

STAND. COM. REP. NO.

2321

Honolulu, Hawaii

FEB 12 2010

RE: S.B. No. 2586  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committee on Education and Housing, to which was referred S.B. No. 2586 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require the Charter School Review Panel (CSRP) to determine a clear process with rigorous criteria for charter schools to be reauthorized;
- (2) Require the CSRP to reauthorize a charter school no later than three years following the initial issue of the charter, and every five years thereafter;
- (3) Require the Charter School Administrative Office (CSAO) to withhold funds for its operational expenses, the total amount of which shall be determined by the CSRP, not to exceed two per cent of the total charter school general fund appropriation;
- (4) Require the CSAO to report annually to the CSRP individual and aggregate operational and instructional expenditures of charter schools;
- (5) Require 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;  
and

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

Testimony in support of this measure was submitted by one organization. Testimony in support of the intent of this measure was submitted by one state agency and one organization. Comments were submitted by one state agency and one private organization. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that what began as a charter school movement has developed into a viable and expanding system. Your Committee also finds that with the development of the charter school system comes challenges relating to accountability and the administration and reauthorization of a growing number of new and existing charter schools. Your Committee finds that this measure addresses a number of these issues by, among other things, ensuring that prudent financial decisions are made, maintaining a consistent standard of quality across charter schools, and removing restrictions on the growth of the charter school system.

Your Committee finds that an extra year of transitional time is necessary to allow schools to become fully operational as charter schools upon the initial issue of a charter. Accordingly, your Committee has amended this measure by lengthening from three years to four years the amount of time between the Charter School Review Panel's initial issue of a charter to a school and reauthorization of that school, and requiring the Panel to reauthorize that charter school every four years thereafter.

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 S.B. No. 2586, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2586, 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.:*<br><b>SB 2586</b>  | Committee Referral:<br><b>EDH, WAM</b> | Date:<br><b>2-10-10</b> |            |                |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____  |  |                         |            |                |
| The Recommendation is:<br><input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313         |  |                         |            |                |
| <b>Members</b>   | <b>Aye</b>                             | <b>Aye (WR)</b>         | <b>Nay</b> | <b>Excused</b> |
| SAKAMOTO, Norman (C)   | /                                      |                         |            |                |
| KIDANI, Michelle N. (VC)   | /                                      |                         |            |                |
| CHUN OAKLAND, Suzanne  | /                                      |                         |            |                |
| GALUTERIA, Brickwood   | /                                      |                         |            |                |
| TSUTSUI, Shan S.   | /                                      |                         |            |                |
| HEMMINGS, Fred   | /                                      |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
|  |  |                         |            |                |
| <b>TOTAL</b>   | <b>6</b>                               |                         |            |                |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted   |  |                         |            |                |
| Chair's or Designee's Signature:<br><div style="text-align: center; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>  |  |                         |            |                |
| <b>Distribution:</b> Original                      Yellow                      Pink                      Goldenrod<br>File with Committee Report    Clerk's Office            Drafting Agency        Committee File Copy |  |                         |            |                |

\*Only one measure per Record of Votes