JAN 2 3 2009

### 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 purposes of Act
- 2 115, Session Laws of Hawaii 2007, include clarifying the
- 3 significant role of the board of education in policymaking for
- 4 charter schools, and delegating certain responsibilities,
- 5 including charter school authorization and oversight, to the
- 6 charter school review panel.
- 7 Act 115, Session Laws of Hawaii 2007, also states that it
- 8 is not the legislature's intent that Act 115 alter or affect the
- 9 board of education's role as the state education agency for the
- 10 State.
- 11 The legislature further finds that article X, section 3 of
- 12 the state constitution provides that the board of education
- 13 shall have the power, as provided by law, to formulate statewide
- 14 educational policy.
- 15 The purpose of this Act is to make clarifying amendments to
- 16 laws affecting the charter schools.

1	SECT	ION 2. Section 302A-1101, Hawaii Revised Statutes, is
2	amended b	y amending subsection (d) to read as follows:
3	" (d)	The board shall appoint the charter school review
4	panel, wh	ich shall serve as the charter authorizer for charter
5	schools,	with the power and duty to issue charters, oversee and
6	monitor c	harter schools, hold charter schools accountable for
7	their performance, and revoke charters [-]; provided that the	
8	board sha	11 have the authority to remove any member of the panel
9	for cause	<u>.</u> "
10	SECT	ION 3. Section 302B-1, Hawaii Revised Statutes, is
11	amended b	y amending the definition of "organizational viability"
12	to read a	s follows:
13	""Or	ganizational viability" means that a charter school:
14	(1)	Has been duly constituted in accordance with its
15		charter;
16	(2)	Has a local school board established in accordance
17		with law and the charter school's charter;
18	(3)	Employs sufficient faculty and staff to provide the
19		necessary educational program and support services to
20		operate the facility in accordance with its charter;
21	(4)	Maintains accurate and comprehensive records regarding
22		students and employees as determined by the office;

2009-0414 SB SMA.doc

1	(5)	Meets appropriate standards of student achievement;
2	(6)	Cooperates with board, panel, and office requirements
3		in conducting its functions;
4	(7)	Complies with applicable federal, state, and county
5		laws and requirements;
6	(8)	In accordance with office guidelines and procedures,
7		is financially sound and fiscally responsible in its
8		use of public funds, maintains accurate and
9		comprehensive financial records, operates in
10		accordance with generally accepted accounting
11		practices, and maintains a sound financial plan;
12	(9)	Operates within the scope of its charter and fulfills
13		obligations and commitments of its charter;
14	(10)	Complies with all health and safety laws and
15		requirements; [and]
16	(11)	Complies with all panel directives, policies, and
17		procedures[-];
18	(12)	Complies with board policies; and
19	(13)	Complies with department directives."
20	SECT	GION 4. Section 302B-3, Hawaii Revised Statutes, is
21	amondod h	we amonding subsoction (a) to road as follows:

1	" (C)	The board shall appoint the remaining members of the
2	panel oth	er than the chair of the board[+]; provided that the
3	board sha	ll have the authority to remove any member of the panel
4	for cause	<u>.</u> "
5	SECT	ION 5. Section 302B-14, Hawaii Revised Statutes, is
6	amended t	o read as follows:
7	<b>"</b> §30	2B-14 Accountability; probationary status; revocation
8	of charte	r. (a) Every charter school shall conduct annual
9	self-eval	uations that shall be submitted to the panel within
10	sixty wor	king days after the completion of the school year, or
11	in accord	ance with reporting requirements adopted by the panel.
12	The self-	evaluation process shall include but not be limited to:
13	(1)	The identification and adoption of benchmarks to
14		measure and evaluate administrative and instructional
15		programs;
16	(2)	The identification of any innovations or research that
17		may assist other public schools;
18	(3)	The identification of any administrative and legal
19		barriers to meeting the adopted benchmarks, and
20		recommendations for improvements and modifications to
. 21		address the barriers;

1	(4)	An evaluation of student achievement within the
2		charter school;
3	(5)	A profile of the charter school's enrollment and the
4		community it serves, including a breakdown of regular
5		education and special education students; and
6	(6)	An evaluation of the school's organizational
7		viability.
8	(b)	The panel shall conduct multi-year evaluations of
9	charter s	chools that have been chartered for four or more years
10	(c)	The panel may conduct special evaluations of charter
11	schools a	t any time.
12	(d)	The panel may place a charter school on probationary
13	status; p	provided that:
14	(1)	The panel evaluates the charter school or reviews an
15		evaluation of the charter school;
16	(2)	The panel and the office are involved in substantive
17		discussions with the charter school regarding the
18		areas of deficiencies;
19	(3)	The notice of probation is delivered to the charter
20		school and specifies the deficiencies requiring
21		correction, the probation period, and monitoring and
22		reporting requirements;

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### S.B. NO. 143

1	(4)	or deficiencies related to student performance, a
2		harter school shall be allowed two years to improve
3		tudent performance;

- (5) For deficiencies related to financial plans, a charter school shall be allowed one year to develop a sound financial plan; and
- (6) For deficiencies related to organizational viability,
   a charter school may be allowed one year to improve
   administrative compliance.
- The charter school shall remain on probationary status
  until the panel votes either to remove the charter school from
  probationary status or revoke its charter.
- (e) If a charter school fails to resolve deficiencies by
  the end of the probation period, the panel may revoke the
  charter; provided that the vote of two-thirds of all the members
  to which the panel is entitled shall be required to revoke the
  charter.
- 18 (f) The panel may place a charter school on probationary

  19 status or revoke the charter for serious student or employee

  20 health or safety deficiencies; provided that:

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# S.B. NO.143

1	(1)	The charter school is given notice of specific health
2		or safety deficiencies and is afforded an opportunity
3		to present its case to the panel;
4	(2)	The panel chair appoints a task group, which may be an
5		investigative task group or the office, to visit the
6		charter school and conduct meetings with its local
7		school board and its school community to gather input;
8	(3)	Based on its findings, the task group shall recommend
9		to the panel to revoke the charter, place the charter
10		school on probation, or continue the charter;
11	(4)	The vote of two-thirds of all the members to which the
12		panel is entitled shall be required to revoke the
13		charter;
14	(5)	The best interest of the school's students guide all
15		decisions; and
16	(6)	After a decision to revoke a charter, the charter
17		school shall be allowed to remain open until a plan
18		for an orderly shutdown or transfer of students and
19		assets is developed and executed, or until the school
20		vear ends, whichever comes first.

employee health or safety at a charter school, the panel, in 2009-0414 SB SMA.doc

(g) If there is an immediate concern for student or

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1 consultation with the office, may adopt an interim restructuring 2 plan that may include the appointment of an interim local school 3 board, an interim local school board chairperson, or a principal 4 to temporarily assume operations of the school; provided that if 5 possible without further jeopardizing the health or safety of 6 students and employees, the charter school's stakeholders and 7 community are first given the opportunity to elect a new local 8 school board which shall appoint a new interim principal. 9 [(h) The board shall adopt rules pursuant to chapter 91 **10** for placing charter schools on probation and for revoking a 11 charter. **12** (i) [(h) If, at any time, a charter school dissolves or 13 the charter is revoked, the State shall have first right, at no 14 cost to the State, to all the assets and facilities of the

18 SECTION 7. This Act shall take effect upon its approval.

SECTION 6. Statutory material to be repealed is bracketed

charter school, except as otherwise provided by law."

and stricken. New statutory material is underscored.

#### Report Title:

Education; Charter Schools

#### Description:

Authorizes the board of education to remove for cause a member of the charter school review panel; requires a charter school to comply with board and department of education policies and directives; deletes the requirement that the board adopt rules for placing a charter school on probation or revoking a charter.