
A BILL FOR AN ACT

RELATING TO EDUCATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 302D, Hawaii Revised Statutes, is
2 amended by adding two new sections to be appropriately
3 designated and to read as follows:

4 "§302D- Fees. (a) In administering its
5 responsibilities, the commission may assess fees upon non-state
6 entities and individuals to help cover its operating costs.

7 (b) Fees collected by the commission shall be deposited
8 into insured checking or savings accounts and shall be expended
9 by the commission.

10 (c) The commission shall adopt rules pursuant to chapter
11 91 to implement this section; provided that, notwithstanding
12 this section or any other law to the contrary, the commission
13 may set the initial amount of the fees at any time without
14 regard to chapter 91, if the commission:

15 (1) Holds at least one public hearing to take and discuss
16 public testimony on the proposed fee amount; and

17 (2) Provides public notice at least thirty days prior to
18 the date of the public hearing.



1 §302D- Approved charter applications; start-up period;
2 pre-opening charter schools. (a) The authorizer may require
3 that a charter applicant whose charter application is approved
4 by the authorizer pursuant to section 302D-13 or 302D-14
5 satisfactorily meet pre-contracting criteria set by the
6 authorizer before being allowed to enter into a charter
7 contract.

8 (b) An approved charter applicant that fails to meet the
9 pre-contracting criteria satisfactorily and enter into a charter
10 contract with its authorizer within the period initially
11 established or subsequently extended by the authorizer shall be
12 considered to have withdrawn its application.

13 (c) A charter applicant approved under section 302D-13
14 shall not be considered an entity of the State until the pre-
15 opening charter school is established by execution of the
16 charter contract.

17 (d) The authorizer shall establish pre-opening criteria to
18 ensure that a pre-opening charter school is prepared to open and
19 operate successfully as a school. Until such time that the pre-
20 opening charter school satisfactorily meets pre-opening criteria
21 and commences operation during its first full academic year, the
22 pre-opening charter school:



- 1 (1) Shall not be entitled to receive funding under
2 sections 302D-26, 302D-28, or 302D-29; provided,
3 however, that a pre-opening charter school that is a
4 conversion charter school shall be entitled to funding
5 under section 302D-28(g);
- 6 (2) Shall employ no employees but may engage independent
7 contractors;
- 8 (3) Shall not be subject to the performance framework
9 under section 302D-16; and
- 10 (4) May be granted temporary exemptions from provisions of
11 the charter contract by the authorizer.
- 12 (e) The charter contract of a pre-opening charter school
13 that fails to meet its pre-opening criteria successfully within
14 the start-up period initially established or subsequently
15 extended by the authorizer shall be void. The pre-opening
16 charter school shall then be considered an approved charter
17 applicant that has withdrawn its application.
- 18 (f) An approved charter applicant that withdraws its
19 application shall not be allowed to execute a charter contract
20 unless it reapplies and has its charter application approved by
21 an authorizer in accordance with this chapter."



1 SECTION 2. Section 89C-1.5, Hawaii Revised Statutes, is
2 amended by amending the definition of "appropriate authority" to
3 read as follows:

4 "Appropriate authority" means the governor, the respective
5 mayors, the chief justice of the supreme court, the board of
6 education, the board of regents, the state public charter school
7 commission, the Hawaii health [†]systems[†] corporation board,
8 the auditor, the ombudsman, and the director of the legislative
9 reference bureau. These individuals or boards may make
10 adjustments for their respective excluded employees."

11 SECTION 3. Section 302D-1, Hawaii Revised Statutes, is
12 amended as follows:

13 1. By adding three new definitions to be appropriately
14 inserted and to read:

15 "Department school" means any school that falls within the
16 definition of public schools as defined in section 302A-101 and
17 that is not a charter school.

18 "Executive director" means the executive director of the
19 state public charter school commission.

20 "Pre-opening charter school" means a charter school that
21 has not yet satisfactorily fulfilled an authorizer's pre-opening



1 assurances as required under section or has not yet
2 commenced operations during its first full academic year."

3 2. By amending the definition of "charter contract" to
4 read:

5 "Charter contract" or "charter" means a fixed-term,
6 bilateral, renewable contract between a public charter school
7 and an authorizer that outlines the roles, powers,
8 responsibilities, and performance expectations for each party to
9 the contract."

10 3. By amending the definition of "charter school" or
11 "public charter school" to read:

12 "Charter school" or "public charter school" refers to
13 those public schools and their respective governing boards, as
14 defined in this section, that are holding current charter
15 contracts to operate as charter schools under this chapter,
16 including start-up and conversion charter schools, and that have
17 the flexibility and independent authority to implement
18 alternative frameworks with regard to curriculum, facilities
19 management, instructional approach, virtual education, length of
20 the school day, week, or year, and personnel management."

21 4. By amending the definition of "conversion charter
22 school" to read:



1 "Conversion charter school" means:

2 (1) Any existing department school that converts to a
3 charter school and is managed and operated in
4 accordance with section 302D-14; or

5 (2) Any existing department school that converts to a
6 charter school and is managed and operated by a
7 nonprofit organization in accordance with
8 section 302D-14[~~,-or~~

9 ~~(3) A newly created school consisting of programs or
10 sections of existing public school populations that
11 are funded and governed independently and may include
12 part of a separate Hawaiian language immersion program
13 using existing public school facilities]."~~

14 5. By amending the definition of "nonprofit organization"
15 to read:

16 "Nonprofit organization" means a private, nonprofit, tax-
17 exempt entity that:

18 (1) Is recognized as a tax-exempt organization under
19 ~~[section 501(c)(3) of]~~ the Internal Revenue Code; and

20 (2) Is ~~[domiciled]~~ registered to do business in this
21 State~~[-]~~ in accordance with chapter 414D."

22 6. By deleting the definition of "charter".



1 [~~"Charter" means a charter application as approved by an~~
2 ~~authorizer."~~]

3 SECTION 4. Section 302D-3, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "**§302D-3 State public charter school commission;**

6 **establishment; appointment.** (a) There is established the state
7 public charter school commission with statewide chartering
8 jurisdiction and authority. The commission shall be placed
9 within the department for administrative purposes only.

10 Notwithstanding section 302D-25 and any law to the contrary, the
11 commission shall be subject to chapter 92.

12 (b) The mission of the commission shall be to authorize
13 high-quality public charter schools throughout the State.

14 (c) The commission shall consist of nine members to be
15 appointed by the board. The board shall appoint members who
16 will be tasked with authorizing public charter schools that
17 serve the unique and diverse needs of public school students.
18 The chair of the commission shall be designated by the members
19 of the commission for each school year beginning July 1, and
20 whenever there is a vacancy. The board shall consider the
21 combination of abilities, breadth of experiences, and
22 characteristics of the commission, including but not limited to



1 reflecting the diversity of the student population, geographical
2 representation, and a broad representation of education-related
3 stakeholders. The commission shall be exempt from sections
4 26-34 and 26-36.

5 (d) Understanding that the role of the commission is to
6 ensure a long-term strategic vision for Hawaii's public charter
7 schools, each nominee to the commission shall meet the following
8 minimum qualifications:

9 (1) Commitment to education. Each nominee's record should
10 demonstrate a deep and abiding interest in education,
11 and a dedication to the social, academic, and
12 character development of young people through the
13 administration of a high performing charter school
14 system;

15 (2) Record of integrity, civic virtue, and high ethical
16 standards. Each nominee shall demonstrate integrity,
17 civic virtue, and high ethical standards and be
18 willing to hold fellow commission members to the same;

19 (3) Availability for constructive engagement. Each
20 nominee shall commit to being a conscientious and
21 attentive commission member; and

1 (4) Knowledge of best practices. Each nominee shall have
2 an understanding of best practices in charter school
3 educational governance or shall be willing to be
4 trained in such.

5 (e) Each nominee to the commission shall ideally meet the
6 following recommended qualifications:

7 (1) Experience governing complex organizations. Each
8 nominee should possess experience with complex
9 organizations, including but not limited to
10 performance contract management, and a proven ability
11 to function productively within them; and

12 (2) Collaborative leadership ability. Each nominee should
13 have substantial leadership experience that ideally
14 illustrates the nominee's ability to function among
15 diverse colleagues as an effective team member, with
16 the ability to articulate, understand, and help shape
17 consensus surrounding commission policies.

18 (f) Five members of the commission shall constitute a
19 quorum to conduct business and a concurrence of at least five
20 members shall be necessary to make any action of the commission
21 valid.



1 (g) Commission members shall serve not more than three
2 consecutive three-year terms, with each term beginning on
3 July 1; provided that the initial terms that commence after
4 June 30, 2012, shall be staggered as follows:

5 (1) Three members, including the chairperson, to serve
6 three-year terms;

7 (2) Three members to serve two-year terms; and

8 (3) Three members to serve one-year terms.

9 (h) Notwithstanding the terms of the members, the board
10 may fill vacancies in the commission at any time when a vacancy
11 occurs due to resignation, non-participation, the request of a
12 majority of the commission members, or termination by the board
13 for cause.

14 (i) Commission members shall receive no compensation.
15 When commission duties require that a commission member take
16 leave of the member's duties as a state employee, the
17 appropriate state department shall allow the commission member
18 to be placed on administrative leave with pay and shall provide
19 substitutes, when necessary, to fulfill that member's
20 departmental duties. Members shall be reimbursed for necessary
21 travel expenses incurred in the conduct of official commission
22 business.



1 ~~[(j)] Commission members shall disclose to the commission a~~
2 ~~list of all charter schools in which the member is an employee,~~
3 ~~governing board member, vendor, contractor, agent, or~~
4 ~~representative. Any member having such a relationship to a~~
5 ~~charter school that comes before the commission shall be~~
6 ~~disqualified from voting on or participating in the discussion~~
7 ~~on that charter school.~~

8 ~~(*)~~ (j) The commission shall operate with dedicated
9 resources and staff qualified to execute the day-to-day
10 responsibilities of the commission pursuant to this chapter.
11 The legislature shall make an appropriation to the commission
12 separate from, and in addition to, any appropriations made to
13 charter schools pursuant to sections 302D-28 and 302D-29.5.

14 ~~(l)~~ (k) The commission shall have the power to hire
15 staff without regard to chapters 76 and 89. The commission
16 shall determine staff wages, hours, benefits, and other terms
17 and conditions of employment in accordance with chapter 89C."

18 SECTION 5. Section 302D-5, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "**§302D-5 Authorizer powers, duties, and liabilities.** (a)
21 Authorizers are responsible for executing the following
22 essential powers and duties:



- 1 (1) Soliciting and evaluating charter applications;
- 2 (2) Approving quality charter applications that meet
- 3 identified educational needs and promote a diversity
- 4 of educational choices;
- 5 (3) Declining to approve weak or inadequate charter
- 6 applications;
- 7 (4) Negotiating and executing sound charter contracts with
- 8 each approved charter applicant and with each existing
- 9 public charter school;
- 10 (5) Monitoring, in accordance with charter contract terms,
- 11 the performance and legal compliance of public charter
- 12 schools; and
- 13 (6) Determining whether each charter contract merits
- 14 renewal, nonrenewal, or revocation.
- 15 (b) An authorizer shall:
- 16 (1) Act as the point of contact between the department and
- 17 a public charter school it authorizes [~~and be~~
- 18 ~~responsible for the administration of all applicable~~
- 19 ~~state and federal laws~~];
- 20 (2) Be responsible for and ensure the compliance of a
- 21 public charter school it authorizes with all



1 applicable state and federal laws, including reporting
2 requirements;

3 (3) Be responsible for the receipt of applicable federal
4 funds from the department and the distribution of
5 funds to the public charter school it authorizes; and

6 (4) Be responsible for the receipt of per-pupil funding
7 from the department of budget and finance and
8 distribution of the funding to the public charter
9 school it authorizes.

10 (c) An authorizer may delegate its duties to officers,
11 employees, and contractors.

12 (d) Regulation by authorizers shall be limited to the
13 powers and duties set forth in this section, and shall be
14 consistent with the spirit and intent of this chapter.

15 (e) An authorizer, members of the board of an authorizer
16 acting in their official capacity, and employees or agents of an
17 authorizer are immune from civil and criminal liability with
18 respect to all activities related to a public charter school
19 authorized by that authorizer, except for any acts or omissions
20 constituting wilful misconduct. Members of the commission shall
21 be afforded the same protection afforded the members of the
22 board pursuant to section 26-35.5.



1 (f) An authorizer shall not provide technical support to a
2 charter school it authorizes in cases where the technical
3 support will directly and substantially impact any authorizer
4 decision related to the authorization, renewal, revocation, or
5 nonrenewal of the charter school. This subsection shall not
6 apply to technical support that an authorizer is required to
7 provide to a charter school pursuant to federal law.

8 (g) An authorizer shall have the power to make and execute
9 contracts and all other instruments necessary or convenient for
10 the exercise of its duties and functions under this chapter."

11 SECTION 6. Section 302D-7, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "[+]§302D-7[+] **Authorizer reporting.** Every authorizer
14 shall be required to submit to the board and the legislature an
15 annual report summarizing:

16 (1) The authorizer's strategic vision for chartering and
17 progress toward achieving that vision;

18 (2) The academic [~~and financial~~] performance of all
19 operating public charter schools overseen by the
20 authorizer, according to the performance expectations
21 for public charter schools set forth in this
22 chapter[+], including a comparison of the performance



1 of public charter school students with public school
2 students statewide;

3 (3) The financial performance of all operating public
4 charter schools overseen by the authorizer, according
5 to the performance expectations for public charter
6 schools set forth in this chapter;

7 [+3+] (4) The status of the authorizer's public charter
8 school portfolio, identifying all public charter
9 schools and applicants in each of the following
10 categories: approved (but not yet open), approved
11 (but withdrawn), not approved, operating, renewed,
12 transferred, revoked, not renewed, or voluntarily
13 closed[~~, or never opened~~];

14 [+4+] (5) The authorizing functions provided by the
15 authorizer to the public charter schools under its
16 purview, including the authorizer's operating costs
17 and expenses detailed in annual audited financial
18 statements that conform with generally accepted
19 accounting principles;

20 [+5+] (6) The services purchased from the authorizer by the
21 public charter schools under its purview;



1 ~~[(+6)]~~ (7) A line-item breakdown of the federal funds
2 received by the department and distributed by the
3 authorizer to public charter schools under its
4 control; and

5 ~~[(+7)]~~ (8) Any concerns regarding equity and recommendations
6 to improve access to and distribution of federal funds
7 to public charter schools."

8 SECTION 7. Section 302D-8, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "~~[(+)]~~**§302D-8**~~[(+)]~~ **Conflict of interests.** No employee,
11 trustee, agent, or representative of an authorizer may
12 simultaneously serve as an employee, trustee, agent,
13 representative, vendor, or contractor of a public charter school
14 authorized by that authorizer. Members of an authorizer shall
15 disclose to the authorizer a list of all charter schools at
16 which the member has previously been an employee, governing
17 board member, agent, representative, vendor, or contractor."

18 SECTION 8. Section 302D-12, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "**§302D-12 Charter school governing boards; powers and**
21 **duties.** (a) No more than one-third of the voting members of a
22 governing board shall be employees or former employees of a



1 school [~~or~~], relatives of employees or former employees of a
2 school, or any vendor or contractor providing goods or services
3 to a charter school under the jurisdiction of that governing
4 board[~~er~~], unless at least one year has passed since the
5 termination of the employee's employment with the school or the
6 conclusion of a vendor's or contractor's service to the school.

7 (b) In selecting governing board members, consideration
8 shall be given to persons who:

- 9 (1) Provide the governing board with a diversity of
10 perspective and a level of objectivity that accurately
11 represent the interests of the charter school students
12 and the surrounding community;
- 13 (2) Demonstrate an understanding of best practices of
14 nonprofit governance; and
- 15 (3) Possess strong financial and academic management and
16 oversight abilities, as well as human resource and
17 fundraising experience.

18 [~~(b)~~] (c) No employee or former employee of a charter school
19 [~~or~~], relative of an employee or former employee of a charter
20 school, or any vendor or contractor providing goods or services
21 to a charter school may serve as the chair of the governing
22 board of that charter school[~~er~~], unless at least one year has



1 elapsed since the termination of the employee's employment with
2 the school or the conclusion of a vendor's or contractor's
3 service to the school; provided that an authorizer may grant an
4 exemption from the provisions of this subsection based upon a
5 determination by the authorizer that an exemption is in the best
6 interest of the charter school.

7 (d) Section 78-4 shall not apply to members of governing
8 boards; provided that no governing board member shall be allowed
9 to serve on more than two governing boards simultaneously. For
10 purposes of this subsection, a governing board that governs more
11 than one charter school shall be considered one board.

12 [~~(e)~~] (e) The governing board shall be the independent
13 governing body of its charter school and shall have oversight
14 over and be responsible for the financial, organizational, and
15 academic viability of the charter school, implementation of the
16 charter, and the independent authority to determine the
17 organization and management of the school, the curriculum,
18 virtual education, and compliance with applicable federal and
19 state laws. The governing board shall ensure its school
20 complies with the terms of the charter contract between the
21 authorizer and the school. The governing board shall have the



1 power to negotiate supplemental collective bargaining agreements
2 with the exclusive representatives of their employees.

3 [~~(d)~~] (f) Governing boards and charter schools shall be
4 exempt from chapter 103D, but shall develop internal policies
5 and procedures for the procurement of goods, services, and
6 construction, consistent with the goals of public accountability
7 and public procurement practices. Governing boards and charter
8 schools are encouraged to use the provisions of chapter 103D
9 wherever possible; provided that the use of one or more
10 provisions of chapter 103D shall not constitute a waiver of the
11 exemption from chapter 103D and shall not subject the charter
12 school to any other provision of chapter 103D.

13 [~~(e)~~] (g) Charter schools and their governing boards shall
14 be exempt from the requirements of chapters 91 and 92. The
15 governing boards shall:

16 (1) Hold meetings open to the public;

17 [~~(1)~~] (2) Make available the notices and agendas of public
18 meetings:

19 (A) At a publicly accessible area in the [~~governing~~
20 ~~board's~~] charter school's office [~~and the~~
21 ~~authorizer's office~~] so as to be available for
22 review during regular business hours; and



1 (B) On the [~~governing board's or~~] charter school's
 2 internet website[, ~~if applicable, and the~~
 3 ~~authorizer's internet website~~] not less than six
 4 calendar days prior to the public meeting, unless
 5 a waiver is granted by the authorizer or
 6 authorizer's designee in the case of an
 7 emergency; and

8 [+2+] (3) Make available the minutes from public meetings
 9 within thirty days and maintain a list of the current
 10 names and contact information of the governing board's
 11 members and officers:

12 (A) In the [~~governing board's~~] charter school's
 13 office [~~and the authorizer's office~~] so as to be
 14 available for review during regular business
 15 hours; and

16 (B) On the [~~governing board's or~~] charter school's
 17 internet website[, ~~if applicable, and the~~
 18 ~~authorizer's internet website~~].

19 [+f+] (h) All charter school employees and members of
 20 governing boards shall be subject to chapter 84.

21 [+g+] (i) Governing boards shall be exempt from sections
 22 26-34 and 26-36. The State shall afford the governing board of



1 any charter school the same protections as the State affords the
2 board[-] in accordance with section 26-35.5.

3 [~~h~~] (j) For purposes of this section:

4 "Employees" shall include but not be limited to [~~the~~]:

5 (1) The chief executive officer, chief administrative
6 officer, executive director, or otherwise designated
7 head of a charter school [~~and shall include any~~]; and

8 (2) Any person under an employment contract to serve as
9 the chief executive officer, chief administrative
10 officer, executive director, or designated head of a
11 charter school.

12 "Relative" means a spouse, fiance, or fiancée of the
13 employee; any person who is related to the employee within four
14 degrees of consanguinity; or the spouse, fiance, or fiancée of
15 such person.

16 [~~i~~] (k) A governing board shall have the power to make
17 and execute contracts and all other instruments necessary or
18 convenient for the exercise of its duties and functions under
19 this chapter. Whenever a charter school or governing board
20 seeks to enter into a contract with a private organization,
21 whether for-profit or nonprofit, to manage or operate the
22 charter school, which contract requires the private organization



1 to employ or otherwise provide the charter school with an
2 individual to serve in the capacity of the chief executive
3 officer, chief administrative officer, executive director, or
4 designated head of the charter school, the charter school's
5 governing board, in consultation with the state ethics
6 commission, shall adopt standards of conduct that shall apply to
7 the chief executive officer, chief administrative officer,
8 executive director, or designated head of the charter school.
9 The standards of conduct shall include provisions relating to
10 gifts, fair treatment or misuse of position, and conflicts of
11 interest, and shall be incorporated into and made part of any
12 contract or arrangement between the charter school or governing
13 board and the private organization for those services."

14 SECTION 9. Section 302D-13, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§302D-13 Start-up charter schools; establishment.** (a)
17 New start-up charter schools may be established pursuant to this
18 section.

19 (b) Any community, group of teachers, group of teachers
20 and administrators, or nonprofit organization may submit a
21 letter of intent to an authorizer to form a charter school,



1 establish a governing board as its governing body, and develop a
2 charter application pursuant to subsection (d).

3 (c) The start-up charter school charter application
4 process and schedule shall be determined by the authorizer, and
5 shall provide for and include, at a minimum, the following
6 elements:

- 7 (1) The submission of a letter of intent to operate a
8 start-up charter school;
- 9 (2) The availability of the charter application form and
10 completion guidelines on the authorizer's website;
- 11 (3) The timely submission of a completed charter
12 application to the authorizer;
- 13 (4) The timely review of the charter application by the
14 authorizer for completeness, and notification by the
15 authorizer to the governing board that the charter
16 application is complete;
- 17 (5) Upon receipt of a completed charter application, the
18 review and evaluation of the charter application by
19 qualified persons;
- 20 (6) Following the review and evaluation of a charter
21 application, approval or denial of the charter
22 application by the authorizer;



1 (7) A provision for a final date by which a decision to
2 approve or deny a charter application must be made by
3 the authorizer, upon receipt of a complete charter
4 application; and

5 (8) A provision that no start-up charter school may begin
6 operation before obtaining authorizer approval of its
7 charter application and charter contract and
8 fulfilling pre-opening requirements that may be
9 imposed by the authorizer.

10 (d) A charter application to become a start-up charter
11 school shall meet the requirements of this subsection and
12 section 302D-25. The charter application shall, at a minimum,
13 include the following:

14 (1) A description of employee rights and management issues
15 and a framework for addressing those issues that
16 protects the rights of employees;

17 (2) A plan for identifying, recruiting, and retaining
18 highly qualified instructional faculty as defined by
19 the department;

20 (3) A plan for identifying, recruiting, and selecting
21 students that is not exclusive, elitist, or
22 segregationist, and complies with this chapter;



- 1 (4) The curriculum and instructional framework to be used
- 2 to achieve student outcomes, including an assessment
- 3 plan;
- 4 (5) A plan for the assessment of student, administrative
- 5 support, and teaching personnel performance that:
- 6 (A) Recognizes the interests of the general public;
- 7 (B) Incorporates or exceeds the educational content
- 8 and performance standards developed by the
- 9 department for the public school system;
- 10 (C) Includes a system of faculty and staff
- 11 accountability that holds faculty and staff
- 12 individually and collectively accountable for
- 13 their performance, and that is at least
- 14 equivalent to the average system of
- 15 accountability in public schools throughout the
- 16 State; and
- 17 (D) Provides for program audits and annual financial
- 18 audits;
- 19 (6) A governance structure for the charter school that
- 20 incorporates a conflict of interest policy and a plan
- 21 for periodic training to carry out the duties of
- 22 governing board members;



1 (7) A description of the constitution of the governing
2 board, terms of governing board members, and the
3 process by which governing board members were
4 selected;

5 (8) A financial plan based on the most recent fiscal
6 year's per-pupil charter school allocation that
7 demonstrates the ability to meet the financial
8 obligations of one-time, start-up costs and ongoing
9 costs such as monthly payrolls, faculty recruitment,
10 professional development, and facilities costs; and

11 (9) A facilities plan.

12 ~~[(e) Any applicant whose charter application is denied by~~
13 ~~the authorizer shall not be allowed to amend or resubmit the~~
14 ~~charter application to the authorizer during a given cycle, as~~
15 ~~defined by the authorizer; provided that an applicant shall have~~
16 ~~the right to appeal the authorizer's denial of its charter~~
17 ~~application pursuant to section 302D-15.~~

18 ~~(f)]~~ (e) In reviewing a charter application under this
19 section, an authorizer shall take into consideration the
20 constitution of the applicant's governing board, terms of
21 governing board members, and the process by which governing
22 board members were selected.



1 ~~(g)~~ (f) In reviewing charter applications under this
2 section, an authorizer shall develop a schedule to approve or
3 deny a charter application by the end of the calendar year for
4 purposes of meeting any deadlines to request funding from the
5 legislature."

6 SECTION 10. Section 302D-14, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "**§302D-14 Conversion charter schools; establishment.** (a)
9 A conversion charter school may be established pursuant to this
10 section.

11 (b) Any department school, school community council, group
12 of teachers, group of teachers and administrators, or nonprofit
13 organization may submit a letter of intent to an authorizer to
14 convert a department school to a charter school, establish a
15 governing board as its governing body, and develop a charter
16 application pursuant to subsection (d).

17 (c) The conversion charter school charter application
18 process and schedule shall be determined by the authorizer, and
19 shall provide for and include the following elements:

20 (1) The submission of a letter of intent to convert to a
21 charter school;



- 1 (2) The availability of the charter application form and
- 2 completion guidelines on the authorizer's website;
- 3 (3) The timely submission of a completed charter
- 4 application to the authorizer; provided that the
- 5 charter application shall include certification and
- 6 documentation that the charter application was
- 7 approved by a majority of the votes cast by existing
- 8 administrative, support, and teaching personnel, and
- 9 parents of students at the existing department school;
- 10 provided that:
- 11 (A) This vote shall be considered by the authorizer
- 12 to be the primary indication of the existing
- 13 administrative, support, and teaching personnel,
- 14 and parents' approval to convert to a charter
- 15 school;
- 16 (B) The balance of stakeholders represented in the
- 17 vote and the extent of support received in
- 18 support of the conversion shall be key factors,
- 19 along with the applicant's proposed plans, to be
- 20 considered by the authorizer when deciding
- 21 whether to award a charter; and



- 1 (C) A breakdown of the number of administrative,
- 2 support, and teaching personnel, and parents of
- 3 students who constitute the existing department
- 4 school and the number who actually participated
- 5 in the vote shall be provided to the authorizer;
- 6 (4) The timely review of the charter application by the
- 7 authorizer for completeness, and notification by the
- 8 authorizer to the governing board that the charter
- 9 application is complete;
- 10 (5) Upon receipt of a completed charter application, the
- 11 review and evaluation of the charter application by
- 12 qualified persons;
- 13 (6) Following the review and evaluation of a charter
- 14 application, approval or denial of the charter
- 15 application by the authorizer;
- 16 (7) A provision for a final date by which a decision of
- 17 whether to approve or deny a charter application must
- 18 be made by the authorizer, upon receipt of a complete
- 19 charter application; and
- 20 (8) A provision that no conversion charter school may
- 21 begin operation before obtaining authorizer approval
- 22 of its charter and charter contract and fulfilling



1 pre-opening requirements that may be imposed by the
2 authorizer.

3 (d) A charter application to become a conversion charter
4 school shall meet the requirements of this subsection and
5 section 302D-25. The charter application shall include, at a
6 minimum, the following:

- 7 (1) A description of employee rights and management issues
8 and a framework for addressing those issues that
9 protects the rights of employees;
- 10 (2) A plan for identifying, recruiting, and retaining
11 highly qualified instructional faculty, as defined by
12 the department;
- 13 (3) A plan for identifying, recruiting, and selecting
14 students that is not exclusive, elitist, or
15 segregationist, and complies with this chapter;
- 16 (4) The curriculum and instructional framework to be used
17 to achieve student outcomes, including an assessment
18 plan;
- 19 (5) A plan for the assessment of student, administrative
20 support, and teaching personnel performance that:
- 21 (A) Recognizes the interests of the general public;



- 1 (B) Incorporates or exceeds the educational content
- 2 and performance standards developed by the
- 3 department for the public school system;
- 4 (C) Includes a system of faculty and staff
- 5 accountability that holds faculty and staff
- 6 individually and collectively accountable for
- 7 their performance, and that is at least
- 8 equivalent to the average system of
- 9 accountability in public schools throughout the
- 10 State; and
- 11 (D) Provides for program audits and annual financial
- 12 audits;
- 13 (6) A governance structure for the charter school that
- 14 incorporates a conflict of interest policy and a plan
- 15 for periodic training to carry out the duties of
- 16 governing board members;
- 17 (7) A description of the constitution of the governing
- 18 board, terms of governing board members, and the
- 19 process by which governing board members were
- 20 selected;
- 21 (8) A financial plan based on the most recent fiscal
- 22 year's per-pupil charter school allocation that



1 demonstrates the ability to meet the financial
2 obligations of one-time, start-up costs and ongoing
3 costs such as monthly payrolls, faculty recruitment,
4 professional development, and facilities costs; and

5 (9) A facilities plan.

6 (e) A nonprofit organization may submit a letter of intent
7 to an authorizer to convert a department school to a conversion
8 charter school, operate and manage the school, establish a
9 governing board as its governing body, and develop a charter
10 application pursuant to subsection (d); provided that:

11 (1) As the governing body of the conversion charter
12 school, the governing board shall be the board of
13 directors of the nonprofit organization and shall not
14 be selected pursuant to section 302D-12. The
15 nonprofit organization may also appoint advisory
16 groups of community representatives for each school
17 managed by the nonprofit organization; provided that
18 these groups shall not have governing authority over
19 the school and shall serve only in an advisory
20 capacity to the nonprofit organization;

21 (2) The charter application for each conversion charter
22 school to be operated by the nonprofit organization



1 shall be formulated, developed, and submitted by the
2 nonprofit organization, and shall be approved by a
3 majority of the votes cast by existing administrative,
4 support, and teaching personnel, and parents of
5 students of the existing department school; provided
6 that:

7 (A) This vote shall be considered by the authorizer
8 to be the primary indication of the existing
9 administrative, support, and teaching personnel,
10 and parents' approval to convert to a charter
11 school;

12 (B) The balance of stakeholders represented in the
13 vote and the extent of support received in
14 support of the conversion shall be a key factor,
15 along with the applicant's proposed plans, in an
16 authorizer's decision to award a charter; and

17 (C) A breakdown of the number of administrative,
18 support, and teaching personnel, and parents of
19 students who constitute the existing department
20 school and the number who actually participated
21 in the vote shall be provided to the authorizer;



- 1 (3) The board of directors of the nonprofit organization,
2 as the governing body for the conversion charter
3 school that it operates and manages, shall have the
4 same protections that are afforded to the board in its
5 role as the conversion charter school governing body;
- 6 (4) Any conversion charter school that is managed and
7 operated by a nonprofit organization shall be eligible
8 for the same federal and state funding as other public
9 schools; provided that nothing in this section shall
10 prohibit a nonprofit organization from making a
11 contribution toward the operation of a conversion
12 charter school; and
- 13 (5) If, at any time, the board of directors of the
14 nonprofit organization governing the conversion
15 charter school votes to discontinue its relationship
16 with the charter school, the charter school may submit
17 a revised charter application to the authorizer to
18 continue as a conversion charter school without the
19 participation of the nonprofit organization.
- 20 (f) Any nonprofit organization that seeks to manage or
21 operate a conversion charter school as provided in subsection



1 (e) shall comply with the following at the time of charter
2 application:

3 (1) Have bylaws or policies that describe the manner in
4 which business is conducted and policies that relate
5 to the management of potential conflict of interest
6 situations;

7 (2) Have experience in the management and operation of
8 public or private schools or, to the extent necessary,
9 agree to obtain appropriate services from another
10 entity or entities possessing such experience;

11 (3) Comply with all applicable federal, state, and county
12 laws, including licensure or accreditation, as
13 applicable; and

14 (4) Comply with any other requirements prescribed by the
15 department to ensure adherence with applicable
16 federal, state, and county laws, and the purposes of
17 this chapter.

18 ~~[(g) Any public school or schools, programs, or sections~~
19 ~~of existing public school populations that are part of a~~
20 ~~separate Hawaiian language immersion program using existing~~
21 ~~public school facilities may submit a letter of intent to an~~



1 ~~authorizer to form a conversion charter school pursuant to this~~
2 ~~section.~~

3 ~~(h)~~ (g) In reviewing a charter application for a charter
4 under this section, an authorizer shall take into consideration
5 the constitution of the applicant's governing board, terms of
6 governing board members, and the process by which governing
7 board members were selected.

8 ~~(i)~~ (h) In the event of a conflict between the
9 provisions in this section and other provisions in this chapter,
10 this section shall control.

11 ~~(j)~~ (i) In reviewing charter applications for a charter
12 under this section, an authorizer shall develop a schedule to
13 approve or deny a charter application by the end of the calendar
14 year for purposes of meeting any deadlines to request funding
15 from the legislature."

16 SECTION 11. Section 302D-16, Hawaii Revised Statutes, is
17 amended as follows:

18 1. By amending subsections (a) and (b) to read:

19 "(a) The performance provisions within the charter
20 contract shall be based on a performance framework that clearly
21 sets forth the academic, financial, and ~~operational~~
22 organizational performance indicators, measures, and metrics



1 that will guide the authorizer's evaluations of each public
2 charter school. The performance framework, as established by
3 the authorizer, shall include indicators, measures, and metrics
4 for, at a minimum:

5 (1) Student academic proficiency;

6 (2) Student academic growth;

7 (3) Achievement gaps in proficiency and growth between
8 major student subgroups;

9 (4) Attendance;

10 (5) Enrollment variance;

11 (6) Postsecondary readiness, as applicable for high
12 schools;

13 (7) Financial performance and sustainability;

14 (8) Performance and stewardship, including compliance with
15 all applicable laws, rules, and terms of the charter
16 contract; and

17 (9) Organizational viability.

18 (b) Annual academic performance targets shall be set by
19 each public charter school in conjunction with its authorizer,
20 and shall be designed to [~~help~~] track each school [~~meet~~] in
21 meeting applicable federal, state, and authorizer expectations."

22 2. By amending subsections (d) through (f) to read:



1 "(d) The performance framework shall require the
2 disaggregation of all student performance data by major student
3 subgroups [~~as determined by the board~~].

4 (e) For each public charter school it oversees, the
5 authorizer shall be responsible for [~~managing~~] verifying and
6 either maintaining or having access to all charter school data
7 [~~from assessments in accordance with~~] upon which the performance
8 [~~framework.~~] framework relies.

9 (f) Multiple schools [~~operating under a single charter~~
10 ~~contract or~~] overseen by a single governing board shall be
11 required to report their performance as separate, individual
12 charter schools, and each charter school shall be held
13 independently accountable for its performance."

14 SECTION 12. Section 302D-17, Hawaii Revised Statutes, is
15 amended by amending subsections (d) and (e) to read as follows:

16 "(d) Notwithstanding section 302D-18 to the contrary,
17 every authorizer shall have the authority to take appropriate
18 corrective actions or exercise sanctions short of revocation in
19 response to apparent deficiencies in public charter school
20 performance or legal compliance. Such actions or sanctions may
21 include, if warranted [~~requiring~~]:



1 constitute a voting majority in accordance with
2 the governing board's bylaws; except that the
3 authorizer may replace the entire governing board
4 if the alternative is the initiation of
5 revocation of the charter school's charter
6 contract and the governing board opts instead for
7 reconstitution; and

8 (C) Reconstitution occurs in accordance with
9 processes set forth by the authorizer that
10 provide the charter school's personnel and
11 parents with timely notification of the prospect
12 of reconstitution.

13 ~~(e) [If there is an immediate concern for student or~~
14 ~~employee health or safety at a charter school, the authorizer~~
15 ~~may adopt an interim restructuring plan that may include the~~
16 ~~appointment of an interim governing board, a governing board~~
17 ~~chairperson, or a principal to temporarily assume operations of~~
18 ~~the school; provided that if possible without further~~
19 ~~jeopardizing the health or safety of students and employees, the~~
20 ~~charter school's stakeholders and community are first given the~~
21 ~~opportunity to elect a new governing board which shall appoint a~~
22 ~~new interim principal.] The authorizer shall have the authority~~



1 to direct the governing board and the charter school to take
2 appropriate action to immediately address serious health and
3 safety issues that may exist at a charter school in order to
4 ensure the health and safety of students and employees or
5 mitigate significant liability to the State.

6 The board shall have the authority to direct the authorizer
7 to take appropriate action to immediately address serious health
8 and safety issues that may exist at a charter school in order to
9 ensure the health and safety of students and employees and
10 mitigate significant liability to the State."

11 SECTION 13. Section 302D-18, Hawaii Revised Statutes, is
12 amended by amending subsection (b) to read as follows:

13 "(b) The authorizer shall issue a charter school
14 performance report and charter contract renewal application
15 guidance, by December 31, to any charter school whose charter
16 contract [~~will expire the following year.~~] is in its final
17 contract year. The performance report shall summarize the
18 charter school's performance record to date, based on the data
19 required by this chapter and the charter contract, and shall
20 provide notice of any weaknesses or concerns perceived by the
21 authorizer concerning the charter school that may jeopardize its
22 position in seeking renewal."



1 SECTION 14. Section 302D-21, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§302D-21 Annual board report. No later than twenty days
4 prior to the convening of each regular session of the
5 legislature, the board shall issue to the governor, the
6 legislature, and the public, an annual report on the State's
7 public charter schools, drawing from the annual reports
8 submitted by every authorizer, as well as any additional
9 relevant data compiled by the board, for the school year ending
10 in the preceding calendar year. The annual report shall
11 include:

12 [~~1~~] ~~A comparison of the performance of public charter~~
13 ~~school students with the performance of comparable~~
14 ~~subgroups of students in public schools governed by~~
15 ~~chapter 302A;~~

16 ~~2~~] (1) The board's assessment of the successes,
17 challenges, and areas for improvement in meeting the
18 purposes of this chapter, including the board's
19 assessment of the sufficiency of funding for public
20 charter schools, and any suggested changes in state
21 law or policy necessary to strengthen the State's
22 public charter schools;



1 ~~[(3)]~~ (2) A line-item breakdown of all federal funds
2 received by the department and distributed to
3 authorizers;

4 ~~[(4)]~~ (3) Any concerns regarding equity and recommendations
5 to improve access to and distribution of federal funds
6 to public charter schools; and

7 ~~[(5)]~~ (4) A discussion of all board policies adopted in the
8 previous year, including a detailed explanation as to
9 whether each policy is or is not applicable to charter
10 schools."

11 SECTION 15. Section 302D-24, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "~~[(+)]~~**\$302D-24**~~[(+)]~~ **Occupancy and use of facilities of**
14 ~~[public]~~ **department schools.** (a) When the department considers
15 whether to close any particular ~~[public]~~ department school, the
16 department shall submit a notice of possible availability of a
17 ~~[public]~~ department school or notice of vacancy of a ~~[public]~~
18 department school to the board pursuant to section
19 302A-1151.5(b); provided that the department has not elected to
20 use the ~~[public]~~ department school to support education
21 programs.



1 (b) If a charter school exclusively or jointly occupies or
2 uses buildings or facilities of a [~~public~~] department school
3 immediately prior to converting to a charter school, upon
4 conversion that charter school shall be given continued
5 exclusive or joint use of the buildings or facilities; provided
6 that:

7 (1) The State may reclaim some or all of the buildings or
8 facilities if it demonstrates a tangible and
9 imperative need for such reclamation; and

10 (2) The State and the conversion charter school
11 voluntarily enter into an agreement detailing the
12 portion of those buildings or facilities that shall be
13 reclaimed by the State and a timetable for the
14 reclamation. If a timetable cannot be reached, the
15 State may petition the board for the reclamation, and
16 the board may grant the petition only to the extent
17 that it is not possible for the conversion charter
18 school and the State to jointly occupy or use the
19 buildings or facilities.

20 (c) Upon receipt of a notice pursuant to section
21 302A-1151.5(b), the board shall solicit applications from



1 charter schools interested in using and occupying all or
2 portions of the facilities of the [~~publie~~] department school by:

3 (1) Promptly notifying all charter schools that the
4 [~~publie~~] department school is being considered for
5 closure; and

6 (2) Affording each charter school an opportunity to submit
7 an application with a written explanation and
8 justification of why the charter school should be
9 considered for possible occupancy and use of the
10 facilities of the [~~publie~~] department school.

11 (d) After fully considering each charter school's
12 application and based on the applications received and on other
13 considerations, the board shall:

14 (1) Provide a written response to each charter school's
15 application after each application has been fully
16 considered;

17 (2) Compile a prioritized list of charter schools; and

18 (3) Make a final determination of which charter school, if
19 any, shall be authorized to use and occupy the
20 [~~publie~~] department school facilities.

21 (e) Upon the selection of a charter school to use a vacant
22 department school facility or portion of a department school



1 facility, the department and the charter school's authorizer
2 shall enter into necessary agreements within ninety days of the
3 selection to carry out the purposes of this section; provided
4 that any agreement between the authorizer and the department
5 shall stipulate that a charter school that uses and occupies a
6 [~~public~~] department school facility or portion of a [~~public~~]
7 department school facility shall be responsible for the full or
8 pro rata share of the repair and maintenance costs for that
9 facility or portion of the facility, as the case may be.

10 (f) The board shall adopt policies and procedures
11 necessary to carry out the purposes of this section, including
12 but not limited to:

13 (1) Procedures for charter schools to apply in writing to
14 use vacant department school facilities;

15 (2) Criteria for the board to use in determining which
16 charter schools to include on the prioritized list to
17 be submitted to the department; and

18 (3) Procedures for the board to notify charter school
19 applicants that are granted or denied the use of
20 vacant department school facilities.



1 ~~[(g) For purposes of this section, "public school" means~~
2 ~~any school that falls within the definition of public schools in~~
3 ~~section 302A 101, except for charter schools.]"~~

4 SECTION 16. Section 302D-25, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**[+]§302D-25[+]** **Applicability of state laws.** (a) Charter
7 schools shall be exempt from chapters 91 and 92 and all other
8 state laws in conflict with this chapter, except those
9 regarding:

10 (1) Collective bargaining under chapter 89; provided that:

11 (A) The exclusive representatives as defined in
12 chapter 89 and the governing board of the charter
13 school may enter into supplemental agreements
14 that contain cost and noncost items to facilitate
15 decentralized decision-making;

16 (B) The agreements shall be funded from the current
17 allocation or other sources of revenue received
18 by the charter school; provided that collective
19 bargaining increases for employees shall be
20 allocated by the department of budget and finance
21 to the charter school's authorizer for
22 distribution to the charter school; and



1 (C) These supplemental agreements may differ from the
2 master contracts negotiated with the department;

3 (2) Discriminatory practices under section 378-2; and

4 (3) Health and safety requirements.

5 (b) Charter schools, the commission, and authorizers shall
6 be exempt from chapter 103D, but shall develop internal policies
7 and procedures for the procurement of goods, services, and
8 construction, consistent with the goals of public accountability
9 and public procurement practices. Charter schools, the
10 commission, and authorizers are encouraged to use the provisions
11 of chapter 103D where possible; provided that the use of one or
12 more provisions of chapter 103D shall not constitute a waiver of
13 the exemption from chapter 103D and shall not subject the
14 charter school, commission, or authorizer to any other provision
15 of chapter 103D. Charter schools, the commission, and
16 authorizers shall account for funds expended for the procurement
17 of goods and services, and this accounting shall be available to
18 the public.

19 (c) Charter schools and their employees, the commission
20 and its employees, and governing boards and their members shall
21 be subject to chapter 84.



1 (d) Any charter school, prior to the beginning of the
2 school year, may enter into an annual contract with any
3 department for centralized services to be provided by that
4 department.

5 (e) Notwithstanding any law to the contrary, as public
6 schools and entities of the State, a charter school, including
7 its governing board, the commission, and any authorizer may not
8 bring suit against any other entity or agency of the State.

9 (f) Charter schools, the commission, and authorizers shall
10 be exempt from section 302A-1401.

11 (g) For purposes of statutory delegations of authority to
12 department heads by other state agencies, the executive director
13 shall be deemed the department head of the commission and
14 charter schools, unless otherwise specifically provided."

15 SECTION 17. Section 302D-26, Hawaii Revised Statutes, is
16 amended by amending subsection (a) to read as follows:

17 "(a) Civil service employees of department schools shall
18 retain their civil service status upon the conversion of their
19 school to a conversion charter school. Positions in a
20 conversion charter school that would be civil service in a
21 department [~~public~~] school shall be civil service positions and
22 subject to chapter 76. An employee with civil service status at



1 a conversion charter school who transfers, is promoted, or takes
2 a voluntary demotion to another civil service position shall be
3 entitled to all of the rights, privileges, and benefits of
4 continuous, uninterrupted civil service. Civil service
5 employees of a conversion charter school shall have civil
6 service status in the department's civil service system and
7 shall be entitled to all rights, privileges, and benefits as
8 other civil service employees employed by the department.
9 Exempt employees as provided in section 76-16(b)(11)(B) of a
10 conversion charter school shall have support services personnel
11 status in the department's support services personnel system and
12 shall be entitled to all rights, privileges, and benefits as
13 other exempt employees employed by the department in their
14 support services personnel system."

15 SECTION 18. Section 302D-28, Hawaii Revised Statutes, is
16 amended as follows:

17 1. By amending subsection (b) to read:

18 "(b) Fringe benefit costs for charter school employees,
19 regardless of the payroll system utilized by a charter school,
20 shall be included in the department of budget and finance's
21 annual budget request. No fringe benefit costs shall be charged



1 directly to or deducted from the charter school per-pupil
2 allocations.

3 The legislature shall make an appropriation based upon the
4 budget request; provided that the legislature may make
5 additional appropriations for facility and other costs.

6 The governor, pursuant to chapter 37, may impose
7 restrictions or reductions on charter school appropriations
8 similar to those imposed on other [~~public~~] department schools."

9 2. By amending subsection (d) to read:

10 "(d) Charter schools shall be eligible for all federal
11 financial support to the same extent as [~~all other public~~]
12 department schools. The department shall provide all
13 authorizers with all state-level federal grant proposals
14 submitted by the department that include charter schools as
15 potential recipients and timely reports on state-level federal
16 grants received for which charter schools may apply or are
17 entitled to receive. Federal funds received by the department
18 for charter schools shall be transferred to authorizers for
19 distribution to the charter schools they authorize in accordance
20 with the federal requirements. If administrative services
21 related to federal grants and subsidies are provided to the
22 charter school by the department, the charter school shall



1 reimburse the department for the actual costs of the
2 administrative services in an amount that shall not exceed six
3 per cent of the charter school's federal grants and subsidies.

4 Any charter school shall be eligible to receive any
5 supplemental federal grant or award for which any [~~other public~~]
6 department school may submit a proposal, or any supplemental
7 federal grants limited to charter schools; provided that if
8 department administrative services, including funds management,
9 budgetary, fiscal accounting, or other related services, are
10 provided with respect to these supplemental grants, the charter
11 school shall reimburse the department for the actual costs of
12 the administrative services in an amount that shall not exceed
13 six per cent of the supplemental grant for which the services
14 are used.

15 All additional funds generated by the governing boards,
16 that are not from a supplemental grant, shall be held separate
17 from allotted funds and may be expended at the discretion of the
18 governing boards."

19 3. By amending subsection (f) to read:

20 "(f) To enable charter schools to access state funding
21 prior to the start of each school year, foster their fiscal
22 planning, enhance their accountability, and avoid over-



1 allocating general funds to charter schools based on self-
2 reported enrollment projections, authorizers shall:

3 (1) Provide sixty per cent of a charter school's per-pupil
4 allocation based on the charter school's projected
5 student enrollment no later than July 20 of each
6 fiscal year; provided that the charter school shall
7 have submitted to its authorizer a projected student
8 enrollment no later than May 15 of each year;

9 (2) Provide an additional thirty per cent of a charter
10 school's per-pupil allocation no later than December 1
11 of each year, based on the October 15 student
12 enrollment, as reviewed and verified by the
13 authorizer, only to schools in compliance with all
14 financial reporting requirements; and

15 (3) Retain no more than the balance of the remaining ten
16 per cent of a charter school's per-pupil allocation,
17 as a contingency balance to ensure fiscal
18 accountability and compliance, no later than June 30
19 of each year;

20 provided that authorizers may make adjustments in allocations
21 based on noncompliance with charter contracts and the board may
22 make adjustments in allocations based on noncompliance with



1 board policies made in the board's capacity as the state
2 education agency, department directives made in the department's
3 capacity as the state education agency, the board's
4 administrative procedures, and board-approved accountability
5 requirements."

6 SECTION 19. Section 302D-29.5, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "~~[+]~~**§302D-29.5**~~[+]~~ **Facilities funding.** (a) Beginning with
9 fiscal year 2014-2015 and each fiscal year thereafter, the
10 commission may request facilities funding for charter schools as
11 part of its annual budget request to the director of finance~~[-]~~
12 and receive and expend any funds provided by the facilities
13 funding request.

14 (b) The legislature may make an appropriation based upon
15 the facilities funding request pursuant to subsection (a).

16 (c) The governor, pursuant to chapter 37, may impose
17 restrictions or reductions on appropriations for charter schools
18 similar to those imposed on other ~~[public]~~ department schools.

19 (d) This section shall not limit the ability of the
20 director of finance to modify or amend any allotment pursuant to
21 chapter 37.



1 (e) The commission shall develop criteria to determine the
2 distribution of funds appropriated pursuant to subsection (b) to
3 the charter schools. The criteria shall include but not be
4 limited to distribution based on the need and performance of the
5 charter schools.

6 (f) Nothing in this section shall be construed as
7 restricting the authority of the commission to support in other
8 ways the facilities needs of charter schools."

9 SECTION 20. Section 302D-30, Hawaii Revised Statutes, is
10 amended by amending subsection (b) to read as follows:

11 "(b) The department shall be responsible for the provision
12 of a free appropriate public education. Any charter school that
13 enrolls special education students or identifies one of its
14 students as eligible for special education shall be responsible
15 for providing the educational and related services required by a
16 student's individualized education program. The programs and
17 services for the student shall be determined collaboratively by
18 the student's individualized education program team, which
19 includes the student's parents or legal guardians.

20 If the charter school is unable to provide all of the
21 required services, then the department shall provide the student
22 with services as determined by the student's individualized



1 educational program team. The department shall collaborate with
2 the commission to develop guidelines related to the provision of
3 special education services and resources to each charter school.
4 The department shall review all of the current individualized
5 education programs of special education students enrolled in a
6 charter school and may offer staff, funding, or both, to the
7 charter school based upon a per-pupil weighted formula
8 implemented by the department and used to allocate resources for
9 special education students in the [~~public~~] department schools."

10 SECTION 21. Section 302D-31, Hawaii Revised Statutes, is
11 amended to read as follows:

12 "**§302D-31 Athletics.** The department shall provide
13 students at charter schools, including students enrolled at
14 charter schools whose curriculum incorporates virtual education,
15 with the same opportunity to participate in athletics as is
16 provided to students at [~~other public~~] department schools. If a
17 student at any charter school wishes to participate in a sport
18 for which there is no program at the charter school, the
19 department shall allow that student to participate in a
20 comparable program [~~of any public school in the complex in which~~
21 ~~the charter school is located or~~] at the [~~public~~] department
22 school in the service area in which the student resides. All



1 charter school students participating in athletics shall abide
2 by all rules, regulations, and policies of the athletic league,
3 association, and program applicable to the [~~public~~] department
4 school in whose athletic program the student is participating."

5 SECTION 22. Section 302D-32, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "[~~+~~]**§302D-32**[~~+~~] **Annual audit or review**. Each charter
8 school shall annually complete an independent financial audit
9 that complies with the requirements of its authorizer and the
10 department[~~-~~]; provided that the authorizer may allow a
11 financial review in lieu of an independent financial audit."

12 SECTION 23. Section 302D-34, Hawaii Revised Statutes, is
13 amended by amending subsections (b) and (c) to read as follows:

14 "(b) A start-up charter school:

15 (1) Shall be open to any student residing in the State[~~+~~]
16 who is entitled to attend a department school;

17 (2) Shall enroll all students who submit an application,
18 unless the number of students who submit an
19 application exceeds the capacity of a program, class,
20 grade level, or building;

21 (3) Shall select students through a public lottery if, as
22 described in paragraph (2), capacity is insufficient



- 1 to enroll all students who have submitted a timely
2 application;
- 3 (4) May give an enrollment preference to students within a
4 given age group or grade level and may be organized
5 around a special emphasis, theme, or concept as stated
6 in the charter school's application and as approved by
7 the charter school's authorizer;
- 8 (5) May give an enrollment preference to students enrolled
9 in the charter school during the previous school year
10 and to siblings of students already enrolled at the
11 charter school; and
- 12 (6) May give any other enrollment preference permitted by
13 the charter school's authorizer, on an individual
14 charter school basis, if consistent with law;
- 15 provided that nothing in this subsection shall preclude the
16 formation of a start-up charter school whose mission is focused
17 on serving students with disabilities, who are of the same
18 gender, who pose such severe disciplinary problems that they
19 warrant a specific educational program, or who are at a risk of
20 academic failure.
- 21 (c) A conversion charter school shall:



- 1 (1) Enroll any student who resides within the school's
2 former geographic service area pursuant to section
3 302A-1143, for the grades that were in place when the
4 ~~[public]~~ department school converted to a charter
5 school; provided that the department may consult with
6 a conversion charter school every three years to
7 determine whether realignment of the charter school's
8 service area is appropriate given population shifts
9 and the department's overall service area reviews;
- 10 (2) Follow the department's procedures regarding
11 enrollment, including but not limited to geographic
12 exceptions and enrollment preferences; and
- 13 (3) Be subject to subsection (b) for grades that were not
14 in place when the school converted to a public charter
15 school."

16 SECTION 24. Section 302D-2, Hawaii Revised Statutes, is
17 repealed.

18 [~~§302D-2~~] ~~Existing charter schools.~~ Any charter school
19 holding a charter to operate under part IV, subpart D, of
20 chapter 302A, as that subpart existed before July 11, 2006, and
21 any charter school holding a charter to operate under chapter
22 302B as it existed before June 19, 2012, shall be considered a



1 ~~charter school for the purposes of this chapter under a charter~~
2 ~~contract with the commission unless the charter contract is~~
3 ~~revoked, transferred to another authorizer, or not renewed, or~~
4 ~~the charter school voluntarily closes."]~~

5 SECTION 25. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 26. This Act shall take effect on July 1, 2050.



Report Title:

Education; Charter Schools

Description:

Authorizes the State Public Charter School Commission to assess fees to help offset its operating costs. Clarifies the legal status of an approved charter applicant. Makes various amendments to the charter school law for clarity and consistency. Effective July 1, 2050. (SB2518 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

