

Honolulu, Hawaii

MAR 22 2019

RE: H.B. No. 622  
H.D. 2  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Education, to which was referred H.B. No. 622, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC CHARTER SCHOOLS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish reporting requirements for an employee of a charter school under federal investigation regarding the existence of a criminal investigation of, or criminal charges against the employee for, actions taken in the course of employment at the charter school;
- (2) Establish requirements related to the disbursement of funds to charter schools by the Legislature;
- (3) Require authorizers to establish a purchase order system to pay charter school expenses;
- (4) Require authorizers to be responsible for the selection of independent auditors for its annual audit; and
- (5) Prohibit affiliations between Board of Education or State Public Charter School Commission members and charter schools.



Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs; Kualapu'u Public Conversion Charter School; The Volcano School of Arts and Sciences, PCS; University Laboratory School; Ho'okā'oo Corporation; Kanu o ka 'Āina Learning 'Ohana; Hawaii Technology Academy; Kua O Ka La NCPCS; Kula Aupuni Niihau A Kahelelani Aloha PCS; Kanu O Ka 'Āina; Connections Public Charter School; Kapolei Charter School; Ke Kula O Samuel M Kamakau, LPCS; Hālau Kū Māna; Innovations Public Charter School; Waimea Middle School; and numerous individuals. Your Committee received comments on this measure from the Board of Education, State Public Charter School Commission, and one individual.

Your Committee finds that oversight and accountability are vital to the operation of the public charter school system in Hawaii. However, your Committee further finds that a degree of oversight which undermines the autonomy of individual charter schools runs counter to the policy goals of the charter school system.

Accordingly, your Committee has amended this measure by:

- (1) Removing language establishing reporting requirements for an employee of a charter school under federal investigation;
- (2) Requiring control of public funds disbursed to a charter school to be transferred to the Public Charter School Commission upon filing of federal criminal charges against an employee of the charter school for actions taken in the course of employment at the charter school;
- (3) Requiring authorizers to establish a banking account system to pay charter school expenses instead of a purchase order system;
- (4) Prohibiting individuals from serving as Board of Education or Public Charter School Commission members if the individual was affiliated with a charter school within four years preceding the appointment; and



- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 622, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 622, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Education,



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MICHELLE N. KIDANI, Chair



