

STAND. COM. REP. NO.

700

Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 1174

S.D. 2

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth. State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1174, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to facilitate the establishment of a needs-based facilities funding formula for charter schools by:

- (1) Re-establishing the Charter Schools Funding Task Force created by Senate Concurrent Resolution No. 108, S.D. 2 (2010), to specifically develop a needs-based facilities funding formula or process for charter schools; and
- (2) Pending the development of a needs-based facilities funding formula, requiring Charter School Administrative Office budget requests for needs-based facilities funding to be accompanied by a detailed explanation as to the formula used and the funding request breakdown by school.

Your Committee received comments in support of this measure from Steve Hirakami, Director, Hawaii Academy of Arts and Science PCS; Megan McCorriston, Executive Director, Ho'okoko'o Corporation; and the Office of Hawaiian Affairs.

Your Committee finds that determining an equitable allocation of charter school facilities funding is a critical issue and that

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the establishment of a funding formula is still a work in progress. This measure provides for the development of this formula while, in the meantime, requiring detailed justification of charter school budget requests for needs-based facilities funding.

Your Committee has amended this measure by:

(1) Inserting provisions that:

- (A) Clarify that charter schools that have their charters revoked or their reauthorization denied may appeal to the Board of Education for a final decision;
- (B) Require charter schools and their local school boards to develop internal policies and procedures consistent with ethical standards of conduct, pursuant to chapter 84, Hawaii Revised Statutes;
- (C) Change the frequency of the Charter School Review Panel's multi-year evaluation of each charter school, to every six years, rather than five years under current law, after the first evaluation; and
- (D) Create a Task Force on Charter School Governance, Accountability, and Authority to:
  - (i) Develop legislation or administrative rules that clearly and definitively designate the governance structure and authority between and among the key charter school organizations, the Department of Education, the Board of Education, and the Governor;
  - (ii) Identify how the charter school structure relates to the State Education Agency and the Local Education Agency; and
  - (iii) Submit a report on its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2012;



- (2) Changing the effective date to July 1, 2050, to encourage further discussion on this measure; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1174, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1174, S.D. 2.


Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
\_\_\_\_\_  
DAVID Y. IGE, Chair



The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:
SB 1174, SD1	EDU, WAM	3-1-11
<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	
IGE, David Y. (C)	/	
KIDANI, Michelle N. (VC)	/	
CHUN OAKLAND, Suzanne	/	
DELA CRUZ, Donovan M.		/
ENGLISH, J. Kalani	/	
ESPERO, Will	/	
FUKUNAGA, Carol		/
KIM, Donna Mercado	/	
KAHELE, Gilbert	/	
KOUCHI, Ronald D.	/	
RYAN, Pohai	/	
TOKUDA, Jill N.	/	
WAKAI, Glenn	/	
SLOM, Sam	/	
<b>TOTAL</b>	12	0
Nay	0	2
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
Goldenrod Committee File Copy		

\*Only one measure per Record of Votes