

Honolulu, Hawaii

FEB 20 2009

RE: S.B. No. 496

S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Education and Housing, to which was referred S.B. No. 496 entitled:

"A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS,"

begs leave to report as follows:

The purpose of this measure is to clarify the functions, duties, and roles of the Charter School Review Panel in the administration and operation of charter schools, and to improve fiscal and budgetary accountability.

Specifically, this measure:

- (1) Requires a charter school board to comply with Board of Education policies and Department of Education directives, and requires the Charter School Review Panel to determine the probation period for deficiencies related to compliance;
- (2) Clarifies that the Charter School Review Panel is subject to the requirements of the sunshine law;
- (3) Authorizes the Board of Education to remove a Charter School Review Panel member for cause;
- (4) Requires the Charter School Review Panel to:
 - (A) Approval the charter schools budget;



- (B) Submit a capital improvement projects budget for charter school facilities to the department of budget and finance; and
 - (C) Approve recommendations to allocate non-per-pupil facilities funds to charter schools with facilities needs;
- (5) Requires the Board of Education member on the Charter School Review Panel to be recused from considering appeals of the Panel's decisions;
 - (6) Specifies the duties of the Executive Director of the Charter School Administrative Office with regard to the preparation of the budget;
 - (7) Requires the Charter School Administrative Office to be represented by an assigned deputy attorney general, separate from counsel for the Board of Education;
 - (8) Changes the requirements for the per-pupil funding and excludes fringe benefits, debt service, and federal funding from the per-pupil appropriation to charter schools;
 - (9) Changes the amount the Department of Education may retain from charter schools federal funds for administrative costs from up to 6.5 per cent to five per cent; and
 - (10) Requires the Charter School Review Panel to evaluate a charter school on its fourth anniversary and every five years after.

Testimony in support of this measure was submitted by one private organization and one individual. Testimony in opposition was submitted by one state agency and one charter school. Comments were submitted by two state agencies, one private organization, and one individual. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee has heard a number of concerns regarding the provisions in this measure. Your Committee understands that for some members of the charter school community, any change is suspect and open to differing interpretations. Your Committee is



very supportive of charter schools and what they accomplish - academically and otherwise - under often difficult circumstances.

Your Committee wishes to emphasize that this measure is very much a "work in progress" and urges the stakeholders to continue to work together to refine this measure as it moves through the legislative process.

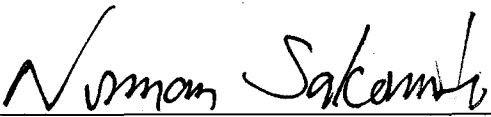
Your Committee has amended this measure by:

- (1) Requiring a charter school board to comply with Board of Education policies and Department of Education directives regarding special education and federal programs;
- (2) Deleting the requirement that the Board of Education member on the Charter School Review Panel be recused from considering appeals of the Panel's decisions;
- (3) Requiring the charter schools budget to list current and projected enrollment figures separately and requiring the Department's debt service as a calculation of per pupil funding;
- (4) Requiring seventy per cent of the amount requested to be allocated to start-up charter schools on a per-pupil basis;
- (5) Deleting the requirement that the Charter School Administrative Office to be represented by an assigned deputy attorney general, separate from counsel for the Board of Education;
- (6) Deleting the requirement that the Charter School Review Panel determine the probation period for deficiencies related to compliance with Board of Education policies and Department of Education directives;
- (7) Amending the purpose section to reflect these changes; and
- (8) Amending the effective date to July 1, 2045, for the purpose of encouraging further discussion.



As affirmed by the record of votes of the members of your Committee on Education and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 496, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 496, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Education and
Housing,



NORMAN SAKAMOTO, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Education and Housing
EDH

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 490</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">EDH, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2-18-09</div>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
SAKAMOTO, Norman (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
GALUTERIA, Brickwood	✓			
TSUTSUI, Shan S.				✓
HEMMINGS, Fred	✓			
TOTAL	5			1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.2em; font-family: cursive; margin-left: 50px;">Michelle N. Kidani</div>				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes