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# A BILL FOR AN ACT

RELATING TO CHARTER SCHOOLS.

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

1           SECTION 1. Chapter 302D, Hawaii Revised Statutes, is  
2 amended by adding two new sections to be appropriately  
3 designated and to read as follows:

4           "§302D-    Commingling of moneys for charter school  
5 operation; prohibited. Federal or state moneys distributed to a  
6 nonprofit organization that operates a charter school and which  
7 are earmarked for operations shall not be commingled with any  
8 other moneys held by the nonprofit organization unless the other  
9 moneys have an educational purpose that benefit the charter  
10 school.

11           §302D-    Limitation of liability. No action of a charter  
12 school or its governing board shall give rise to a private cause  
13 of action against the State."

14           SECTION 2. Section 302D-12, Hawaii Revised Statutes, is  
15 amended by amending subsection (1) to read as follows:

16           "(1) Governing boards shall have the power to make and  
17 execute contracts and all other instruments necessary or  
18 convenient for the exercise of their duties and functions under



1 this chapter. Any contract entered into by a governing board in  
2 excess of a minimum amount shall include conditions and  
3 provisions as provided by the department of the attorney  
4 general; provided that:

5 (1) The minimum amount shall be determined by the  
6 commission through rules adopted pursuant to chapter  
7 91; and

8 (2) Any contract that requires conditions and provisions  
9 pursuant to this subsection and does not include the  
10 required conditions and provisions shall be null and  
11 void."

12 SECTION 3. For the purposes of section 302D-12(1), Hawaii  
13 Revised Statutes, as amended by section 2 of this Act, the  
14 minimum contract amount shall be \$10,000 until such time as the  
15 state public charter school commission determines a minimum  
16 amount through rules adopted pursuant to chapter 91, Hawaii  
17 Revised Statutes.

18 SECTION 4. New statutory material is underscored.

19 SECTION 5. This Act shall take effect upon its approval.



**Report Title:**

Charter Schools; Private Cause of Action; Governing Boards;  
Contracts

**Description:**

Prohibits commingling of moneys distributed by the State or federal government for the purpose of operating a charter school with other moneys that do not have an educational purpose that benefits the charter school. Prohibits any action of a charter school or its governing board from giving rise to a private cause of action against the State. Requires any contract entered into by a charter school over a minimum amount to contain conditions and provisions provided by the department of the attorney general. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

