A BILL FOR AN ACT

RELATING TO EDUCATION.

3

4

5

6

7

8

15

16

17

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

1 SECTION 1. The legislature finds that the two important 2 purposes for charter schools are to:

- (1) Provide administrators, parents, students, and teachers with expanded alternative public school choices in the types of schools, educational programs, opportunities, and settings, including services for underserved populations, geographical areas, and communities; and
- 9 (2) Encourage and, when resources and support are 10 provided, serve as a research venue for the 11 development, use, and dissemination of alternative and 12 innovative approaches to educational governance, 13 financing, administration, curricula, technology, and 14 teaching strategies.

The legislature recognizes a growing need to more directly connect Hawaii's public school system to the important missions of its agencies, industries, and university programs, as well as

- 1 its economic bases and special workforce development needs.
- 2 Charter schools, through their alternative curricula, can
- 3 satisfy this need.
- 4 However, the continuing confusion over the appropriate
- 5 relationship between and among the board of education and the
- 6 executive director of the charter school administrative office,
- 7 and the involvement of charter schools in providing necessary
- 8 input and participating in the evaluation of the executive
- 9 director hampers the charter schools' abilities to fulfill their
- 10 purposes and missions. Many believe that the level of autonomy
- 11 required by the executive director and the office to fully
- 12 implement the law has not been realized.
- 13 The legislature further finds that the board of education
- 14 has an increasingly complex and challenging task in the
- 15 administration and oversight of department of education schools
- 16 and in the implementation of Act 51, Session Laws of Hawaii
- **17** 2004.
- 18 Consequently, to dedicate the appropriate focus, time,
- 19 knowledge, and resources to both department of education schools
- 20 and charter schools, the legislature believes that certain
- 21 important and time-consuming duties of charter school

1	authorizatio	on and ove	ersight should be delegated to the charter
2	school revie	ew panel.	
3	The pur	cpose of t	this Act is to, among other things:
4	(1) C]	larify the	e significant role of the board of education
5	ir	n policyma	aking for charter schools, including:
6	(P	A) Appoir	nting members of the charter school review
7		panel;	and
8	(E	3) Servir	ng as an appeals board for charter school
9		applic	cants or charter schools that do not agree
10		with t	the decisions of the charter school review
11		panel	;
12	(2) De	elegate to	the charter school review panel the
13	re	esponsibi	lities to:
14	(Z	A) Appro	ve or deny charter applications for new
15		charte	er schools;
16	(E	3) Issue	and revoke charters, and place charter
17		schoo.	ls on probation;
18	((C) Appro	ve or deny amendments to detailed
19		imple	mentation plans;
20	(1	O) Condu	ct charter school evaluations; and
21	(I	E) Appoi	nt and evaluate the executive director of
22		the cl	narter school administrative office:

1	(3)	Change the membership of the panel;
2	(4)	Shift the burden of providing staff and resources for
3		the charter school review panel from the board of
4		education to the charter school administrative office;
5	(5)	Clarify how the executive director of the charter
6		school administrative office is appointed and
7		evaluated; and
8	(6)	Ensure that funding allocations to the charter schools
9		are based on the most recent department of education
10		budget base.
11	SECT	ION 2. Section 89-6, Hawaii Revised Statutes, is
12	amended b	y amending subsection (g) to read as follows:
13	" (g)	The following individuals shall not be included in
14	any appro	priate bargaining unit or be entitled to coverage under
15	this chap	ter:
16	(1)	Elected or appointed official;
17	(2)	Member of any board or commission; provided that
18		nothing in this paragraph shall prohibit a member of a
19		collective bargaining unit from serving on a local
20		school board of a charter school or the charter school
21		review panel established under chapter 302B;

1	(3)	Top-level managerial and administrative personnel,
2		including the department head, deputy or assistant to
3		a department head, administrative officer, director,
4		or chief of a state or county agency or major
5		division, and legal counsel;
6	(4)	Secretary to top-level managerial and administrative
7		personnel under paragraph (3);
8	(5)	Individual concerned with confidential matters
9		affecting employee-employer relations;
10	(6)	Part-time employee working less than twenty hours per
11		week, except part-time employees included in
12		bargaining unit (5);
13	(7)	Temporary employee of three months' duration or less;
14	(8)	Employee of the executive office of the governor or a
15		household employee at Washington Place;
16	(9)	Employee of the executive office of the lieutenant
17		governor;
18	(10)	Employee of the executive office of the mayor;
19	(11)	Staff of the legislative branch of the State;
20	(12)	Staff of the legislative branches of the counties,
21		except employees of the clerks' offices of the
22		gounties.

```
1
              Any commissioned and enlisted personnel of the Hawaii
        (13)
2
              national quard;
              Inmate, kokua, patient, ward, or student of a state
3
        (14)
4
              institution;
5
              Student help;
        (15)
              Staff of the Hawaii labor relations board;
6
        (16)
7
              Employee of the Hawaii national quard youth challenge
        (17)
8
              academy; or
9
              Employees of the office of elections."
        (18)
10
         SECTION 3. Section 302A-101, Hawaii Revised Statutes, is
11
    amended by amending the definition of "charter school review
    panel" or "panel" to read as follows:
12
13
         ""Charter school review panel" or "panel" means the panel
    established in section 302B-3 [with the powers and duties to
14
    make recommendations to the board regarding charter schools]."
15
16
         SECTION 4. Section 302A-1101, Hawaii Revised Statutes, is
17
    amended by amending subsection (d) to read as follows:
18
               The board shall appoint the charter school review
19
    panel, which shall serve as the charter authorizer for charter
20
    schools, with the power and duty to issue charters, oversee and
21
    monitor charter schools, hold charter schools accountable for
    their performance, and revoke charters."
```

1 SECTION 5. Section 302B-1, Hawaii Revised Statutes, is 2 amended by amending the definitions of "charter school review 3 panel" or "panel", "detailed implementation plan", and "organizational viability" to read as follows: 4 "Charter school review panel" or "panel" means the panel 5 6 established pursuant to section 302B-3 with the powers and 7 duties to [advise and make recommendations to the board regarding issuance and revocation of] issue and revoke charters, 8 9 approve detailed implementation plan revisions, and conduct 10 charter school evaluations. 11 "Detailed implementation plan" means the document that 12 details the charter school's purpose, focus, operations, organization, finances, and accountability, and becomes the 13 14 basis for a performance contract between the [board] panel and the charter school. 15 "Organizational viability" means that a charter school: 16 17 Has been duly constituted in accordance with its (1) 18 charter:

Has a local school board established in accordance

with law and the charter school's charter;

(2)

19

1	(3)	Employs sufficient faculty and staff to provide the
2		necessary educational program and support services to
3		operate the facility in accordance with its charter;
4	(4)	Maintains accurate and comprehensive records regarding
5		students and employees as determined by the office;
6	(5)	Meets appropriate standards of student achievement;
7	(6)	Cooperates with board, panel, and office requirements
8		in conducting its functions;
9	(7)	Complies with applicable federal, state, and county
10		laws and requirements;
11	(8)	In accordance with office guidelines and procedures,
12		is financially sound and fiscally responsible in its
13		use of public funds, maintains accurate and
14		comprehensive financial records, operates in
15		accordance with generally accepted accounting
16		practices, and maintains a sound financial plan;
17	(9)	Operates within the scope of its charter and fulfills
18		obligations and commitments of its charter;
19	(10)	Complies with all health and safety laws and
20		requirements; and
21	(11)	Complies with all [board] panel directives, policies,
22		and procedures."

1 SECTION 6. Section 302B-3, Hawaii Revised Statutes, is 2 amended as follows: 3 1. By amending subsections (a) and (b) to read: 4 "(a) There is established the charter school review panel, 5 which shall be placed within the department for administrative 6 purposes only. The panel shall be accountable to [and report 7 to] the charter schools and the board. 8 (b) The panel shall consist of [nine] eleven members, and 9 shall include: 10 (1) Two licensed teachers regularly engaged in teaching; 11 provided that one teacher is employed at a start-up 12 charter school, and one teacher is employed at a 13 conversion charter school; 14 Two educational officers; provided that one (2) 15 educational officer is employed at a start-up charter 16 school, and one educational officer is employed at a 17 conversion charter school; 18 One member or former member of a charter school local (3) 19 school board; 20 (4) The chair of the board of education or the chair's 21 designee;

1	[(5)	The executive director or the executive director's
2		designee;
3	(6)]	(5) A representative of Hawaiian culture-focused
4		schools; [and
5	(7)]	(6) A representative of the University of Hawaii [-];
6	(7)	One member with a background in business or
7		accounting;
8	(8)	One member with a background in the building trades or
9		real estate; and
10	(9)	A representative from the Hawaii Association of
11		Independent Schools."
12	2.	By amending subsection (d) to read:
13	"(d)	Appointed panel members shall serve not more than
14	three con	secutive three-year terms, with each term beginning on
15	July 1; p	rovided that the initial terms of the appointed members
16	that comm	ence after June 30, 2006, shall be staggered as
17	follows:	
18	(1)	[Three] Four members to serve three-year terms;
19	(2)	[Two] Three members to serve two-year terms; and
20	(3)	[Two] <u>Three</u> members to serve a one-year term."
21	3.	By amending subsection (i) to read:
22	"(i)	The powers and duties of the panel shall be to:

1	(1)	Review, approve, or deny charter applications for new
2		charter schools in accordance with sections 302B-5 and
3		302B-6 [and make recommendations to the board] for the
4		issuance of new charters; provided that [if the board
5		does not issue or deny the charter within sixty
6		calendar days of the board's receipt of the
7		recommendations, the recommendations shall
8		automatically become effective; applicants that are
9		denied a charter, within sixty calendar days, may
10		appeal to the board for a final decision;
11	(2)	Review, approve, or deny significant amendments to
12		detailed implementation plans to maximize the school's
13		financial and academic success, long-term
14		organizational viability, and accountability[, and
15		make recommendations to the board; provided that if
16		the board does not approve or deny the amendments
17		within sixty calendar days of receipt of the
18		recommendations, the recommendations shall
19		automatically become effective] . Charter schools that
20		are denied a significant amendment to their detailed
21		implementation plan, within sixty calendar days, may
22		appeal to the board for a final decision;

1	(3)	[Recommend to the board] Adopt reporting requirements
2		for charter schools;
3	(4)	Review annual self-evaluation reports from charter
4		schools and [make recommendations to the board;] take
5		appropriate action;
6	(5)	[As directed by the board, evaluate] Evaluate any
7		aspect of a charter school that the [board] panel may
8		have concerns with [and make recommendations to the
9		board, and take appropriate action, which may include
10		probation or revocation; [provided that if the board
11		does not take action on the recommendations within
12		sixty calendar days, the recommendations shall
13		automatically become effective;
14	(6)	Periodically [recommend to the board] adopt
15		improvements in the [board's] panel's monitoring and
16		oversight of charter schools; and
17	(7)	Periodically [recommend to the board] adopt
18		improvements in the office's support of charter
19		schools and management of the charter school system."
20	4.	By amending subsection (k) to read:
21	"(k)	The [board] office shall provide for the staff
22	support a	nd expenses of the panel. The board shall submit to

H.B. NO. 594

- 1 the legislature annual appropriation requests to fund the
- 2 operations of the panel."
- 3 SECTION 7. Section 302B-4, Hawaii Revised Statutes, is
- 4 amended to read as follows:
- 5 "§302B-4 Limits on charter schools. Beginning July 2007,
- 6 the [board, with the recommendation of the] panel[7] may
- 7 authorize one new start-up charter school for each existing
- 8 start-up charter school that has received a three-year or longer
- 9 accreditation from the Western Association of Schools and
- 10 Colleges or a comparable accreditation authority as determined
- 11 by the panel, or for each start-up charter school whose charter
- 12 is revoked. The total number of conversion charter schools
- 13 authorized by the [board, with the recommendation of the]
- 14 panel[7] shall not exceed twenty-five."
- 15 SECTION 8. Section 302B-5, Hawaii Revised Statutes, is
- 16 amended by amending subsection (c) to read as follows:
- "(c) The start-up charter school application process and
- 18 schedule shall be determined by the [board,] panel, and shall
- 19 provide for and include the following elements:
- 20 (1) The submission of a letter of intent to operate a
- 21 start-up charter school;

1	(2)	The cimery cransmittal of the application form and
2		completion guidelines to the interim local school
3		board;
4	(3)	The timely submission to the [board] panel of a
5		completed application;
6	(4)	The timely review of the application by the panel for
7		completeness, and notification of the interim local
8		school board if the application is complete or, if the
9		application is insufficient, a written statement of
10		the elements of the application that require
11		completion;
12	(5)	The timely resubmission of the application;
13	(6)	Upon receipt of a completed application, the convening
14		of the panel by the panel chairperson to begin review
15		of the application;
16	(7)	The timely notification of the applicant of any
17		revisions the panel requests as necessary for a
18		recommendation of approval [to the board];
19	(8)	The timely transmission of the panel's recommendation
20		to the board for adjudication;
21	(9)]	(8) Following the submission of an application,
22		issuance of a charter or denial of the application by

1		the [board] panel by majority vote; provided that if
2		the [board] panel does not approve the application and
3		issue a charter, provisions requiring the [board]
4		<pre>panel to:</pre>
5		(A) Clearly identify in writing its reasons for not
6		issuing the charter, which may be used as
7		guidelines for an amended plan; and
8		(B) Allow the local school board to revise its plan
9		in accordance with the [board's] panel's
10		guidelines, and resubmit an amended plan within
11		ten calendar days;
12	[(10)]	(9) A provision for a final date on which a decision
13		must be made, upon receipt of an amended plan;
14	[(11)]	(10) A provision that no start-up charter school may
15		begin operation before obtaining [board] final
16		approval of its charter; and
17	[(12)]	(11) A requirement that upon approval of the start-up
18		charter school, the office shall submit to the [board]
19		panel a proposed budget for funding of the start-up
20		school for submittal to the [governor and
21		legislature.] board."

1	SECTION 9. Section 302B-8, Hawaii Revised Statutes, is
2	amended by amending subsections (a) to (e) to read as follows:
3	"(a) There is established a charter school administrative
4	office, which shall be attached to the department for
5	administrative purposes only. The office shall be administered
6	by an executive director, who shall be appointed without regard
7	to chapters 76 and 89 by the [board] panel based upon the
8	recommendations of an organization of charter schools operating
9	within the State or from a list of nominees submitted by the
10	charter schools. The [board may] panel shall hire the executive
11	director [on a multi year contract.] for a term of not fewer
12	than four years, and shall offer the executive director a
13	written contract, and may terminate the executive director's
14	contract only for cause. The executive director may hire
15	necessary staff without regard to chapters 76 and 89 to assist
16	in the administration of the office.
17	(b) The executive director, under the direction of the
18	[board] panel and in consultation with the charter schools,
19	shall be responsible for the internal organization, operation,
20	and management of the charter school system, including:

1	(1)	Preparing and executing the budget for the charter
2		schools, including submission of the budget request to
3		the board, the governor, and the legislature;
4	(2)	Allocating annual appropriations to the charter
5		schools and distribution of federal funds to charter
6		schools;
7	(3)	Complying with applicable state laws related to the
8		administration of the charter schools;
9	(4)	Preparing contracts between the charter schools and
10		the department for centralized services to be provided
11		by the department;
12	(5)	Preparing contracts between the charter schools and
13		other state agencies for financial or personnel
14		services to be provided by the agencies to the charter
15		schools;
16	(6)	Providing independent analysis and recommendations on
17		charter school issues;
18	(7)	Representing charter schools and the charter school
19		system in communications with the board, the governor,
20		and the legislature;

1	(8)	Providing advocacy, assistance, and support for the
2		development, growth, progress, and success of charter
3		schools and the charter school system;
4	(9)	Providing guidance and assistance to charter
5		applicants and charter schools to enhance the
6		completeness and accuracy of information for panel or
7		board review;
8	(10)	Assisting charter applicants and charter schools in
9		coordinating their interactions with the panel or the
10		board as needed;
11	(11)	Assisting the [board] panel to coordinate with charter
12		schools in [board] panel investigations and
13		evaluations of charter schools;
14	(12)	Serving as the conduit to disseminate communications
15		from the panel, the board, and the department to all
16		charter schools;
17	(13)	Determining charter school system needs and
18		communicating such needs [with] to the panel, the
19		board, and the department;
20	(14)	Establishing a dispute resolution and mediation
21		[panel;] process; and

1	(15)	Upon request by one or more charter schools, assisting
2		in the negotiation of a collective bargaining
3		agreement with the exclusive representative of its
4		employees.

- 5 (c) The executive director shall be evaluated annually by
 6 the [board.] panel. The annual evaluation shall be conducted
 7 sufficiently in advance of the end of a term to provide the
 8 executive director the opportunity to respond to concerns and
 9 improve performance.
- (d) The salary of the executive director and staff shall

 be set by the [board] panel based upon the recommendations of

 charter schools within the State; provided that the salaries and

 operational expenses of the office shall be paid from the annual

 charter school appropriation and shall not exceed two per cent

 of the total allocation in any fiscal year.
- (e) The office shall include in its annual budget request
 additional funds to cover the estimated costs of:
- 18 (1) Vacation and sick leave accrued by employees
 19 transferring to a charter school from another state
 20 agency or department;
- 21 (2) Substitute teachers needed when a teacher is out on22 vacation or sick leave;

1	(3)	Adjustments to enrollments; [and]
2	(4)	Arbitration in the grievance process [+]; and
3	(5)	Costs associated with administrative and staff support
4		for the panel."
5	SECTI	ON 10. Section 302B-12, Hawaii Revised Statutes, is
6	amended by	amending subsections (a) to (c) to read as follows:
7	"(a)	Beginning with fiscal year 2006-2007, and each fiscal
8	year there	eafter, the office shall submit a request for general
9	fund appro	opriations for each charter school based upon:
10	(1)	The actual and projected enrollment figures in the
11		current school year for each charter school;
12	(2)	A per-pupil amount for each regular education and
13		special education student, which shall be equivalent
14		to the total per-pupil cost based upon average
15		enrollment in all regular education cost categories,
16		including comprehensive school support services but
17		excluding special education services, and for all
18		means of financing except federal funds, as reported
19		in the most [recently published department
20		consolidated annual financial report; recently-
21		approved executive budget recommendations for the
22		department; provided that the legislature may make an

1	adjustment to the per-pupil allocation for the
2	purposes of this section; and
3	(3) Those fringe benefit costs requested shall be included
4	in the department of budget and finance's annual
5	budget request. No fringe benefit costs shall be
6	charged directly to or deducted from the charter
7	school per-pupil allocations unless they are already
8	included in the funds distributed to the charter
9	school.
10	The legislature shall make an appropriation based upon the
11	budget request; provided that the legislature may make
12	additional appropriations for fringe, workers' compensation, and
13	other employee benefits, facility costs, and other requested
14	amounts.
15	The governor, pursuant to chapter 37, may impose
16	restrictions or reductions on charter school appropriations
17	similar to those imposed on other public schools.
18	(b) Charter schools shall be eligible for all federal
19	financial support to the same extent as all other public
20	schools. The department shall provide the office with all
21	state-level federal grant proposals submitted by the department

that include charter schools as potential recipients and timely

- 1 reports on state-level federal grants received for which charter
- 2 schools may apply [-] or are entitled to receive. Federal funds
- 3 received by the department for charter schools shall be
- 4 transferred to the office for distribution to charter schools in
- 5 accordance with the federal requirements. If administrative
- 6 services related to federal grants and subsidies are provided to
- 7 the charter school by the department, the charter school shall
- 8 reimburse the department for the actual costs of the
- 9 administrative services in an amount that shall not exceed six
- 10 and one-half per cent of the charter school's federal grants and
- 11 subsidies.
- 12 Any charter school shall be eligible to receive any
- 13 supplemental federal grant or award for which any other public
- 14 school may submit a proposal, or any supplemental federal grants
- 15 limited to charter schools; provided that if department
- 16 administrative services, including funds management, budgetary,
- 17 fiscal accounting, or other related services, are provided with
- 18 respect to these supplemental grants, the charter school shall
- 19 reimburse the department for the actual costs of the
- 20 administrative services in an amount that shall not exceed six
- 21 and one-half per cent of the supplemental grant for which the
- 22 services are used.



1	All additional funds generated by the local school boards,
2	that are not from a supplemental grant, shall be held separate
3	from allotted funds and may be expended at the discretion of the
4	local school boards.
5	(c) To enable charter schools to access state funding
6	prior to the start of each school year, foster their fiscal
7	planning, and enhance their accountability, the office shall:
8	(1) Provide fifty per cent of a charter school's per-pupil
9	allocation based on the charter school's projected
10	student enrollment no later than July 20 of each
11	fiscal year; provided that the charter school shall
12	submit to the office a projected student enrollment no
13	later than May 15 of each year;
14	(2) Provide an additional forty per cent of a charter
15	school's per-pupil allocation no later than
16	November 15 of each year; provided that the charter
17	school shall submit to the office:
18	(A) Student enrollment as verified on October 15 of
19	each year; provided that the student enrollment
20	shall be verified on the last business day
21	immediately prior to October 15 should that date
22	fall on a weekend; and

1	(B) An accounting of the percentage of student
2	enrollment that transferred from public schools
3	established and maintained by the department;
4	provided that these accountings shall also be
5	submitted by the office to the legislature no
6	later than twenty days prior to the start of each
7	regular session; and
8	(3) The remaining ten per cent per-pupil allocation of a
9	charter school no later than January 1 of each year as
10	a contingency balance to ensure fiscal accountability;
11	provided that the [board] panel may make adjustments in
12	allocations based on noncompliance with office administrative
13	procedures and board-approved accountability requirements."
14	SECTION 11. Section 302B-14, Hawaii Revised Statutes, is
15	amended by amending subsections (a) to (g) to read as follows:
16	"(a) Every charter school shall conduct annual self-
17	evaluations that shall be submitted to the [board] panel within
18	sixty working days after the completion of the school year $[\cdot]_{\underline{L}}$
19	or in accordance with reporting requirements adopted by the
20	panel. The self-evaluation process shall include but not be
21	limited to:

1	(1)	The identification and adoption of benchmarks to
2		measure and evaluate administrative and instructional
3		programs;
4	(2)	The identification of any innovations or research that
5		may assist other public schools;
6	(3)	The identification of any administrative and legal
7		barriers to meeting the adopted benchmarks, and
8		recommendations for improvements and modifications to
9		address the barriers;
10	(4)	An evaluation of student achievement within the
11		charter school;
12	(5)	A profile of the charter school's enrollment and the
13		community it serves, including a breakdown of regular
14		education and special education students; and
15	(6)	An evaluation of the school's organizational
16		viability.
17	(b)	The [board] panel shall conduct multi-year evaluations
18	of charte	r schools that have been chartered for four or more
19	years. [The board shall adopt rules pursuant to chapter 91 for
20	its evalu	ations.]
21	(c)	The [board] panel may conduct special evaluations of

HB594 HD1 HMS 2007-2181

22

charter schools at any time.

1	(d)	The [board] <u>panel</u> may place a charter school on
2	probation	ary status; provided that:
3	(1)	The panel evaluates the charter school or reviews an
4		evaluation of the charter school [and makes
5		recommendations to the board];
6	(2)	The [board] panel and the office are involved in
7		substantive discussions with the charter school
8		regarding the areas of deficiencies;
9	(3)	The notice of probation is delivered to the charter
10		school and specifies the deficiencies requiring
11		correction, the probation period, and monitoring and
12		reporting requirements;
13	(4)	For deficiencies related to student performance, a
14		charter school shall be allowed two years to improve
15		student performance; and
16	(5)	For deficiencies related to financial plans, a charter
17		school shall be allowed one year to develop a sound
18		financial plan.
19	The	charter school shall remain on probationary status
20	until the	[board] panel votes to either remove the charter
21	gghool fr	om probationary status or revoke its charter

1	(e)	If a charter school fails to resolve deficiencies by
2	the end of	the probation period, the [board] panel may revoke
3	the charte	er; provided that the vote of two-thirds of all the
4	members to	which the [board] <u>panel</u> is entitled shall be required
5	to revoke	the charter.
6	(f)	The [board] panel may place a charter school on
7	probationa	ary status or revoke the charter for serious student or
8	employee h	nealth or safety deficiencies; provided that:
9	(1)	The charter school is given notice of specific health
10		or safety deficiencies and is afforded an opportunity
11		to present its case to the [board; panel;
12	(2)	The [board] panel chair appoints a task group, which
13		may be an investigative task group, the panel, or the
14		office, to visit the charter school and conduct
15		meetings with its local school board and its school
16		community to gather input;
17	(3)	Based on its findings, the task group shall recommend
18		to the [board] panel to revoke the charter, place the
19		charter school on probation, or continue the charter;
20	(4)	The vote of two-thirds of all the members to which the

[board] panel is entitled shall be required to revoke

the charter;

21

- (5) The best interest of the school's students guide all
 decisions; and
- 3 (6) After a decision to revoke a charter, the charter
 4 school shall be allowed to remain open until a plan
 5 for an orderly shutdown or transfer of students and
 6 assets is developed and executed, or until the school
 7 year ends, whichever comes first.
- If there is an immediate concern for student or 8 (a) employee health or safety at a charter school, the [board,] 9 panel, in consultation with the office, may adopt an interim 10 11 restructuring plan that may include the appointment of an interim local school board, an interim local school board 12 13 chairperson, or a principal to temporarily assume operations of the school; provided that if possible without further 14 jeopardizing the health or safety of students and employees, the 15 16 charter school's stakeholders and community are first given the opportunity to elect a new local school board which shall 17
- 19 SECTION 12. Statutory material to be repealed is bracketed 20 and stricken. New statutory material is underscored.
- 21 SECTION 13. This Act shall take effect upon its approval;
 22 provided that amendments made to section 89-6(g), Hawaii Revised

18

appoint a new interim principal."

- 1 Statutes, by section 2 of this Act shall not be repealed when
- 2 section 89-6, Hawaii Revised Statutes, is repealed and reenacted
- 3 on July 1, 2008, pursuant to section 8 of Act 245, Session Laws
- 4 of Hawaii 2005.

Report Title:

Charter Schools

Description:

Clarifies the role of BOE in policymaking for charter schools. Expands the duties of the Charter School Review Panel. Changes the membership of the Panel. Makes the Charter School Administrative Office, rather than BOE, responsible for the staff and resources of the Panel. Clarifies how the executive director of the Charter School Administrative Office is appointed and evaluated. Ensures that funding allocations to the charter schools are based on the most recent department of education budget base. (HB594 HD1)