

# HB 1367

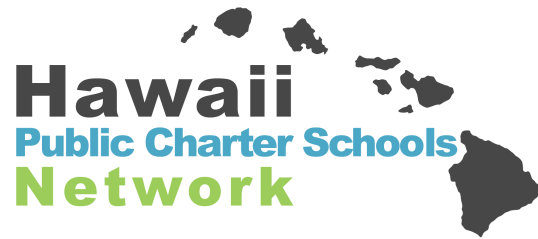
TESTIMONY BY KALBERT K. YOUNG  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT  
ON  
HOUSE BILL NO. 1367

February 5, 2013

RELATING TO CHARTER SCHOOLS

House Bill No. 1367 amends Section 302D-25, HRS, to allow charter schools to enter into either supplemental or master collective bargaining agreements separate from any other master agreement.

While the Department of Budget and Finance takes no position on this bill at this time, it should be pointed out that passing this bill could result in each such agreement requiring legislative approval for every charter school agreement that executes cost items different from extant master agreements. Therefore, legislative approval may be required for every bargaining unit within every charter school.



Hawaii State House of Representatives  
Committee on Labor & Public Employment

DATE: Tuesday, February 5, 2013

TIME: 9:00 a.m.

PLACE: Conference Room 309, Hawaii State Capitol

Chair Nakashima, Vice Chair Hashem and members of the House Labor & Public Employment Committee,

Re: HB1367 – Support

Mahalo for the opportunity to testify in favor of HB1367. Hawaii Public Charter Schools Network (HPCSN) is committed to quality education for all public school students in Hawaii through our work with Hawaii's public charter schools. The intention to have charters abide by Chapter 89, yet empower pilot agreements that align with their core missions is simply a good idea. HPCSN pledges to help develop language to address major concerns that may become barriers to its passage.

Since your charter schools are mission driven, independent public schools, the master agreements that exist between the State and the varied collective bargaining units may present unintended challenges for day-to-day operations, budgeting and program planning. This bill seeks to empower charter school governing boards to more closely collaborate with their employees by providing a viable option to create collective bargaining agreements focused specifically on achieving the school's mission.

Of the nation's 40 states that have charter schools, only 4 mandate collective bargaining. Other states allow charter schools to opt into collective bargaining. Hawaii law also mandates that charter school employees be state employees. While segments of the Hawaii charter school law offer some significant benefits to charter school employees, there remain significant challenges to these same employees who should be engaged and empowered to help develop conditions conducive to their school's mission.

Some charter schools in the past have negotiated supplemental agreements, however, charter schools have reported that negotiating supplemental agreements has in some instances become more difficult over time, and larger issues can impact responsiveness of exclusive representatives.

One significant example is that the State and the Hawaii State Teachers Association (HSTA) have not been able to negotiate a master contract. According to HSTA representatives, since there is no master contract in place, charter schools cannot negotiate a supplemental contract, and must apparently operate under the Governor's "last, best and final offer."

As independent schools with independent budgets, and no state level buffers, instability can cause hardship, confusion and impracticalities. Additionally, the master agreement and the individual charter school's supplemental agreements can look so different from one another that it would be very difficult for charter schools to operate under the Governor's "last, best and final offer." This begs the question—are charter schools not in compliance with the law if they are not operating under the Governor's "last, best and final offer?" This bill would alleviate such a quandary or Catch-22 going forward.

The goal of this bill is to allow charter schools and their employees more flexibility to negotiate collective bargaining agreements that work for their unique environments and missions. In the case where teachers and other staff choose to operate under all the conditions of the master agreements, they should, by voting and opting to be a part of the State's master contract with their respective bargaining units.

Another idea would be to create a second "charter school" master agreement and allow charter schools and their employees the option to create supplemental agreements off either of the two master agreements. In any case, we support language that would only allow these potential ideas to be exercised should it be the desire of majority of the employees in each of the bargaining units at the charter school.

Mahalo for your consideration and support of Hawaii's public charter schools, our 10,000 students and the families we serve.

Sincerely,

A handwritten signature in black ink, appearing to read "Lynn Finnegan", with a long horizontal flourish extending to the right.

Lynn Finnegan  
Executive Director

Attachments (2)



## Hale Kipa

615 Pi'ikoi Street, Suite 203  
Honolulu, Hawaii 96814-3139

T 808 589-1829  
F 808 589-2610  
E [info@halekipa.org](mailto:info@halekipa.org)

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*Chief Executive Officer*

**Jaque Kelley-Uyeoka**  
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February 5, 2013

To: Representative Mark M. Nakashima, Chair  
Representative Mark J. Hashem, Vice Chair  
Members of the House Committee on Labor & Public Employment

From: Tracy Janowicz, Director of Quality Improvement & Facilities

Re: **HB 1367 Relating to Charter Schools**

Aloha Chair Nakashima, Vice Chair Hashem and Members of the Committee:

Mahalo for the opportunity to testify in support of HB 1367. Hale Kipa is a nonprofit human service agency with a 42 year history of providing help in the form of prevention, street outreach, youth advocacy, emergency shelter and therapeutic services to at-risk youth and families statewide. Additionally, it is our intent to apply to become a public charter school as we see a tremendous and growing need for alternative educational opportunities for the youth we serve many of whom are either way behind their peers academically or have already dropped out of school.

Hale Kipa supports this measure because we believe HB 1367 will provide additional and necessary flexibility to charter schools in working directly with their professional staffs to meet the unique needs of their student population. As we look at the potential of serving the educational needs of at-risk youth through our own charter school, we have realized how important it will be to collaborate with education professionals in the design of our program including the daily academic calendar and additional support services that will be integrated into our program. This flexibility will allow schools such as ours to fully capitalize on the charter concept embedded in Act 130 and, for that reason, we strongly urge the committee to pass HB 1367 out of committee.

Thank you for hearing this matter.



# HB 1367

**LATE TESTIMONY**



**LATE TESTIMONY**

1200 Ala Kapuna Street λ Honolulu, Hawaii 96819  
Tel: (808) 833-2711 λ Fax: (808) 839-7106 λ Web: www.hsta.org

**Wil Okabe**  
President  
**Joan Kamila Lewis**  
Vice President  
**Colleen Pasco**  
Secretary-Treasurer  
**Alvin Nagasako**  
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON  
LABOR & PUBLIC EMPLOYMENT

DATE: TUESDAY, FEBRUARY 05, 2013

RE: H.B. 1367 – RELATING TO CHARTER SCHOOLS

Person Testifying: WILBERT HOLCK, DEPUTY EXECUTIVE DIRECTOR  
HAWAII STATE TEACHERS ASSOCIATION

Chair Nakashima and Members of the Committee:

The Hawaii State Teachers Association **is opposed to HB 1367**, which allows governing boards of charter schools and exclusive representatives to enter into master agreements separate from any other master agreements collectively bargained for between the exclusive representatives and department of education as defined in law.

HSTA is the exclusive representative of more than 13,500+ public and charter school teachers statewide. As the state affiliate of the 2.2 million member National Education Association (NEA), the HSTA has bargained for over 10 years as the charter school teachers exclusive representative.

HSTA and NEA believes that as part of its core organizational values, NEA resolution F-5 provides that "the attainment and exercise to the promotion of educational employee and student needs in society." Consistent with this fundamental principle, charter schools should be subject to the same public sector labor relations statutes as mainstream public schools, and charter school employees should have the same collective bargaining rights under both state law and local practice as their counterparts in mainstream public schools.

Charter schools have the potential to impact positively or negatively, on public education and this in turn will depend on how such schools are designed and operated.

As such, HSTA is submitting **opposition to HB 1367**.

Thank you for the opportunity to testify.

SENT VIA EMAIL

February 4, 2013

**LATE TESTIMONY**

Representative Mark M. Nakashima  
Chair, Committee on Labor and Public Employment  
Representative Mark J. Hashem  
Vice Chair, Committee on Labor and Public Employment  
Hearing on House Bill 1367  
Relating to Charter Schools  
State Capitol, Conference Room 309

Aloha Chair Nakashima, Vice Chair Hashem and members of the Labor and Public Employment Committee!

I am submitting testimony in support of HB1367. As I do my work for Economic Development in Hawaii, it is clear that individual organizations, ideas, and agendas often struggle to solve problems with a one size fits all policy. I believe that at the highest hope HB1367 might give ALL of us concerned an opportunity to examine issues and engineer solutions that may very well help everyone in many sectors of Hawaii. Surely opportunities that deserve future engagements of values, ideas, history, and future.

I would be honored to be involved in the discussions that help our children and their education to be the exclusive focus of the responsible adults.

Please call on me for any questions and/or discussions.

Mahalo nui loa,



Pono Shim  
President and CEO Enterprise Honolulu, Oahu Economic Development Board



ENTERPRISE  
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THE BUSINESS CLIMATE OF PARADISE