JAN 2 2 2021

A BILL FOR AN ACT

RELATING TO CHARTER SCHOOLS.

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

- 1 SECTION 1. The legislature finds that in 2019, the Hawai'i
- 2 state public charter school commission requested control of the
- 3 selection of auditors for public charter schools and requested
- 4 that the number of auditors be limited to a choice of three.
- 5 Since passage, the state public charter school commission has
- 6 only recommended a list of auditors all of whom were located on
- 7 the island of Oahu. The legislature further finds that having
- 8 three auditors on the island of Oahu will cause undue burden and
- 9 expense to neighbor island public charter schools and will
- 10 likely hinder the completion of an audit of all thirty-seven
- 11 public charter schools in the State within the timeframe
- 12 required for the consolidated annual audit report.
- 13 The purpose of this Act is to require that a minimum of two
- 14 of the three independent auditors selected by the authorizer for
- 15 the State's public charter schools have offices on the neighbor
- 16 islands.



13

S.B. NO. 864

1	SECTION 2. Section 302D-32, Hawaii Revised Statutes, is
2	amended to read as follows:
3	"§302D-32 Annual audit. Each charter school shall
4	annually complete an independent financial audit that complies
5	with the requirements of its authorizer and the department. The
6	authorizer shall select three independent auditors, from which
7	the charter school shall select one independent auditor to
8	comply with this section. At a minimum, two of the three
9	independent auditors selected by the authorizer shall have
10	offices on the neighbor islands."
11	SECTION 3. New statutory material is underscored.
12	SECTION 4. This Act shall take effect upon its approval.

2021-0709 SB SMA.doc

S.B. NO. 864

Report Title:

Auditors; Charter Schools; Offices; Neighbor Island

Description:

Requires that a minimum of two of the three auditors selected by the authorizer for the State's public charter schools have offices on the neighbor islands.

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