
A BILL FOR AN ACT

RELATING TO PUBLIC CHARTER SCHOOLS.

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

1 PART I

2 SECTION 1. In 2011, the legislature established the
3 charter school governance, accountability, and authority task
4 force pursuant to section 7 of Act 130, Session Laws of Hawaii
5 2011. The task force developed proposed legislation for
6 creating a governance structure for Hawaii's charter school
7 system with clear lines of authority and accountability to
8 foster improved student outcomes. The legislature adopted many
9 of the recommendations of the task force in Act 130, Session
10 Laws of Hawaii 2012, including the recommendation that the State
11 allow for multiple entities, known as "authorizers," to approve
12 or deny organizations seeking to become a charter school and
13 existing charter schools seeking to continue operating.

14 Multiple authorizers, as recommended by the National
15 Association of Charter School Authorizers, act as a check
16 against the unnecessary growth of a single authorizer. Under a
17 single authorizer system, as a state increases the number of
18 charter schools, the authorizer receives more funds. This



1 causes the authorizer to hire more staff and generate more
2 charter school regulations, ultimately decreasing charter
3 schools' abilities to innovate and excel. With multiple
4 authorizers, charter schools can switch authorizers if one
5 becomes too overbearing.

6 Hawaii currently has only one authorizer, the state public
7 charter school commission. The commission has jurisdiction over
8 all thirty-four charter schools in Hawaii, which is far beyond
9 the ten to twelve schools recommended by the National
10 Association of Charter School Authorizers. This expansive
11 jurisdiction has been attributed, in part, to the commission's
12 use of a one-size-fits-all model for all charter schools,
13 difficulty encountered by charter school staff in communicating
14 with commissioners, and excessive charter school compliance
15 requirements that consume administrators' time and attention
16 that could be spent on students and teachers. Charter school
17 employees have also voiced concern that the commission tends to
18 focus on charter school compliance through a negative and
19 reactionary manner, instead of encouraging, supporting, and
20 providing a framework for each charter school to innovate,
21 develop, grow, and succeed.



1 These criticisms concerning the commission have led a board
2 of education member at the January 2016 board of education
3 meeting, to call for board action to designate members to an
4 investigative committee to determine if a special review of the
5 state, public charter school commission is warranted.

6 Simplifying the process for an entity to become an
7 authorizer will help to develop multiple authorizers in the
8 State and will ultimately strengthen Hawaii's charter school
9 system by accommodating unique missions, providing a more
10 intimate understanding of school community needs, and enabling
11 authorizers and the department of education to collaborate on
12 establishing best practices.

13 The University of Hawaii-West Oahu and the county of Hawaii
14 have submitted formal commitments of interest to become
15 authorizers. The legislature finds the process to create
16 additional authorizers established under chapter 302D, Hawaii
17 Revised Statutes, requires simplification.

18 The legislature also understands that public-private
19 partnerships are critical to charter school communities for
20 operational and facilities supports. The legislature finds that
21 all funding for charter schools that pass through an authorizer



1 should be transferred to the charter school as soon as possible
2 for the original intended purpose, no later than thirty days
3 after receipt. The legislature further finds that the financial
4 position of a school should include all funding supports from
5 public and private partners.

6 The legislature believes that it is critical that charter
7 schools and their governing boards have the authority to employ
8 and retain access to legal counsel for charter contract
9 negotiation, charter revocation, and the charter nonrenewal
10 processes. While a deputy attorney general represents all the
11 charter schools, this deputy attorney general does not attend
12 the charter school commission meetings, despite requests from
13 charter school staff. Further, the deputy attorney general does
14 not respond to all legal questions asked by the schools.
15 Schools have requested the authority to retain pro bono
16 attorneys, but have been denied this authority.

17 The purpose of this Act is to:

- 18 (1) Simplify the process for an entity to become an
19 authorizer; and
20 (2) Require the department of education to submit a report
21 on the status of the policies, criteria, or guidelines



1 for evaluating applications for an entity to become an
2 authorizer.

3 PART II

4 SECTION 2. The purpose of this part is to simplify the
5 process for an entity to become an authorizer.

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

8 "[+]§302D-4[+] Chartering authority application for
9 eligible entities. (a) The commission created under section
10 302D-3 may authorize public charter schools anywhere in the
11 State.

12 (b) Governing boards of accredited public and private
13 postsecondary institutions, including community colleges,
14 technical colleges, and four-year universities may apply to the
15 board, pursuant to this section, for statewide, regional, or
16 local chartering authority, in accordance with each
17 institution's regular operating jurisdiction.

18 (c) A county or state agency may apply to the board,
19 pursuant to this section, for chartering authority.

20 (d) Governing boards of non-profit or charitable
21 organizations, ~~which~~ that are exempt from federal taxes under



1 section 501(c)(3) or 501(c)(6) of the Internal Revenue Code, may
 2 apply to the board, and may be granted statewide chartering
 3 authority. Nonpublic sectarian or religious organizations and
 4 any other charitable organization [~~which~~] that in their federal
 5 Internal Revenue Service Form 1023, Part IV, describe activities
 6 indicating a religious purpose, are not eligible to apply to
 7 become an authorizer under this chapter.

8 (e) The board shall establish [~~, through administrative~~
 9 ~~rules, the annual application and~~] an annual approval process
 10 for all entities eligible to apply for chartering authority
 11 pursuant to this section [~~, provided that the board shall not~~
 12 ~~approve any application for chartering authority until July 1,~~
 13 ~~2014, or until the board adopts rules, whichever is later. By~~
 14 ~~June 30 of each year, the~~]. The board shall make available
 15 information and guidelines for all eligible entities concerning
 16 the opportunity to apply for chartering authority under this
 17 chapter. The application process shall require each interested
 18 eligible entity to submit [~~an application~~] an official letter of
 19 intent that clearly explains or presents the following elements:

- 20 (1) Written notification of intent to serve as an
- 21 authorizer in accordance with this chapter;



- 1 ~~[(2) The applicant entity's strategic vision for~~
2 ~~chartering;~~
- 3 ~~(3) A plan to support the vision presented, including~~
4 ~~explanation and evidence of the applicant entity's~~
5 ~~budget and personnel capacity and commitment to~~
6 ~~execute the responsibilities of quality charter~~
7 ~~authorizing, in accordance with this chapter;~~
- 8 ~~(4) A draft or preliminary outline of the request for~~
9 ~~proposals that the applicant entity, if approved as an~~
10 ~~authorizer, would issue to solicit public charter~~
11 ~~school applicants;~~
- 12 ~~(5) A draft of the performance framework that the~~
13 ~~applicant entity, if approved as an authorizer, would~~
14 ~~use to guide the establishment of a charter contract~~
15 ~~and for ongoing oversight and evaluation of public~~
16 ~~charter schools, consistent with the requirements of~~
17 ~~this chapter;~~
- 18 ~~(6) A draft of the applicant entity's renewal, revocation,~~
19 ~~and nonrenewal processes, consistent with section~~
20 ~~302D-18;~~



1 ~~(7)~~ (2) A statement of assurance that the applicant
 2 [entity] seeks to serve as an authorizer in
 3 fulfillment of the expectations, spirit, and intent of
 4 this chapter, and that if approved as an authorizer,
 5 the entity will fully participate in any authorizer
 6 training provided or required by the State; and

7 ~~(8)~~ (3) A statement of assurance that the applicant will
 8 ensure public accountability and transparency in all
 9 matters concerning its charter-authorizing practices,
 10 decisions, and expenditures.

11 (f) ~~[By June 30 of each year,]~~ Within sixty days of
 12 receipt of an official letter of intent by an eligible
 13 applicant, the board shall conduct a meeting in accordance with
 14 chapter 92 to decide whether to grant or deny chartering
 15 authority to [each] the eligible applicant. [The board shall
 16 make its decisions on the merits of each applicant's proposal
 17 and plans.]

18 (g) If the board denies chartering authority to an
 19 eligible applicant, the board shall notify the applicant in
 20 writing of the reason for the denial and serve that document to



1 the applicant by registered or certified mail with return
2 receipt requested.

3 ~~[(g)]~~ (h) Within sixty days of the board's decision~~[-]~~ to
4 grant chartering authority to an eligible applicant, the board
5 shall execute a renewable authorizing contract with each entity
6 it has approved for chartering authority. ~~[The initial term of~~
7 ~~each authorizing contract shall be six years-]~~ The authorizing
8 contract shall specify each approved entity's agreement to serve
9 as an authorizer in accordance with the expectations of this
10 chapter~~[-, and shall specify additional performance terms based~~
11 ~~on the applicant's proposal and plan for chartering]~~. No
12 approved entity shall commence charter authorizing without an
13 authorizing contract in effect. An approved entity may apply
14 for grant funding and begin planning, implementation, and
15 development to become an authorizer without an authorizing
16 contract in effect.

17 ~~[(h)]~~ (i) This section shall not apply to the commission."

18 PART III

19 SECTION 4. No later than twenty days prior to the
20 convening of the regular session of 2017, the board of education
21 shall submit a report to the legislature on the status of the



1 policies, criteria, or guidelines for evaluating official
2 letters of intent for chartering authority.

3 PART IV

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

6 SECTION 6. This Act shall take effect on July 1, 2050.

7



Report Title:

Department of Education; Public Charter Schools; Authorizers

Description:

Simplifies the process for an entity to become an authorizer (an entity that approves or denies applications to become a charter school). Establishes a shortened timeline for the release of charter school funds. Effective July 1, 2050. (SD1)

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

