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# 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;]~~ A  
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9           (but withdrawn), not approved, operating, renewed,  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]~~ the school-proposed indicators, and the  
14 indicators are consistent with the purposes of this chapter and  
15 the charter 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 on July 1, 2051.



**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. Effective 7/1/2051. (HD1)

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

