ACT 63

S.B. NO. 2424

A Bill for an Act Relating to New Century Conversion Charter Schools.

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

SECTION 1. The legislature finds that civil service employees of department of education schools should not lose civil service status upon conversion of their schools to new century conversion charter schools. The legislature further finds employees who would be granted civil service status if hired by the department of education and who are hired after conversion to new century charter schools should be granted civil service status. Should the new century conversion charter school employees with civil service status transfer to another civil service position, they should be entitled to all of the rights, privileges, and benefits of continuous, uninterrupted civil service.

The purpose of this Act is to preserve and extend civil service rights, privileges, and benefits to certain employees of new century conversion charter schools.

SECTION 2. Section 302A-1184, Hawaii Revised Statutes, is amended to read as follows:

"\$302A-1184 New century charter schools; <u>exemptions[-]; civil service</u> <u>status.</u> (a) Schools designated as new century charter schools shall be exempt from all applicable state laws, except those regarding:

- (1) Collective bargaining under chapter 89; provided that:
 - (A) The exclusive representatives defined in chapter 89 may enter into agreements that contain cost and noncost items to facilitate decentralized decisionmaking;
 - (B) The exclusive representatives and the local school board of the new century charter school may enter into agreements that contain cost and noncost items;
 - (C) The agreements shall be funded from the current allocation or other sources of revenue received by the new century charter school; and
 - (D) These agreements may differ from the master contracts;
- (2) Discriminatory practices under section 378-2; and
- (3) Health and safety requirements.

New century charter schools shall be exempt from the state procurement code, chapter 103D, but shall develop internal policies and procedures for the procurement of goods, services, and construction, consistent with the goals of public accountability and public procurement practices. However, where possible, the new century charter school is encouraged to use the provisions of chapter 103D; provided that the use of one or more provisions of chapter 103D shall not constitute a waiver of the

exemption of chapter 103D and shall not subject the new century charter school to any other provision of chapter 103D. New century charter schools shall account for funds expended for the procurement of goods and services, and this accounting shall be available to the public. In addition, notwithstanding any law to the contrary, as public schools and entities of the State, new century public charter schools shall not bring suit against any other entity or agency of the State of Hawaii.

(b) Civil service employees of department of education schools shall retain their civil service status upon the conversion of their school to a new century conversion charter school. Positions in a new century conversion charter school that would be civil service in a department of education public school shall be civil service positions and subject to chapter 76. An employee with civil service status at a new century conversion charter school who transfers to another civil service position shall be entitled to all of the rights, privileges, and benefits of continuous, uninterrupted civil service."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved May 11, 2004.)