting requirements for charter schools;

12 [~~5~~] (6) Review annual self-evaluation reports from  
13 charter schools and take appropriate action;

14 (7) Adopt a clear process and rigorous criteria for the  
15 reauthorization of charter schools;

16 (8) Reauthorize each charter school no later than four  
17 years following the initial issue of a charter and  
18 every four years thereafter;

19 [~~6~~] (9) Evaluate any aspect of a charter school that the  
20 panel may have concerns with and take appropriate  
21 action, which may include probation or revocation;



- 1       ~~[-7-]~~ (10) Periodically adopt improvements in the panel's  
2           monitoring and oversight of charter schools;
- 3       ~~[-8-]~~ (11) Periodically adopt improvements in the office's  
4           support of charter schools and management of the  
5           charter school system;
- 6       ~~[-9-]~~ (12) Review, modify, and approve charter schools' all  
7           means of finance budget, based upon criteria and an  
8           approval process established by the panel; and
- 9       ~~[-10-]~~ (13) Survey all charter school facilities prior to,  
10          and in preparation for, determining recommendations to  
11          allocate non-per-pupil facilities funds to charter  
12          schools with facilities needs. The survey shall  
13          include, at minimum, for each charter school facility:  
14           (A) The current status of the facility;  
15           (B) Facilities costs, including all rents, leases,  
16           purchases, and repair and maintenance for lands  
17           and buildings;  
18           (C) A prioritized list of facilities needs;  
19           (D) Any capital improvement projects underway or  
20          scheduled; and



1 (E) Whether the facility is a conversion or start-up  
2 charter school, and current and projected  
3 enrollment."

4 SECTION 6. Section 302B-8, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 **"§302B-8 Charter school administrative office.** (a) There  
7 is established a charter school administrative office, which  
8 shall be attached to the department for administrative purposes.  
9 only. The office shall be administered by an executive  
10 director, who shall be appointed without regard to chapters 76  
11 and 89 by the panel based upon the recommendations of an  
12 organization of charter schools operating within the State or  
13 from a list of nominees submitted by the charter schools. The  
14 panel shall hire the executive director, who may be contracted  
15 for a term of up to four years; shall offer the executive  
16 director a written contract; and may terminate the executive  
17 director's contract only for cause. The executive director,  
18 with the approval of the panel, may hire necessary staff without  
19 regard to chapters 76 and 89 to assist in the administration of  
20 the office.

21 (b) The executive director, under the direction of the  
22 panel and in consultation with the charter schools, shall be



1 responsible for the internal organization, operation, and  
2 management of the charter school system, including:

3 (1) Preparing and executing the budget and the capital  
4 improvement projects request for the charter schools,  
5 including submission of the all means of finance  
6 budget request that reflects all anticipated  
7 expenditures to the panel, the board, the governor,  
8 and the legislature; provided that, in preparing the  
9 budget request with regard to facilities funding, the  
10 executive director shall ensure that, as a budget item  
11 separate from other operating costs, the request  
12 provides:

13 (A) Funding for projected enrollment for the next  
14 school year for each charter school;

15 (B) A calculation showing the per-pupil funding based  
16 on the department of budget and finance's debt  
17 service appropriation for the department of  
18 education divided by the department of  
19 education's actual enrollment that school year;  
20 and

21 (C) That no less than seventy per cent of the amount  
22 appropriated shall be allocated by the office to



1 start-up charter schools on a per-pupil basis;  
2 provided that the funds remaining shall be  
3 allocated to charter schools with facilities  
4 needs as recommended by the office and approved  
5 by the panel;

6 (2) Allocating annual appropriations to the charter  
7 schools and distribution of federal funds to charter  
8 schools;

9 (3) Complying with applicable state laws related to the  
10 administration of the charter schools;

11 (4) Preparing contracts between the charter schools and  
12 the department for centralized services to be provided  
13 by the department;

14 (5) Preparing contracts between the charter schools and  
15 other state agencies for financial or personnel  
16 services to be provided by the agencies to the charter  
17 schools;

18 (6) Providing independent analysis and recommendations on  
19 charter school issues;

20 (7) Representing charter schools and the charter school  
21 system in communications with the board, the governor,  
22 and the legislature;



- 1           (8) Providing advocacy, assistance, and support for the  
2           development, growth, progress, and success of charter  
3           schools and the charter school system;
- 4           (9) Providing guidance and assistance to charter  
5           applicants and charter schools to enhance the  
6           completeness and accuracy of information for panel  
7           review;
- 8           (10) Assisting charter applicants and charter schools in  
9           coordinating their interactions with the panel as  
10          needed;
- 11          (11) Assisting the panel to coordinate with charter schools  
12          in panel investigations and evaluations of charter  
13          schools;
- 14          (12) Serving as the conduit to disseminate communications  
15          from the panel, the board, and the department to all  
16          charter schools;
- 17          (13) Determining charter school system needs and  
18          communicating those needs to the panel, the board, and  
19          the department;
- 20          (14) Establishing a dispute resolution and mediation  
21          process; and



1 (15) Upon request by one or more charter schools, assisting  
2 in the negotiation of a collective bargaining  
3 agreement with the exclusive representative of its  
4 employees.

5 (c) The executive director shall be evaluated annually by  
6 the panel. The annual evaluation shall be conducted  
7 sufficiently in advance of the end of a term to provide the  
8 executive director the opportunity to respond to concerns and  
9 improve performance.

10 (d) The office shall withhold funds for its operational  
11 expenses, including the salaries of the executive director and  
12 staff, from the annual charter school general fund  
13 appropriation. The total amount of operational expenses  
14 withheld:

15 (1) Shall not exceed two per cent of the annual charter  
16 school general fund allocation, which shall not  
17 include any funds carried over from previous years;

18 (2) Shall not include the amount of funds withheld under  
19 subsections (g) and (h); and

20 (3) Shall be determined annually by the panel.

21 The [salary] salaries of the executive director and staff shall  
22 be set by the panel based upon the recommendations of charter





1 schools within the State[; ~~provided that the salaries and~~  
2 ~~operational expenses of the office shall be paid from the annual~~  
3 ~~charter school appropriation and shall not exceed two per cent~~  
4 ~~of the total general fund allocation at an amount to be~~  
5 ~~determined annually by the panel.] and in accordance with the  
6 requirements of this subsection.~~

7 (e) The office shall report annually to the review panel  
8 individual and aggregate expenditures of charter schools,  
9 clearly distinguishing between expenditures for operational  
10 purposes and for instructional purposes. The office shall adopt  
11 rules to develop a standardized method for charter schools to  
12 report the expenditures and to determine expenditures that  
13 constitute expenditures for operational expenses and  
14 expenditures for instructional purposes. If any charter school  
15 fails to meet the reporting requirements under this subsection,  
16 the office may retain a portion of that charter school's per-  
17 pupil allocation pursuant to section 302B-12(e)(3).

18 [~~e~~] (f) The office shall include in its annual budget  
19 request additional funds to cover the estimated costs of:

- 20 (1) Vacation and sick leave accrued by employees
- 21 transferring to a charter school from another state
- 22 agency or department;



- 1 (2) Substitute teachers needed when a teacher is out on  
2 vacation or sick leave;
- 3 (3) Adjustments to enrollments; and
- 4 (4) Arbitration in the grievance process.

5 [~~(f)~~] (g) The office shall withhold funds for charter  
6 school enrollments that are inconsistent with approved detailed  
7 implementation plans.

8 [~~(g)~~] (h) The office shall withhold funds to repay  
9 overpayments or over-allocations received by charter schools  
10 when not repaid in a timely manner in accordance with rules  
11 adopted by the board.

12 [~~(h)~~] (i) The office may carry over funds from previous  
13 year allocations. Funds distributed to charter schools shall be  
14 considered expended."

15 SECTION 7. Section 302B-12, Hawaii Revised Statutes, is  
16 amended to read as follows:

17 "**§302B-12 Funding and finance.** (a) Beginning with fiscal  
18 year [~~2009-2010,~~] 2010-2011, and each fiscal year thereafter,  
19 the non-facility general fund per-pupil funding request for  
20 charter school students shall [~~not~~] be [~~less than~~] the same as  
21 the general fund per-pupil amount to the department in the most



1 recently approved executive budget recommendation for the  
2 department, as set forth in paragraph (2); provided that:

3 (1) The general fund per-pupil funding request shall  
4 ~~[include funding for]~~ be based upon reasonable  
5 projected enrollment figures for ~~[each]~~ all charter  
6 ~~[school,]~~ schools; and

7 (2) The general fund per-pupil request for each regular  
8 education and special education student shall:

9 (A) Include all general fund regular education cost  
10 categories, including comprehensive school  
11 support services, but excluding special education  
12 services~~[,]~~, adult education, and the after-  
13 school plus program; provided that ~~[special~~  
14 ~~education]~~ these services are provided and funded  
15 by the department; and

16 ~~[(B) Include all means of financing except federal~~  
17 ~~funds, as reported in the most recently approved~~  
18 ~~executive budget recommendations for the~~  
19 ~~department; provided that in preparing the budget~~  
20 ~~the executive director shall include an analysis~~  
21 ~~of the proposed budget in relationship to the~~



1 ~~most recently published department consolidated~~  
2 ~~annual financial report; and~~

3 ~~(C)]~~ (B) Exclude fringe benefit costs and debt  
4 service.

5 (b) Fringe benefit costs for charter school employees,  
6 regardless of the payroll system utilized by a charter school,  
7 shall be included in the department of budget and finance's  
8 annual budget request. No fringe benefit costs shall be charged  
9 directly to or deducted from the charter school per-pupil  
10 allocations.

11 The legislature shall ~~[make]~~ consider the budget request  
12 when making an appropriation ~~[based upon the budget request];~~  
13 provided that the legislature may make additional appropriations  
14 for ~~[fringe, workers' compensation, and other employee benefits~~  
15 ~~and] facility [costs. The legislature may make additional~~  
16 ~~appropriations for other requested amounts that benefit charter~~  
17 ~~schools.]~~ and other costs.

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

21 (c) Charter schools shall be eligible for all federal  
22 financial support to the same extent as all other public



1 schools. The department shall provide the office with all  
2 state-level federal grant proposals submitted by the department  
3 that include charter schools as potential recipients and timely  
4 reports on state-level federal grants received for which charter  
5 schools may apply or are entitled to receive. Federal funds  
6 received by the department for charter schools shall be  
7 transferred to the office for distribution to charter schools in  
8 accordance with the federal requirements. If administrative  
9 services related to federal grants and subsidies are provided to  
10 the charter school by the department, the charter school shall  
11 reimburse the department for the actual costs of the  
12 administrative services in an amount that shall not exceed six  
13 and one-half per cent of the charter school's federal grants and  
14 subsidies.

15 Any charter school shall be eligible to receive any  
16 supplemental federal grant or award for which any other public  
17 school may submit a proposal, or any supplemental federal grants  
18 limited to charter schools; provided that if department  
19 administrative services, including funds management, budgetary,  
20 fiscal accounting, or other related services, are provided with  
21 respect to these supplemental grants, the charter school shall  
22 reimburse the department for the actual costs of the



1 administrative services in an amount that shall not exceed six  
2 and one-half per cent of the supplemental grant for which the  
3 services are used.

4 All additional funds generated by the local school boards,  
5 that are not from a supplemental grant, shall be held separate  
6 from allotted funds and may be expended at the discretion of the  
7 local school boards.

8 (d) The governor shall withhold ten per cent of the  
9 charter schools' annual allocation until at least December 31  
10 and after the department of budget and finance updates the  
11 comparable per pupil funding level based on the October 15  
12 enrollment count, as verified by the office and pursuant to  
13 subsection (a), and updated for actual appropriations and as  
14 adjusted for the proportionate share of any collective  
15 bargaining appropriations that may have been made to the  
16 department for programs not excluded by subsection (a)(2) and  
17 less a proportionate amount of any restrictions that the  
18 governor has imposed on the department pursuant to chapter 37;  
19 provided that:

20 (1) The office shall place in the charter school over-  
21 appropriation special fund any excess amount  
22 appropriated to EDN600 based upon the updated



1 calculation made by the department of budget and  
2 finance pursuant to subsection (a) and the October 15  
3 enrollment count;

4 (2) Beginning in fiscal year 2011-2012 and contingent upon  
5 an available fund balance, the governor may allocate  
6 funds from the over-appropriation special fund only in  
7 years that the appropriation for EDN600 is  
8 insufficient to allocate general funds to charter  
9 schools in an amount to ensure comparable funding  
10 pursuant to subsection (a), and updated for actual  
11 appropriations using the October 15 enrollment count,  
12 as determined by the department of budget and finance;

13 (3) Any balance in excess of \$5,000,000 in the over-  
14 appropriation special fund at the end of the fiscal  
15 year shall lapse to the credit of the general fund;  
16 and

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



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

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

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

14 (2) Provide an additional ~~[forty]~~ thirty per cent of a  
15 charter school's per-pupil allocation no later than  
16 ~~[November 15]~~ December 1 of each year~~[-, provided that~~  
17 ~~the charter school shall have submitted to the office:~~

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





1           ~~(B) An accounting of the percentage of student~~  
 2           ~~enrollment that transferred from public schools~~  
 3           ~~established and maintained by the department,~~  
 4           ~~provided that these accountings shall also be~~  
 5           ~~submitted by the office to the legislature no~~  
 6           ~~later than twenty days prior to the start of each~~  
 7           ~~regular session,], based on the October 15~~  
 8           ~~student enrollment as reviewed and verified by~~  
 9           ~~the office; and~~

10           (3) Retain no more than the balance of the remaining ten  
 11           per cent of a charter school's per-pupil allocation,  
 12           as recalculated by the department of budget and  
 13           finance pursuant to subsection (d) as a contingency  
 14           balance to ensure fiscal accountability and  
 15           compliance, no later than June 30 of each year [as a  
 16           ~~contingency balance to ensure fiscal accountability~~  
 17           ~~and compliance];~~

18 provided that the panel may make adjustments in allocations  
 19 based on noncompliance with board policies made in the board's  
 20 capacity as the state education agency, department directives  
 21 made in the department's capacity as the state education agency,



1 the office's administrative procedures, and board-approved  
2 accountability requirements.

3 (f) Any check transferring a per-pupil allocation from the  
4 office to a charter school under this section shall be co-signed  
5 by the executive director and an authorized agent of the charter  
6 school review panel.

7 ~~[(e)]~~ (g) The department shall provide appropriate  
8 transitional resources to a conversion charter school for its  
9 first year of operation as a charter school based upon the  
10 department's allocation to the school for the year prior to the  
11 conversion.

12 ~~[(f)]~~ (h) No start-up charter school or conversion charter  
13 school may assess tuition."

14 SECTION 8. Section 302B-4, Hawaii Revised Statutes, is  
15 repealed.

16 ~~["§302B-4 Limits on charter schools. The panel may~~  
17 ~~authorize one new start up charter school for each existing~~  
18 ~~start up charter school that has received a three year or longer~~  
19 ~~accreditation from the Western Association of Schools and~~  
20 ~~Colleges or a comparable accreditation authority as determined~~  
21 ~~by the panel, or for each start up charter school whose charter~~



1 ~~is revoked. The total number of conversion charter schools~~  
2 ~~authorized by the panel shall not exceed twenty five." ]~~

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

5 SECTION 10. In codifying the new sections added by section  
6 3 of this Act, the revisor of statutes shall substitute  
7 appropriate section numbers for the letters used in designating  
8 the new sections in this Act.

9 SECTION 11. This Act shall take effect on July 1, 2050.

10



**Report Title:**

Charter Schools; Repeal Cap; Funding; Reauthorization; Vacant School Facilities

**Description:**

Requires the department of education to make available vacant school facilities or portions of school facilities for use by charter schools. Requires the charter school review panel to compile a prioritized list of charter schools that wish to use vacant school facilities or portions of school facilities. Makes changes to charter school funding. Requires the charter school review panel (CSRP) to determine a clear process with rigorous criteria for the reauthorization of charter schools. Requires the CSRP to reauthorize charter schools no later than four years following the initial issue of the charter, and every four years thereafter. Requires the charter school administrative office (CSAO) to withhold funds for its operational expenses, subject to certain requirements. Requires the CSAO to report annually to the CSRP individual and aggregate operational and instructional expenditures of charter schools. Requires per-pupil allocation checks paid by the CSAO to individual charter schools to be co-signed by the executive director of the CSAO and an agent of the CSRP. Repeals the cap on the number of charter schools. Effective 7/1/2050. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

