H.B. NO. (220

A BILL FOR AN ACT

RELATING TO CHARTER SCHOOLS.

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

SECTION 1. Section 302D-3, Hawaii Revised Statutes, is
 amended as follows:
 By amending subsections (c) and (d) to read:
 "(c) The commission shall consist of nine members [to be

6 the governor; two members shall be appointed by the president of

appointed by the board.]. Three members shall be appointed by

7 the senate and one member by the senate minority leader; and two

8 members shall be appointed by the speaker of the house of

9 representatives and one by the minority leader of the house of

10 representatives. The [board] appointing authorities shall 11 appoint members who will be tasked with authorizing public 12 charter schools that serve the unique and diverse needs of 13 public school students. The chair of the commission shall be 14 designated by the members of the commission for each school year 15 beginning July 1, and whenever there is a vacancy. The [board] 16 appointing authorities shall consider the combination of

17 abilities, breadth of experiences, and characteristics of the

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1	commission, including but not limited to reflecting the
2	diversity of the student population, geographical
3	representation, and a broad representation of education-related
4	stakeholders. Members of the commission shall collectively
5	possess strong experience and expertise in public and nonprofit
6	governance; management and finance; public school leadership;
7	assessment; curriculum and instruction; and public education
8	law. The commission shall be exempt from sections 26-34 and
9	26-36.
10	(d) Understanding that the role of the commission is to
11	ensure a long-term strategic vision for Hawaii's public charter
12	schools, each nominee to the commission shall meet the following
13	minimum qualifications:
14	(1) Commitment to [education.] charter schooling. Each
15	nominee's record should demonstrate a deep and abiding
16	interest in education, and a dedication to the social,
17	academic, and character development of young people
18	through the administration of a high performing
19	charter school system;
20	(2) Record of integrity, civic virtue, and high ethical
21	standards. Each nominee shall demonstrate integrity,



1		civic virtue, and high ethical standards and be
2		willing to hold fellow commission members to the same;
3	(3)	Availability for constructive engagement. Each
4		nominee shall commit to being a conscientious and
5		attentive commission member; and
6	(4)	Knowledge of best practices. Each nominee shall have
7		an understanding of best practices in charter school
8		educational governance or shall be willing to be
9		trained in such."
10	2.	By amending subsections (g) and (h) and to read:
11	"(g)	Commission members shall serve not more than three
12	consecuti	ve three-year terms, with each term beginning on
13	July 1; p	rovided that [the initial terms that commence after
14	June 30,	2012, shall be staggered as follows:
15	(1)	Three members, including the chairperson, to serve
16		three-year terms;
17	(2)	Three members-to serve two-year terms; and
18	(3)	Three members to serve one-year terms.]
19	effective	July 1, 2021, as the terms of existing members expire,
20	a new app	pointee will be made in the following order: the
21	governor,	the president of the senate, the senate minority



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1	leader, the speaker of the house of representatives, the
2	minority leader of the house of representatives, the governor,
3	the president of the senate, the speaker of the house of
4	representatives, and then the final appointment by the governor.
5	The seats shall retain their current term expirations.
6	(h) Notwithstanding the terms of the members, the [board]
7	appointing authority may fill vacancies in the commission of any
8	member for which the appointing authority is responsible at any
9	time when a vacancy occurs due to resignation, non-
10	participation, the request of a majority of the commission
11	members, or termination by the [board] responsible appointing
12	authority for cause."
13	SECTION 2. Section 302D-4, Hawaii Revised Statutes, is
14	amended to read as follows:
15	1. By amending subsections (b) and (c) to read:
16	"(b) Governing boards of accredited public and private
17	postsecondary institutions, including community colleges,
18	technical colleges, and four-year universities may [apply to the
19	board, pursuant to this section, for statewide, regional, or
20	local chartering authority, authorize public charter schools

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1	(4)	Negotiating and executing sound charter contracts with
2		each approved charter applicant and with existing
3		<pre>public charter schools;</pre>
4	(5)	Monitoring, in accordance with charter contract terms,
5		the performance and legal compliance of public charter
6		schools; and
7	(6)	Determining whether each charter contract merits
8		renewal, nonrenewal, or revocation.
9	(b)	An authorizer shall:
10	(1)	Act as a point of contact between the department and a
11		public charter school it authorizes;
12	(2)	Be responsible for and ensure the compliance of a
13		public charter school it authorizes with all
14		applicable state and federal laws, including reporting
15		requirements;
16	(3)	Be responsible for the receipt of applicable federal
17		funds from the department and the distribution of
18		funds to the public charter school it authorizes; and
19	(4)	Be responsible for the receipt of per-pupil funding
20		from the department of budget and finance and

distribution of the funding to the public charter
 school it authorizes.

3 (c) An authorizer shall have the power to make and execute
4 contracts and all other instruments necessary or convenient for
5 the exercise of its duties and functions under this chapter.

6 (d) An authorizer may delegate its duties to officers,7 employees, and contractors.

8 (e) Regulation by authorizers shall be limited to the
9 powers and duties set forth in this section, and shall be
10 consistent with the spirit and intent of this chapter.

11 (f) An authorizer, members of the board of an authorizer 12 acting in their official capacity, and employees or agents of an authorizer are immune from civil and criminal liability with 13 14 respect to all activities related to a public charter school 15 authorized by that authorizer, except for any acts or omissions 16 constituting wilful misconduct. Members of the commission shall 17 be afforded the same protection afforded the members of the 18 board pursuant to section 26-35.5.

19 [(g) An authorizer shall not provide technical support to 20 a prospective charter school applicant, an applicant governing 21 board, or a charter school it authorizes in cases in which the



1	technical support-will directly and substantially impact any
2	authorizer decision related to the approval or denial of the
3	charter application or the renewal, revocation, or nonrenewal of
4	the charter contract. This subsection shall not apply to
5	technical support that an authorizer is required to provide to a
6	charter school pursuant to federal law.]"
7	SECTION 4. Section 302D-13, Hawaii Revised Statutes, is
8	amended to read as follows:
9	"§302D-13 Start-up and conversion charter schools;
10	establishment. (a) New start-up and conversion charter schools
11	may be established pursuant to this section.
12	(b) Any community, department school, school community
13	council, group of teachers, group of teachers and
14	administrators, or nonprofit organization may submit a letter of
15	intent to an authorizer to form a charter school and establish
16	an applicant governing board. The letter of intent shall serve
17	merely as a notice provided by the applicant to the authorizer
18	to advise the authorizer that the applicant intends to complete
10	
19	an application. All applicants who submit a letter of intent



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1	may devel	op a charter application pursuant to this section;		
2	provided that:			
3	(1)	An applicant governing board established by a		
4		community may develop a charter application for a		
5		start-up charter school;		
6	(2)	An applicant governing board established by a		
7		department school or a school community council may		
8		develop a charter application for a conversion charter		
9		school;		
10	(3)	An applicant governing board established by a group of		
11		teachers or a group of administrators may develop a		
12		charter application for a start-up or conversion		
13		charter school; and		
14	(4)	A nonprofit organization may:		
15		(A) Establish an applicant governing board that [is		
16		separate from the nonprofit organization]		
17		operates separately from, but may have similar		
18		members with, its nonprofit organization, and		
19		develop a charter application for a start-up or		
20		conversion charter school; [or] provided that the		
21		members of the applicant governing board shall		



1		not	constitute the majority of members from the
2		nonp	rofit organization; or
3	(B)	Esta	blish an applicant governing board that shall
4		be t	he board of directors of the nonprofit
5		orga	nization and may develop a charter
6		appl	ication for a conversion charter school;
7		prov	ided that any nonprofit organization that
8		seek	s to manage and operate a conversion charter
9		scho	ol shall:
10		(i)	Submit to the authorizer at the time of the
11			charter application bylaws or policies that
12			describe the manner in which business is
13			conducted and policies that relate to the
14			management of potential conflict of interest
15			situations;
16		(ii)	Have experience in the management and
17			operation of public or private schools or,
18			to the extent necessary, agree to obtain
19			appropriate services from another entity or
20			entities possessing such experience;

1		(iii)	Not interfere in the operations of the
2			department school to be converted until
3			otherwise authorized by the authorizer in
4			consultation with the department; and
5		(iv)	Have the same protections that are afforded
6			to all other governing boards in its role as
7			the conversion charter school governing
8			board.
9	(c)	The chart	er school application process and schedule
10	shall be	determined	by the authorizer, and shall provide for and
11	include,	at a minim	um, the following elements:
12	(1)	The issua	nce and publication of [a request for
13		proposals] <u>an application process</u> by the authorizer on
14		the autho	rizer's internet website that, at a minimum:
15		(A) Soli	cits charter applications and presents the
16		auth	orizer's strategic vision for chartering;
17		(B) Incl	udes or directs applicant governing boards to
18		the	performance framework developed by the
19		auth	orizer in accordance with section 302D-16;



1		(C)	Includes statutory criteria that will guide the
2			authorizer's decision to approve or deny a
3			charter application;
4		(D)	States clear, appropriately detailed questions
5			and provides guidelines concerning the format and
6			content essential for applicant governing boards
7			to demonstrate the capacities necessary to
8			establish and operate a successful charter
9			school; and
10		(E)	Requires charter applications to provide or
11			describe all essential elements, as determined by
12			the authorizer, of proposed school plans;
13	(2)	The	submission of a letter of intent to <u>notify the</u>
14		auth	orizer of the applicant's intent to open and
15		oper	ate a start-up charter school or to convert a
16		depa	rtment school to a conversion charter school;
17		prov	ided that a letter of intent may not be utilized
18		<u>as a</u>	basis for the denial of the right to submit an
19		appl	ication;
20	(3)	The	timely submission of a completed charter
21		appl	ication to the authorizer; provided that a charter



1 application for a conversion charter school shall 2 include certification and documentation that the 3 charter application was approved by a majority of the 4 votes cast by existing administrative, support, and 5 teacher personnel, and parents of students at the 6 existing department school; provided that: 7 (A) This vote shall be considered by the authorizer 8 to be the primary indication of the existing 9 administrative, support, and teaching personnel, 10 and parents' approval to convert to a charter 11 school; 12 (B) The balance of stakeholders represented in the 13 vote and the extent of support received in 14 support of the conversion shall be key factors, 15 along with the applicant's proposed plans, to be 16 considered by the authorizer when deciding 17 whether to award a charter; and 18 (C) A breakdown of the number of administrative, 19 support, and teaching personnel, and parents of 20 students who constitute the existing department



1		school and the number who actually participated
2		in the vote shall be provided to the authorizer;
3	(4)	The timely review of the charter application by the
4		authorizer for completeness, and notification by the
5		authorizer to the applicant governing board that the
6		charter application is complete[+] or, if the
7		authorizer determines that the application is
8		incomplete, notification by the authorizer to the
9		applicant governing board that the application is
10		incomplete, providing a detailed listing of any
11		missing elements of the application, and providing a
12		reasonable opportunity for the applicant governing
13		board to cure any deficiency by providing any missing
14		elements to the authorizer;
15	(5)	Upon receipt of a completed charter application, the
16		review and evaluation of the charter application by
17		qualified persons including but not limited to:
18		(A) An in-person interview with representatives from
19		the applicant governing board; and
20		(B) An opportunity in a public forum for the public
21		to provide input on each charter application;



1	(6)	Following the review and evaluation of a charter
2		application, approval or denial of the charter
3		application by the authorizer in a meeting open to the
4		public[+] and subsequent written notice to the
5		applicant; provided that in the event of a denial,
6		such notice must provide specific information to the
7		applicant on its right to appeal the decision to the
8		board, including but not limited to the number of days
9		by which the applicant must file an appeal with the
10		board and where to file such an appeal;
11	(7)	A provision for a final date by which a <u>written</u>
12		decision to approve or deny a charter application must
13		be made by the authorizer[$_{ au}$] to the applicant, upon
14		receipt of a complete charter application; provided
15		that if no written decision is provided by that date,
16		the application shall be deemed approved; and
17	(8)	A provision that no charter school may begin operation
18		before obtaining authorizer approval of its charter
19		application and charter contract and fulfilling pre-
20		opening requirements that may be imposed by the
21		authorizer, pursuant to section 302D-14.5.



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1	(d)	A charter application to become a start-up or
2	conversio	n charter school shall meet the requirements of this
3	subsectio	n, section 302D-25, and any other requirements set by
4	the autho	rizer. The charter application shall, at a minimum:
5	(1)	Include plans for a charter school that are likely to
6		satisfactorily meet the academic, financial,
7		organizational, and operational performance
8		indicators, measures, and metrics set forth in the
9		authorizer's performance framework, pursuant to
10		section 302D-16;
11	(2)	Include plans for a charter school that is in
12		compliance with applicable laws; and
13	(3)	[+]Recognize[+] the interests of the general public.
14	(e)	In reviewing a charter application under this section,
15	an author	izer shall take into consideration the constitution of
16	the appli	cant governing board, terms of applicant governing
17	board mem	bers, and the process by which applicant governing
18	board mem	bers were selected.
19	(f)	In reviewing charter applications under this section,
20	an author	izer shall develop a schedule to approve or deny a
21	charter a	pplication by the end of the calendar year prior to the

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1 opening year of the proposed charter school for purposes of 2 meeting any deadlines to request funding from the legislature; provided that nothing in this section shall be construed as 3 4 requiring an authorizer to accept and review charter 5 applications annually. 6 If a conflict between the provisions in this section (q) 7 and other provisions in this chapter occurs, this section shall control. 8 9 (h) If an authorizer takes any action that prohibits any 10 applicant from proceeding with an application for any reason, 11 such action shall be deemed a denial and subject to appeal 12 pursuant to section 302D-15." 13 SECTION 5. Section 302D-15, Hawaii Revised Statutes, is 14 amended to read as follows: 15 "§302D-15 Appeals; charter applications, renewals, or 16 revocations. (a) The board shall have the power to decide 17 appeals of decisions by an authorizer to deny the approval of a charter application, deny renewal of a charter contract, or 18 19 revoke a charter school's charter contract. An appeal shall be 20 filed with the board within twenty-one calendar days of the 21 receipt of the notification of denial or revocation. Only a

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1	party whose charter application has been denied, whose charter
2	contract renewal has been denied, or whose charter contract has
3	been revoked may initiate an appeal under this section for
4	cause. The board shall review an appeal and issue a final
5	decision within sixty calendar days of the filing of the appeal.
6	(b) The board shall serve as the final arbitrator of
7	appeals authorized by subsection (a) $[-]$, and the authorizer
8	shall act in accordance with the board's decision within the
9	timeframe stated by the board or, in the absence of a timeframe,
10	such reasonable amount of time needed to comply. If an
11	authorizer fails to timely comply with the final decision of the
12	board, the board may impose a penalty on the authorizer,
13	including but not limited to fining the authorizer for every day
14	the authorizer is not in compliance; implementing the decision
15	and binding the authorizer to the final decision; or revoking
16	the authorizer's charter authority, consistent with section
17	<u>302D-11.</u>
18	(c) A party shall not be entitled to a hearing before the
19	board under this section until it has exhausted all available

20 administrative remedies.

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1	(d) The board shall adopt rules pursuant to chapter 91 to
2	implement this section.
3	(e) If the board overrules a denial or revocation by the
4	authorizer, another eligible authorizer may, subject to the
5	agreement of the charter school and the eligible authorizer, be
6	designated as the charter school's authorizer for ongoing
7	operations of the charter school."
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, 2021.
11	1.

INTRODUCED BY:

A JAN 2 6 2021

Report Title:

Commission Member Appointments; Charter School Authorizations; Letter of Intent; Authorization Applications; Appeal

Description:

Amends the appointing authority for members to the charter school commission board to consist of the governor, the senate president, the senate minority leader, the speaker of the house of representatives, and the minority leader of the house of representatives. Permits governing boards of postsecondary institutions and county and state agencies to authorize public charter schools. Clarifies charter application notice requirements. Clarifies authorizer compliance requirements in cases of an appeal.

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

