

Testimony SB2518  
Senate WAM Committee  
February 19, 2014 Conference Room 211 9:10am  
Support with concerns



Dear Chair Ige and committee,

I would like to start by pointing out a very favorable part of this bill in section 2(k) of 302D-3 where it adds the sentence: “The legislature shall make an appropriation to the commission separate from, and in addition to, any appropriations made to charter schools pursuant to sections 302D-28 and 302D-29.5.” I appreciate the use of the word “shall”, as I know that it will happen, rather than the use of the word “may” where it might happen. The 2013 Legislature closed with no allocation to the newly created Commission office leaving it no options for an operational budget except to withhold \$1.2 million from EDN 600, literally taking a portion of our already reduced per pupil allocation. This reduced our per pupil amount to under \$6K/pupil for the third consecutive year.

Having said that, I see a conflict in adding a new section to 302D called “Fees”. It allows the commission to assess fees to help cover its operating costs. These may include fees charged to charter school applicants. There exists a wide gap between the financial status of a grass root group of parents and community members and an EMO or Educational Management Organization. The costs to operate the Commission should come from government to fulfill its authorizing role.

Our school was issued a charter from the State of Hawaii under subpart D of 302A prior to July 11, 2006 which made us a duly constituted Charter School. Other schools were chartered under 302B prior to June 19, 2012. With the proposed repeal of Section 302D-2 the definition of an existing charter school is stricken and the word charter contract is used synonymously with the word charter. This causes concerns because the contract, by Act 130, was supposed to be a bi-lateral contract with each school being able to negotiate with the Commission. In reality, the contract has been a unilateral contract with no negotiations, and a budget proviso that said that schools that did not have a contract would not be provided with allocations.

Section 302D-17 amends Section d and e and allows the Commission to reconstitute a governing board of its voting majority for unlawful or unethical conduct by its governing board members or the school’s personnel. It also allows for “other” circumstances that raise serious doubts about the governing board’s ability to fulfill its statutory, contractual, or fiduciary responsibilities. The “unlawful” acts are clear, but what would cause “unethical” conduct seem vague and undefined. What due process will take place to make the call to reconstitute the governing board?

Section 302D-28 subsection (f) has a very small addition with huge consequences. It adds: “...authorizers may make adjustments in allocations based on noncompliance with charter contracts...” Again, we have due process issues. What are the determining factors, who conducts the investigation, who holds the hearing, what is the appeals process?

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