
A BILL FOR AN ACT

RELATING TO CHARTER SCHOOLS.

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

1 SECTION 1. Section 302D-7, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§302D-7 Authorizer reporting.** Every authorizer shall be
4 required to submit to the board and the legislature an annual
5 report [~~summarizing+~~] that includes:

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

8 (2) [~~The academic performance of all operating public
9 charter schools overseen by the authorizer, according
10 to the performance expectations for public charter
11 schools set forth in this chapter, including a
12 comparison of the performance of public charter school
13 students with public school students statewide,] The
14 performance report for each public charter school it
15 oversees, in accordance with the performance framework
16 set forth in the charter contract and section 302D-16;~~



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

5 ~~[(4)]~~ (3) The status of the authorizer's public charter
6 school portfolio, identifying all public charter
7 schools and applicants in each of the following
8 categories: approved (but not yet open), approved
9 (but withdrawn), not approved, operating, renewed,
10 transferred, revoked, not renewed, or voluntarily
11 closed;

12 ~~[(5)]~~ (4) The authorizing functions provided by the
13 authorizer to the public charter schools under its
14 purview, including the authorizer's operating costs
15 and expenses detailed in annual audited financial
16 statements that conform with generally accepted
17 accounting principles;

18 ~~[(6)]~~ (5) The services purchased from the authorizer by the
19 public charter schools under its purview;

20 ~~[(7)]~~ (6) A line-item breakdown of the federal funds
21 received by the department and distributed by the



1 authorizer to public charter schools under its
2 control; and
3 ~~[(8)]~~ (7) Any concerns regarding equity and recommendations
4 to improve access to and distribution of federal funds
5 to public charter schools."

6 SECTION 2. Section 302D-13, Hawaii Revised Statutes, is
7 amended by amending subsection (c) to read as follows:

8 "(c) The charter school application process and schedule
9 shall be determined by the authorizer, and shall provide for and
10 include, at a minimum, the following elements:

11 (1) The issuance and publication of a request for
12 proposals by the authorizer on the authorizer's
13 internet website that, at a minimum:

14 (A) Solicits charter applications and presents the
15 authorizer's strategic vision for chartering;

16 (B) Includes or directs applicant governing boards to
17 the performance framework developed by the
18 authorizer in accordance with section 302D-16;

19 (C) Includes criteria that will guide the
20 authorizer's decision to approve or deny a
21 charter application;



- 1 (D) States clear, appropriately detailed questions
2 and provides guidelines concerning the format and
3 content essential for applicant governing boards
4 to demonstrate the capacities necessary to
5 establish and operate a successful charter
6 school; and
- 7 (E) Requires charter applications to provide or
8 describe all essential elements, as determined by
9 the authorizer, of proposed school plans;
- 10 (2) The submission of a letter of intent to open and
11 operate a start-up charter school or to convert a
12 department school to a conversion charter school;
- 13 (3) The timely submission of a completed charter
14 application to the authorizer; provided that a charter
15 application for a conversion charter school shall
16 include certification and documentation that the
17 charter application was approved by a majority of the
18 votes cast by existing administrative, support, and
19 teacher personnel, and parents of students at the
20 existing department school; provided that:



- 1 (A) This vote shall be considered by the authorizer
2 to be the primary indication of the existing
3 administrative, support, and teaching personnel,
4 and parents' approval to convert to a charter
5 school;
- 6 (B) The balance of stakeholders represented in the
7 vote and the extent of support received in
8 support of the conversion shall be key factors,
9 along with the applicant's proposed plans, to be
10 considered by the authorizer when deciding
11 whether to award a charter; and
- 12 (C) A breakdown of the number of administrative,
13 support, and teaching personnel, and parents of
14 students who constitute the existing department
15 school and the number who actually participated
16 in the vote shall be provided to the authorizer;
- 17 ~~[(4) The timely review of the charter application by the~~
18 ~~authorizer for completeness, and notification by the~~
19 ~~authorizer to the applicant governing board that the~~
20 ~~charter application is complete;~~



1 ~~(5)~~ (4) Upon receipt of a completed charter application,
2 the review and evaluation of the charter application
3 by qualified persons including but not limited to:
4 (A) An in-person interview with representatives from
5 the applicant governing board; and
6 (B) An opportunity in a public forum for the public
7 to provide input on each charter application;
8 ~~(6)~~ (5) Following the review and evaluation of a charter
9 application, approval or denial of the charter
10 application by the authorizer in a meeting open to the
11 public;
12 ~~(7)~~ (6) A provision for a final date by which a decision
13 to approve or deny a charter application must be made
14 by the authorizer, upon receipt of a complete charter
15 application; and
16 ~~(8)~~ (7) A provision that no charter school may begin
17 operation before obtaining authorizer approval of its
18 charter application and charter contract and
19 fulfilling pre-opening requirements that may be
20 imposed by the authorizer, pursuant to section 302D-
21 14.5."



1 SECTION 3. Section 302D-16, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§302D-16 Performance framework. (a) The performance
4 provisions within the charter contract shall be based on a
5 performance framework that clearly sets forth the academic,
6 financial, organizational, and operational performance
7 indicators, measures, and metrics that will guide the
8 authorizer's evaluations of each public charter school. The
9 performance framework, as established by the authorizer, shall
10 include indicators, measures, and metrics for, at a minimum:

- 11 (1) Student academic proficiency;
- 12 (2) Student academic growth;
- 13 (3) Achievement gaps [~~in proficiency and growth~~] between
14 major student subgroups;
- 15 (4) [~~Attendance;~~] Post-secondary readiness;
- 16 (5) [~~Enrollment~~] Budget variance;
- 17 [~~(6) Postsecondary readiness, as applicable for high~~
18 ~~schools,~~
- 19 ~~(7)]~~ (6) Financial performance and sustainability;



1 ~~[(8)]~~ (7) Performance and stewardship, including compliance
2 with all applicable laws, rules, and terms of the
3 charter contract; and

4 ~~[(9)]~~ (8) Organizational viability.

5 (b) Annual academic performance targets shall be set by
6 each public charter school in conjunction with its authorizer,
7 and shall be designed to track each school in meeting applicable
8 federal, state, and authorizer expectations.

9 (c) The performance framework shall allow the inclusion of
10 additional rigorous, valid, and reliable indicators proposed by
11 a public charter school to augment external evaluations of its
12 performance; provided that the authorizer approves the quality
13 and rigor of such school-proposed indicators, and the indicators
14 are consistent with the purposes of this chapter and the charter
15 contract.

16 ~~[(d)] The performance framework shall require the~~
17 ~~disaggregation of all student performance data by major student~~
18 ~~subgroups.~~

19 ~~(e)]~~ (d) For each public charter school it oversees, the
20 authorizer shall be responsible for verifying and either



1 maintaining or having access to all charter school data upon
2 which the performance framework relies.

3 ~~[(f)]~~ (e) Multiple schools overseen by a single governing
4 board shall be required to report their performance as separate,
5 individual charter schools, and each charter school shall be
6 held independently accountable for its performance."

7 SECTION 4. Section 302D-17, Hawaii Revised Statutes, is
8 amended by amending subsection (b) to read as follows:

9 "(b) ~~[Each authorizer shall annually publish and provide,~~
10 ~~as part of its annual report to the board and the legislature, a~~
11 ~~performance report for each public charter school it oversees,~~
12 ~~in accordance with the performance framework set forth in the~~
13 ~~charter contract and section 302D-16.]~~ The authorizer may
14 require each public charter school it oversees to submit an
15 annual report to assist the authorizer in gathering complete
16 information about each school. The annual report may include
17 the status of the charter school's compliance with annual
18 performance targets, as determined by the charter contract."

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



1 "§302D-32 Annual audit. Each charter school shall
 2 annually complete an independent financial audit that complies
 3 with the requirements of its authorizer and the department. The
 4 authorizer shall [~~select three independent auditors,~~] provide to
 5 each charter school it oversees a list of approved independent
 6 auditors, from which the charter school shall select one
 7 independent auditor to comply with this section."

8 SECTION 6. Statutory material to be repealed is bracketed
 9 and stricken. New statutory material is underscored.

10 SECTION 7. This Act shall take effect upon its approval.

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INTRODUCED BY:

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H.B. NO. 2695

Report Title:

Charter Schools; Performance Framework; Authorizer; Annual Report; Annual Audit

Description:

Amends the performance framework requirements for charter schools. Amends authorizers' reporting and audit requirements. Amends authorizers' responsibilities in reviewing charter applications.

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