

**ACT 167**

S.B. NO. 814

A Bill for an Act Relating to Charter Schools.

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

SECTION 1. Section 302D-3, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) The commission shall consist of nine members to be appointed by the board. The board shall appoint members who will be tasked with authorizing public charter schools that serve the unique and diverse needs of public school students. The chair of the commission shall be designated by the members of the commission for each school year beginning July 1, and whenever there is a vacancy. The board shall consider the combination of abilities, breadth of experiences, and characteristics of the commission, including but not limited to reflecting the diversity of the student population, geographical representa-

tion, and a broad representation of education-related stakeholders. Members of the commission shall collectively possess experience and expertise in public or nonprofit governance; management and finance; assessment; and public education. The commission shall be exempt from sections 26-34 and 26-36.”

SECTION 2. Section 302D-13, Hawaii Revised Statutes, is amended as follows:

1. By amending subsections (b) through (d) to read:

“(b) Any community, department school, school community council, group of teachers, group of teachers and administrators, or nonprofit organization may ~~submit a letter of intent to an authorizer to form a charter school and~~ establish an applicant governing board~~[- An applicant governing board may]~~ and develop a charter application pursuant to this section; provided that:

- (1) An applicant governing board established by a community may develop a charter application for a start-up charter school;
- (2) An applicant governing board established by a department school or a school community council may develop a charter application for a conversion charter school;
- (3) An applicant governing board established by a group of teachers or a group of administrators may develop a charter application for a start-up or conversion charter school; and
- (4) A nonprofit organization may:

(A) Establish an applicant governing board that is separate from the nonprofit organization and develop a charter application for a start-up or conversion charter school; or

(B) Establish an applicant governing board that shall be the board of directors of the nonprofit organization and may develop a charter application for a conversion charter school; provided that any nonprofit organization that seeks to manage and operate a conversion charter school shall:

- (i) Submit to the authorizer at the time of the charter application 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;
- (ii) 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;
- (iii) Not interfere in the operations of the department school to be converted until otherwise authorized by the authorizer in consultation with the department; and
- (iv) Have the same protections that are afforded to all other governing boards in its role as the conversion charter school governing board.

(c) The charter school application process and schedule shall be determined by the authorizer, and shall provide for and include, at a minimum, the following elements:

(1) The issuance and publication of ~~[a request for proposals]~~ an application process by the authorizer on the authorizer’s internet website that, at a minimum:

(A) Solicits charter applications and presents the authorizer’s strategic vision for chartering;

- (B) Includes or directs applicant governing boards to the performance framework developed by the authorizer in accordance with section 302D-16;
  - (C) Includes criteria that will guide the authorizer's decision to approve or deny a charter application;
  - (D) States clear, appropriately detailed questions and provides guidelines concerning the format and content essential for applicant governing boards to demonstrate the capacities necessary to establish and operate a successful charter school; and
  - (E) Requires charter applications to provide or describe all essential elements, as determined by the authorizer, of proposed school plans;
- [(2) ~~The submission of a letter of intent to open and operate a start-up charter school or to convert a department school to a conversion charter school;~~
- (3) (2) The timely submission of a completed charter application to the authorizer; provided that a charter application for a conversion charter school shall include certification and documentation that the charter application was approved by a majority of the votes cast by existing administrative, support, and teacher personnel, and parents of students at the existing department school; provided that:
- (A) This vote shall be considered by the authorizer to be the primary indication of the existing administrative, support, and teaching personnel, and parents' approval to convert to a charter school;
  - (B) The balance of stakeholders represented in the vote and the extent of support received in support of the conversion shall be key factors, along with the applicant's proposed plans, to be considered by the authorizer when deciding whether to award a charter; and
  - (C) A breakdown of the number of administrative, support, and teaching personnel, and parents of students who constitute the existing department school and the number who actually participated in the vote shall be provided to the authorizer;
- [(4) (3) The timely review of the charter application by the authorizer for completeness, and notification by the authorizer to the applicant governing board that the charter application is complete[;] or, if the authorizer determines that the application is incomplete, notification by the authorizer to the applicant governing board that the application is incomplete, providing a detailed listing of any missing elements of the application, and providing a reasonable opportunity for the applicant governing board to cure any deficiency within the application period;
- [(5) (4) Upon receipt of a completed charter application, the review and evaluation of the charter application by qualified persons including but not limited to:
- (A) An in-person interview with representatives from the applicant governing board; and
  - (B) An opportunity in a public forum for the public to provide input on each charter application;
- [(6) (5) Following the review and evaluation of a charter application, approval or denial of the charter application by the authorizer in a meeting open to the public[;] and subsequent written notice to the applicant; provided that in the event of a denial, the notice shall

provide specific information to the applicant on the applicant's right to appeal the decision to the board, including but not limited to the number of days by which the applicant shall file an appeal with the board and where to file an appeal:

- [(7)] (6) A provision for a final date by which a written decision to approve or deny a charter application [~~must~~] shall be made by the authorizer[;] to the applicant, upon receipt of a complete charter application; and
- [(8)] (7) A provision that no charter school may begin operation before obtaining authorizer approval of its charter application and charter contract and fulfilling pre-opening requirements that may be imposed by the authorizer, pursuant to section 302D-14.5.

(d) A charter application to become a start-up or conversion charter school shall meet the requirements of this subsection, section 302D-25, and any other requirements set by the authorizer. The charter application shall, at a minimum:

- (1) Include plans for a charter school that are likely to satisfactorily meet the academic, financial, organizational, and operational performance indicators, measures, and metrics set forth in the authorizer's performance framework, pursuant to section 302D-16;
- (2) Include plans for a charter school that is in compliance with applicable laws; and
- (3) ~~[[Recognize]]~~ the interests of the general public.”

2. By amending subsection (f) to read:

“(f) In reviewing charter applications under this section, an authorizer shall develop a schedule to approve or deny a charter application by the end of the calendar year ~~[prior to]~~ before the opening year of the proposed charter school for purposes of meeting any deadlines to request funding from the legislature; provided that nothing in this section shall be construed as requiring an authorizer to accept and review charter applications annually.”

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

SECTION 4. This Act shall take effect on July 1, 2021.

(Approved July 1, 2021.)