May 3, 2004

THE SENATE TWENTY-SECOND LEGISLATURE, 2004 STATE OF HAWAII

S.B. NO.

RELATING TO EDUCATION.

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BE IT ENACTED BY THE LEGIS ATURE OF THE STATE OF HAWAII:

PART I

2 **PURPOSE**

3 Although many responsibilities are laid upon SECTION 1.

education, ultimately education must do no less than advance the 4

endowment of human culture itself, so that each succeeding

6 generation finds itself further along the road towards peace,

social justice, and environmental sustainability in a society 7

guided by creativity, compassion, and curiosity. This Act is a 8

road map for a critical phase in that ongoing journey. 9

10 The legislature finds that significant changes need to be

made to enhance Hawaii's public education system to ensure the

success of that journey. Although the State's students, 12

parents, teachers, school administrators, departmental staff, 13

and other educational stakeholders strive to achieve excellence, 14

15 their efforts will never be completely successful until various

aspects of the system around them are improved. 16

The legislature has supported and will continue to support

efforts by the department of education to improve Hawaii's 18

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- 1 schools as a means of enhancing the academic achievement, safety
- 2 and well being, and civic commitment of students, to meet the
- 3 evolving needs of today's communities.
- 4 The coordinated package of initiatives in this Act aims to
- 5 implement comprehensive education reform in Hawaii's public
- 6 schools and shall be known as the "Reinventing Education Act of
- 7 2004." Its main elements include:
- 8 (1) Establishing a weighted student formula;
- 9 (2) Providing additional information technology;
- 10 (3) Empowering principals through a Hawaii principals
 11 academy and other means;
- (4) Strengthening community involvement through schoolcommunity councils and parent-community networking
- 14 centers;
- 15 (5) Providing more mathematics textbooks;
- 16 (6) Lowering class size in kindergarten, grade one, and17 grade two;
- 18 (7) Providing full-time, year-round, high school student 19 activity coordinators;
- 20 (8) Providing support for students who need additional help to succeed in school;

| 1 | (9) | Establishing a national board certification incentive | | |
|----|--|---|--|--|
| 2 | | program for teachers; | | |
| 3 | (10) | Enhancing teacher education; | | |
| 4 | (11) | Reducing the bureaucracy that hampers the | | |
| 5 | | effectiveness of the department of education; | | |
| 6 | (12) | Improving the educational accountability system; and | | |
| 7 | (13) | Requiring the board of education members to hold | | |
| 8 | | community meetings in their districts. | | |
| 9 | Resea | arch shows that student performance is significantly | | |
| 10 | higher in | smaller schools. While establishing smaller schools | | |
| 11 | throughout | t the State is not financially feasible, some schools | | |
| 12 | have taken it upon themselves to create smaller and more | | | |
| 13 | manageable learning communities within their schools. Research | | | |
| 14 | also strongly supports the need for early childhood education | | | |
| 15 | and the es | stablishment of a coherent system that spans all levels | | |
| 16 | of educati | on. The department of education teamed with the | | |
| 17 | University | of Hawaii and Good Beginnings Alliance to create a | | |
| 18 | vision for | such a system, which was presented in 2002, and is | | |
| 19 | now being | implemented. | | |
| 20 | Despi | te these efforts, more needs to be done. Currently, | | |
| 21 | public sch | ool principals are faced with a nearly impossible | | |
| 22 | task, as t | hey are asked to attend to every detail of operating | | |

- 1 their schools without enough institutional support or discretion
- 2 to expend funds. While some support and additional school
- 3 leadership is provided by the school/community-based management
- 4 (SCBM) system at many schools throughout the State, SCBM plays a
- 5 far more limited role at some locations, and has not been
- 6 implemented at all at others.
- 7 Recently, departmental leadership was decentralized through
- 8 the creation of the complex area system, including the hiring of
- 9 complex area superintendents. While replacing the old district
- 10 system with this new structure was an important first step,
- 11 further changes need to be made to allow meaningful authority to
- 12 exist as close to the schools as possible. The complex area
- 13 structure will serve as an excellent base upon which to build
- 14 these continued reforms. It is the legislature's intent to
- 15 place a far greater number of decisions, and a much higher
- 16 percentage of moneys, directly in the hands of individual
- 17 schools and their leaders.
- Another area of improvement necessary to promote excellence
- 19 in learning is the method by which moneys are allocated to
- 20 individual schools. Hawaii currently receives high marks
- 21 nationally for funding equity, as being organized as a single
- 22 unified system enables the State to fairly disburse moneys to

- 1 schools. In other states, local revenue sources such as
- 2 property taxes account for a significant portion of school and
- 3 district funding, resulting in massive financial disparities
- 4 between schools in more and less affluent areas.
- 5 Although the State avoids this particular pitfall, further
- 6 improvements can be made to ensure that moneys go to the schools
- 7 that truly have the greatest need, and to place more moneys at
- 8 the discretion of individual schools. While the current funding
- 9 system takes into account certain criteria when allocating
- 10 moneys to schools, it does not comprehensively address the fact
- 11 that some students are more costly to educate than others. For
- 12 example, students with special needs, such as those with limited
- 13 proficiency in English, or who have physical, psychological, or
- 14 other impediments to learning, are more expensive to teach than
- 15 students who are not faced with these barriers.
- One method that can be used to address these funding issues
- 17 is a weighted student formula. Under such a system, moneys are
- 18 allocated to schools based on a system of weighted
- 19 characteristics that apply to every student in the public
- 20 schools.
- 21 Under a weighted student formula there are several
- 22 advantages. Among other things:

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| 1 | (1) | The relative cost of educating students can be much |
|----|------------|--|
| 2 | | more accurately assessed, based upon the unique |
| 3 | | learning needs of each student; |
| 4 | (2) | Funds follow students to whichever school they attend; |
| 5 | | and |
| 6 | (3) | The budget process becomes more transparent as it is |
| 7 | | based on dollars, not staff positions. |
| 8 | Howe | ver, establishing a weighted student formula cannot be |
| 9 | effective | in a vacuum. Other reform measures must be |
| 10 | implemente | ed as well. Principals will be empowered to act as the |
| 11 | educationa | al leaders of their schools, with more authority |
| 12 | relating t | to budgeting, and more flexibility to expend funds. |
| 13 | With these | e expanded powers, principals will be held accountable |
| 14 | for their | performance through a system that includes rewards, |
| 15 | assistance | e, and sanctions. Principals will also need more |
| 16 | training a | and support if they are required to take on additional |

duties, and are expected to advance student success.

need to be enhanced if schools are to work effectively.

Furthermore, community involvement and support of schools will

impediments that will likely reduce its ability to effectively

The department of education is also faced with significant

implement the weighted student formula. With educational 2004-2199 SB3238 CD1 SMA-8.doc

عَا غَيْنَا مُعَادِّ يَسْتُ لِسُلِطُ فِي لِي فِي لِي لِي لِي لِي لِي لِي اللَّهِ فِي لِي اللَّهِ فِي السَّالِ

- 1 responsibilities spread throughout numerous state agencies,
- 2 there are various roadblocks to progress that could prevent the
- 3 department of education and individual schools from successfully
- 4 performing their duties and effectively using a new funding
- 5 system.

- 6 The legislature finds that a comprehensive effort
- 7 addressing all of these issues is required for Hawaii's public
- 8 schools to maximize student achievement. Accordingly, the
- 9 purpose of this Act is to enhance educational outcomes in
- 10 Hawaii's public schools by:
- 11 (1) Implementing the weighted student formula by:
- 12 (A) Requiring the department of education to provide

 13 supplementary allocations to those schools whose

 14 budgets are adversely affected by the weighted

 15 student formula for no more than three years
 - beginning with the 2006-2007 school year;
- 17 (B) Establishing a committee on weights within the
- department of education to determine the unit
- value of student weights and recommend a weighted
- 20 student formula to the board of education at
- least annually, and appropriating \$10,000 to
- support the operation of the committee;

| (C) | Requiring the department of education to adopt a |
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| | weighted student formula in allocating funds to |
| | all public schools, excluding new century charter |
| | schools and new century conversion charter |
| | schools; |

- (2) Appropriating \$2,000,000 to the department of education to facilitate field support, security and privacy for the telecommunications network, and training regarding information technology infrastructure used to enhance accountability, compliance with the federal No Child Left Behind Act of 2001, and implementation of school reform including the weighted student formula;
- (3) Supporting and empowering principals by:
- (A) Requiring the department of education, with the invited participation of the exclusive bargaining agent of educational officers of the department of education, to propose salary schedules and other terms and conditions of employment of principals and vice principals based upon a twelve-month term of service, and report findings

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| • | | back to the Legislature no later than twenty days |
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| 2 | | prior to the regular session of 2005; |
| 3 | (B) | Requiring the board of education to classify all |
| 4 | | educational officer positions of the department |
| 5 | | of education to adopt two separate |
| 6 | | classification/compensation plans for educational |
| 7 | | officers, one for principals and vice principals |
| 8 | | (based on the general pattern of a school |
| 9 | | administrator's career development and associated |
| 10 | | school administrator's qualification |
| 11 | | requirements) and one for all other educational |
| 12 | | officers (reflective of the career development |
| 13 | | pattern and qualification requirements for the |
| 14. | | respective professional field of expertise), and |
| 15 | × . | including classification appeals procedures for |
| 16 | | both; and |
| 17 | (C) | Convening a working group to create a plan for |
| 18 | | the implementation of performance contracts for |
| 19 | | principals; |
| 20 | (D) | Establishing a Hawaii principals academy to |
| 21 | | support and train complex area superintendents |

| 1 | | | principals, and prospective principals, and |
|----|-----|------|---|
| 2 | | | appropriating \$500,000 to operate the academy; |
| 3 | | (E) | Clarifying the authority and responsibility of |
| 4 | | | principals; |
| 5 | | (F) | Appropriating \$183,780 to operate the department |
| 6 | | | of education's administrator certification for |
| 7 | | | excellence (ACE) program; and |
| 8 | | (G) | Appropriating \$400,000 to compensate principals |
| 9 | | | recalled to work by the department, outside of |
| 10 | | | their regular term of service, for professional |
| 11 | | | development and any other activities that may |
| 12 | | | enhance their effectiveness as leaders of their |
| 13 | | | schools; |
| 14 | (4) | Enha | ncing community involvement in schools by: |
| 15 | | (A) | Appropriating \$350,000 for training and other |
| 16 | | | activities needed to facilitate the transition |
| 17 | | | from the current SCBM system into a mandatory |
| 18 | | | school community council system to be implemented |
| 19 | | | at each public school, excluding new century |
| 20 | | | charter schools and new century conversion |
| 21 | | | charter schools; |

| 1 | (E | B) Clearly articulating the balance and reciprocity |
|----|--------|---|
| 2 | | of powers and responsibilities between the |
| 3 | | principal and school community council; |
| 4 | (0 | Appropriating \$1,743,900 to support and enhance a |
| 5 | | proven means of improving parental and community |
| 6 | | involvement in schools, parent-community |
| 7 | | networking centers; |
| 8 | (5) Di | rectly, concretely supporting the academic |
| 9 | | hievement and holistic development of students by: |
| 10 | (A | |
| 11 | | textbooks and other mathematics learning |
| 12 | | materials in schools, provided that mathematics |
| 13 | | curriculum is aligned within the school complex; |
| 14 | (B) | |
| 15 | | kindergarten, grade one, and grade two by hiring |
| 16 | | seventy-five elementary school teachers; |
| 17 | (C) | |
| 18 | | high school student activity coordinators; and |
| 19 | (D) | |
| 20 | | parents in working with students who need |
| 21 | | additional help to succeed in school provided the |
| 22 | | programs have measurable outcomes; |
| | | • |

| 1 | (6) | Dire | ctly, concretely supporting teachers by: |
|------|-----|--------|---|
| 2 | | (A) | Establishing a national board certification |
| 3 | | | incentive program to be administered by the |
| 4 | | | Hawaii teacher standards board to continue |
| 5 | | | comparable efforts initiated under a memorandum |
| 6 | | | of understanding between the department of |
| 7 | | | education and Hawaii teacher standards board |
| 8 | | | which expires on June 30, 2005, and appropriating |
| 9 | | | \$480,000 funding to execute the memorandum of |
| 10 | | • | understanding during fiscal year 2004-2005; |
| 11 | | (B) | Appropriating \$92,000 for the administration of |
| 12 | | | the Hawaii teacher standards board; |
| 13 | | (C) | Increasing the pool of qualified teachers and |
| 14 . | | i | administrators by appropriating \$500,000 to fund |
| 15 | | 8 | seven teacher education positions and one |
| 16 | | • | education administration faculty position at the |
| 17 | | C | college of education of the University of Hawaii; |
| 18 | (7) | | ng bureaucracy that hampers the effectiveness of |
| 19 | | the de | epartment of education by: |
| 20 | | (A) R | equiring the department of education to convene |
| 21 | | a | n interagency working group to address systemic |

| 1 | | | impediments to the efficient management and |
|----|-----|-------|---|
| 2 | | | operation of schools; |
| 3 | | (B) | Transferring certain key functions from various |
| 4 | | | state agencies to the department of education; |
| 5 | | (C) | |
| 6 | | | single school calendar for all public schools to |
| 7 | | | apply beginning with the 2006-2007 school year; |
| 8 | (8) | Enha | ancing educational accountability by: |
| 9 | | (A) | Requiring academic achievement, safety and well |
| 10 | | | being, and civic responsibility of individual |
| 11 | | | students to be assessed and tracked; |
| 12 | | (B) | Expanding the accountability provision to include |
| 13 | | | fiscal accountability; |
| 14 | | (C) | Including complex area superintendents and |
| 15 | 4 | | principals in the accountability system; |
| 16 | | (D) | Requiring clear, easily understandable report |
| 17 | | | cards on key performance indicators for schools, |
| 18 | | | school complexes, and the public school system; |
| 19 | | (E) | Requiring the board of education to hold |
| 20 | | | community meetings in each school district; |
| 21 | (9) | Appro | opriating \$400,000 for the piloting of school |
| 22 | | commu | nity councils and development of academic and |

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| _ | rinancial plans at selected schools prior to the |
| 2 | statewide implementation of the weighted student |
| 3 | formula; and |
| 4 | (10) Requiring the department of education to submit |
| 5 | findings and recommendations to the legislature prior |
| 6 | to the 2005 regular session relating to the |
| 7 | implementation of this Act. |
| 8 | PART II |
| 9 | WEIGHTED STUDENT FORMULA |
| 10 | SECTION 2. The department of education, from within |
| 11 | appropriations provided to the department of education, shall |
| 12 | |
| 13 | provide supplementary allocations to those schools whose budgets |
| | are adversely affected upon the implementation of the weighted |
| 14 | student formula, as determined by the superintendent, for no |
| 15 | more than three years beginning with the 2006-2007 school year. |
| 16 | SECTION 3. Chapter 302A, Hawaii Revised Statutes, is |
| 17 | amended by adding a new section to be appropriately designated |
| 18 | and to read as follows: |
| 19 | "§302A- Committee on weights. (a) There is established |
| 20 | within the department of education the committee on weights to |
| 21 | develop a weighted student formula pursuant to section 302A |
| 22 | The committee shall: |
| | A COMMUTACOR SHOTT: |

| 1 | (1) | Create a list of student characteristics that will be |
|----|-------------|--|
| 2 | | weighted; |
| 3 | (2) | Create a system of weights based upon the student |
| 4 | | characteristics that may be applied to determine the |
| 5 | | relative cost of educating any student; |
| 6 | (3) | Determine specific student weights, including their |
| 7 | | unit value; |
| 8 | (4) | Determine which moneys shall be included in the amount |
| 9 | | of funds to be allocated through the weighted student |
| 10 | , | formula; |
| 11 | (5) | Recommend a weighted student formula to the board of |
| 12 | | education; |
| 13 | (6) | Perform any other function that may facilitate the |
| 14 | | implementation of the weighted student formula; and |
| 15 | <u>.(7)</u> | Meet not less than annually to review the weighted |
| 16 | | student formula and, if the committee deems it |
| 17 | | necessary, recommend a new weighted student formula |
| 18 | | for adoption by the board of education. |
| 19 | (b) | The composition of the committee on weights shall be |
| 20 | | by the board of education based on recommendations |
| 21 | | uperintendent of education and dean of the University |
| 22 | | at Manoa college of education and include principals, |
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| | | |

- 1 teachers, and other members with the appropriate professional
- 2 skills, experiences, and qualifications needed to facilitate the
- 3 work of the committee. The superintendent or the
- 4 superintendent's designee shall chair the committee on weights.
- 5 (c) The committee on weights may form advisory
- 6 subcommittees to obtain input from key stakeholders as
- 7 determined necessary by the committee.
- (d) The members of the committee on weights shall serve at
- 9 the pleasure of the board of education and shall not be subject
- 10 to section 26-34. Members of the committee on weights shall
- 11 serve without compensation but shall be reimbursed for expenses,
- including travel expenses, necessary for the performance of
- 13 their duties."
- 14 SECTION 4. Chapter 302A, Hawaii Revised Statutes, is
- 15 amended by adding a new section to be appropriately designated
- 16 and to read as follows:
- 17 "S302A- Weighted student formula. Based upon
- 18 recommendations from the committee on weights, the board of
- education, not less than annually, shall adopt a weighted
- 20 student formula for the allocation of moneys to public schools,
- 21 excluding new century charter schools and new century conversion
- 22 charter schools, which takes into account the educational needs

- 1 of each student. The department, upon the receipt of
- 2 appropriated moneys, shall use the weighted student formula to
- 3 allocate funds to public schools, excluding new century charter
- 4 schools and new century conversion charter schools. Principals
- 5 shall expend moneys provided to the principals' schools.
- 6 SECTION 5. Section 302A-101, Hawaii Revised Statutes, is
- 7 amended by amending the definition of "public schools" to read
- 8 as follows:
- 9 ""Public schools" means all academic and noncollege type
- 10 schools either established and maintained by the department , or
- issued a charter by the board of education, in accordance with
- 12 law. All other academic and noncollege type schools are
- 13 "private schools", irrespective of the hours during which the
- 14 sessions take place."
- 15 SECTION 6. Section 302A, Hawaii Revised Statutes, is
- 16 amended by adding a new definition to be appropriately inserted
- 17 and to read as follows:
- "Weighted student formula" means a formula for allocating
- operating moneys to individual public schools that includes a
- 20 system of weighted characteristics affecting the relative cost
- 21 of educating each student attending a public school, excluding

- 1 new century charter schools and new century conversion charter
- 2 schools."
- 3 SECTION 7. There is appropriated out of the general
- 4 revenues of the State of Hawaii the sum of \$10,000, or so much
- 5 thereof as may be necessary for fiscal year 2004-2005, to
- 6 support the operations of the committee on weights.
- 7 SECTION 8. The sum appropriated shall be expended by the
- 8 department of education for the purposes of this part.
- 9 PART III
- 10 INFORMATION TECHNOLOGY
- 11 SECTION 9. The department of education uses technology to
- 12 support instructional, student information, fiscal, human
- 13 resources, and outcome-based research systems. To meet the
- 14 information needs of the principals, teachers, and the school
- 15 community councils as they develop academic and fiscal plans for
- 16 individual schools, the requirements of the No Child Left Behind
- 17 Act, and the Felix consent decree, the department must improve
- 18 its administrative support information systems.
- 19 SECTION 10. There is appropriated out of the general
- 20 revenues of the State of Hawaii the sum of \$2,000,000, or so
- 21 much thereof as may be necessary for fiscal year 2004-2005, for:

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| 1 | (1) | Positions to provide technical support to school level |
|----|-------|--|
| 2 | | information systems uses; |
| 3 | (2) | Infrastructure to meet the security and privacy |
| 4 | | requirements of the telecommunications network; |
| 5 | (3) | Customization of the student information system |
| 6 | | software; and |
| 7 | (4) | Training regarding the use of information technology. |
| 8 | SECTI | CON 11. The sum appropriated shall be expended by the |
| 9 | | of education for the purposes of this part. |
| 10 | | PART IV |
| 11 | | PRINCIPALS |
| 12 | SECTI | ON 12. The department of education, with the invited |
| 13 | | ion of the exclusive bargaining agent of educational |
| 14 | | f the department of education, shall propose salary |

schedules and other terms and conditions of employment of

service. The department of education shall submit their

principals and vice principals based upon a twelve-month term of

findings to the legislature no later than twenty days prior to

SECTION 13. Section 302A-619, Hawaii Revised Statutes, is

the convening of the regular session of 2005.

amended to read as follows:

"[+]§302A-619[+] Classification, educational officers. 1 2 The board shall classify all educational officer positions of the department and shall adopt [a] two separate 3 classification/compensation [plan] plans for [these] educational 4 5 [officer positions;] officers. One classification/compensation plan shall be for principals and vice principals and shall be 6 based on the general pattern of a school administrator's career 7 development and associated school administrator's qualification 8 requirements. A separate classification/compensation plan shall 9 be for all other educational officers and shall be reflective of 10 the career development pattern and qualification requirements 11 12 for the respective professional field of expertise; provided 13 that [the] both classification/compensation [plans shall include [a] classification appeals [procedure.] procedures." 14 15 SECTION 14. The superintendent of education shall select and convene a working group to create a plan for performance 16 17 contracts for principals to be implemented beginning with the 18 2006-2007 school year. The working group shall include: 19 The superintendent of education; (1)

Representatives of complex area superintendents;

Representatives of school principals; and (3)

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(2)

| 1 | (4) Representatives of any other agency, organization, or |
|----|--|
| 2 | group as deemed appropriate by the superintendent of |
| 3 | education. |
| 4 | The superintendent shall request the exclusive representative |
| 5 | for collective bargaining unit 6 to participate in the working |
| 6 | group. |
| 7 | The working group shall: |
| 8 | (1) Establish appropriate performance criteria for which |
| 9 | principals are to be evaluated under performance |
| 10 | contracts, including: |
| 11 | (A) Core criteria to be incorporated into performance |
| 12 | contracts statewide; and |
| 13 | (B) Criteria that may be used at the discretion of |
| 14 | individual schools; |
| 15 | (2) Determine appropriate performance benchmarks, or |
| 16 | methods of devising performance benchmarks, that may |
| 17 | be used to assess principal performance relative to |
| 18 | expected standards, provided that such performance |
| 19 | benchmarks, at a minimum, shall include those elements |
| 20 | related to principals in the educational |
| 21 | accountability system; |

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| 1 | (3) Determine appropriate rewards, assistance, and | | | |
|----|--|--|--|--|
| 2 | sanctions to be included or considered for inclusion | | | |
| 3 | in performance contracts; and | | | |
| 4 | (4) Address any other issues necessary for the | | | |
| 5 | implementation of performance contracts. | | | |
| 6 | The department of education shall submit findings, | | | |
| 7 | including proposed legislation, to the legislature no later than | | | |
| 8 | twenty days prior to the convening of the regular session of | | | |
| 9 | 2005. | | | |
| 10 | SECTION 15. Chapter 302A, Hawaii Revised Statutes, is | | | |
| 11 | amended by adding a new section to be appropriately designated | | | |
| 12 | and to read as follows: | | | |
| 13 | "§302A- Hawaii principals academy. There is established | | | |
| 14 | within the department the Hawaii principals academy. The | | | |
| 15 | academy shall support and train department complex area | | | |
| 16 | superintendents, principals, and prospective principals in areas | | | |
| 17 | including but not limited to: | | | |
| 18 | (1) Becoming better leaders; | | | |
| 19 | (2) Improving students' academic achievement, safety and | | | |
| 20 | well being, and civic responsibility; | | | |
| 21 | (3) Collaborating with the school community councils; | | | |
| 22 | (4) Developing curriculum alignment; | | | |

| 1 | (5) Managing school budgets; and |
|----|---|
| 2 | (6) Establishing partnerships with the private sector." |
| 3 | SECTION 16. Section 302A-1103, Hawaii Revised Statutes, is |
| 4 | amended to read as follows: |
| 5 | "[+]\$302A-1103[+] Principal; authority and responsibility. |
| 6 | The role of the principal shall include but not be limited to |
| 7 | overseeing the day-to-day management of the school, the primary |
| 8 | function of which is to develop and deliver instructional |
| 9 | services to students in accordance with statewide educational |
| 10 | policy and standards. The principal shall [ensure]: |
| 11 | (1) Ensure that the curriculum facilitates the achievement |
| 12 | of the statewide student performance standards adopted |
| 13 | for the public school system[-]; |
| 14 | (2) Maintain and exercise authority over the |
| 15 | implementation of the budget, policies, and operations |
| 16 | of the school; and |
| 17 | (3) Collaborate with other principals in the principal's |
| 18 | school complex to ensure that: |
| 19 | (A) Logical, sequential curricula are adopted within |
| 20 | the school complex; |
| 21 | (B) Best practices are shared among and implemented |
| 22 | by schools within the school complex; |

| . 1 | _(| C) The | goals and objectives of the school complex |
|-----|--|-------------------|---|
| 2 | | are | being met; |
| 3 | <u>(</u> | D) The | use of school complex-based personnel and |
| 4 | | | ractors who divide their time between more |
| 5 | | | one school in a school complex is |
| 6 | | | dinated to maximize efficiency; and |
| 7 | | | passage of students through the continuum of |
| 8 | | | es is coordinated in a manner consistent with |
| 9 | | | ion 302A-1004." |
| 10 | SECTION 17. There is appropriated out of the general | | |
| 11 | | | te of Hawaii the sum of \$1,083,780, or so |
| 12 | much thereof as may be necessary for fiscal year 2004-2005, to | | |
| 13 | be expended as follows: | | |
| 14 | (1) \$5 | 00,000 t | o establish and operate the Hawaii |
| 15 | | | academy; |
| 16 | (2) \$1 | 83 , 780 f | or the operation of the administrator |
| 17 | | | ion for excellence (ACE) program; and |
| 18 | | | o compensate principals who are recalled to |
| 19 | | | e department, outside of their regular term |
| 20 | | | , for professional development and any other |
| 21 | | | that may enhance their effectiveness as |
| 22 | | | their schools. |

1 SECTION 18. The sum appropriated shall be expended by the 2 department of education for the purposes of this part.

PART V

4 COMMUNITY INVOLVEMENT

- SECTION 19. One of the most important means of improving
 educational outcomes and public confidence in those outcomes in
 schools is by enhancing community involvement. This part seeks
 to accomplish this by:
- 9 Establishing school community councils for each public (1)10 school, excluding new century charter schools and new 11 century conversion charter schools, to provide a 12 mechanism whereby parents, the community, and other 13 key stakeholders can have a substantially increased 14 voice in the affairs of their local schools, with a 15 clear and concrete enunciation of powers and 16 responsibilities, and how these are shared with those 17 of the principal; and
- 18 (2) Supporting and enhancing parent-community networking
 19 centers, a mechanism for improving community and
 20 parental involvement with a proven track record of
 21 success.

| 1 | The legislature finds that there is also overwhelming | | |
|----|--|--|--|
| 2 | research evidence of the critical need for an integrated | | |
| 3 | comprehensive system of family support, parent education, | | |
| 4 | teacher-parent partnerships, and volunteer and resource | | |
| 5 | development. | | |
| 6 | Parent-community networking centers serve to create | | |
| 7 | supportive partnerships among the home, school, and community | | |
| 8 | for the purposes of improving student achievement and building a | | |
| 9 | sense of family among all. | | |
| 10 | The purpose of this part is to: | | |
| 11 | (1) Establish school community councils at each school, | | |
| 12 | excluding new century charter schools and new century | | |
| 13 | conversion charter schools; and | | |
| 14 | (2) Appropriate funding for: | | |
| 15 | (A) Facilitating the transition from | | |
| 16 | school/community-based management to school | | |
| 17 | community councils by training and other | | |
| 18 | necessary activities; and | | |
| 19 | (B) Parent-community networking centers for: | | |
| 20 | (i) Supplies, equipment, and telephones; and | | |
| 21 | (ii) A minimum of one part-time parent | | |
| 22 | facilitator in each school. | | |

SECTION 20. School/community-based management councils 1 shall prepare for the transition to school community councils 2 pursuant to this section in the 2005-2006 school year. All 3 policies or bylaws adopted, and all decisions made, by a 4 school/community-based management council shall remain in effect 5 until repealed or revised by members of the new school community 6 7 council. The department of education shall ensure that schools not participating in the school/community-based management 8 system are prepared for the implementation of school community 9 councils in the 2005-2006 school year. 10 11 SECTION 21. Section 89-10.6, Hawaii Revised Statutes, is 12 amended to read as follows: "§89-10.6 [School/community-based management waiver.] 13 Schools; waiver of policies, rules, or procedures. [A] Any 14 school [or a learning support center participating in the 15 16 school/community-based management program] may initiate a waiver 17 from policies, rules, or procedures, including collective bargaining agreements, as provided for in section 302A-1126." 18

SECTION 22. Section 302A-101, Hawaii Revised Statutes, is

amended by deleting the definition of "school/community-based

management system".

19

20

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[""School/community-based management system" means a method
  1
     of educational management that diffuses educational
  2
     decisionmaking to involve or secure the input of those persons
  3
     directly affected by the decision to be made at the school
  4
     level, and encourages school-initiated methods for achieving
  5
     educational goals established statewide by the board.""]
  6
          SECTION 23. Section 302A-202, Hawaii Revised Statutes, is
  7
  8
     repealed.
  9
          ["<del>[$302A-202 Student assessments.] Any school electing to</del>
     participate in school/community-based management may develop and
 10
     implement its own student assessment mechanisms; provided that
11
     the board shall include the results of the assessments in the
12
    educational status report to the legislature and the governor
13
    required in section 302A-1004."]
14
          SECTION 24. Section 302A-601, Hawaii Revised Statutes, is
15
16
    repealed.
17
          ["<del>[$302A-601] Selection of school personnel.</del>
18
    School/community-based management councils may participate in
    the selection of school personnel by providing input into the
19
20
    selection process."]
21
         SECTION 25. Section 302A-1124, Hawaii Revised Statutes, is
    amended to read as follows:
22
```

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| 1 | "[+]\$302A-1124[+] Mandate to initiate [school/community- |
|----|---|
| 2 | based management system.] school community councils. (a) The |
| 3 | department, through the board and its superintendent, shall |
| 4 | [formulate policies, including criteria and procedures to |
| 5 | determine which schools and learning support centers shall |
| 6 | participate in the system, to initiate a school/community-based |
| 7 | management system in the public schools. establish a school |
| 8 | community council system under which each public school, |
| 9 | excluding new century charter schools and new century |
| 10 | conversion charter schools, shall create and maintain a school |
| 11 | community council. Each school community council shall: |
| 12 | (1) Participate in the development of, and recommend for |
| 13 | approval by the complex area superintendent, the |
| 14 | school's annual: |
| 15 | (A) Academic plan; and |
| 16 | (B) Financial plan; |
| 17 | (2) Ensure that the school's academic and financial plans |
| 18 | are aligned with the educational accountability system |
| 19 | under section 302A-1004; |
| 20 | (3) Participate in principal selection and evaluation, and |
| 21 | transmit any such evaluations to the complex area |
| 22 | superintendent; |

| 1 | (4) | Provide collaborative opportunities for input and |
|----|------------|--|
| 2 | | consultation. |
| 3 | <u>(b)</u> | School community councils shall be exempt from the |
| 4 | requireme | ents of chapters 91 and 92. The school community |
| 5 | councils | |
| 6 | (1) | Make available the notices and agendas of public |
| 7 | | meetings: |
| 8 | | (A) At a publicly accessible area in the school's |
| 9 | | administrative office so as to be available for |
| 10 | | review during regular business hours; and |
| 11 | | (B) On the school's Internet web site, |
| 12 | | not less than six calendar days prior to the public |
| 13 | | meeting, unless a waiver is granted by the |
| 14 | | superintendent in the case of an emergency; and |
| 15 | (2) | Make available the minutes from public meetings on a |
| 16 | | timely basis in: |
| 17 | | (A) The school's administrative office so as to be |
| 18 | | available for review during regular business |
| 19 | | hours; and |
| 20 | | (B) On the school's Internet web site. |
| 21 | (c) | Complex area superintendents may require a school |
| 22 | community | council to revise its school academic and financial |

- 1 plans if the plans are in violation of law or conflict with
- 2 statewide educational policies and standards.
- 3 (d) The superintendent of education may recommend to the
- 4 board of education dissolution of a school community council and
- 5 establish an interim school community council if the school
- 6 community council engages in any act or omission that would
- 7 constitute gross negligence, wilful and wanton misconduct, or
- 8 intentional misconduct. The superintendent may recommend to the
- 9 board the removal of any member of a school community council.
- 10 The superintendent shall appoint or facilitate the creation of
- 11 an interim school community council at any school that has not
- established a council or has had its council dissolved. In
- 13 appointing or facilitating the creation of an interim school
- 14 community council at any school that has had its council
- 15 dissolved, the superintendent may appoint individuals who were
- 16 previously members of the council.
- (e) Unless otherwise specified, each school community
- 18 council shall establish policies governing the council's
- 19 composition, election, staggered terms of office for members,
- 20 operation, and vacancies; provided that:

| 1 | (1) | The number of school personnel in any school community | | |
|----|-----|--|--|--|
| 2 | | council shall be equal to the number of primary | | |
| 3 | | stakeholders on the school community council; | | |
| 4 | (2) | At the elementary and middle school levels, each | | |
| 5 | | school community council shall be composed of the | | |
| 6 | | principal and at least one member representing each of | | |
| 7 | | the following groups: | | |
| 8 | | (A) Parents elected by ballots distributed among and | | |
| 9 | | collected from the parents of the school's | | |
| 10 | | students; | | |
| 11 | | (B) Teachers elected by ballots distributed among and | | |
| 12 | | collected from teachers of the school; | | |
| 13 | | (C) Noncertificated school personnel elected by | | |
| 14 | | ballots distributed among and collected from | | |
| 15 | | noncertificated personnel of the school; | | |
| 16 | | (D) Community representatives elected by ballots | | |
| 17 | | distributed among and collected from parents of | | |
| 18 | | the school's students; and | | |
| 19 | | E) Student representatives selected by the student | | |
| 20 | | council of the school; and | | |
| 21 | (3) | t the high school level, each school community | | |
| 22 | | ouncil shall be composed of the principal and at | | |

| 1 | least one member representing each of the following | | |
|----|---|---|--|
| 2 | groups: | | |
| 3 | <u>(A)</u> | Parents elected by ballots distributed among and | |
| 4 | | collected from parents of the school's students; | |
| 5 | <u>(B)</u> | Teachers elected by ballots distributed among and | |
| 6 | | collected from teachers of the school; | |
| 7 | <u>(C)</u> | Noncertificated school personnel elected by | |
| 8 | | ballots distributed among and collected from | |
| 9 | | noncertificated personnel of the school; | |
| 10 | <u>(D)</u> | Community representatives elected by ballots | |
| 11 | | distributed among and collected from the parents | |
| 12 | | of the school's students; and | |
| 13 | <u>(E)</u> | Student representatives selected by the student | |
| 14 | | council of the school. | |
| 15 | For the pu | rposes of this subsection, "primary stakeholders" | |
| 16 | means students, | parents, and community members. | |
| 17 | (f) Schoo | ol community councils shall elect officers, | |
| 18 | including: | | |
| 19 | (1) A cha | irperson; | |
| 20 | (2) A vic | e-chairperson; | |
| 21 | (3) A sec | retary; and | |

| 1 | (4) Other officers as needed to perform stated duties in | | |
|----|--|--|--|
| 2 | support of the work of the council. | | |
| 3 | (g) The principal shall have the authority to set aside | | |
| 4 | any decision made by the school community council if the | | |
| 5 | principal determines it to be in the best interest of the | | |
| 6 | school, provided that the principal notifies the school | | |
| 7 | community council. If the school community council opposes a | | |
| 8 | decision of the principal, an appeal shall first be brought to | | |
| 9 | the complex area superintendent for resolution and, if | | |
| 10 | necessary, to the superintendent and, finally, to the board of | | |
| 11 | education. The principal shall not set aside decisions made by | | |
| 12 | the school community council to recommend annual academic and | | |
| 13 | financial plans for approval by the complex area superintendent. | | |
| 14 | (h) Complex area superintendents shall assist the school | | |
| 15 | community councils and principals within their respective | | |
| 16 | complex areas in: | | |
| 17 | (1) Obtaining the support and services of the department; | | |
| 18 | and | | |
| 19 | (2) Ensuring the progress and success of the school's | | |
| 20 | academic and financial plan." | | |
| 21 | SECTION 26. Section 302A-1126, Hawaii Revised Statutes, is | | |
| 22 | amended to read as follows: | | |

- "[{]§302A-1126[}] Waiver of policy, rule, or procedures. 1 Any state agency that may be required to act under state law on 2 a matter affecting an individual school[7] or its school 3 community, [or a learning support center] shall waive otherwise 4 applicable policies, rules, or procedures when requested to do 5 so by a [school or a learning support center participating in 6 7 the school/community-based management system] school community council unless the agency, within thirty days, can justify a 8 denial to the appropriate authority. The board shall adopt 9 procedures necessary to process waivers initiated by [schools or 10 11 learning support centers subject to the school/community-based 12 management system.] a school community council. Any general waiver of policy, rule, or procedures granted by the board to a 13 specific school or schools may be extended by the board to apply 14 to other schools under comparable circumstances. This section 15 shall apply to collective bargaining agreements as provided for 16 in all relevant collective bargaining agreements negotiated 17 18 pursuant to chapter 89." 19 SECTION 27. Section 302A-1306, Hawaii Revised Statutes, is 20 repealed. 21 ["[\$302A-1306] School priority program; established. (a) There is established within the department a school priority 22
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program to augment regular instruction and other educational
  1
     services at the discretion of the individual public schools.
  2
     Further, it is the intent of the legislature that the school
  3
     priority program promote the equitable distribution of
  4
     educational resources statewide, strengthen the scope of
 5
     decisionmaking, increase flexibility in resource allocation at
 6
     the school level, and provide a systematic method of conforming
 7
 8
     resource allocation to the unique needs and priorities of
 9
     individual-schools.
10
          (b) All moneys to carry out the purposes of the school
    priority program under this section to section 302A-1309 shall
11
    be allocated by the legislature through appropriations out of
12
13
    the state general fund.
14
         (c) The department shall include in its budgetary request
    for each upcoming fiscal period, the amounts necessary to
15
    effectuate the purposes of this section to section 302A-1309."]
16
         SECTION 28. Section 302A-1307, Hawaii Revised Statutes, is
17
18
    repealed.
19
         ["<del>[$302A-1307] Distribution of resources. The</del>
20
    superintendent shall allot the moneys of the school priority
    program to the school districts based on enrollment. In the
21
    allotment of positions to the districts, the superintendent
22
```

```
shall calculate each district's entitlement based on enrollment
 1
     and may deploy one instructional resource augmentation position
 2
     for each two hundred fifty students enrolled in each school;
 3
    provided that all positions shall be deployed."]
 4
          SECTION 29. Section 302A-1309, Hawaii Revised Statutes, is
 5
 6
     repealed.
 7
          ["<del>[$302A-1309] Departmental controls. The superintendent</del>
    shall develop and implement appropriate planning procedures and
 8
 9
    follow-up-accountability reports, without regard to chapter 91,
    to ensure sound planning, control, and accountability in the use
10
    of moneys allocated by the legislature to the school priority
11
12
    program. The procedures and reports, however, shall recognize
    the need for providing the schools latitude and discretion to
13
    determine their needs and priorities, and shall avoid imposing
14
    undue amounts of paperwork and administrative burdens on the
15
16
    schools.
17
         The department shall submit an annual report to the
18
    legislature, which shall include but not be limited to an
    accounting of how funds were used by the schools."]
         SECTION 30. Section 302A-1505, Hawaii Revised Statutes, is
   amended by amending subsection (b) to read as follows:
```

19

20

- 1 Prior to meeting with the department [of accounting 2 and general services] to advise it of a school's repair and 3 maintenance needs, the school's principal and the business and fiscal officer shall consider the recommendations made by the 4 [school/community-based management council, if there is such a 5 6 council at the school; school community council or the local 7 school board, if the school is [a new century charter school or] a new century conversion charter school. [If there is no 8 school/community-based-management-council or local-school-board, 9 10 then the school's principal shall appoint a standing committee composed of a teacher, a member of the support staff, a parent, 11 a student, and a community member.] 12 13 SECTION 31. Section 302A-1507, Hawaii Revised Statutes, is 14 amended to read as follows: 15 "[+] \$302A-1507[+] Classroom cleaning project; established. 16 There is established a classroom cleaning project in all public schools [designated to participate in school/community-17 based management.], excluding new century charter schools and 18 19 new century conversion charter schools. Each [school/communitybased management] school, through its school community council, 20 may develop mechanisms to provide for classroom cleaning, 21 22 including but not limited to having parent, student, or other
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| 1 | community groups clean the classrooms on a regular, continuing |
|----|---|
| 2 | basis. |
| 3 | (b) [School/community-based management schools] Schools |
| 4 | may use any available resources to achieve the purposes of this |
| 5 | section; provided that no full-time custodial staff [currently] |
| 6 | employed at the school shall be displaced." |
| 7 | SECTION 32. There is appropriated out of the general |
| 8 | revenues of the State of Hawaii the sum of \$2,093,900, or so |
| 9 | much thereof as may be necessary for fiscal year 2004-2005, to |
| 10 | be expended as follows: |
| 11 | (1) \$350,000 for training and other activities needed to |
| 12 | facilitate the transition from school/community-based |
| 13 | management councils to school community councils; and |
| 14 | (2) \$1,743,900 for parent-community networking centers |
| 15 | including: |
| 16 | (A) \$483,000 for supplies, equipment, and telephones; |
| 17 | and |
| 18 | (B) \$1,260,900 for a minimum of one part-time parent |
| 19 | facilitator in each school. |
| 20 | SECTION 33. The sum appropriated shall be expended by the |
| 21 | department of education for the purposes of this part. |

PART VI

| 1 | STUDENTS |
|----|--|
| 2 | SECTION 34. Ultimately all education reform must be driven |
| 3 | by the needs of students. Students are the primary clients |
| 4 | served by the public education system and they must be served |
| 5 | well by providing them with access to the tools they need to |
| 6 | succeed, a nurturing environment conducive to learning, and |
| 7 | supplementary opportunities for growth that facilitate their |
| 8 | development. |
| 9 | The legislature finds that much of an individual's |
| 10 | cognitive, emotional, and social development takes place in |
| 11 | their earliest years of life. To a significant extent, |
| 12 | opportunities during this age set the parameters for an |
| 13 | individual's development throughout the rest of the individual's |
| 14 | life. The legislature further finds that grade three is a |
| 15 | pivotal year in preparation for the No Child Left Behind Act's |
| 16 | assessment plans. For this reason, children in the preceding |
| 17 | grades should be provided with the instructional support needed |
| 18 | to ensure superior performance in assessment instruments |
| 19 | mandated by the No Child Left Behind Act. |
| 20 | For these reasons, the Legislature finds that a class size |
| 21 | of not more than twenty-five students per teacher to be |
| 22 | advisable in kindergarten, grade one, and grade two classrooms. |

| 1 | The | purpose of this part is it to appropriate funding to: |
|----|-----------|---|
| 2 | (1) | Provide mathematics textbooks and other mathematics |
| 3 | | learning materials; |
| 4 | (2) | Reduce class size in kindergarten, grade one, and |
| 5 | | grade two; |
| 6 | (3) | Provide for full-time, year-round, high school student |
| 7 | | activity coordinators; and |
| 8 | (4) | Programs that support parents in working with students |
| 9 | | who need additional help to succeed in school provided |
| 10 | | the programs have measurable outcomes. |
| 11 | SECT | ION 35. There is appropriated out of the general |
| 12 | revenues | of the State of Hawaii the sum of \$5,203,350, or so |
| 13 | much ther | eof as may be necessary for the fiscal year 2004-2005, |
| 14 | to be exp | ended as follows: |
| 15 | (1) | \$2,500,000 to purchase mathematics textbooks and other |
| 16 | | mathematics learning materials for schools; provided |
| 17 | | that the mathematics curriculum within a school |
| 18 | | complex shall be aligned; |
| 19 | (2) | \$2,143,350 to reduce class size in kindergarten, grade |
| 20 | | one, and grade two in public schools, excluding new |

century charter schools and new century conversion

charter schools, by hiring seventy-five full time

21

| 1 | | equivalent (75.00 FTE) regular elementary teachers for |
|----------|---|--|
| 2 | | kindergarten, grade one, and grade two; |
| 3 | (3) | \$460,000 for full-time, year-round, high school |
| 4 | | student activities coordinators in all public high |
| 5 | | schools; and |
| 6 | (4) | \$100,000 for programs that support parents in working |
| 7 | | with students who need additional help to succeed in |
| 8 | | school provided the programs have measurable outcomes. |
| 9 | SECT | ION 36. The sum appropriated shall be expended by the |
| 10 | departmen | t of education for the purposes of this part. |
| 11 | | PART VII |
| 12 | | TEACHERS |
| 13 | SECTION 37. The National Commission on Teaching and | |
| 14 | America's | Future, a national organization with twenty partner |
| 15 | states, in | ncluding Hawaii, is focused on improving student |
| 16 | loomming | |
| | rearming h | by ensuring that there is a caring, competent, and |
| 17 | | teacher in every classroom. |
| 17 18 | qualified | |
| | qualified The H | teacher in every classroom. |
| 18 | qualified The F Teaching a | teacher in every classroom. |

- 1 inventory, made recommendations for improving teaching in
- 2 Hawaii.
- 3 Other than home and societal factors, teacher quality was
- 4 determined to be the single most influential factor in student
- 5 achievement. National board certification prompts candidates to
- 6 analyze their practice in very profound ways. It is, therefore,
- 7 important to continue to identify, support, recognize, and
- 8 reward public school teachers who voluntarily undergo the
- 9 national board certification process.
- National board certification requires a tremendous
- 11 commitment of time and professional risk-taking. The
- 12 application fee represents a large financial investment. To be
- 13 successful, certification candidates need a strong support
- 14 program, access to the program and testing facilities, and
- 15 release days to organize and prepare the documents and portfolio
- 16 required for submittal.
- 17 The legislature finds that, in addition to supporting and
- 18 recognizing highly accomplished teaching, the overall pool of
- 19 qualified teachers in the State of Hawaii should be expanded.
- 20 Currently the University of Hawaii lacks the stable, ongoing
- 21 resource base needed to fund college of education faculty

- 1 positions necessary to produce enough teachers for Hawaii's
- 2 public schools.
- 3 While the department of education hires over one thousand
- 4 three hundred new teachers each year, the college of education
- 5 of the University of Hawaii at Manoa and the education
- 6 department of the University of Hawaii at Hilo are only able to
- 7 prepare four hundred to four hundred fifty teachers each year.
- 8 Furthermore, the legislature also finds that there is a
- 9 shortage of school principals, necessitating additional faculty
- 10 in the area of educational administration.
- 11 The purpose of this part is to:
- 12 (1) Establish a national board certification incentive
- program to be administered by the Hawaii teacher
- 14 standards board to continue comparable efforts
- initiated under a memorandum of understanding between
- 16 the department of education and Hawaii teacher
- standards board which expires on June 30, 2005, and
- appropriate funding to execute the memorandum of
- understanding during fiscal year 2004-2005;
- 20 (2) Appropriate funding to the Hawaii teacher standards
- 21 board to provide training and support for national
- board certification applicants; and

| 1 | (3) | Appropriate funding for eight faculty positions at the |
|----|--------------|---|
| 2 | | college of education of the University of Hawaii. |
| 3 | SECT | 'ION 38. Chapter 302A, Hawaii Revised Statutes, is |
| 4 | amended b | y adding a new section to be appropriately designated |
| 5 | and to re | ad as follows: |
| 6 | " <u>§30</u> | 2A- Teacher national board certification incentive |
| 7 | program. | (a) There is established within the department the |
| 8 | teacher n | ational board certification incentive program to |
| 9 | recognize | and support exemplary teaching practice by supporting |
| 10 | public sc | hool teachers who have achieved national board |
| 11 | certifica | tion under the certification program of the National |
| 12 | Board for | Professional Teaching Standards. The teacher national |
| 13 | board cer | tification incentive program shall provide: |
| 14 | (1) | A \$5,000 bonus per year for each public school teacher |
| 15 | •• | who maintains current national board certification; |
| 16 | (2) | \$1,500 upon completing the certification program of |
| 17 | | the National Board for Professional Teaching |
| 18 | | Standards; and |
| 19 | (3) | A reimbursement of the remainder of the national board |
| 20 | | certification application fee upon achievement of |
| 21 | | national board certification. |

| 1 | (b) The incentive program shall include a mentoring |
|----|--|
| 2 | component that encourages and enables national board-certified |
| 3 | teachers to assist other teachers and share their teaching |
| 4 | expertise." |
| 5 | SECTION 39. There is appropriated out of the general |
| 6 | revenues of the State of Hawaii the sum of \$572,000, or so much |
| 7 | thereof as may be necessary for fiscal year 2004-2005, to be |
| 8 | expended as follows: |
| 9 | (1) \$480,000 to provide salary differentials and |
| 10 | reimbursements for national board certification |
| 11 | candidate support to public school teachers, including |
| 12 | those of new century charter schools and new century |
| 13 | conversion charter schools; and |
| 14 | (2) \$92,000 for training, assistance, conducting candidate |
| 15 | recognition initiatives, and operational expenses, |
| 16 | including the establishment of a temporary position, |
| 17 | associated with national board certification candidate |
| 18 | support by the Hawaii teacher standards board. |
| 19 | The sum appropriated shall be expended by the department of |
| 20 | education for the purposes of this part. |
| 21 | SECTION 40. There is appropriated out of the general |

revenues of the State of Hawaii the sum of \$500,000, or so much

- 1 thereof as may be necessary for fiscal year 2004-2005, for seven
- 2 full-time equivalent (7.00 FTE) teacher education positions and
- 3 one full-time equivalent (1.00 FTE) educational administration
- 4 position.
- 5 The sum appropriated shall be expended by the University of
- 6 Hawaii for the purposes of this part.
- 7 PART VIII
- 8 REDUCTION OF BUREAUCRACY
- 9 SECTION 41. A wide variety of state agencies perform many
- 10 services for the department of education. In some cases this is
- 11 an efficient, cost-effective means of organizing state
- 12 government. The legislature finds that that in other cases,
- 13 however, this system hampers the efficiency of the State's
- 14 public educational system. The services provided to the
- 15 department of education by the department of accounting and
- 16 general services, department of budget and finance, department
- 17 of human resources development, department of the attorney
- 18 general, and department of human services need to be scrutinized
- 19 to reduce bureaucracy and improve the responsiveness and service
- 20 delivery of the department of education. Such a reorganization
- 21 is an integral part of a comprehensive, multi-faceted education
- 22 improvement initiative. However, it is also clearly a

- 1 significant reorganization of state government and must be taken
- 2 with prudent precaution at each step. For that reason, each
- 3 phase in the reduction of bureaucracy, with targeted transfer
- 4 dates of certain key rights, powers, functions, duties, and
- 5 resources from various state agencies to the department of
- 6 education, is subject to repeal by subsequent legislation.
- 7 SECTION 42. (a) The department of education shall convene
- 8 an interagency working group to develop comprehensive plans for
- 9 transferring certain rights, powers, functions, duties, and
- 10 resources, including positions, from the departments of
- 11 accounting and general services, budget and finance, health,
- 12 human resources development, the attorney general, and human
- 13 services to the department of education. Rights, powers,
- 14 functions, duties, and resources including positions to be
- 15 transferred shall include but not be limited to:
- 16 (1) The expending of capital improvement funds for
- 17 construction of new school facilities and resources,
- for repairs and maintenance services;
- 19 (2) The funding of collective bargaining agreement
- increases;

| 1 | (3) | The securing, administering, use, and expending of |
|----|-----|--|
| 2 | | federal funds and other aid, including their custodial |
| 3 | | supervision; |
| 4 | (4) | The capital improvement project allotment process; |
| 5 | (5) | The determination of retirement and other employee |
| 6 | | benefits; |
| 7 | (6) | The operation of a human resources system including |
| 8 | | the recruitment, certification, examination, |
| 9 | | management, classification, and compensation of |
| 10 | | department of education employees and labor relations; |
| 11 | (7) | Negotiating workers' compensation claims and |
| 12 | | labor-management relations within the department of |
| 13 | | education; |
| 14 | (8) | Conducting employment background checks for the |
| 15 | | after-school plus program, private vendors, and other |
| 16 | | employees and trainees who work with public school |
| 17 | | students; and |
| 18 | (9) | School health aides. |
| 19 | (b) | The comprehensive plans shall identify: |
| 20 | | Each position to be transferred by position number; |
| 21 | | and |

and

1 All moneys budgeted in support of each position to be (2) 2 transferred, including moneys for direct and indirect 3 employee benefits. at the lowest level on the state program structure. 4 5 The working group shall include the following 6 individuals or their designees: 7 The superintendent of education; (1)8 (2) The comptroller: 9 The director of human resources development; (3) 10 (4)The director of human services; 11 (5) The director of health; 12 (6) The director of finance; 13 (7)The attorney general; 14 The exclusive bargaining agents of affected employees; (8) 15 and 16 Any community members that may be appointed by the (9) 17 superintendent. 18 The department of education may recommend to the (d) 19 legislature deletion or addition of rights, powers, functions, duties, and resources, including positions, that are to be 20 transferred as a result of the working group's deliberations 21 22 which shall be included and reflected in the required plans and

- 1 legislation. The working group shall submit its comprehensive
- 2 plans, including proposed legislation, to implement the transfer
- 3 of rights, powers, functions, duties, and resources, including
- 4 positions relating to the:
- 5 (1) Department of accounting and general services and
 6 department of human resources development not less
 7
- 7 than thirty days prior to the convening of the regular
- 8 session of 2005; and
- 9 (2) Department of budget and finance, department of the
- 10 attorney general, department of health, and department
- of human services not less than thirty days prior to
- the convening of the regular session of 2006.
- SECTION 43. The working group on interagency relations
- 14 shall cease to exist on June 30, 2007.
- 15 SECTION 44. All the rights, powers, functions, duties, and
- 16 resources, excluding positions unless transferred under the
- 17 Supplementary Appropriations Act of 2004, of the department of
- 18 accounting and general services relating to school physical
- 19 plant operations and maintenance, including moneys in:
- 20 (1) The state educational facilities repair and
- 21 maintenance account; and

| 1 | (2) The school physical plant operations and maintenance |
|----|--|
| 2 | account; |
| 3 | are transferred to the department of education effective July 1 |
| 4 | 2004. |
| 5 | SECTION 45. All the rights, powers, functions, duties, and |
| 6 | personnel relating to the Hawaii 3R's school repair and |
| 7 | maintenance fund, are transferred to the department of education |
| 8 | effective July 1, 2004. |
| 9 | SECTION 46. (a) All the rights, powers, functions, |
| 10 | duties, and resources of: |
| 11 | (1) The department of accounting and general services |
| 12 | relating to capital improvement programs, including |
| 13 | the: |
| 14 | (A) Expending of capital improvement funds for the |
| 15 | acquisition and development of land, the design |
| 16 | and construction of new facilities, and the |
| 17 | making of renovations or additions to existing |
| 18 | facilities, including moneys in the state |
| 19 | educational facilities improvement special fund; |
| 20 | and |
| 21 | (B) Buying, purchasing, renting, leasing, or |

otherwise acquiring of any good, service, or

| 1 | | construction, including the description of |
|----|------------|--|
| 2 | | requirements, selection and solicitation of |
| 3 | | sources, preparation and awarding of contracts, |
| 4 | | payment of vendors, and all other phases of |
| 5 | | contract administration; |
| 6 | (2) | The department of accounting and general services |
| 7 | | relating to repair and maintenance functions not |
| 8 | | transferred to the department of education under |
| 9 | | section 44 of this Act; and |
| 10 | (3) | The department of human resources development relating |
| 11 | | to the: |
| 12 | | (A) Operation of a centralized human resources system |
| 13 | | that encompasses the classes of work performed by |
| 14 | | department of education employees, and that |
| 15 | | integrates payroll, records, transactions, |
| 16 | | leaves, and reports; and |
| 17 | | (B) Recruitment, certification, examination, |
| 18 | | management, classification, and compensation of |
| 19 | | department of education employees, including |
| 20 | | labor relations; |
| 21 | are transf | erred to the department of education effective July 1, |
| 22 | | ect to repeal by subsequent legislation. |

| 1 | (b) All moneys budgeted in support of each position to be |
|----|--|
| 2 | transferred to the department of education, including moneys for |
| 3 | direct and indirect employee benefits, are transferred to the |
| 4 | department of education effective July 1, 2005, subject to |
| 5 | repeal by subsequent legislation. |
| 6 | SECTION 47. (a) All the rights, powers, functions, |
| 7 | duties, and resources of: |
| 8 | (1) The department of budget and finance relating to the: |
| 9 | (A) Funding of collective bargaining agreement |
| 10 | increases; and |
| 11 | (B) Securing, administering, use, and expending of |
| 12 | federal funds and other aid, including their |
| 13 | custodial supervision; |
| 14 | (2) The department of the attorney general relating to: |
| 15 | (A) The negotiating of workers' compensation claims; |
| 16 | and |
| 17 | (B) Labor-management relations within the department |
| 18 | of education; |
| 19 | (3) The department of human services relating to the |
| 20 | conducting of employment background checks for the |
| 21 | after-school plus program, private vendors, and other |

| 1 | employees and trainees who work with public school |
|----|--|
| 2 | students; and |
| 3 | (4) The department of health relating to school health |
| 4 | aides and public health nurses who supervise school |
| 5 | health aides; |
| 6 | are transferred to the department of education effective July 1, |
| 7 | 2006, subject to repeal by subsequent legislation. |
| 8 | (b) All moneys budgeted in support of each position to be |
| 9 | transferred to the department of education, including moneys for |
| 10 | direct and indirect employee benefits, are transferred to the |
| 11 | department of education effective July 1, 2006, subject to |
| 12 | repeal by subsequent legislation. |
| 13 | SECTION 48. All resources, appropriations, records, |
| 14 | equipment, databases, software, programming, machines, files, |
| 15 | supplies, contracts, books, papers, documents, maps, and other |
| 16 | personal property heretofore made, used, acquired, or held by |
| 17 | the department of accounting and general services, department of |
| 18 | budget and finance, department of human services, and department |
| 19 | of health relating to the functions transferred to the |
| 20 | department of education shall be transferred with the functions |
| 21 | to which they relate. |

SECTION 49. No later than July 1, 2005, the board of 1 education shall adopt a single school calendar for all public 2 schools beginning with the 2006-2007 school year, provided that 3 this section shall not apply to multi-track schools, new century 4 charter schools, and new century conversion charter schools. 5 SECTION 50. Section 36-35, Hawaii Revised Statutes, is 7 amended as follows: 1. By amending subsections (a) and (b) to read: 8 9 "(a) There is created in the state general fund under [AGS 807 (physical plant operations and maintenance) EDN 100 (school 10 11 based budgeting) the state educational facilities repair and maintenance account, into which shall be deposited legislative 12 appropriations to the account designated for use solely to 13 eliminate the backlog of school repair and maintenance projects, 14 15 including the repair or replacement of fixtures, furnishings, and equipment, existing on June 30, 2000. Expenditures from the 16 account shall be subject to sections 37-31 and 37-33 to 37-40. 17 Based on the prioritization approved by the department of 18 19 education as prescribed by section 302A-1505, appropriations or authorizations from the account shall be expended by the 20

[comptroller.] superintendent of education.

| 1 | (b) The department of education[, with the assistance of |
|----|--|
| 2 | the department of accounting and general services, shall review |
| 3 | the existing condition of school facilities and establish |
| 4 | specific vision plans for each school complex based on current |
| 5 | repair and maintenance requirements and overall repair and |
| 6 | maintenance priorities." |
| 7 | 2. By amending subsections (e), (f), and (g) to read: |
| 8 | "(e) The expenditure of funds for any project with an |
| 9 | estimated total cost of less than \$100,000 shall be exempt from |
| 10 | chapter 103D and section 464-4; provided that: |
| 11 | (1) The [comptroller] superintendent of education shall |
| 12 | develop internal policies and procedures for the |
| 13 | procurement of goods, services, and construction, |
| 14 | consistent with the goals of public accountability and |
| 15 | public procurement practices, but not subject to |
| 16 | chapter 103D. However, where possible, the |
| 17 | [comptroller] superintendent of education is |
| 18 | encouraged to use the provisions of chapter 103D; |
| 19 | provided that the use of one or more provisions of |
| 20 | chapter 103D shall not constitute a waiver of the |
| 21 | exemption of chapter 103D and shall not subject the |

| 1 | | [comptroller] superintendent of education to any other |
|------|------------|--|
| 2 | | provision of chapter 103D; |
| 3 | (2) | Insofar as is practical, and based on specifications |
| 4 | | developed, adequate and reasonable competition of no |
| 5 | | fewer than three proposals shall be solicited for each |
| 6 | | project, based on rules adopted by the [comptroller;] |
| 7 | | superintendent of education; |
| 8 | (3) | Considering all factors, including quality, warranty, |
| 9 | | and delivery, the award shall be made to the vendor |
| 10 | | with the most advantageous proposal; |
| 11 | (4) | The procurement requirements shall not be artificially |
| 12 | | divided or parceled so as to avoid competitive bidding |
| 13 | | or competitive proposals; and |
| 14 . | (5) | Formal design for projects shall be done when there is |
| 15 | | a clear need to preserve structural integrity, health |
| 16 | | and safety, or to clearly communicate construction |
| 17 | | requirements. |
| 18 | For a | all projects, the [comptroller] superintendent of |
| 19 | education | shall develop a strategy for the efficient and |
| 20 | cost-effec | tive use of government and private-sector workforces |
| 21 | and consid | er increased flexibility through public-private |
| 22 | partnering | , design-build options cost plus job and |

- 1 contracts, performance-based contracts, request for proposals,
- 2 and any other means to improve communications and accelerate
- 3 repairs while preserving the quality of the repairs.
- 4 (f) The [comptroller] superintendent of education shall
- 5 ensure that all repair and maintenance projects achieve maximum
- 6 cost-efficiency by emphasizing functional or performance
- 7 criteria, uniformity of design, and commonality of products, and
- 8 by avoiding unique or custom requirements that increase costs.
- 9 The [comptroller] superintendent of education shall develop
- 10 project specifications based on generic specifications or
- 11 prescriptive specifications using standard commercial products.
- 12 Prescriptive specifications may include a qualified product
- 13 list.
- 14 For the purposes of this subsection:
- 15 "Generic specification" means a technical specification
- 16 that is written in a clear, unambiguous, and nonrestrictive
- 17 manner establishing:
- 18 (1) Design, performance, or functional requirements to
- identify the work to be performed; and
- (2) Material standards to be used on a project.
- "Prescriptive specification" means a technical
- 22 specification:

| 1 | (1) | Establishing that the required work to be performed is |
|---|-----|--|
| 2 | | written in a clear, unambiguous, and nonrestrictive |
| 3 | | manner; and |

- 4 (2) Listing manufacturers or products that are acceptable for use on the project.
- "Standard commercial product" means a product or material
 that in the normal course of business is customarily maintained
 in stock by, or readily available for marketing from a
 manufacturer, distributor, or dealer.
- This subsection shall not apply to any school facility designated a historic property pursuant to section 6E-5.5.
- The [comptroller] superintendent of education shall 12 submit an annual report to the legislature, which shall include 13 a financial statement of the account and the status of repair 14 and maintenance projects undertaken pursuant to this section, no 15 later than twenty days prior to the convening of each regular 16 session. Expenditures for repair and maintenance projects 17 undertaken pursuant to this section shall be posted 18 19 electronically on the Internet by the department of [accounting 20 and general services education within thirty days of each 21 project's completion."

- 1 SECTION 51. Section 36-36, Hawaii Revised Statutes, is
- 2 amended as follows:
- 3 l. By amending subsection (a) to read:
- 4 "(a) There is created in the state general fund under [AGS
- 5 807 (physical plant operations and maintenance) EDN 400 (school
- 6 support) the school physical plant operations and maintenance
- 7 account, into which shall be deposited all legislative
- 8 appropriations to the account.
- The moneys in the account shall be used solely for school
- 10 repairs and preventive maintenance projects scheduled after
- 11 June 30, 2001. Expenditures from the account shall be subject
- 12 to sections 37-31 and 37-33 to 37-40. Based on the
- 13 prioritization approved by the department of education as
- 14 prescribed by section 302A-1505, appropriations or
- 15 authorizations from the account shall be expended by the
- 16 [comptroller.] superintendent of education."
- 2. By amending subsections (d) and (e) to read:
- 18 "(d) The expenditure of funds made under this Act for any
- 19 project with an estimated total cost of less than \$100,000 shall
- 20 be exempt from chapter 103D and section 464-4; provided that:
- 21 (1) The [comptroller] superintendent of education shall
- develop internal policies and procedures for the

| 1 | | procurement of goods, services, and construction, |
|----|-----|--|
| 2 | | consistent with the goals of public accountability and |
| 3 | | public procurement practices, but not subject to |
| 4 | | chapter 103D. However, where possible, the |
| 5 | | [comptroller] superintendent of education is |
| 6 | | encouraged to use the provisions of chapter 103D; |
| 7 | | provided that the use of one or more provisions of |
| 8 | | chapter 103D shall not constitute a waiver of the |
| 9 | | exemption of chapter 103D and shall not subject the |
| 10 | | [comptroller] superintendent of education to any other |
| 11 | | provision of chapter 103D; |
| 12 | (2) | Insofar as is practical, and based on specifications |
| 13 | | developed, adequate and reasonable competition of no |
| 14 | | fewer than three quotations shall be solicited for |
| 15 | ÷ | each project based on rules adopted by the |
| 16 | | [comptroller;] superintendent of education; |
| 17 | (3) | Considering all factors, including quality, warranty, |
| 18 | | and delivery, the award shall be made to the vendor |
| 19 | | with the most advantageous quotation; |
| | | |

(4) The procurement requirements shall not be artificially

divided or parceled so as to avoid competitive bidding

or competitive proposals; and

20

21

| 1 | (5) | Formal design for projects shall be done when there is |
|---|-----|--|
| 2 | | a clear need to preserve structural integrity, health |
| 3 | | and safety, or to clearly communicate construction |
| 4 | | requirements. |

- The [comptroller] superintendent of education shall 6 submit an annual report to the legislature, which shall include a financial statement of the account and the status of school 7 repair and preventive maintenance projects undertaken pursuant 8 9 to this section, no later than twenty days prior to the 10 convening of each regular session. The department of 11 [accounting and general services] education shall post the following reports electronically on the Internet and update them 12 13 quarterly:
- 14 Expenditures for school repair and preventive 15 maintenance projects undertaken pursuant to this 16 section, shall be posted within thirty days of each 17 project's completion; and
- 18 A list of each school's repair and maintenance needs 19 to be undertaken."
- 20 SECTION 52. Section 37-41.5, Hawaii Revised Statutes, is 21 amended to read as follows:

| 1 | "§37-41.5 Department of education; carryover of funds. |
|----|---|
| 2 | (a) The department of education may retain up to five per cent |
| 3 | of any appropriation, except for appropriations to fund |
| 4 | financing agreements entered into in accordance with chapter |
| 5 | 37D, [for the school-based-budgeting program EDN 100 and for the |
| 6 | comprehensive school support services program EDN 150] at the |
| 7 | close of a fiscal year and the funds retained shall not lapse |
| 8 | until June 30 of the first fiscal year of the next fiscal |
| 9 | biennium. The department of education shall submit: |
| 10 | (1) A report to the director of finance ninety days after |
| 11 | the close of each fiscal year, which shall be prepared |
| 12 | in the form prescribed by the director of finance and |
| 13 | shall identify the total amount of funds that will |
| 14 | carry over to the next fiscal year; and |
| 15 | (2) A copy of this report to the legislature, as well as a |
| 16 | report identifying the carryover of funds on a |
| 17 | school-by-school basis, at least twenty days prior to |
| 18 | the convening of the next regular session of the |
| 19 | legislature. |
| 20 | [(b) Any appropriation retained in accordance with this |
| 21 | section shall be used exclusively for the school-based budgeting |

program EDN 100 and the comprehensive school support services

- 1 program EDN 150, and of those appropriations (b)
- 2 Appropriations allocated to the schools[, funds] shall remain
- 3 within the budget of the school to which they were originally
- 4 allocated; provided that the retention of an appropriation shall
- 5 not be used by the department as a basis for reducing a school's
- 6 future budget requirements."
- 7 SECTION 53. Section 37-74, Hawaii Revised Statutes, is
- 8 amended by amending subsection (d) to read as follows:
- 9 "(d) No appropriation transfers or changes between
- 10 programs or agencies shall be made without legislative
- 11 authorization; provided that:
- (1) Authorized transfers or changes, when made, shall be
- reported to the legislature;
- (2) Except with respect to appropriations to fund
- financing agreements under chapter 37D, the University
- of Hawaii shall have the flexibility to transfer
- 17 appropriated funds and positions for the operating
- 18 cost category among programs, among cost elements in a
- program, and between quarters, as applicable; except
- with respect to appropriations to fund financing
- agreements under chapter 37D, the department of
- education shall have the flexibility to transfer

| • | | appropriated lunds and positions for the operating |
|----|-----|--|
| 2 | | cost category among programs and among cost elements |
| 3 | | in a program, and between quarters, as applicable; and |
| 4 | | the Hawaii health systems corporation shall have the |
| 5 | | flexibility to transfer special fund appropriations |
| 6 | | among community hospitals facilities as applicable; |
| 7 | | provided that the Hawaii health systems corporation |
| 8 | | shall maintain the integrity and services of each |
| 9 | | individual facility and shall not transfer |
| 10 | | appropriations out of any facility that would result |
| 11 | | in a reduction of services offered by the facility, |
| 12 | | with due regard for statutory requirements, changing |
| 13 | | conditions, the needs of the programs, and the |
| 14 | | effective utilization of resources; and |
| 15 | (3) | The university and the department of education shall |
| 16 | | account for each transfer implemented under this |
| 17 | | subsection in quarterly reports to the governor and |
| 18 | | annual reports at the end of each fiscal year to the |
| 19 | | legislature and the governor, which shall be prepared |
| 20 | | in the form and manner prescribed by the governor and |
| 21 | | shall include information on the sources and uses of |
| 22 | | the transfer." |

- 1 SECTION 54. Section 302A-1502.4, Hawaii Revised Statutes,
- 2 is amended by amending subsection (q) to read as follows:
- 3 "(q) The [state comptroller] superintendent of education
- 4 shall submit an annual report of the progress of the Hawaii 3R's
- 5 school repair and maintenance fund no later than twenty days
- 6 prior to the convening of each regular session of the
- 7 legislature."
- 8 PART IX
- 9 EDUCATIONAL ACCOUNTABILITY
- 10 SECTION 55. As a result of the passage of Act 238, Session
- 11 Laws of Hawaii 2000, a report was conducted by The Accord Group,
- 12 LLC. This report synthesized input from a wide variety of
- 13 stakeholders throughout the State and was designed to ascertain
- 14 "what the State of Hawaii from the top of the system to the
- 15 bottom must do to hold 183,000 students, and 260+ schools
- 16 accountable, and what kinds of 'public accounting' must be done
- 17 by the Board of Education, District and State Offices of the
- 18 Board of Education, the Governor, parents, the business
- 19 community, the Legislature, and other key stakeholders in the
- 20 overall system."
- The collaborative fact-finding process found agreement
- 22 among the stakeholders on three primary goals that the public

- 1 educational system should foster among students: academic
- 2 achievement, safety and well being, and civic responsibility.
- 3 Specific performance and competency indicators in these areas
- 4 remain somewhat difficult to formulate, as the proxies used to
- 5 measure success in these broad areas must be valid and broadly
- 6 accepted by the major stakeholders. Nevertheless, the prompt
- 7 development of such indicators remains critical to the ongoing
- 8 implementation of a comprehensive and systematic educational
- 9 accountability system that is straightforward and easily tracked
- 10 over time.
- Areas in which performance and competency indicators in
- 12 academic achievement should be developed include such laudable
- 13 goals as:
- 14 . (1) Achieving reading proficiency by the end of third
- grade;
- 16 (2) Developing personalized education plans for each
- 17 student;
- 18 (3) Teaching students the ability to think critically; and
- 19 (4) Producing graduates who do not need remediation.
- 20 Similarly, safety and well being could be measured by
- 21 proxies such as:
- 22 (1) Attendance;

| 1 | (2) | Comprehensive student support system plans in place to |
|---|-----|--|
| 2 | | support each student with a personalized classroom |
| 3 | | climate, differentiated classroom practices, family |
| 4 | | involvement, early intervention, support for |
| 5 | | transitions between grades, community outreach and |
| 6 | | support, and specialized assistance and crisis or |
| 7 | | emergency support; and |
| 8 | (3) | Disciplinary offenses as provided by the board of |
| 9 | | education administrative rules. |

- The third area identified in the Accord Group report, civic responsibility, is the most abstract and difficult to measure.
- 12 General concepts that should be addressed include:
- (1) Knowledge of the fundamental processes of Americandemocracy;
- 15 (2) Skills necessary to actively engage in a democratic society;
- 17 (3) Understanding and awareness of community and global
 18 issues;
- 19 (4) Respect for self and others and ability to work 20 together as part of a team; and
- 21 (5) Participation in school and community organizations.

- The legislature finds that the indicators for programmatic and fiscal accountability that are used should be made available annually to the governor, legislature, board of education,
- 4 parents, and general public in a format that is easy to
- 5 comprehend. The department of education shall report trend data
- 6 as such data becomes available.
- Measures in existence on the effective date of this Act
- 8 shall be reported to the legislature and the governor no later
- 9 than twenty days prior to the convening of each regular session.
- 10 New measures to be developed by the department of education
- 11 shall be reported no later than twenty days prior to the
- 12 convening of each regular session thereafter. The department of
- 13 education shall report trend data as such data becomes
- 14 available.
- The purpose of this part is to:
- 16 (1) Assess and track the academic achievement, safety and
 17 well being, and civic responsibility of individual
 18 students;
- 19 (2) Adding fiscal provisions to accountability statutes;
- 20 (3) Adding provisions to hold complex area superintendents
 21 and principals accountable; and

| 1 | (4) Requiring the department of education to report back |
|----|--|
| 2 | the legislature no later than twenty days prior to the |
| 3 | 2005 regular session regarding specific performance |
| 4 | and competency indicators that should be used to |
| 5 | measure academic achievement, safety and well being, |
| 6 | and civic responsibility among students. |
| 7 | SECTION 56. Section 302A-1004, Hawaii Revised Statutes, is |
| 8 | amended to read as follows: |
| 9 | "§302A-1004 Educational accountability system; annual |
| 10 | reports. (a) The department shall implement a comprehensive |
| 11 | system of educational accountability to motivate and support the |
| 12 | improved performance of students and the education system. This |
| 13 | accountability system shall: |
| 14 | (1) Include student accountability; school or collective |
| 15 | [professional] accountability; individual professional |
| 16 | accountability for teachers, principals, and other |
| 17 | employees; and public accounting [for other |
| 18 | significant partners to the education process |
| 19 | (including, but not limited to,] to parents, community |
| 20 | members, businesses, higher education, media, and |
| 21 | <pre>political leadership[+];</pre> |

| 1 | (2) | Link authority and [adequate] resources to |
|------|-------------------|--|
| 2 | | responsibility; |
| 3 | (3) | Define clear roles for all parties and lines of |
| 4 | | responsibility and mutual obligation and develop a |
| 5 | | collaborative process with stakeholders, including |
| 6 | | representatives of appropriate bargaining units, |
| 7 | | parents, administration, and students; |
| 8 | (4) | [Involve fair and adequate assessment against agreed |
| 9 | | upon goals;] Assess and track measures of academic |
| 10 | | achievement, safety and well being, and civic |
| 11 | | responsibility of individual students at selected |
| 12 | | grade levels and report trend data on these measures |
| 13 | | over time annually; |
| 14 . | (5) | Invoke a full and balanced set of appropriate |
| 15 | | consequences for observed performance, including |
| 16 | | rewards and recognition for those schools that meet or |
| 17 | | exceed their goals, assistance to those that fall |
| 18 | | short, and sanctions for those that, given adequate |
| 19 | | assistance and ample time, continue to fail to meet |
| 20 | | goals; |
| 21 | [-(6) | Involue |

| 1 | | (A) A-statewide-student-assessment program that |
|----|----------------|--|
| 2 | | provides annual data on student, school, and |
| 3 | | system performance at selected benchmark grade |
| 4 | | levels in terms of student performance relative |
| 5 | | to statewide content and performance standards |
| 6 | | and embodies high and rigorous expectations for |
| 7 | | the attainment of all students; and |
| 8 | | (B) An annual assessment in core subjects for each |
| 9 | | grade level, as conducted by each school; |
| 10 | (7) | Involve a comprehensive school profile or report card |
| 11 | | for each school, which shall include, but not be |
| 12 | | limited to, student performance measures, school |
| 13 | | attendance, drop-out rates, and parental involvement. |
| 14 | | These reports shall be made available annually to the |
| 15 | × . | board, the governor, the legislature, the parents, and |
| 16 | | the general public; } |
| 17 | <u>(6)</u> | Involve an annual statewide assessment program that |
| 18 | | provides a report card containing trend data on |
| 19 | | school, school complex, and system performance at |
| 20 | | selected benchmark grade levels with performance |
| 21 | | indicators in areas relating to student achievement, |
| 22 | | safety and well being, and civic responsibility. |

| 1 | These performance indicators shall include but not be |
|----|--|
| 2 | limited to: |
| 3 | (A) Student performance relative to statewide content |
| 4 | and performance standards; and |
| 5 | (B) School attendance and drop-out rates; |
| 6 | $\left[\frac{(8)}{(7)}\right]$ Require that teachers and administrators engage |
| 7 | in the continuous professional growth and development |
| 8 | that ensure their currency with respect to |
| 9 | disciplinary content, leadership skill, knowledge, or |
| 10 | pedagogical skill, as appropriate to their position. |
| 11 | This requirement may be established by the department |
| 12 | in terms of credit hours earned or their equivalent in |
| 13 | professional development activity certified by the |
| 14 | department as appropriate in focus and rigor; [and] |
| 15 | [(9)] <u>(8)</u> Establish an explicit link between professional |
| 16 | evaluation results and individual accountability |
| 17 | through professional development of the knowledge, |
| 18 | skill, and professional behavior necessary to the |
| 19 | position, by requiring that results of the |
| 20 | professional evaluation be used by the department to |
| 21 | prescribe professional development focus and content, |
| 22 | as appropriate[-]; |

| 1 | <u>(9)</u> | Include | an annual statewide fiscal accountability |
|----|--------------------|---------------------|--|
| 2 | 2 | | which includes a published report card that |
| 3 | } | | trend data on school, school complex, and |
| 4 | ļ | | ide plans and results, including: |
| 5 | | | unts allocated; |
| 6 | | B) Amou | ints expended; |
| 7 | | C) Amou | nts carried over; and |
| 8 | | | significant changes to the budget, with an |
| 9 | | | anation for the change; |
| 10 | (10) | • | n evaluation of the effectiveness of complex |
| 11 | | | rintendents and principals in supporting: |
| 12 | | | ents' academic achievement, safety and well |
| 13 | | | g, and civic responsibility; and |
| 14 | . <u>(</u> | | satisfaction of stakeholders affected by the |
| 15 | × | | of the complex area superintendents and |
| 16 | | | ipals, which may be measured by broadbased |
| 17 | | | ys; and |
| 18 | |) <u>Fisca</u> | l accountability. |
| 19 | [Begin | ing with | the 2001-2002 school year, the] (b) The |
| 20 | department | nall sub | mit to the legislature, the governor, and |
| 21 | the board or | education | on at least twenty days prior to the |
| 22 | convening of | each reg | Jular legislative session a report of the |
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- 1 specifics of the [design] implementation of the comprehensive
- 2 accountability system, as well as the fiscal requirements and
- 3 legislative actions necessary to [create] maintain and improve
- 4 the accountability system.
- 5 [\(\frac{(b)}{}\)] (c) The department shall submit to the legislature
- 6 and to the governor, at least twenty days prior to the convening
- 7 of each regular [legislative] session, an educational status
- 8 report that includes but is not limited to the following:
- 9 (1) Results of school-by-school assessments of educational outcomes;
- 11 (2) Summaries of each school's standards implementation 12 design;
- 13 (3) Summary descriptions of the demographic makeup of the
 14 schools, with indications of the range of these
 15 conditions among schools within Hawaii;
- (4) Comparisons of conditions affecting Hawaii's schools
 with the conditions of schools in other states; [and]
- 18 (5) Other such assessments as may be deemed appropriate by

 the board[-]; and
- 20 (6) Any other reports required by this section.
- 21 [(c)] (d) The department shall provide electronic access
- 22 to computer-based financial management, student information, and

| 1 | other information systems to the legislature and the auditor. |
|----|--|
| 2 | The department shall submit to the legislature and to the |
| 3 | governor, at least twenty days prior to the convening of each |
| 4 | [legislative] regular session, a school-by-school expenditure |
| 5 | report that includes but is not limited to the following: |
| 6 | (1) The financial analysis of expenditures by the |
| 7 | department with respect to the following areas: |
| 8 | (A) Instruction, including face-to-face teaching, and |
| 9 | classroom materials; |
| 10 | (B) Instructional support, including pupil, teacher, |
| 11 | and program support; |
| 12 | (C) Operations, including non-instructional pupil |
| 13 | services, facilities, and business services; |
| 14 | (D) Other commitments, including contingencies, |
| 15 | capital improvement projects, out-of-district |
| 16 | obligations, and legal obligations; and |
| 17 | (E) Leadership, including school management, program |
| 18 | and operations management, and district |
| 19 | management; and |
| 20 | (2) The measures of accuracy, efficiency, and productivity |
| 21 | of the department, districts, and schools in |
| 22 | delivering resources to the classroom and the student. |

- 1 [(d)] (e) The superintendent of education is responsible
- 2 for the development and implementation of an educational
- 3 accountability system. The system shall include consequences
- 4 and shall be designed through a collaborative process involving
- 5 stakeholders that shall include parents, community members, the
- 6 respective exclusive representatives, as well as others deemed
- 7 appropriate by the superintendent.
- 8 For the purposes of this section, negotiations under
- 9 chapter 89 shall be between the superintendent or the
- 10 superintendent's designee and the respective exclusive
- 11 representative, and shall be limited to the impact on personnel
- 12 arising from the superintendent's decision in implementing the
- 13 educational accountability system. After the initial agreement
- 14 is negotiated, provisions on the impact of the accountability on
- 15 personnel may be reopened only upon mutual agreement of the
- 16 parties."
- SECTION 57. Section 302A-1301, Hawaii Revised Statutes, is
- 18 amended to read as follows:
- "[+]\$302A-1301[+] School system financial accountability.
- 20 (a) Beginning with the 1995-1997 fiscal biennium, the
- 21 department's administrative expenditures shall not exceed 6.5

- per cent of the total department operating budget unless 1 2 approved by the legislature. 3 [(b) The department shall not transfer any funds appropriated under the school-based budgeting program EDN 100 of 4 the state budget, except for unforeseeable circumstances that 5 pose a threat to the health and safety of personnel and 6 7 students, and subject to approval by the governor and notification to the legislature. 8 9 (b) Not less than seventy per cent of appropriations for the total budget of the department, excluding debt service and 10 capital improvement programs, shall be expended by principals." 11 12 SECTION 58. Chapter 302A, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated 13 14 and to read as follows: 15 "§302A- Board of education; community meetings. The board shall hold not less than two community meetings annually 16 in each departmental school district in addition to their 17 regular meetings to discuss and receive input from the community 18 19 on public education and public library issues. The board 20 chairperson shall designate board members to attend the 21 community meetings. These community meetings shall not be held 22 for the purpose of formulating educational policy. The
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| | • |
|----|--|
| 1 | community meetings shall be exempt from sections 92-2.5, 92-7, |
| 2 | |
| 3 | |
| 4 | |
| 5 | |
| 6 | the board's office for public inspection six calendar days |
| 7 | before the meeting. The notice shall also be posted at the site |
| 8 | of the meeting." |
| 9 | PART X |
| 10 | PILOT |
| 11 | SECTION 59. There is appropriated out of the general |
| 12 | revenues of the State of Hawaii the sum of \$400,000, or so much |
| 13 | thereof as may be necessary for fiscal year 2004-2005, for the |
| 14 | piloting of school community councils and development of |
| 15 | academic and financial plans at selected public schools prior to |
| 16 | the statewide implementation of the weighted student formula. |
| 17 | SECTION 60. The sum appropriated shall be expended by the |
| 18 | department of education for the purposes of this Act. |
| 19 | PART XI |
| 20 | FINDINGS AND RECOMMENDATIONS |
| 21 | SECTION 61. The department of education shall submit |
| 22 | findings and recommendations to the legislature no later than |

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| 1 | twenty days p | prior to the convening of the regular session of |
|----|---------------|---|
| 2 | 2005 includi | |
| 3 | (1) A 1 | report regarding progress made in and the impact on |
| 4 | | public education system of: |
| 5 | (A) | Establishing a weighted student formula; |
| 6 | (B) | |
| 7 | (C) | |
| 8 | | principals academy and other means; |
| 9 | (D) | Strengthening community involvement through |
| 10 | | school community councils and parent-community |
| 11 | | networking centers; |
| 12 | (E) | Providing more mathematics textbooks; |
| 13 | (F) | Lowering class size in kindergarten, grade one, |
| 14 | | and grade two; |
| 15 | (G) | Providing full-time, year-round, high school |
| 16 | | student activity coordinators; |
| 17 | (H) | Providing support for students who need |
| 18 | | additional help to succeed in school; |
| 19 | (I) | Establishing a national board certification |
| 20 | | incentive program for teachers; |
| 21 | (J) | Enhancing teacher education; |

| 1 | | (K) | Reducing the bureaucracy that hampers the |
|----|-------------|-------|---|
| 2 | | | effectiveness of the department of education; |
| 3 | | (L) | Improving the educational accountability system; |
| 4 | | | and |
| 5 | | (M) | Requiring the board of education members to hold |
| 6 | | | community meetings in their districts; and |
| 7 | (2) | A lis | st of statutes, rules, policies, or procedures |
| 8 | | | need to be amended, removed, or enacted to enable |
| 9 | | | ffective implementation of the weighted student |
| 10 | | formu | la, implementation of school community councils, |
| 11 | | and e | nhance transparency in financial reporting; and |
| 12 | (3) | A lis | t of programs recommended to be repealed to |
| 13 | | enabl | e the department and individual schools to have |
| 14 | | great | er flexibility in budgeting, operations, and |
| 15 | | curri | culum management. |
| 16 | | | PART XII |
| 17 | | | MISCELLANEOUS |
| 18 | SECTIO | N 62. | For the purposes of this Act, any |
| 19 | | | de for public schools shall exclude new century |
| 20 | charter sch | ools | and new century conversion charter schools |
| 21 | unless othe | rwise | included. |

- 1 SECTION 63. In the event of a conflict between this Act
- 2 and section 89-10(d) or 89-19, Hawaii Revised Statutes, this Act
- 3 shall control.
- 4 SECTION 64. The sums appropriated by this Act for fiscal
- 5 year 2004-2005 shall be deemed part of the Supplemental
- 6 Appropriations Act of 2004 for the department of education and
- 7 University of Hawaii for the purposes of developing and
- 8 submitting the executive budget request for the biennium budget
- 9 for fiscal years 2005-2006 and 2006-2007, except for the
- 10 one-time supplemental appropriation for mathematics textbooks
- 11 and mathematics learning materials in schools made in section 35
- 12 of this Act. The department of budget and finance shall
- 13 consider the sums appropriated by this Act as if appropriated in
- 14 the Supplemental Appropriations Act of 2004, except for the
- 15 one-time supplemental appropriation for mathematics textbooks
- 16 and mathematics learning materials in schools made in section 34
- 17 of this Act.
- 18 SECTION 65. The legislative reference bureau shall conduct
- 19 a study to determine conforming amendments to the Hawaii Revised
- 20 Statutes that may be necessary as a result of the amended
- 21 definition of "public school" in section 5, to effectuate the

- 1 purposes of this Act without altering either the effect or
- 2 intent of existing statutory language.
- 3 The legislative reference bureau shall submit its findings,
- 4 including any proposed legislation, to the legislature no later
- 5 than twenty days prior to the convening of the regular session
- **6** of 2005.
- 7 SECTION 66. Statutory material to be repealed is bracketed
- 8 and stricken. New statutory material is underscored.
- 9 SECTION 67. This Act shall take effect upon its approval,
- 10 provided that:
- 11 (1) Sections 7, 8, 10, 11, 15, 17, 18, 32, 33, 35, 36, 39,
- 12 40, 50, 51, 52, 53, 54, 59, and 60 shall take effect
- on July 1, 2004;
- 14 (2) Sections 5, 13, 16, 21, 22, 23, 24, 25, 26, 30, 31,
- and 38 shall take effect on July 1, 2005, and shall
- apply to the 2005-2006 school year; and
- 17 (3) Sections 2, 4, 6, 27, 28, 29, and 57 shall take effect
- on July 1, 2006, and shall apply to the 2006-2007
- school year.