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TESTIMONY BEFORE THE SENATE
COMMITTEE ON WAYS AND MEANS

DATE: TUESDAY, APRIL 7, 2015

RE: HB 831, HD2, SD1 – REQUIRES AUTHORIZER TO ESTABLISH
PROTOCOLS FOR CHARTER SCHOOL CLOSURE

PERSON TESTIFYING: JOAN LEWIS, VICE PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

The Honorable Chair Jill Tokuda, Vice Chair Ron Kouchi and Members of the
Committee:

The Hawaii State Teachers Association (HSTA) **supports HB 831, HD 2, SD1** requiring
the authorizer of Charter Schools to establish protocols for charter school closure.

HSTA believes that the laws and policies of Hawai'i should adequately reflect the
current needs of today's educational system. We also believe we have a responsibility
to address issues that impact teaching and learning when it directly hampers our
teacher's ability to adequately provide for their students.

HB 831, HD2, SD1 addresses current educational needs by ensuring students and
teachers the best learning environment; free from the stress of financial matters. This
bill requires protocols to be put in place for insolvency measures. It provides direction
for a Charter School when problems arise and yet it does NOT determine the detailed
specifics within the protocol. This provides reasonable flexibility.

On behalf of their 13,500 public and public charter school teachers, HSTA **supports
HB831, HD 2, SD1.**

DAVID Y. IGE
GOVERNOR



CATHERINE PAYNE
CHAIRPERSON

STATE OF HAWAII
STATE PUBLIC CHARTER SCHOOL COMMISSION
(‘AHA KULA HO‘ĀMANA)

<http://CharterCommission.Hawaii.Gov>
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FOR: HB831 HD2 SD1 Relating to Public Charter Schools
DATE: Tuesday, April 7, 2015
TIME: 1:35 p.m.
COMMITTEE(S): Senate Committee on Ways and Means
ROOM: Conference Room 211
FROM: Tom Hutton, Executive Director
State Public Charter School Commission

Chair Tokuda, Vice Chair Kouchi, and members of the Committee:

The State Public Charter School Commission (“Commission”) appreciates the opportunity to submit this written testimony in support of House Bill 831 HD2 SD1, “Relating to Public Charter Schools.” The measure, which was developed by the Commission, would:

1. Provide that a public charter school that becomes financially insolvent, *i.e.*, is unable to pay its staff when payroll is due, shall be deemed to have surrendered its charter contract;
2. In the event of serious health and safety concerns at a charter school, require the school’s authorizer to determine whether the concerns require school closure;
3. Under both of these closure scenarios, require the authorizer to adopt a closure protocol for the dissolution of the school; and
4. Under both of these scenarios, require the authorizer to determine whether a transition period for the school’s students and staff is necessary before closure.

The need for the first provision described above has been revealed by the pending revocation of Hālau Lōkahi Charter School. The lengthy revocation process established under Chapter 302D never contemplated a scenario in which the school already is insolvent and/or in which the school insists on continuing operations despite its insolvency.

Senate Draft 1 of this bill now defines “insolvent” very narrowly, to reassure charter schools that this provision would only apply when a school truly is insolvent and not just financially challenged. The Commission respectfully requests two additional revisions to this measure.

First, proposed subsection 302D-____(b) under Section 1 of the bill currently reads:

(b) If an authorizer determines that school closure is necessary, the authorizer shall develop a public charter school closure protocol as required under section 302D-19(a). The authorizer, in its sole discretion, shall determine whether to keep the school open to students and personnel for a set period of time for any reason, including to provide for a transition period for students or personnel."

In order to allay any impression that the authorizer would have unilateral discretion on a closure decision in an insolvency situation, we request that subsection (b) be replaced simply with the following language:

(b) In the event that any public charter school becomes financially insolvent, the authorizer shall adopt a closure protocol as described under section 302D-19(a).

We note that under Section 302D-19, the authorizer already has the discretion to provide for a transition period, so that language on a transition period is not needed.

Second, Section 2 of the bill would allow the authorizer to close a school in the event of health and safety issues. We believe this proposed provision is unnecessary to protect children and the public. Section 302D-17(e) already allows the authorizer, and indirectly the Board of Education, to direct a charter school to take appropriate action to immediately address a serious health and safety issue. This could include suspending school operations if necessary and then allowing the normal revocation process to take place if, in fact, closure also were warranted. We request that Section 2 of the bill be deleted.

Thank you for the opportunity to provide this testimony.

M Kapuniai
P. O. Box 6753
Kamuela, HI 96743

TO: **COMMITTEE ON WAYS & MEANS**
DATE: TUESDAY, APRIL 7, 2015
TIME: 1:35 P.M.
PLACE: CONF RM 211, HI State Capitol

HB 831, HD2, SD1 Relating to Public Charter Schools

I testify in **OPPOSITION**.

I **OPPOSE** designating "sole discretion" to the "authorizer", they who have proven incompetent in the handling of the revocation of the charter of Halau Lokahi PCS, due specifically to the fact that no protocol has been developed to provide much needed guidance.

The "Authorizer" will have to be mandated first, "to develop a public charter school closure protocol as already required under section 302D-19 (a)", for reasons of financial insolvency and breach of health and safety standards or issues, before being given authority to determine school closure. I will also demand that a well-defined appeal process to address this protocol be included. (302D-15 - Appeals: etc. does not cover the process prior to Charter School Commission decision to revoke charter.) **Allowing a decision to be made before setting the protocols is unaccountable, backwards, and unacceptable.**

I have a seven-step process "to develop a public charter school closure protocol" which will include consultation with all public charter schools and a requirement to submit to the State Legislature before the opening the 2016 Legislative Session.

It is totally unacceptable to assume that "the school shall be deemed to have surrendered its charter" before the school has been able to address and remedy the "financial insolvency challenge" - to negate the educational component without due process is unacceptable.

Yes, it is important to address financial insolvency and health and safety issues for public charter schools. However, the manner to address these challenges shall be done in an orderly and fair manner.

I will even submit that the "sole discretion" authority being allowed for these two challenges provides for sole remedy by a dictator!

I appreciate the opportunity to provide my mana'o. May you all find it equally as important to strongly consider.

Have you all visited the charter schools in your area? Are you familiar with the great things they are accomplishing, along with their challenges?

M Kapuniai

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