

JAN 19 2018

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# A BILL FOR AN ACT

RELATING TO CHARTER SCHOOL GOVERNING BOARDS.

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

1           SECTION 1. Section 302D-12, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§302D-12 Charter school governing boards; powers and**  
4 **duties.** (a) No person may serve on the governing board of a  
5 charter school if the person is an employee or former employee  
6 of any charter school under the jurisdiction of that governing  
7 board, a relative of an employee or former employee of any  
8 charter school under the jurisdiction of that governing board,  
9 or any vendor or contractor providing goods or services to any  
10 charter school under the jurisdiction of that governing board,  
11 unless:

12           (1) The person is a former employee of a charter school  
13           under the jurisdiction of that governing board and at  
14           least one year has passed since the conclusion of the  
15           former employee's employment with that charter school;

16           (2) The person is a relative of a former employee of a  
17           charter school under the jurisdiction of that



1 governing board and at least one year has passed since  
2 the conclusion of the former employee's employment  
3 with that charter school;

4 (3) The person is a vendor or contractor and at least one  
5 year has passed since the conclusion of the vendor or  
6 contractor's service to a charter school under the  
7 jurisdiction of that governing board; or

8 (4) The person serving on the governing board shall not  
9 cause more than one-third of the voting members of the  
10 governing board to be made up of:

11 (A) Employees or former employees of any charter  
12 school that is under the jurisdiction of that  
13 governing board; provided that this subparagraph  
14 shall not include persons who are covered under  
15 paragraph (1);

16 (B) Relatives of employees or of former employees of  
17 any charter school that is under the jurisdiction  
18 of that governing board; provided that this  
19 subparagraph shall not include persons who are  
20 covered under paragraph (2); and



1 (C) Vendors or contractors who are providing goods or  
2 services to any charter school that is under the  
3 jurisdiction of that governing board; provided  
4 that this subparagraph shall not include persons  
5 who are covered under paragraph (3).

6 (b) In selecting governing board members, consideration  
7 shall be given to persons who:

8 (1) Provide the governing board with a diversity of  
9 perspective and a level of objectivity that accurately  
10 represent the interests of the charter school students  
11 and the surrounding community;

12 (2) Demonstrate an understanding of best practices of  
13 nonprofit governance; and

14 (3) Possess strong financial and academic management and  
15 oversight abilities, as well as human resource and  
16 fundraising experience.

17 (c) No employee or former employee of a charter school,  
18 relative of an employee or former employee of a charter school,  
19 or any vendor or contractor providing goods or services to a  
20 charter school may serve as the chair of the governing board of  
21 that charter school unless at least one year has elapsed since



1 the conclusion of the employee's employment with the school or  
2 the conclusion of a vendor's or contractor's service to the  
3 school; provided that an authorizer may grant an exemption from  
4 the provisions of this subsection based upon a determination by  
5 the authorizer that an exemption is in the best interest of the  
6 charter school.

7 (d) A nonprofit organization that has been approved by an  
8 authorizer to operate and manage a conversion charter school and  
9 serve as the conversion charter school's governing board shall  
10 establish the nonprofit organization's board of directors as the  
11 governing board and shall not be selected pursuant to  
12 subsections (a), (b), and (c); provided that:

13 (1) The nonprofit organization may also appoint advisory  
14 groups of community representatives for each  
15 conversion charter school managed by the nonprofit  
16 organization; provided that these groups shall not  
17 have governing authority over the conversion charter  
18 school and shall serve only in an advisory capacity to  
19 the nonprofit organization;

20 (2) The board of directors of the nonprofit organization,  
21 as the governing board of the conversion charter



1 school that it operates and manages, shall have the  
2 same protections that are afforded to all other  
3 governing boards in its role as the conversion charter  
4 school governing body;

5 (3) Any conversion charter school that is managed and  
6 operated by a nonprofit organization shall be eligible  
7 for the same federal and state funding as other public  
8 schools; provided that nothing in this section shall  
9 prohibit a nonprofit organization from making a  
10 contribution toward the operation of a conversion  
11 charter school; and

12 (4) If, at any time, the board of directors of the  
13 nonprofit organization governing the conversion  
14 charter school votes to discontinue its relationship  
15 with the charter school as the charter contract  
16 holder, the conversion charter school's  
17 administrators, teachers, or community may submit a  
18 charter application to the authorizer, in accordance  
19 with section 302D-13 to continue as a conversion  
20 charter school without the participation of the  
21 nonprofit organization.



1           (e) Section 78-4 shall not apply to members of governing  
2 boards; provided that no governing board member shall be allowed  
3 to serve on more than two governing boards simultaneously. For  
4 purposes of this subsection, a governing board that governs more  
5 than one charter school shall be considered one board.

6           (f) The governing board shall be the independent governing  
7 body of its charter school and shall have oversight over and be  
8 responsible for the financial, organizational, and academic  
9 viability of the charter school, implementation of the charter,  
10 and the independent authority to determine the organization and  
11 management of the school, the curriculum, virtual education, and  
12 compliance with applicable federal and state laws. The  
13 governing board shall ensure its school complies with the terms  
14 of the charter contract between the authorizer and the school.  
15 The governing board shall have the power to negotiate  
16 supplemental collective bargaining agreements with the exclusive  
17 representatives of their employees.

18           (g) Governing boards and charter schools shall be exempt  
19 from chapter 103D, but shall develop internal policies and  
20 procedures for the procurement of goods, services, and  
21 construction, consistent with the goals of public accountability



1 and public procurement practices. Governing boards and charter  
2 schools are encouraged to use the provisions of chapter 103D  
3 wherever possible; provided that the use of one or more  
4 provisions of chapter 103D shall not constitute a waiver of the  
5 exemption from chapter 103D and shall not subject the charter  
6 school to any other provision of chapter 103D.

7 (h) Charter schools and their governing boards shall be  
8 exempt from the requirements of chapters 91 and 92. The  
9 governing boards shall:

- 10 (1) Hold meetings open to the public;
- 11 (2) Post the notices and agendas of public meetings:
  - 12 (A) At a publicly accessible area in the charter
  - 13 school's office so they are available for review
  - 14 during regular business hours; and
  - 15 (B) On the charter school's internet website,
  - 16 not less than six calendar days prior to the public
  - 17 meeting, unless a waiver is granted by the authorizer
  - 18 or authorizer's designee in the case of an emergency;
- 19 (3) Keep written minutes of all public meetings that shall
- 20 include:
  - 21 (A) The date, time, and place of the meeting;



- 1 (B) The members of the governing board recorded as
- 2 either present or absent;
- 3 (C) The substance of all matters proposed, discussed,
- 4 and decided;
- 5 (D) The views of the participants;
- 6 (E) A record, by individual member, of any votes
- 7 taken; and
- 8 (F) Any other information that any member of the
- 9 governing board requests be included or reflected
- 10 in the minutes;
- 11 (4) Not be required to produce a full transcript or audio
- 12 or video recording of any public meeting, unless
- 13 otherwise required by law;
- 14 (5) Post the written minutes from public meetings:
- 15 (A) At a publicly accessible area in the charter
- 16 school's office so the minutes are available for
- 17 review during regular business hours; and
- 18 (B) On the charter school's internet website,
- 19 within sixty calendar days after the public meeting or
- 20 five calendar days after the next public meeting,
- 21 whichever is sooner; and



1           (6) Maintain a list of the current names and contact  
2           information of the governing board's members and  
3           officers:

4           (A) In the charter school's office so it is available  
5           for review during regular business hours; and

6           (B) On the charter school's internet website.

7           (i) All charter school employees and members of governing  
8 boards shall be subject to chapter 84.

9           (j) Governing boards shall be exempt from sections 26-34 and  
10 26-36. The State shall afford the governing board of any  
11 charter school the same protections as the State affords the  
12 board in accordance with section 26-35.5.

13          (k) For purposes of this section:

14          "Employees" shall include but not be limited to:

15          (1) The chief executive officer, chief administrative  
16          officer, executive director, or otherwise designated  
17          head of a charter school; and

18          (2) Any person under an employment contract to serve as  
19          the chief executive officer, chief administrative  
20          officer, executive director, or designated head of a  
21          charter school.



1 "Relative" means a spouse, fiance, or fiancée of the  
2 employee; any person who is related to the employee within four  
3 degrees of consanguinity; or the spouse, fiance, or fiancée of  
4 such person.

5 (l) Governing boards shall have the power to make and  
6 execute contracts and all other instruments necessary or  
7 convenient for the exercise of their duties and functions under  
8 this chapter.

9 (m) Governing board members shall attend an annual  
10 mandatory training session that covers the topics of ethics,  
11 subject to chapter 84; procurement; and fiduciary  
12 responsibilities."

13 SECTION 2. New statutory material is underscored.

14 SECTION 3. This Act shall take effect on July 1, 2018.

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INTRODUCED BY: Michelle A. Sidani

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# S.B. NO. 2391

**Report Title:**

Charter Schools; Governing Boards; Mandatory Training

**Description:**

Requires the governing boards of charter schools to attend annually mandatory training sessions that cover the topics of ethics, procurement, and fiduciary responsibilities.

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