

Honolulu, Hawaii , 2021

MAR 25

S.B. No. 813 RE:

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 813, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to require each charter school authorizer to provide the authorizer's respective charter school with a list of independent auditors, rather than selecting three independent auditors, from which their respective charter school is to select an independent auditor for its annual financial audit.

Your Committee received testimony in support of this measure from the State Public Charter School Commission and one individual.

Your Committee finds that, under existing state law, each charter school must complete an independent financial audit on an annual basis. However, the State Public Charter School Commission may only approve three independent auditors from which charter schools may choose. Since the State Public Charter School Commission oversees thirty-seven public charter schools, it has been difficult for the three independent auditors to meet the strict deadlines for the annual audits, especially for neighbor island public charter schools. This measure will increase audit

services and reduce the delay in the completion of audits for charter schools across the State.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 813, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

AARON MACAJOHANSON, Chair

## State of Hawaii House of Representatives The Thirty-first Legislature

## H5CR 1416

## **Record of Votes of the Committee on Consumer Protection & Commerce**

| Bill/Resolution No.:<br>SB 813 HD1  | Committee Re | eferral:<br>CPC, FIN | J  | Date: | 123/2            | -1                                    |
|---|--------------|----------------------|--|-------|------------------|---------------------------------------|
| ☐ The committee is reconsidering its previous decision on the measure.  |              |                      |  |       |                  |                                       |
| The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit) |              |                      |  |       |                  |                                       |
| CPC Members   |              | Ayes                 | Ayes (W  | R)    | Nays             | Excused                               |
| 1. JOHANSON, Aaron Ling (C)   |              | V                    |  |       |                  |                                       |
| 2 KITACAWA Li- (VC)   |              |                      |  |       |                  | · · · · · · · · · · · · · · · · · · · |
| 2. KITAGAWA, Lisa (VC)  |              |                      |  | :     |                  |                                       |
| 3. AQUINO, Henry J.C.   |              | <b>V</b>             |  |       |                  |                                       |
|   |              |                      |  |       |                  |                                       |
| 4. HAR, Sharon E.   |              | V                    |  |       |                  |                                       |
| 5. HASHEM, Mark J.  |              | V                    |  |       | of particular in |                                       |
|   |              |                      |  |       |                  |                                       |
| 6. KONG, Sam Satoru   |              |                      |  |       |                  |                                       |
| 7. MIZUNO, John M.  |              |                      |  |       |                  |                                       |
| 7. Mizoro, John W.  |              | V                    |  |       |                  |                                       |
| 8. MORIKAWA, Dee  |              | <b>V</b>             |  |       |                  |                                       |
|   |              |                      |  |       |                  |                                       |
| 9. ONISHI, Richard H.K.   |              | V                    |  |       |                  |                                       |
| 10. TARNAS, David A.  |              |                      |  |       | 3                |                                       |
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| 11. MATSUMOTO, Lauren   |              | <b>V</b>             |  |       |                  |                                       |
|   |              |                      |  |       |                  |                                       |
|   |              |                      |  |       |                  |                                       |
|   |              |                      |  |       |                  |                                       |
|   |              |                      |  |       |                  |                                       |
| TOTAL (11)  |              |                      | 0  |       | 0                | 0                                     |
| The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)   |              |                      |  |       |                  |                                       |
| Vice Chair's or designee's signature:   |              |                      |  |       |                  |                                       |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO  |              |                      |  |       |                  |                                       |