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## TESTIMONY BEFORE THE BOARD OF EDUCATION

TUESDAY, MARCH 15, 2016

COREY ROSENLEE, PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Mizumoto and Members of the Board:

The Hawaii State Teachers Association is concerned about the rush to implement multiple charter school authorizers for our state. Specifically, we oppose any effort to divert funds from public school classrooms to independently governed charter schools.

Last May, the state revoked the charter for Halau Lokahi Public Charter School. When the Hawaii State Public Charter School Commission (HSPCSC) combed through the school's records, they found approximately \$100,000 in questionable expenditures, which were reported to the Attorney General's Office for investigation. Lokahi's director and two of its employees were arrested. Moreover, the school's rent payments reached \$33,000 per month, an unsustainable amount for the struggling school. To cut costs, Lokahi contracted a for-profit charter school company from the mainland to provide online curricula. This and other other savings efforts were to no avail, however, as the school eventually closed and its charter was rescinded, leaving local taxpayers potentially on the hook for hundreds of thousands of dollars in contracted debt.

While the experience of Lokahi does not represent all charter schools, it speaks to the potential pitfalls involved in privatizing public education. Originally intended to be sites of educational innovation, charter schools have instead become "school choice" models producing, at best, mixed results. According to HSPCSC, charter schools differ from traditional public schools in three ways:



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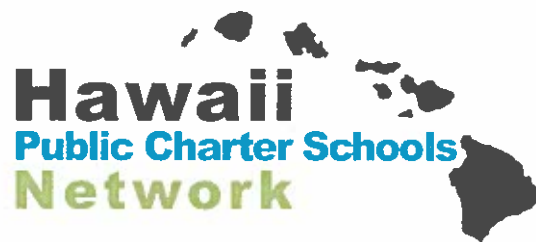
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multiple charter school authorizers is problematic, at least until the financial and ethical issues raised at existing charter schools is remedied. Until then, efforts to

allow multiple authorizers—particularly in light of recently defeated legislation claiming the multiple authorizers are needed to ease charter regulations and pending legislation seeding charters to mitigate public school congestion—may be read as a perilous promotion of public school privatization. Teachers do not support the privatization of their profession, but believe it to be an affront on our nation's penultimate common good, against which we must constantly defend. We would, in turn, be disheartened to see an overemphasis on the charter paradigm lead to a loosening of regulations, such that the acquisition of privately managed charter schools becomes a form of real estate speculation, as has happened on the mainland and could happen here, given the value of local land. Thus, we ask you to slow down the process of instituting multiple authorizers for at least one year, so that questions about its implication on traditional public schools and current charter schools may be fully addressed.



March 15, 2016

Mr. Lance Mizumoto, Chair  
Hawai'i State Board of Education  
1390 Miller Street  
Honolulu, Hawaii 96813

**Sent Via Electronic Mail: [boe\\_hawaii@noties.k12.hi.us](mailto:boe_hawaii@noties.k12.hi.us)**

**Re: Draft Administrative Rules for Multiple Authorizers**

Aloha Chair Mizumoto and members:

On behalf of the Hawaii Public Charter School Network (HPCSN), mahalo for the opportunity of offer comments on the Hawai'i State Board of Education draft administrative rules to permit multiple authorizers in the state.

We appreciate the work of the Board, its Student Achievement Committee and BOE staff for its diligence and support of the charter school sector in Hawai'i. HPCSN respectfully offers the following comments for consideration to the Board.

1. Subchapter 3 – Oversight and Evaluation of Authorizers: Recognition of Local Conditions in the Application and Renewal Process. While HPCSN supports the practice of using national standards for quality charter authorizing in addressing performance, we suggest adding recognition of “local conditions to” to this section, which may consider culture-based education curricula and education systems in Hawai'i. As such, HPCSN is recommending that the following section be amended to read:  
§8-515-10 Performance and evaluation system:  
(a)(2) Apply nationally recognized principle and standards for quality authorizing and recognition of local conditions in assessing performance;
  
2. Recommended Amendments for Charter Contract Transfers:
  - a. Proposed language to §8-517-3 be omitted as this language is too subjective and onerous to administer. The other requirements listed

provide adequate rigor for addressing concerns over “authorizer hopping.”

- b. To address a need for transfers of outstanding funds from current/former authorizer to a new authorizer, HPCSN is recommending the addition of the following language to §8-517-3 (b) to a new subsection to read:
  - i. “Any and all outstanding funds due to the school (including state federal grants and funding) managed by the authorizer should be transferred to the new authorizer within thirty days of approval of the charter transfer.”
  
- c. To address special conditions at the end of the charter contract term, HPCSN is respectfully suggesting an amendment to the following §8-517-4 (e) to allow the Board to grant a temporary extension of a charter contract to for unique and extenuating circumstances. This provision is needed to protect the public interest of students and schools that could be subject to an automatic closure for not securing approval of a charter transfer application within sixty days before the end of a current term year of the current charter contract. This may be amended by adding a subsection to §8-517-4 to read (see underscored authorizing language):
  - i. “If the charter transfer is not approved, the governing board may withdraw its letter of nonrenewal and proceed with its current authorizer’s contract renewal process. If the charter transfer is not approved and the governing board does not withdraw its letter or enter into a new charter contract with its current authorizer, the charter contract shall be considered non-renewed, and the charter school shall close in accordance with applicable law and the terms of the charter contract, unless the Board requires a temporary extension of a charter contract as it deems appropriate for unique and extenuating circumstances.”

Finally, as there are a significant number of charter schools on neighbor islands, HPCSN is respectfully requesting a public Administrative Rules Hearing also be held on a neighbor island, such as Hawaii Island, which has a large number of charter schools.

Promulgation of these draft rules are critical to the success of charter schools in the state. There are beneficial reasons for having multiple authorizers in the state including but not limited to:

- Allowing independent authorizers is one of the most critical components of charter law (National Association of Charter School Authorizers, upon which national principles and standards for charter school authorizing serves as the

basis for HRS 302D, encourages states to provide charter school applicants with at least two authorizer options in every jurisdiction);

- Federal law governing the public charter school grant program gives priority to state laws which have multiple authorizers; and
- Additional authorizer(s) could support charter schools in neighbor islands or Hawaiian-culture focused schools and may also help set new standards for best practices among authorizers for the state.

HPCSN works to support public charter schools in Hawaii and to be a voice for children and families that seek choice in an independent public school setting. We appreciate the opportunity to provide testimony on behalf of HPCSN.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeanine Souki', with a long horizontal flourish extending to the right.

Jeanine Souki, Executive Director  
Hawaii Public Charter Schools Network