

ACT 203

S.B. NO. 1700

A Bill for an Act Relating to Charter Schools.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 302A-1181, Hawaii Revised Statutes, is amended to read as follows:

“~~[H]~~**§302A-1181**~~[H]~~ **New century charter schools**~~[-]; definitions.~~ (a)¹ All schools previously designated as student-centered schools shall be designated as new century charter schools.

For the purposes of this subpart:

“Executive director” means the chief executive officer of the charter school administrative office established under section 302A-1187.”

SECTION 2. Section 302A-1182, Hawaii Revised Statutes, is amended to read as follows:

“§302A-1182 New century charter schools; establishment. (a) Up to a total of twenty-three schools may be established as new century charter schools. These new century charter schools may be established by:

- (1) The creation of a new school; or
- (2) The creation of a new school, comprising programs or sections of existing public school populations and using existing public school facilities, pursuant to subsection (b).

(b) Any community, group of teachers, group of teachers and administrators, entity recognized as a nonprofit organization under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any program within an existing school may submit a letter of intent to the board to form a new century charter school, establish a local school board as its governing body, and develop a detailed implementation plan pursuant to subsection (c).

(c) The local school board, with the support and guidance of the ~~superintendent,~~ executive director, shall formulate and develop a detailed implementation plan that meets the requirements of this subsection and section 302A-1184. The plan shall include the following:

- (1) A description of employee rights and management issues and a framework for addressing those issues that protect the rights of employees;
- (2) A plan for identifying, recruiting, and selecting students that is not exclusive, elitist, or segregationist;
- (3) The curriculum and instructional framework to be used to achieve student outcomes, including an assessment plan;
- (4) A comprehensive plan for the assessment of student, administrative support, and teaching personnel performance, that:
 - (A) Recognizes the interests of the general public;
 - (B) Incorporates or exceeds state educational content and performance standards;
 - (C) Includes a system of faculty and staff accountability that holds faculty and staff both individually and collectively accountable for their performance, and that is at least equivalent to the average system of accountability in public schools throughout the State; and
 - (D) Provides for program audits and annual financial audits.
- (5) The governance structure of the school;

- (6) A plan for any necessary design, construction, renovation, and management of facilities that is consistent with the state facilities plan; provided that:
 - (A) If the facilities management plan includes use of existing school facilities, the new century charter school shall receive authorization from the administrator responsible for the facilities; and
 - (B) The final determination of use shall fall within the board's discretion.

(d) The detailed implementation plan shall be submitted to the new century charter school review panel, which shall be composed of seven members as follows:

- (1) Four of the members shall be board of education members or their designees appointed by the chairperson of the board of education;
- (2) Two of the members shall be members of the new century charter school community approved by the chairperson of the board of education from a list submitted by existing new century charter schools; and
- (3) One member shall be the ~~superintendent of education or the superintendent's~~ executive director or the executive director's designee.

Panel review procedures shall be as provided in this section. The board may adopt rules pursuant to chapter 91 to further guide the panel's review process.

(e) The new century charter school review panel shall have sixty working days to review the completed implementation plan for a proposed new century charter school to ensure that it meets the requirements of subsection (c) and section 302A-1184. Within forty-five working days, the panel shall issue a report of its preliminary findings to the board of education and the local school board. If the panel subsequently determines that the implementation plan:

- (1) Meets the requirements of subsection (c) and section 302A-1184, the panel shall by the sixtieth working day submit a recommendation to the board of education to issue a charter to the proposed new century charter school. Upon receipt of the panel's recommendation, the board shall issue a charter, and the implementation plan shall be converted to a written performance contract between the school and the board; or
- (2) Fails to meet the requirements of subsection (c) or section 302A-1184, the panel:
 - (A) Shall notify the local school board of the finding in writing to enable the local school board to appropriately amend the plan to ~~[resolve the conflict;]~~ address the findings; and
 - (B) May submit a recommendation to the board to issue a provisional approval for a charter if the panel determines that the applicant may reasonably be expected to expeditiously resolve any remaining ~~[conflict or conflicts]~~ findings impeding the issuance of a charter. The provisional approval shall be effective for one year. The board may extend the provisional approval beyond a period of one year. If a charter is subsequently issued, the amended implementation plan shall be converted to a written performance contract between the school and the board.

(f) An amended implementation plan shall be submitted within thirty working days of notification pursuant to subsection (e)(2)(A). The board shall deny the issuance of a charter if the local school board does not submit an amended implementation plan within the thirty working day period. The panel shall have thirty working days to review the amended implementation plan. If the amended implementation plan:

- (1) Meets the requirements of subsection (c) and section 302A-1184, the panel shall by the thirtieth working day submit a recommendation to the board of education to issue a charter to the proposed new century

charter school. If a charter is issued, the amended implementation plan shall be converted to a written performance contract between the school and the board; or

- (2) Fails to ~~[resolve any conflicts]~~ address the findings to the panel's satisfaction ~~[or involves new and different issues of conflict with subsection (c) or section 302A-1184,]~~ the panel shall deny issuance of a charter.

(g) A local school board may file an appeal of the denial of an application for a charter with the panel. Upon filing an appeal, the panel shall forward the implementation plan and appropriate documentation of the appeal to the board of education. Within thirty working days, the board of education shall issue a report of its findings and final determination to the local school board. If the implementation plan is approved, the board of education shall issue a charter and the implementation plan shall be converted to a written performance contract between the school and the board of education.

(h) ~~[The new century charter schools shall not charge tuition.]~~ The State shall afford the local school board of any new century charter school the same protections as the State affords to the board of education.

(i) Any new century conversion charter school may, prior to the beginning of the school year, enter into an annual contract with the department of education for centralized services to be provided by the department."

SECTION 3. Section 302A-1185, Hawaii Revised Statutes, is amended to read as follows:

"§302A-1185 New century charter schools; funding. ~~[(a) New century charter schools shall receive an allocation of state funds based upon the operational and educational funding requirements of the schools; provided that:~~

- ~~(1) Beginning in fiscal year 2001-2002, and every year thereafter, the auditor shall determine the appropriate allocation based on the total department general fund allocation for EDN 100, 200, 300, and 400 and projected per pupil allocation for the current fiscal year;~~
- ~~(2) Small schools with fewer than one hundred twenty students may be given a state subsidy or small school allotment, as determined by the department, to augment the per pupil allocation given; provided that if additional federal grant moneys are received, the auditor shall determine the appropriate portion of the federal grant moneys to be used to offset the small school allotment; provided further that the federal grant moneys shall not include federal impact aid;~~
- ~~(3) The department may provide a limited start-up and planning grant formulated by the auditor to a charter school upon the issuance of its charter; provided further that the department shall provide appropriate transitional resources to a conversion charter school for its first year of operation as a charter school based on the department's allocation to the school for the year prior to conversion;~~
- ~~(4) The auditor shall take into consideration any changes to the department's budget made by the legislature, the governor, department imposed restrictions, or any applicable collective bargaining negotiated amounts; provided that the auditor shall exclude from the per pupil allocation funds for:

 - ~~(A) Services that must be provided at the state level;~~
 - ~~(B) Specific programs or projects that target individual schools, complexes, or districts;~~
 - ~~(C) Grants in aid; and~~~~

- (D) Resources of new facilities that target specific, new construction projects.
- (5) Any new century charter school may enter into an annual memorandum of agreement for centralized services to be provided by the department prior to the beginning of each school year, provided that:
 - (A) The allocation of the new century charter school shall be reduced in an amount based upon the per pupil amount expended by the department for such services; and
 - (B) The department may not retain new century charter school funds in excess of the actual cost of the service.
- (6) The department shall determine and provide the appropriate level of special education staff and services necessary to ensure that the student's educational needs as indicated in the individualized educational plans are met; and
- (7) The auditor shall develop a methodology for allocating funds that can be applied to alternative forms of public schools, including but not limited to new century charter schools; and
- (8) The auditor shall develop a methodology for allocating funds for conversion charter schools, by basing the allocation for each newly converted school on the EDN 100 and 200 program budgets, and upon written agreement between the conversion charter school's local school board and the department, specified sections of the EDN 300 and 400 program budgets the school received in the year prior to conversion; provided that the allocation may be adjusted to account for any changes that may be made by the legislature, the governor, department imposed restrictions, or applicable collective bargaining negotiated amounts.

(b)] (a) Beginning with the fiscal year 2004-2005 supplemental budget request, and each budget request thereafter, the charter school administrative office shall submit a request for general fund appropriations for each new century charter school based upon:

- (1) The actual and projected enrollment figures in the current school year for each charter school; and
- (2) A per pupil amount for each regular education and special education student, which shall be equivalent to the total per pupil cost based upon average enrollment in all cost categories, including comprehensive school support services but excluding special education services, and for all means of financing except federal funds, as reported in the most recently published department of education consolidated annual financial report.

The legislature shall make an appropriation based upon the budget request; provided that legislature may make additional appropriations for collective bargaining increases for charter school employee members of collective bargaining units and for other requested amounts. The governor, pursuant to chapter 37, may impose restrictions or reductions on charter school appropriations similar to those imposed on other public schools.

(b) All federal financial support for new century charter schools shall be no less than all other public schools; provided that if administrative services related to federal grants and subsidies are provided to the charter school by the department, the charter school shall reimburse the department for the actual costs of the administrative services in an amount that does not exceed six and one-half per cent of the charter school's federal grants and subsidies.

Any new century charter school shall be eligible to receive any supplementary financial grant or award for which any other public school may submit a proposal, or any supplemental federal grants limited to new century charter schools;

provided that if department administrative services, including funds management, budgetary, fiscal accounting, or other related services, are provided with respect to these supplementary grants, the charter school shall reimburse the department for the actual costs of the administrative services in an amount that does not exceed six and one-half per cent of the supplementary grant for which the services are used.

All additional funds that are generated by the local school boards, not from a supplementary grant, shall be separate and apart from allotted funds and may be expended at the discretion of the local school boards.

(c) To enable new century charter schools to access state funding prior to the start of each school year, foster their fiscal planning, and enhance their accountability, the ~~[department]~~ charter school administrative office shall:

- (1) Provide ~~[fifty]~~ forty per cent of a new century charter school's per pupil allocation based on the new century charter school's projected student enrollment no later than August 1 of each fiscal year; provided that the new century charter school shall submit to the ~~[department]~~ charter school administrative office a projected student enrollment no later than May 15 of each year; ~~[and]~~
- (2) Provide an additional forty per cent of a new century charter school's per pupil allocation no later than October 15 of each year; provided that the new century charter school shall submit to the charter school administrative office a verified student enrollment no later than September 15 of each year; and
- (3) Provide the remaining twenty per cent per pupil allocation of a new century charter school based on the new century charter school's verified student enrollment no later than ~~[October 15]~~ January 1 of each year; provided that the new century charter school shall submit to the ~~[department]~~ charter school administrative office a ~~[verified]~~ revised student enrollment no later than [September 15] December 1 of each year.

~~(d) [If, at any time, the new century charter school dissolves or is denied continuation, the State of Hawaii shall have first right, at no cost to the State, to all the assets and facilities of the new century charter school, except as otherwise provided in the detailed implementation plan.]~~

The department shall provide appropriate transitional resources to a new century conversion charter school for its first year of operation as a charter school based upon the department's allocation to the school for the year prior to the charter school's conversion.

(e) No new century charter school nor new century conversion charter school may assess tuition."

SECTION 4. Section 302A-1186, Hawaii Revised Statutes, is amended to read as follows:

"§302A-1186 New century charter schools; accountability[-] probationary status; revocation of charter. (a) Every new century charter school shall conduct annual self-evaluations [annually.] which shall be submitted to the charter school administrative office within sixty working days after the completion of the school year. The self-evaluation process shall include but not be limited to:

- (1) The identification and adoption of benchmarks to measure and evaluate administrative and instructional programs as provided in this section;
- (2) The identification of any administrative and legal barriers to meeting the benchmarks, as adopted, and recommendations for improvements and modifications to address the barriers;

- (3) The impact of ~~[any changes made upon the students of]~~ the new century charter school~~;~~ upon student achievement within that school; ~~[and]~~
- (4) A profile of the charter school's enrollment and community it serves~~;~~, including a breakdown of regular education and special education students.

~~[Every new century charter school shall submit a report of its self-evaluation to the board within sixty working days after the completion of the school year; provided that the department shall have thirty working days to respond to any recommendation regarding improvements and modifications that would directly impact the department.]~~

(b) The board shall initiate an annual independent evaluation of each new century charter school ~~[annually]~~ for the first two years after its establishment and every four years thereafter to assure organizational viability and compliance with applicable state laws, statewide student content and performance standards, and fiscal accountability; provided that each new century charter school established prior to July 1, 1998, shall be evaluated four years after July 1, 1998, and every four years thereafter. Upon a determination by the board that student achievement within a new century charter school does not meet the student performance standards, or that the new century charter school is not fiscally responsible, a new century charter school shall be placed on probationary status and shall have one year to bring student performance into compliance with statewide standards and improve the school's fiscal accountability. If a new century charter school fails to meet its probationary requirements, or fails to comply with any of the requirements of this section, the board, upon a two-thirds majority vote, may then ~~[deny the continuation of]~~ revoke the charter of the new century charter school.

For the purposes of this subsection, "organizational viability" means that a new century charter school:

- (1) Has been duly constituted in accordance with its charter;
- (2) Has a local school board established in accordance with law and its charter;
- (3) Employs sufficient faculty and staff to provide the necessary educational program and support services and to operate the facility in accordance with its charter; and
- (4) Maintains comprehensive records regarding students, employees, and complies with federal and state health and safety requirements.

(c) The board of education may adopt guidelines to supplement accountability measures incorporated in the written performance contracts required under section 302A-1182. The board of education may adopt guidelines under which new century charter schools shall be reviewed on an annual basis by the board for the first two years upon their formation under section 302A-1182. The review guidelines may include:

- (1) Minimum school size;
- (2) Assurance that each school will be able to account for the funds allocated;
- (3) Assurance that each school will be held accountable for student performance;
- (4) Assurance that each school will meet legal standards for the expenditure of state and federal funds; and
- (5) Assurance that each school will be in compliance with applicable state and federal laws.

(d) If, at any time, a new century charter school dissolves or the charter is revoked, the State of Hawaii shall have first right, at no cost to the State, to all the assets and facilities of the new century charter school, except as otherwise provided by law."

SECTION 5. Section 302A-1187, Hawaii Revised Statutes, is amended to read as follows:

“§302A-1187 New century charter schools; [administrative supervision.] charter school administrative office; administration. [~~Whenever any new century charter school is established under section 302A-1182, the following provisions shall apply except as otherwise specifically provided by this chapter:~~

- ~~(1) Following consultation with the new century charter school, the board shall represent the new century charter school in communications with the governor and with the legislature;~~
- ~~(2) The financial requirements for state funds of the new century charter school shall be submitted through the board and included in the budget for the department;~~
- ~~(3) The approval of all policies and rules adopted by the new century charter school shall be preceded by an open public meeting and shall not be subject to chapter 91;~~
- ~~(4) The employment, appointment, promotion, transfer, demotion, discharge, and job descriptions of all officers and employees of or under the jurisdiction of the new century charter school shall be determined by the new century charter school and applicable personnel laws and collective bargaining agreements;~~
- ~~(5) Except as set forth in this section, the board or the superintendent of education shall not have the power to supervise or control the new century charter school in the exercise of its functions, duties, and powers; and~~
- ~~(6) Local school boards may enter into an annual business contract for centralized services to be provided by the department prior to the beginning of each school year.]~~

(a) There is established a charter school administrative office, which shall be attached to the department of education for administrative purposes only. The office shall be administered by an executive director, who shall be appointed without regard to chapters 76 and 89 by the board of education based upon the recommendations of an organization of charter schools operating within the State or from a list of nominees submitted by the charter schools. The executive director may hire necessary staff without regard to chapters 76 and 89 to assist in the administration of the office.

(b) The executive director, under the direction of the board of education and charter schools, shall be responsible for the internal organization, operation, and management of the charter schools, including:

- (1) Preparation and execution of the budget for the charter schools, including submission of the budget request to the board of education and to the governor;
- (2) Allocation of annual appropriations to the charter schools, and annual financial audits of each charter school;
- (3) Compliance with applicable state laws related to the administration of the charter schools;
- (4) Preparation and execution of contracts between the charter schools and the department of education for centralized services to be provided by the department;
- (5) Preparation and execution of contracts between the charter schools and other state agencies for financial or personnel services to be provided by such agencies to the charter schools;
- (6) Representation of charter schools in communications with the board of education, the governor, and the legislature; and

(7) Monitoring and supporting the development, growth, and progress of charter schools.

(c) The salary of the executive director and staff shall be set by the board of education based upon the recommendations of an organization of charter schools within the State; provided that the salaries and operational expenses of the charter school administrative office shall be paid from the annual charter school appropriation and shall not exceed two per cent of the total allocation in any fiscal year."

SECTION 6. Section 302A-1188, Hawaii Revised Statutes, is amended to read as follows:

~~"[§302A-1188] New century charter schools; [mandate to support.] responsibilities of department of education; special education services. [The department, together with key representatives of the major divisions in the department, representatives from the unions, as well as individuals from the new century charter schools shall collaborate together on a system of technical assistance that will provide a baseline for success of each new century charter school. In addition, the department, through the board and its superintendent, shall provide any other information and technical assistance upon request necessary to support the establishment and expansion of new century charter schools.]~~ (a) The department shall collaborate with the charter school administrative office to develop a system of technical assistance related to compliance with federal and state laws and access to federal and state funds. The department and the charter school administrative office shall collaborate to develop a list of central services that the department of education may offer for purchase by a new century charter school at an annual cost to be negotiated between an individual new century charter school and the department. The department shall enter into a contract with a new century charter school to provide these services, which shall be re-negotiated on an annual basis.

(b) Any new century charter school that enrolls special education students or identifies one of its students as eligible for special education shall be responsible for providing the educational and related services required by a student's individualized education plan; provided that if the charter school is unable to provide all of the required services due to limited resources within its control, then services to the student shall be determined and provided by the department of education. The department of education shall collaborate with the charter school administrative office to develop guidelines related to the provision of special education services and resources to each charter school. In making the determination about the provision of services to a special education student enrolled in a charter school, the department shall review all of the current individualized education plans of special education students enrolled in a charter school, and may offer staff or funding, or both, to the charter school based upon a per pupil weighted formula implemented by the department and used to allocate resources for special education students in the public schools. The department may also offer services to the special education student at a public school within the same school complex that the charter school is located."

SECTION 7. Section 302A-1191, Hawaii Revised Statutes, is amended to read as follows:

~~"[§302A-1191] New century conversion charter schools; conversion schools.~~ (a) As used in this section:

~~"New century conversion charter school"~~ means:

- (1) Any existing department school that is managed and operated in accordance with subsection (d); or

- (2) Any existing department school that is managed and operated by a nonprofit organization in accordance with this section, excluding subsection (d).

“Nonprofit organization” means a private, nonprofit, tax-exempt entity that:

- (1) Is recognized as a tax exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986, as amended;
- (2) Is domiciled in this State; and
- (3) Makes a minimum annual contribution of \$1 per pupil toward the operation of a new century conversion charter school for every \$4 per pupil allocated by the [department] charter school administrative office for the operation of the charter school.

(b) A nonprofit organization may submit a letter of intent to the board of education to operate and manage an existing public school as a new century conversion charter school, establish a local school board as its governing body, and develop a detailed implementation plan pursuant to section 302A-1182(c); provided that:

- (1) The local school board as the governing body of the new century conversion charter school shall be composed of the board of directors of the nonprofit organization and not the participants specified in subsection (d)(1). The nonprofit organization may also appoint advisory panels of community representatives for each school managed by the organization, with whom the organization may consult; provided that these panels shall not have governing authority over the school and shall serve only in an advisory capacity to the nonprofit organization;
- (2) The detailed implementation plan for each new century conversion charter school to be operated by the nonprofit organization shall be formulated, developed, and submitted by the local school board. The detailed implementation plan shall be approved by a majority of the votes cast by existing administrative, support, and teaching personnel, and parents; provided that the school personnel may request their bargaining unit representative to certify and conduct the elections for their respective bargaining units;
- (3) After the detailed implementation plan for a new century conversion charter school operated and managed by the nonprofit organization has been approved by the new century charter school review panel and the board of education as provided in section 302A-1182(d) to (g), the board of education shall issue a charter, and the implementation plan shall be converted to a written performance contract between the nonprofit organization and the board of education, under which the new century conversion charter school shall be managed and operated as a division of the nonprofit organization;
- (4) The board of directors of the nonprofit organization, as the governing body for the new century conversion charter school that it operates and manages, shall have the same protections that are afforded to the state board of education;
- (5) Any new century conversion charter school that is managed and operated by a nonprofit organization shall be eligible for the same federal and state funding as ~~allowed to~~ other [department] public schools; provided that the nonprofit organization may allocate federal and state funds among two or more of the new century conversion charter schools that it operates and manages to the extent permitted by law; and
- (6) If, at any time, the new century conversion charter school dissolves or ~~[is denied continuation]~~ the charter is revoked, the State of Hawaii shall

have first right, at no cost to the State, to all the assets and facilities of the new century conversion charter school, except as provided in the detailed implementation plan.

(c) Any nonprofit organization that seeks to manage or operate a new century conversion charter school as provided in subsection (b) shall comply with the following at the time of application:

- (1) Have bylaws or policies that describe the manner in which business is conducted and policies that relate to the management of potential conflict of interest situations;
- (2) Have experience in the management and operation of public or private schools, or, to the extent necessary, agree to obtain appropriate services from another entity or entities possessing such experience;
- (3) Comply with all applicable federal, state, and county laws, including being licensed and accredited, as applicable, in accordance with the requirements of federal, state, and county governments; and
- (4) Comply with any other requirements prescribed by the department to ensure adherence with applicable federal, state, and county laws and the purposes of this chapter.

(d) As an alternative to subsection (b), any public school or schools may submit a letter of intent to the board of education to form a new century conversion charter school, establish a local school board as its governing body, and develop a detailed implementation plan pursuant to section 302A-1182(c); provided that:

- (1) The local school board as its governing body shall be composed of, at a minimum, one representative from each of the following participant groups:
 - (A) Principals;
 - (B) Instructional staff members selected by the school instructional staff;
 - (C) Support staff selected by the support staff of the school;
 - (D) Parents of students attending the school selected by the parents of the school;
 - (E) Student body representatives selected by the students of the school; and
 - (F) The community at-large; and
- (2) The detailed implementation plan shall be approved by a majority of the votes cast by existing administrative, support, and teaching personnel, and parents; provided that the school personnel may request their bargaining unit representative to certify and conduct the elections for their respective bargaining units.

(e) Up to a total of twenty-five schools may be established as new century conversion charter schools. Any new century conversion charter school may, prior to the beginning of the school year, enter into an annual contract with the department of education for centralized services to be provided by the department.

(f) This section does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun, before April 4, 2002.

(g) Unless otherwise provided in this section, the provisions in this subpart, as they relate to new century charter schools, shall apply to new century conversion charter schools. In the event of a conflict between the provisions in this section, as they relate to new century conversion charter schools, and the provisions in this subpart, this section shall control.”

SECTION 8. Section 302A-1302, Hawaii Revised Statutes, is amended to read as follows:

“**§302A-1302 School-based budget flexibility.** (a) Beginning with the 1995-1997 fiscal biennium, the department shall implement school-based budget flexibility for schools, complexes, and learning support centers. The flexibility shall be limited to the school-based budgeting program EDN 100 of the department for all schools except new century charter schools defined in section 302A-101 and new century conversion charter schools defined in section 302A-1191[; ~~provided that beginning~~].

(b) Beginning in fiscal year [1998-1999,] 2004-2005, and every year thereafter, the [department] charter school administrative office shall distribute the [full appropriation] allocations due to a new century charter school or new century conversion charter school pursuant to sections 302A-1185 and 302A-1191, directly to the new century charter school or new century conversion charter school.”

SECTION 9. It is the intent of the legislature that the charter school administrative office shall be established no later than October 1, 2003. However, to enable new century charter schools and new century conversion charter schools to access funds in the fiscal year 2003-2004, prior to the establishment of the charter school administrative office, the department of education shall make allocations directly to the charter schools based upon a per pupil allocation of \$5,355 for each regular and special education student as follows:

- (1) Forty per cent of a charter school's allocation no later than August 1, 2003, based upon projected enrollment count to be submitted by the charter schools to the department no later than July 1, 2003;
 - (2) Forty per cent of a charter school's allocation no later than October 15, 2003, based upon a verified enrollment count to be submitted by the charter schools to the department no later than September 15, 2003; and
 - (3) The remaining twenty per cent of a charter school's allocation not later than January 1, 2004, based upon a revised enrollment count to be submitted by the charter schools no later than December 1, 2003;
- provided that not more than \$250,000 shall be allocated to the charter school administrative office, for salaries and operational expenses of the office.

SECTION 10. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun, before its effective date.

SECTION 11. If any provision of this Act, or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act, which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 12. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 13. This Act shall take effect upon its approval; provided that section 9 shall take effect on July 1, 2003.

(Approved June 24, 2003.)

Note

1. No subsection (b).