

Honolulu, Hawaii

FEB 17 2012

RE: S.B. No. 2115
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B.
No. 2115 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 adopt the recommendations of the Charter School Governance, Accountability, and Authority Task Force (Task Force) by repealing chapter 302B, Hawaii Revised Statutes, and establishing a new charter school law that creates a solid governance structure for Hawaii's charter school system with clear lines of authority and accountability that will foster improved student outcomes.

Your Committee received testimony in support of this measure from the Governor; Board of Education; Charter School Administrative Office; Office of Hawaiian Affairs; National Association of Charter School Authorizers; National Governors Association; National Alliance for Public Charter Schools; Macalester College Center for School Change; Hawai'i Educational Policy Center; Kamehameha Schools; Hawaii Public Charter School Network; Kanu o ka 'Aina Learning 'Ohana; Ho'okako'o Corporation; Hawai'i Island Charter Schools; Hawaii Technology Academy; Hawaii Government Employees Association, HGEA/AFSCME, Local 152, AFL-CIO; Kaneohe Ranch; Sovereign Councils of the Hawaiian Homelands Community Assembly; Kewalo Hawaiian Homestead Community Association; Waianae Kai Homestead Hawaiian Homestead Community Association; Mokupuni O Oahu; Nanakuli Hawaiian Homestead Community Association; and three individuals. Your Committee



received testimony in opposition to this measure from the State Procurement Office, Hawaii State Teachers Association, and six individuals. Your Committee received comments on this measure from the Hawaii State Ethics Commission.

Your Committee finds that the Task Force was established pursuant to Act 130, Session Laws of Hawaii 2011, in response to questions and concerns raised by policy makers and advocates alike about the integrity of Hawaii's charter school governance structure and the overall strength of Hawaii's laws in establishing clear lines of authority that ensure accountability of the charter school system.

Specifically, the goal of the Task Force was to provide clarity to the relationships, responsibilities, and lines of accountability and authority among stakeholders of Hawaii's charter school system, including the Board of Education, Department of Education, Charter School Administrative Office, Charter School Review Panel, and local school boards.

In conducting its work, the Task Force looked at various sections of the Charter School Model Law put forth by the National Alliance for Public Charter Schools and used the model law as a guide in compiling its recommendations to the Legislature.

The Task Force was also fortunate to have the assistance and input of the National Association of Charter School Authorizers and the National Governors Association.

After in-depth examination and discussion, the Task Force concluded its work and issued its report and recommendations to the Legislature. This measure encapsulates the Task Force's recommendations.

Your Committee notes that Hawaii's charter schools are ranked each year by the National Alliance for Public Charter Schools (NAPCS). Last year, Hawaii's ranking fell from thirty-fourth place to thirty-fifth place, out of a total of forty-two states. NAPCS reviewed this measure and testified that if this measure passes the Legislature, Hawaii's rank would move up fourteen spots to rank as the twenty-first state.

Your Committee further finds that this measure is a major departure from the current charter school law and believes that this measure will strengthen Hawaii's charter school system and



will move Hawaii's charter schools toward greater student outcomes. Understanding this, your Committee recognizes that this measure is a work in progress that will continue to evolve as it moves through the legislative process, and that the key to successfully implementing these significant changes will be the allocation of time and resources to properly transition to the new charter school system.

Your Committee has amended this measure by:

- (1) Adding preamble language to reinforce the intent of Hawaii's charter school law to create new approaches to education and genuine opportunities for communities to implement innovative models of community-based education;
- (2) Defining the term "board" as the Board of Education;
- (3) Amending the definition of the State Public Charter School Commission (Commission) to clarify that the Commission is a statewide charter school authorizer;
- (4) Clarifying that a charter contract is a bilateral contract between a charter school and an authorizer;
- (5) Clarifying that an authorizer shall not provide technical support to a charter school it authorizes in cases where the technical support will impact any decision related to the authorization, renewal, revocation, or nonrenewal of the charter school;
- (6) Removing the cap on the number of members a charter school governing board may have;
- (7) Allowing the chief executive officer, chief administrative officer, executive director, or otherwise designated head of a charter school, to be an ex officio, non-voting member of the charter school's governing board;
- (8) Clarifying that charter school governing boards must post meeting agendas, meeting minutes, and the current names and contact information for governing board members at their respective authorizer's office and on



their authorizer's website rather than at the Commission's office and on the Commission's website;

- (9) Adding language to require that applicants for start-up and conversion charter schools provide to the authorizer, as part of their application, a description of the constitution of the governing board, terms of governing board members, and the process by which the governing board members were selected;
- (10) Adding language to require authorizers, in reviewing applications for start-up and conversion charter schools, to take into consideration the constitution of the governing board, terms of governing board members, and the process by which the governing board members were selected;
- (11) Adding language to clarify that the application for each conversion charter school shall be approved by a majority of stakeholders of the existing public school rather than the potential charter school;
- (12) Requiring the majority vote of stakeholders to be considered by the authorizer as the primary indication of stakeholder approval to convert to a charter school and requiring that this vote shall be a key factor in an authorizer's decision to award a charter;
- (13) Requiring an applicant for a conversion charter school to provide the authorizer with a breakdown of the number of administrative, support, and teacher personnel, and parents that actually participated in the vote conducted on whether or not to convert to a charter school;
- (14) Requiring the Department of Education to establish educational reporting procedures, rather than a uniform data reporting system, which shall include minimum procedures for charter schools to report certain data to the Department starting with the 2013-2014 school year;
- (15) Adding language requiring the Department of Education to establish a process that permits employees of Department public schools that convert to charter schools to transfer to a Department public school governed by chapter 302A, Hawaii Revised Statutes;



- (16) Adding language to allow funds in the charter schools account to be used for the implementation of the new charter school law created by this measure and for any other purpose the Legislature deems appropriate;
- (17) Amending section 302B-12(i), Hawaii Revised Statutes, to allow funds from the charter schools account to be used by the Board of Education to hire an Implementation and Transition Coordinator pursuant to S.B. No. 2116 (2012), and for any other purpose the Legislature deems appropriate;
- (18) Amending the effective date to make the amendments to section 302B-12(i), Hawaii Revised Statutes, effective upon the approval of this measure; and
- (19) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2115, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2115, 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,



JILL TOKUDA, Chair



