

Honolulu, Hawaii

MAR 30 , 2026

RE: S.B. No. 494
S.D. 2
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Legislative Management, to which was referred S.B. No. 494, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require the Auditor to conduct a financial audit of each charter school under the State Public Charter School system and report to the Legislature;
- (2) Require the State Public Charter School Commission to take actions based on recommendations made by the Auditor within one year of submission of the Auditor's report to the Legislature; and
- (3) Appropriate funds to the Auditor to complete the financial audits.

Your Committee received comments on this measure from the Office of the Auditor and State Public Charter School Commission.

Your Committee finds that a financial audit for each of the public charter schools in Hawaii will ensure accountability in the



spending of public funds for charter schools and ensure efficiency of charter school operations.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion;
- (2) Making technical amendments to:
 - (A) Clarify that the Auditor's report to the Legislature is due no later than twenty days prior to the convening of the Regular Session of 2027, rather than the Regular Session of 2026; and
 - (B) Delete language that would have appropriated funds for fiscal year 2025-2026; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 494, S.D. 2, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 494, S.D. 2, H.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Legislative
Management,


SEAN QUINLAN, Chair



