

Honolulu, Hawaii

APR 26 2013

RE: S.B. No. 244  
S.D. 2  
H.D. 1  
C.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 244, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO EDUCATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Require charter schools to complete an annual independent financial audit;
- (2) Require the State Public Charter School Commission (Charter School Commission) to develop procedures for conducting criminal history checks of persons who are employed or seeking employment in any position that places them in close proximity to children;



- (3) Specify when a charter school may use criminal history information to terminate or deny employment;
- (4) Specify charter school enrollment requirements;
- (5) Authorize the Charter School Commission to request facilities funding for charter schools as part of its annual budget request;
- (6) Amend the definition of "employee" under chapter 84, Hawaii Revised Statutes (HRS), to include any person under an employment contract to serve as chief executive officer, chief administrative officer, executive director, or designated head of a charter school;
- (7) Require Charter School Commission members to disclose to the Commission a list of all charter schools in which the member is an employee, governing board member, vendor, contractor, agent, or representative and disqualify members from voting on or participating in the discussion of such matters;
- (8) Authorize the Charter School Commission to hire employees without regard to chapters 76 and 89, Hawaii Revised Statutes;
- (9) Remove the requirement that a nonprofit organization that governs a conversion charter school make minimum annual contributions to the charter school; and
- (10) Make other amendments to chapter 302D, HRS, for the purposes of clarity and consistency.

Your Committee on Conference finds that Hawaii's charter schools are ranked each year by the National Alliance for Public Charter Schools (NAPCS). In 2011, Hawaii's ranking fell from thirty-fourth place to thirty-fifth place, out of a total of forty-two states.

Your Committee on Conference further finds that in 2012, the Legislature passed Act 130, Session Laws of Hawaii 2012 (Act 130), which established a new charter school law that created a solid governance structure for Hawaii's charter school system with clear lines of authority and accountability to foster improved student outcomes. As a result of Act 130, Hawaii's charter school system



leapt to fourteenth place in NAPCS' rankings. This measure continues to build on the progress made by Act 130.

Your Committee on Conference has amended this measure by:

- (1) Deleting the expansion of the definition of "employee" in section 84-3, HRS, to include any person under an employment contract to serve as the chief executive officer, chief administrative officer, executive director, or designated head of a charter school;
- (2) Removing language which provided that funds distributed to public charter schools are considered expended upon distribution;
- (3) Specifying when a charter school or charter school's governing board, in consultation with the Hawaii State Ethics Commission, must adopt standards of conduct to apply to the chief executive officer, chief administrative officer, executive director, or designated head of the charter school;
- (4) Making this measure effective upon its approval; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 244, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 244, S.D. 2, H.D. 1, C.D. 1.



Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

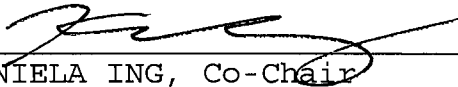
ON THE PART OF THE SENATE



ROY M. TAKUMI, Co-Chair



KARL RHOADS, Co-Chair



KANIELA ING, Co-Chair



JILL N. TOKUDA, Chair



CLAYTON BEE, Co-Chair



DAVID Y. IGE, Co-Chair



