### A BILL FOR AN ACT

RELATING TO CHARTER SCHOOLS.

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

1 SECTION 1. The legislature finds that charter schools have

2 been one of the fastest growing areas of public school reform.

3 Since their inception in 1994, Hawaii's charter schools have

4 provided a viable choice within the public school system for

5 parents, teachers, and community leaders, while accommodating

6 the individual needs of students. In addition to promoting

7 choice, charter schools have greatly encouraged innovation in

their curriculum, administration, and management.

9 The number of students enrolled in Hawaii's twenty-seven

charter schools grew more than eight per cent in 2005, while

11 total enrollment in Hawaii's traditional public school system

continued a slow decline. There were 5,596 students enrolled in

charter schools for the 2005-2006 school year, a gain of 8.3 per

14 cent, according to the department of education. Moreover, the

academic performance of charter school students have kept pace

with traditional schools under the federal No Child Left Behind

17 Act.

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         The legislature finds that despite the popularity of
    charter schools, there is a limited number of new start-up
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    schools allowed, even though there are waiting lists for parents
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    who want to send their children to charter schools. The purpose
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    of this Act is to repeal the cap on the number of new century
    charter schools and new century conversion charter schools that
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    may be established in the State.
         SECTION 2. Section 302A-1182, Hawaii Revised Statutes, is
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    amended by amending subsection (a) to read as follows:
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              [Up to a total of twenty-three schools may be
    established as new century charter schools. These new] New
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    century charter schools may be established by:
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              The creation of a new school; or
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         (1)
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              The creation of a new school, comprising programs or
         (2)
              sections of existing public school populations and
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              using existing public school facilities, pursuant to
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              subsection (b)."
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         SECTION 3. Section 302A-1191, Hawaii Revised Statutes, is
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    amended to read as follows:
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         "§302A-1191 New century conversion charter schools;
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    conversion schools. (a) As used in this section:
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         "New century conversion charter school" means:
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1	(1)	Any	exist	ing	department	scho	ool t	hat	is	manag	ed	and
2		opei	cated	in	accordance	with	subs	ecti	on	(d);	or	

- (2) Any existing department school that is managed and operated by a nonprofit organization in accordance with this section, excluding subsection (d).
- 6 "Nonprofit organization" means a private, nonprofit, tax7 exempt entity that:
- - (2) Is domiciled in this State; and
- 12 (3) Makes a minimum annual contribution of \$1 per pupil
  13 toward the operation of a new century conversion
  14 charter school for every \$4 per pupil allocated by the
  15 charter school administrative office for the operation
  16 of the charter school.
- (b) A nonprofit organization may submit a letter of intent
  to the board of education to operate and manage an existing
  public school as a new century conversion charter school,
  establish a local school board as its governing body, and
  develop a detailed implementation plan pursuant to section 302A-
- 22 1182(c); provided that:

## H.B. NO. 2087

1	(1)	The local school board as the governing body of the
2		new century conversion charter school shall be
3		composed of the board of directors of the nonprofit
4		organization and not the participants specified in
5		subsection (d)(1). The nonprofit organization may
6		also appoint advisory panels of community
7		representatives for each school managed by the
8		organization, with whom the organization may consult;
9		provided that these panels shall not have governing
10		authority over the school and shall serve only in an
11		advisory capacity to the nonprofit organization;
12	(2)	The detailed implementation plan for each new century
13		conversion charter school to be operated by the
14		nonprofit organization shall be formulated, developed,
15		and submitted by the local school board. The detailed
16		implementation plan shall be approved by a majority of
17		the votes cast by existing administrative, support,
18		and teaching personnel, and parents; provided that the
19		school personnel may request their bargaining unit
20		representative to certify and conduct the elections
21		for their respective bargaining units;

1	(3)	After the detailed implementation plan for a new
2		century conversion charter school operated and managed
3		by the nonprofit organization has been approved by the
4		new century charter school review panel and the board
5		of education as provided in section 302A-1182(d) to
6		(g), the board of education shall issue a charter, and
7		the implementation plan shall be converted to a
8		written performance contract between the nonprofit
9		organization and the board of education, under which
10		the new century conversion charter school shall be
11		managed and operated as a division of the nonprofit
12		organization;
13	(4)	The board of directors of the nonprofit organization,

- (4) The board of directors of the nonprofit organization, as the governing body for the new century conversion charter school that it operates and manages, shall have the same protections that are afforded to the state board of education;
- (5) Any new century conversion charter school that is managed and operated by a nonprofit organization shall be eligible for the same federal and state funding as other public schools; provided that the nonprofit organization may allocate federal and state funds

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## H.B. NO. 2087

2		charter schools that it operates and manages to the
3		extent permitted by law; and
4	(6)	If, at any time, the new century conversion charter
5		school dissolves or the charter is revoked, the State
6		of Hawaii shall have first right, at no cost to the
7		State, to all the assets and facilities of the new
8		century conversion charter school, except as provided
9		in the detailed implementation plan.
10	(c)	Any nonprofit organization that seeks to manage or
11	operate a	new century conversion charter school as provided in
12	subsection	n (b) shall comply with the following at the time of
13	application	on:
14	(1)	Have bylaws or policies that describe the manner in
15		which business is conducted and policies that relate
16		to the management of potential conflict of interest

among two or more of the new century conversion

18 (2) Have experience in the management and operation of
19 public or private schools, or, to the extent
20 necessary, agree to obtain appropriate services from
21 another entity or entities possessing such experience;

situations;

# H.B. NO. 2087

1	(3)	Comp	ly with all applicable federal, state, and county
2		laws	, including being licensed and accredited, as
3		appl:	icable, in accordance with the requirements of
4		fede	ral, state, and county governments; and
5	(4)	Comp	ly with any other requirements prescribed by the
6		depa	rtment to ensure adherence with applicable
7		fede	ral, state, and county laws and the purposes of
8		this	chapter.
9	(d)	As a	n alternative to subsection (b), any public school
10	or schools	s may	submit a letter of intent to the board of
11	education	to f	orm a new century conversion charter school,
12	establish	a lo	cal school board as its governing body, and
13	develop a	deta	iled implementation plan pursuant to section 302A-
14	1182(c);	provi	ded that:
15	(1)	The	local school board as its governing body shall be
16		comp	osed of, at a minimum, one representative from
17		each	of the following participant groups:
18		(A)	Principals;
19		(B)	Instructional staff members selected by the
20			school instructional staff;
21 ·		(C)	Support staff selected by the support staff of
22			the school;

1		(D)	Parents of students attending the school selected
2			by the parents of the school;
3		(E)	Student body representatives selected by the
4			students of the school; and
5		(F)	The community at-large; and
6	(2)	The	detailed implementation plan shall be approved by
7		a ma	jority of the votes cast by existing
8		admi	nistrative, support, and teaching personnel, and
9		pare	nts; provided that the school personnel may
10		requ	est their bargaining unit representative to
11		cert	ify and conduct the elections for their respective
12		barg	aining units.
13	[ <del>-(e)</del>	<del>Up</del>	to a total of twenty-five schools may be
14	establish	ed as	new century conversion charter schools. Any new
15	century c	<del>on ver</del>	sion charter school may, prior to the beginning of
16	the schoo	<del>l yea</del>	r, enter into an annual contract with the
17	departmen	t of	education for centralized services to be provided
18	by the de	<del>partm</del>	<del>nent.</del>
19	<del>(f)</del> ]	<u>(e)</u>	This section does not affect rights and duties
20	that matu	red,	penalties that were incurred, and proceedings that
21	were begu	n, be	efore April 4, 2002.

- 1  $\left[\frac{(g)}{(g)}\right]$  Unless otherwise provided in this section, the
- 2 provisions in this subpart, as they relate to new century
- 3 charter schools, shall apply to new century conversion charter
- 4 schools. In the event of a conflict between the provisions in
- 5 this section, as they relate to new century conversion charter
- 6 schools, and the provisions in this subpart, this section shall
- 7 control."
- 8 SECTION 4. Statutory material to be repealed is bracketed
- 9 and stricken. New statutory material is underscored.
- 10 SECTION 5. This Act shall take effect upon its approval.

INTRODUCED BY:

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JAN 20 2006

### HB 2087

### Report Title:

Education; Charter Schools; Cap

### Description:

Repeals the cap on the number of new century charter schools and new century conversion charter schools that may be established.