
A BILL FOR AN ACT

RELATING TO EDUCATION.

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:

3 (1) Provide administrators, parents, students, and
4 teachers with expanded alternative public school
5 choices in the types of schools, educational programs,
6 opportunities, and settings, including services for
7 underserved populations, geographical areas, and
8 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.

15 However, the legislature finds that confusion continues
16 over the appropriate relationship between and among the board of
17 education, the executive director of the charter school



1 administrative office, and the involvement of charter schools in
2 providing necessary input and participating in the evaluation of
3 the executive director. Many believe the level of autonomy
4 required by the executive director and the charter school
5 administrative office to fully implement the law has not been
6 realized.

7 The legislature also finds that the board of education has
8 an increasingly complex and challenging task in the
9 administration and oversight of department of education schools
10 and in the implementation of Act 51, Session Laws of Hawaii
11 2004. With part-time members, and a relatively small support
12 staff, the board cannot devote the appropriate amount of time,
13 focus, energy, and resources necessary to carry out all the
14 duties of a charter school authorizer, from approving new
15 charters and ensuring accountability, to proactively supporting
16 the charter schools to ensure their success. The lengthy amount
17 of time it took the board to appoint the members of the review
18 panel and the delays in development of proposed administrative
19 rules illustrate an increasingly frustrating situation.
20 Moreover, the time devoted to understanding and implementing the
21 duties of a charter school authorizer is time taken away from
22 the critical tasks of holding all public schools accountable.



1 Consequently, to dedicate the appropriate focus, time,
2 knowledge, and resources on both traditional department of
3 education public schools and charter schools, the legislature
4 believes that certain important and time-consuming duties of
5 charter school authorization and oversight should be delegated
6 to the charter school review panel.

7 The purpose of this Act is to, among other things:

8 (1) Clarify the significant role of the board of education
9 in policymaking for charter schools, including:

10 (A) Appointing members of the charter school review
11 panel; and

12 (B) Serving as an appeals board for charter school
13 applicants or charter schools that do not agree
14 with the decisions of the charter school review
15 panel;

16 (2) Delegate to the charter school review panel the
17 responsibilities to:

18 (A) Approve or deny charter applications for new
19 charter schools;

20 (B) Issue and revoke charters, and place charter
21 schools on probation;



- 1 (C) Approve or deny amendments to detailed
- 2 implementation plans;
- 3 (D) Conduct charter school evaluations; and
- 4 (E) Appoint and evaluate the executive director of
- 5 the charter school administrative office;
- 6 (3) Change the membership of the panel;
- 7 (4) Clarify how the executive director of the charter
- 8 school administrative office is appointed and
- 9 evaluated;
- 10 (5) Shift the burden of providing staff and resources for
- 11 the charter school review panel from the board of
- 12 education to the charter school administrative office;
- 13 and
- 14 (6) Update the charter school funding mechanism, including
- 15 ensuring that funding allocations to the charter
- 16 schools are based on the most recent department of
- 17 education budget base.

18 SECTION 2. Section 89-6, Hawaii Revised Statutes, is
19 amended by amending subsection (g) to read as follows:

20 "(g) The following individuals shall not be included in
21 any appropriate bargaining unit or be entitled to coverage under
22 this chapter:



- 1 (1) Elected or appointed official;
- 2 (2) Member of any board or commission; provided that
- 3 nothing in this paragraph shall prohibit a member of a
- 4 collective bargaining unit from serving on a local
- 5 school board of a charter school or the charter school
- 6 review panel established under chapter 302B;
- 7 (3) Top-level managerial and administrative personnel,
- 8 including the department head, deputy or assistant to
- 9 a department head, administrative officer, director,
- 10 or chief of a state or county agency or major
- 11 division, and legal counsel;
- 12 (4) Secretary to top-level managerial and administrative
- 13 personnel under paragraph (3);
- 14 (5) Individual concerned with confidential matters
- 15 affecting employee-employer relations;
- 16 (6) Part-time employee working less than twenty hours per
- 17 week, except part-time employees included in
- 18 bargaining unit (5);
- 19 (7) Temporary employee of three months' duration or less;
- 20 (8) Employee of the executive office of the governor or a
- 21 household employee at Washington Place;



- 1 (9) Employee of the executive office of the lieutenant
2 governor;
- 3 (10) Employee of the executive office of the mayor;
- 4 (11) Staff of the legislative branch of the State;
- 5 (12) Staff of the legislative branches of the counties,
6 except employees of the clerks' offices of the
7 counties;
- 8 (13) Any commissioned and enlisted personnel of the Hawaii
9 national guard;
- 10 (14) Inmate, kokua, patient, ward, or student of a state
11 institution;
- 12 (15) Student help;
- 13 (16) Staff of the Hawaii labor relations board;
- 14 (17) Employee of the Hawaii national guard youth challenge
15 academy; or
- 16 (18) [~~Employees~~] Employee of the office of elections."

17 SECTION 3. Section 302A-101, Hawaii Revised Statutes, is
18 amended by amending the definition of "charter school review
19 panel" or "panel" to read as follows:

20 ""Charter school review panel" or "panel" means the panel
21 established in section 302B-3 [~~with the powers and duties to~~
22 ~~make recommendations to the board regarding charter schools]~~."



1 SECTION 4. Section 302A-1101, Hawaii Revised Statutes, is
2 amended by amending subsection (d) to read as follows:

3 "(d) The board shall appoint the charter school review
4 panel, which shall serve as the charter authorizer for charter
5 schools, with the power and duty to issue charters, oversee and
6 monitor charter schools, hold charter schools accountable for
7 their performance, and revoke charters."

8 SECTION 5. Section 302B-1, Hawaii Revised Statutes, is
9 amended by amending the definitions of "charter school review
10 panel" or "panel", "detailed implementation plan", "local school
11 board", and "organizational viability" to read as follows:

12 ""Charter school review panel" or "panel" means the panel
13 established pursuant to section 302B-3 with the powers and
14 duties to [~~advise and make recommendations to the board~~
15 ~~regarding issuance and revocation of~~] issue and revoke charters,
16 approve detailed implementation plan revisions, and conduct
17 charter school evaluations.

18 "Detailed implementation plan" means the document that
19 details the charter school's purpose, focus, operations,
20 organization, finances, and accountability, and becomes the
21 basis for a performance contract between the [~~board~~] panel and
22 the charter school.



1 "Local school board" means the autonomous governing body of
2 a charter school that receives the charter and is responsible
3 for the financial and academic viability of the charter
4 school[~~7~~] and implementation of the charter, [~~and~~] possesses the
5 independent authority to determine the organization and
6 management of the school, the curriculum, virtual education, and
7 compliance with applicable federal and state laws, [~~and that~~]
8 has the power to negotiate supplemental collective bargaining
9 agreements with exclusive representatives of their employees.

10 "Organizational viability" means that a charter school:

- 11 (1) Has been duly constituted in accordance with its
12 charter;
- 13 (2) Has a local school board established in accordance
14 with law and the charter school's charter;
- 15 (3) Employs sufficient faculty and staff to provide the
16 necessary educational program and support services to
17 operate the facility in accordance with its charter;
- 18 (4) Maintains accurate and comprehensive records regarding
19 students and employees as determined by the office;
- 20 (5) Meets appropriate standards of student achievement;
- 21 (6) Cooperates with board, panel, and office requirements
22 in conducting its functions;



- 1 (7) Complies with applicable federal, state, and county
2 laws and requirements;
- 3 (8) In accordance with office guidelines and procedures,
4 is financially sound and fiscally responsible in its
5 use of public funds, maintains accurate and
6 comprehensive financial records, operates in
7 accordance with generally accepted accounting
8 practices, and maintains a sound financial plan;
- 9 (9) Operates within the scope of its charter and fulfills
10 obligations and commitments of its charter;
- 11 (10) Complies with all health and safety laws and
12 requirements; and
- 13 (11) Complies with all [~~board~~] panel directives, policies,
14 and procedures."

15 SECTION 6. Section 302B-3, Hawaii Revised Statutes, is
16 amended as follows:

17 1. By amending subsections (a) to (d) to read:

18 "(a) There is established the charter school review panel,
19 which shall be placed within the department for administrative
20 purposes only. The panel shall be accountable to [~~and report~~
21 ~~to~~] the charter schools and the board.



1 (b) The panel shall consist of [~~nine~~] twelve members, and
2 shall include:

3 (1) Two licensed teachers regularly engaged in teaching;
4 provided that one teacher is employed at a start-up
5 charter school, and one teacher is employed at a
6 conversion charter school;

7 (2) Two educational officers; provided that one
8 educational officer is employed at a start-up charter
9 school, and one educational officer is employed at a
10 conversion charter school;

11 (3) One member or former member of a charter school local
12 school board;

13 (4) The chair of the board of education or the chair's
14 designee;

15 [~~(5) The executive director or the executive director's~~
16 ~~designee;~~

17 ~~(6)]~~ (5) A representative of Hawaiian culture-focused
18 schools; [~~and~~]

19 [~~(7)]~~ (6) A representative of the University of Hawaii~~[-]~~;

20 (7) One member with a background in business or
21 accounting;



1 (8) One member with a background in the building trades or
2 real estate;

3 (9) A representative from the Hawaii Association of
4 Independent Schools; and

5 (10) A parent of a charter school student.

6 (c) The board shall appoint the remaining members of the
7 panel other than the chair of the board [~~and the executive~~
8 ~~director~~].

9 (d) Appointed panel members shall serve not more than
10 three consecutive three-year terms, with each term beginning on
11 July 1; provided that the initial terms of the appointed members
12 that commence after June 30, 2006, shall be staggered as
13 follows:

14 (1) [~~Three~~] Four members to serve three-year terms;

15 (2) [~~Two~~] Four members to serve two-year terms[+], one of
16 whom shall be the member who is a parent of a charter
17 school student; and

18 (3) [~~Two~~] Three members to serve a one-year term."

19 2. By amending subsections (i) to (k) to read:

20 "(i) The powers and duties of the panel shall be to:

21 (1) Review, approve, or deny charter applications for new
22 charter schools in accordance with sections 302B-5



1 ~~[and 302B-6 and make recommendations to the board]~~ for
2 the issuance of new charters; provided that ~~[if the~~
3 ~~board does not issue or deny the charter within sixty~~
4 ~~calendar days of the board's receipt of the~~
5 ~~recommendations, the recommendations shall~~
6 ~~automatically become effective;]~~ applicants that are
7 denied a charter, within sixty calendar days, may
8 appeal to the board for a final decision;

9 (2) Review, approve, or deny significant amendments to
10 detailed implementation plans to maximize the school's
11 financial and academic success, long-term
12 organizational viability, and accountability~~[, and~~
13 ~~make recommendations to the board; provided that if~~
14 ~~the board does not approve or deny the amendments~~
15 ~~within sixty calendar days of receipt of the~~
16 ~~recommendations, the recommendations shall~~
17 ~~automatically become effective;]~~. Charter schools
18 that are denied a significant amendment to their
19 detailed implementation plan, within sixty calendar
20 days, may appeal to the board for a final decision;

21 (3) ~~[Recommend to the board]~~ Adopt reporting requirements
22 for charter schools;



- 1 (4) Review annual self-evaluation reports from charter
2 schools and [~~make recommendations to the board,~~] take
3 appropriate action;
- 4 (5) [~~As directed by the board, evaluate]~~ Evaluate any
5 aspect of a charter school that the [~~board]~~ panel may
6 have concerns with [~~and make recommendations to the~~
7 ~~board,~~] and take appropriate action, which may include
8 probation or revocation; [~~provided that if the board~~
9 ~~does not take action on the recommendations within~~
10 ~~sixty calendar days, the recommendations shall~~
11 ~~automatically become effective;~~]
- 12 (6) Periodically [~~recommend to the board]~~ adopt
13 improvements in the [~~board's]~~ panel's monitoring and
14 oversight of charter schools; and
- 15 (7) Periodically [~~recommend to the board]~~ adopt
16 improvements in the office's support of charter
17 schools and management of the charter school system.
- 18 (j) In the case that the panel decides not to [~~recommend~~
19 ~~the issuance of]~~ issue a new charter, or to [~~recommend]~~ approve
20 significant amendments to detailed implementation plans, the
21 board shall adopt rules for an appeals process.



1 (k) The [~~board~~] office shall provide for the staff support
2 and expenses of the panel. The board shall submit to the
3 legislature annual appropriation requests to fund the operations
4 of the panel."

5 SECTION 7. Section 302B-4, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "**§302B-4 Limits on charter schools.** Beginning July 2007,
8 the [~~board, with the recommendation of the~~] panel[~~7~~] may
9 authorize one new start-up charter school for each existing
10 start-up charter school that has received a three-year or longer
11 accreditation from the Western Association of Schools and
12 Colleges or a comparable accreditation authority as determined
13 by the panel, or for each start-up charter school whose charter
14 is revoked. The total number of conversion charter schools
15 authorized by the [~~board, with the recommendation of the~~]
16 panel[~~7~~] shall not exceed twenty-five."

17 SECTION 8. Section 302B-5, Hawaii Revised Statutes, is
18 amended by amending subsection (c) to read as follows:

19 "(c) The start-up charter school application process and
20 schedule shall be determined by the [~~board,~~] panel, and shall
21 provide for and include the following elements:



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



1 ~~(9)~~ (8) Following the submission of an application,
2 issuance of a charter or denial of the application by
3 the ~~[board]~~ panel by majority vote; provided that if
4 the ~~[board]~~ panel does not approve the application and
5 issue a charter, provisions requiring the ~~[board]~~
6 panel to:

7 (A) Clearly identify in writing its reasons for not
8 issuing the charter, which may be used as
9 guidelines for an amended plan; and

10 (B) Allow the interim local school board to revise
11 its plan in accordance with the ~~[board's]~~ panel's
12 guidelines, and resubmit an amended plan within
13 ten calendar days;

14 ~~[(10)]~~ (9) A provision for a final date on which a decision
15 must be made, upon receipt of an amended plan;

16 ~~[(11)]~~ (10) A provision that no start-up charter school may
17 begin operation before obtaining ~~[board]~~ panel
18 approval of its charter; and

19 ~~[(12)]~~ (11) A requirement that upon approval of the start-up
20 charter school, the office shall submit to the ~~[board]~~
21 panel a proposed budget for funding of the start-up



1 school for submittal to the [~~governor and~~
2 ~~legislature.~~] board."

3 SECTION 9. Section 302B-8, Hawaii Revised Statutes, is
4 amended by amending subsections (a) to (e) to read as follows:

5 "(a) There is established a charter school administrative
6 office, which shall be attached to the department for
7 administrative purposes only. The office shall be administered
8 by an executive director, who shall be appointed without regard
9 to chapters 76 and 89 by the [~~board~~] panel based upon the
10 recommendations of an organization of charter schools operating
11 within the State or from a list of nominees submitted by the
12 charter schools. The [~~board may~~] panel shall hire the executive
13 director [~~on a multi-year contract.~~] for a term of not fewer
14 than four years, and shall offer the executive director a
15 written contract and may terminate the executive director's
16 contract only for cause. The executive director may hire
17 necessary staff without regard to chapters 76 and 89 to assist
18 in the administration of the office.

19 (b) The executive director, under the direction of the
20 [~~board~~] panel and in consultation with the charter schools,
21 shall be responsible for the internal organization, operation,
22 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~~] those needs [~~with~~] to the panel,
19 the 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.

10 (d) The salary of the executive director and staff shall
11 be set by the [~~board~~] panel based upon the recommendations of
12 charter schools within the State; provided that the salaries and
13 operational expenses of the office shall be paid from the annual
14 charter school appropriation and shall not exceed two per cent
15 of the total allocation in any fiscal year.

16 (e) The office shall include in its annual budget request
17 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 on
22 vacation or sick leave;



1 (3) Adjustments to enrollments; and

2 (4) Arbitration in the grievance process."

3 SECTION 10. Section 302B-12, Hawaii Revised Statutes, is
4 amended by amending subsections (a) to (c) to read as follows:

5 "(a) Beginning with fiscal year 2006-2007, and each fiscal
6 year thereafter, the office shall submit a request for general
7 fund appropriations for each charter school based upon:

8 (1) The actual and projected enrollment figures in the
9 current school year for each charter school;

10 (2) A per-pupil amount for each regular education and
11 special education student, which shall be equivalent
12 to the total per-pupil cost based upon average
13 enrollment in all regular education cost categories,
14 including comprehensive school support services but
15 excluding special education services, and for all
16 means of financing except federal funds, as reported
17 in the most [~~recently published department~~
18 ~~consolidated annual financial report;~~] recently-
19 approved executive budget recommendations for the
20 department; provided that the legislature may make an
21 adjustment to the per-pupil allocation for the
22 purposes of this section; [~~and~~]



1 (3) Those fringe benefit costs requested shall be included
2 in the department of budget and finance's annual
3 budget request. No fringe benefit costs shall be
4 charged directly to or deducted from the charter
5 school per-pupil allocations unless they are already
6 included in the funds distributed to the charter
7 school.

8 The legislature shall make an appropriation based upon the
9 budget request; provided that the legislature may make
10 additional appropriations for fringe~~[7]~~ benefit, workers'
11 compensation, and other employee benefits, facility costs, and
12 other requested amounts.

13 The governor, pursuant to chapter 37, may impose
14 restrictions or reductions on charter school appropriations
15 similar to those imposed on other public schools.

16 (b) Charter schools shall be eligible for all federal
17 financial support to the same extent as all other public
18 schools. The department shall provide the office with all
19 state-level federal grant proposals submitted by the department
20 that include charter schools as potential recipients and timely
21 reports on state-level federal grants received for which charter
22 schools may apply~~[7]~~ or are entitled to receive. Federal funds



1 received by the department for charter schools shall be
2 transferred to the office for distribution to charter schools in
3 accordance with the federal requirements. If administrative
4 services related to federal grants and subsidies are provided to
5 the charter school by the department, the charter school shall
6 reimburse the department for the actual costs of the
7 administrative services in an amount that shall not exceed six
8 and one-half per cent of the charter school's federal grants and
9 subsidies.

10 Any charter school shall be eligible to receive any
11 supplemental federal grant or award for which any other public
12 school may submit a proposal, or any supplemental federal grants
13 limited to charter schools; provided that if department
14 administrative services, including funds management, budgetary,
15 fiscal accounting, or other related services, are provided with
16 respect to these supplemental grants, the charter school shall
17 reimburse the department for the actual costs of the
18 administrative services in an amount that shall not exceed six
19 and one-half per cent of the supplemental grant for which the
20 services are used.

21 All additional funds generated by the local school boards,
22 that are not from a supplemental grant, shall be held separate



1 from allotted funds and may be expended at the discretion of the
2 local school boards.

3 (c) To enable charter schools to access state funding
4 prior to the start of each school year, foster their fiscal
5 planning, and enhance their accountability, the office shall:

6 (1) Provide fifty per cent of a charter school's per-pupil
7 allocation based on the charter school's projected
8 student enrollment no later than July 20 of each
9 fiscal year; provided that the charter school shall
10 ~~[submit]~~ have submitted to the office a projected
11 student enrollment no later than May 15 of each year;

12 (2) Provide an additional forty per cent of a charter
13 school's per-pupil allocation no later than
14 November 15 of each year; provided that the charter
15 school shall ~~[submit]~~ have submitted to the office:

16 (A) Student enrollment as verified on October 15 of
17 each year; provided that the student enrollment
18 shall be verified on the last business day
19 immediately prior to October 15 should that date
20 fall on a weekend; and

21 (B) An accounting of the percentage of student
22 enrollment that transferred from public schools



1 established and maintained by the department;
2 provided that these accountings shall also be
3 submitted by the office to the legislature no
4 later than twenty days prior to the start of each
5 regular session; and

6 (3) [~~The~~] Retain the remaining ten per cent of a charter
7 school's per-pupil allocation [~~of a charter school~~] no
8 later than January 1 of each year as a contingency
9 balance to ensure fiscal accountability;

10 provided that the [~~board~~] panel may make adjustments in
11 allocations based on noncompliance with the [~~office~~] office's
12 administrative procedures and board-approved accountability
13 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[-],
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 charter schools that have been chartered for four or more
19 years. [~~The board shall adopt rules pursuant to chapter 91 for~~
20 ~~its evaluations.~~]
- 21 (c) The [~~board~~] panel may conduct special evaluations of
22 charter schools at any time.



1 (d) The [~~board~~] panel may place a charter school on
2 probationary 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 either to [~~either~~] remove the
21 charter school from 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 charter; provided that the vote of two-thirds of all the
4 members to which the [~~board~~] panel is entitled shall be required
5 to revoke the charter.

6 (f) The [~~board~~] panel may place a charter school on
7 probationary status or revoke the charter for serious student or
8 employee health 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
14 the 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
21 [~~board~~] panel is entitled shall be required to revoke
22 the charter;



1 (5) The best interest of the school's students guide all
2 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.

8 (g) If there is an immediate concern for student or
9 employee health or safety at a charter school, the [~~board,~~
10 panel, in consultation with the office, may adopt an interim
11 restructuring plan that may include the appointment of an
12 interim local school board, an interim local school board
13 chairperson, or a principal to temporarily assume operations of
14 the school; provided that if possible without further
15 jeopardizing the health or safety of students and employees, the
16 charter school's stakeholders and community are first given the
17 opportunity to elect a new local school board which shall
18 appoint a new interim principal."

19 SECTION 12. Notwithstanding the requirements of section
20 302B-3, Hawaii Revised Statutes, the terms of those members of
21 the charter school review panel that are to expire on or before
22 June 30, 2007, shall be extended until June 30, 2008.



1 SECTION 13. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 14. This Act shall take effect on July 1, 2020.



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. Clarifies how the executive director of the Charter School Administrative Office is appointed and evaluated. Makes CSAO, rather than BOE, responsible for the staff and resources for the Panel. Updates the charter school funding mechanism. (SB603 HD2)

