

# HB363 INTRODUCED



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2 By Representatives Collins, DuBose, Baker, Holk-Jones,  
3 Paramore, Estes, Moore (P)  
4 RFD: Education Policy  
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SYNOPSIS:

Under existing law, the Alabama School Choice and Student Opportunity Act provides for the creation of public charter schools in the state.

This bill would change the appointment process for the Alabama Public Charter School Commission, would authorize the commission to hire staff, and would require commissioners to receive annual training.

This bill would provide additional guidelines for the authorizing and application review process.

This bill would provide further for the operational and categorical funding of public charter schools in their first year of operation.

This bill would also clarify that conversion public charter schools receive the full per pupil federal, state, and local revenue intended to support the conversion public charter school and its educational responsibilities to students.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to the Alabama School Choice and Student



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29 Opportunity Act; to amend Sections 16-6F-5, 16-6F-6, and  
30 16-6F-10, Code of Alabama 1975, to change the appointment  
31 process for the Alabama Public Charter School Commission; to  
32 authorize the commission to hire staff; to require  
33 commissioners to receive annual training; to provide  
34 additional guidelines for the authorizing and application  
35 review process; to provide further for the operational and  
36 categorical funding of public charter schools in their first  
37 year of operation; and to clarify the per pupil federal,  
38 state, and local funding of conversion public charter schools  
39 during their first year of operation.

40 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

41 Section 1. Sections 16-6F-5, 16-6F-6, and 16-6F-10 of  
42 the Code of Alabama 1975, are amended to read as follows:

43 "§16-6F-5

44 (a) Open enrollment.

45 (1) A public charter school shall be open to any  
46 student residing in the state.

47 (2) A school system shall not require any student  
48 enrolled in the school system to attend a start-up public  
49 charter school.

50 (3) A public charter school shall not limit admission  
51 based on ethnicity, national origin, religion, gender, income  
52 level, disability, proficiency in the English language, or  
53 academic or athletic ability.

54 (4) A public charter school may limit admission to  
55 students within a given age group or grade level and may be  
56 organized around a special emphasis, theme, or concept as



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57 stated in the school's charter application, but fluency or  
58 competence in the theme may not be used as a standard for  
59 enrollment.

60 (5) A public charter school shall enroll all students  
61 who wish to attend the school, unless the number of students  
62 exceeds the capacity of the facility identified for the public  
63 charter school.

64 (6) If facility capacity is insufficient to enroll all  
65 students who wish to attend a start-up public charter school,  
66 the school shall select students through a random selection  
67 process. The school shall first enroll students who reside  
68 within the school system in which the public charter school is  
69 located. If the number of local students wanting to enroll  
70 exceeds the facility's capacity, then the school shall conduct  
71 a random selection process to enroll students who reside in  
72 the local school system. If the school has additional capacity  
73 after admitting students from the local school system, then  
74 the school shall admit any students without regard to their  
75 residency by a random selection process. The selection shall  
76 take place in a public meeting, called by the governing body  
77 of the public charter school, and following all posting and  
78 notice requirements prescribed by the Alabama Open Meetings  
79 Act.

80 (7) Any non-charter public school converting partially  
81 or entirely to a public charter school shall adopt and  
82 maintain a policy giving enrollment preference to students who  
83 reside within the former attendance area of that public  
84 school.



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85           After all students who reside within the former  
86 attendance area of that public school are enrolled, enrollment  
87 shall first be opened to students residing within the local  
88 school system and then outside the local school system, as set  
89 forth in subdivision (6).

90           (8) A public charter school shall give enrollment  
91 preference to students enrolled in the public charter school  
92 the previous school year and to siblings of students already  
93 enrolled in the public charter school.

94           (9) A public charter school may give enrollment  
95 preference to children of a public charter school's founders,  
96 governing board members, and full-time employees, so long as  
97 they constitute no more than 10 percent of the school's total  
98 student population.

99           (10) A public charter school may give enrollment  
100 preference to children living within a certain geographical  
101 boundary, so long as the overall enrollment of the public  
102 charter school includes a majority of at-risk students. The  
103 proposed boundary shall be approved by the authorizer.

104           ~~(10)~~ (11) This subsection does not preclude the  
105 formation of a public charter school whose mission is focused  
106 on serving special education students, students of the same  
107 gender, students who pose such severe disciplinary problems  
108 that they warrant a specific educational program, or students  
109 who are at risk of academic failure. Notwithstanding the  
110 stated mission of the public charter school, any student may  
111 attend.

112           ~~(11)~~ (12) This subsection does not preclude the



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113 formation of a public charter school, that is located on or  
114 within one mile of a military installation, whose mission is  
115 focused on serving students who are dependents of military  
116 members or Department of Defense civilian employees that are  
117 permanently assigned to that military installation. If the  
118 number of dependent students wanting to enroll exceeds the  
119 facility's capacity, then the school shall conduct a random  
120 selection process to enroll those students. If the school has  
121 additional capacity after admitting those dependent students  
122 of parents assigned to the military installation, then the  
123 school shall admit students first from the local school system  
124 by a random selection process and then without regard to their  
125 residency by a random selection process, as capacity permits.  
126 The selection shall take place in a public meeting, called by  
127 the governing body of the public charter school, and following  
128 all posting and notice requirements prescribed by the Alabama  
129 Open Meetings Act. Once the total number of students enrolled  
130 in the school reaches 400, all additional admitted students  
131 shall be dependents of military members or Department of  
132 Defense civilian employees who are permanently assigned to  
133 that military installation.

134 (b) Credit transferability. If a student who was  
135 previously enrolled in a public charter school enrolls in  
136 another public school in Alabama, the student's new school  
137 shall accept credits earned by the student in courses or  
138 instructional programs at the public charter school in a  
139 uniform and consistent manner and according to the same  
140 criteria that are used to accept academic credits from other



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141 public schools. Nothing in this chapter shall prevent local  
142 school systems from administering placement tests for newly  
143 enrolled students who were previously enrolled in a public  
144 charter school.

145 (c) Determination of student capacity of public charter  
146 schools. The capacity of the public charter school shall be  
147 determined annually by the governing board of the public  
148 charter school in conjunction with the authorizer and in  
149 consideration of the public charter school's ability to  
150 facilitate the academic success of its students, to achieve  
151 the other objectives specified in the charter contract, and to  
152 ensure that its student enrollment does not exceed the  
153 capacity of its facility or site.

154 (d) Student information. A public charter school shall  
155 maintain records on all enrolled students utilizing the state  
156 adopted Alabama Student Information System (ASIM)."

157 "§16-6F-6

158 (a) Eligible authorizing entities.

159 (1) A public charter school shall not be established in  
160 this state unless its establishment is authorized by this  
161 section. No governmental entity or other entity, other than an  
162 entity expressly granted chartering authority as set forth in  
163 this section, may assume any authorizing function or duty in  
164 any form. The following entities shall be authorizers of  
165 public charter schools:

166 a. A local school board, for chartering of schools  
167 within the boundaries of the school system under its  
168 jurisdiction, pursuant to state law.



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169           b. The Alabama Public Charter School Commission,  
170 pursuant to this section.

171           (2) A local school board that registers as an  
172 authorizer may approve or deny an application to form a public  
173 charter school within the boundaries of the local school  
174 system overseen by the local school board.

175           (3) All authorizing entities shall prioritize those  
176 applications that are focused on serving at-risk students.

177           (4) A decision made by a local school board shall be  
178 subject to appeal to the commission. The commission may hear  
179 an application for the formation of a public charter school by  
180 an applicant only if one of the following factors is met:

181           a. An application to form a public charter school is  
182 denied by the local school board overseeing that system and  
183 the applicant chooses to appeal the decision of the local  
184 school board to the commission.

185           b. The applicant wishes to open a start-up public  
186 charter school in a public school system that has chosen not  
187 to register as an authorizer.

188           (b) Public charter school cap.

189           (1) Authorizers may not approve more than 10 start-up  
190 public charter schools in a fiscal year.

191           (2) Upon receiving notice of approval of the tenth  
192 start-up public charter school to be approved in a fiscal  
193 year, the department shall provide notice to all authorizers  
194 that the cap has been reached and no new start-up public  
195 charter schools may be approved in that fiscal year.

196           (3) The cap expires on April 1 immediately following





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197 the conclusion of the fiscal year beginning October 1, 2020.

198 (4) At the conclusion of the fiscal year beginning  
199 October 1, 2020, the department shall submit a report to the  
200 Legislature outlining the performance of both start-up and  
201 conversion public charter schools. This report shall include,  
202 at a minimum, academic performance of all public charter  
203 schools in the state, a detailed update on the authorizing  
204 process, and recommendations for adjustments to public charter  
205 school governance and oversight.

206 (5) There is no limit on the number of conversion  
207 public charter schools that may be approved.

208 (c) The Alabama Public Charter School Commission.

209 (1) The commission is established as an independent  
210 state entity.

211 (2) The mission of the commission is to authorize high  
212 quality public charter schools, in accordance with the powers  
213 expressly conferred on the commission in this chapter.

214 (3) a. The initial membership of the commission shall ~~be~~  
215 ~~composed of a total of 11 members.~~ consist of the following:

216 The State Board of Education shall appoint 10 members, made up  
217 of four appointees recommended by the Governor, one appointee  
218 recommended by the Lieutenant Governor, two appointees  
219 recommended by the President Pro Tempore of the Senate, and  
220 three appointees recommended by the Speaker of the House of  
221 Representatives. The Governor, the Lieutenant Governor, the  
222 President Pro Tempore of the Senate, and the Speaker of the  
223 House of Representatives shall each recommend a list of no  
224 fewer than two nominees for each initial appointment to the



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225 commission. One recommended initial appointee of the President  
226 Pro Tempore of the Senate and one recommended initial  
227 appointee of the Speaker of the House of Representatives shall  
228 be an appointee recommended by members of the Senate minority  
229 party and members of the House minority party, respectively.  
230 No commission member can be appointed unless he or she has  
231 been recommended by the Governor, Lieutenant Governor,  
232 President Pro Tempore of the Senate, or the Speaker of the  
233 House of Representatives.

234 b. Commencing on the effective date of the act adding  
235 this paragraph, as the terms of the then serving members  
236 expire, the nominating authority for that respective serving  
237 member shall become the appointing authority for his or her  
238 successor on the commission so that the Governor shall appoint  
239 four members to the commission, the Lieutenant Governor shall  
240 appoint two members to the commission, the President Pro  
241 Tempore of the Senate shall appoint two members to the  
242 commission, and the Speaker of the House of Representatives  
243 shall appoint three members to the commission.

244 ~~(4) The eleventh member of the commission shall be a~~  
245 ~~rotating position based on the local school system where the~~  
246 ~~application was denied. This member appointed to the rotating~~  
247 ~~position shall be appointed by the local school system where~~  
248 ~~the applicant is seeking to open a public charter school. The~~  
249 ~~local school system shall appoint a member to the rotating~~  
250 ~~position through board action specifically to consider that~~  
251 ~~application.~~

252 ~~(5)~~ (4) The appointing authorities of the commission



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253 members shall strive to select individuals that collectively  
254 possess strong experience and expertise in public and  
255 nonprofit governance, strategic planning, management and  
256 finance, public school leadership, assessment, curriculum and  
257 instruction, and public education law. Each member of the  
258 commission shall have demonstrated understanding of and  
259 commitment to charter schooling as a tool for strengthening  
260 public education and shall sign an agreement to hear the  
261 appeal and review documents in a fair and impartial manner.

262 ~~(6)~~ (5) Membership of the commission shall be inclusive  
263 and reflect the racial, gender, geographic, urban/rural, and  
264 economic diversity of the state. ~~The appointing authority  
265 shall consider the eight State Board of Education districts in  
266 determining the geographical diversity of the commission.~~

267 ~~(7)~~ (6) The initial appointments to the commission shall  
268 be made no later than June 1, 2015. Two recommended initial  
269 appointees of the Governor, one recommended initial appointee  
270 of the Lieutenant Governor, one recommended initial appointee  
271 of the Speaker of the House of Representatives, and one  
272 recommended initial appointee of the President Pro Tempore of  
273 the Senate shall serve an initial term of one year and two  
274 recommended initial appointees of the Governor, two  
275 recommended initial appointees of the Speaker of the House of  
276 Representatives, and one recommended initial appointee of the  
277 President Pro Tempore of the Senate shall serve an initial  
278 term of two years. Thereafter, all appointees shall serve  
279 ~~two-year~~ four-year terms of office. All appointments shall be  
280 eligible for reappointment as determined by the appointing



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281 authority, not to exceed a total of ~~six~~ eight years of  
282 service, unless the member was initially appointed to serve a  
283 one-year term of office. If the initial term of office of an  
284 appointee was one year, he or she may serve a total of ~~five~~  
285 nine years of service on the commission.

286 ~~(8)~~ (7) A member of the commission may be removed for  
287 failure to perform the duties of the appointment. Whenever a  
288 vacancy on the commission exists, the appointing authority,  
289 within 60 days after the vacancy occurs, shall appoint a  
290 member for the remaining portion of the term in the same  
291 manner as the original appointment was made. A member of the  
292 commission shall abstain from any vote that involves a local  
293 school system of which he or she is an employee or which he or  
294 she oversees as a member of a local school board. The  
295 requirement to abstain does not apply to the rotating position  
296 on the commission.

297 ~~(9)~~ (8) Six members of the commission constitute a  
298 quorum, and a quorum shall be necessary to transact business.  
299 Actions of the commission shall be by a majority vote of the  
300 commission. The commission, in all respects, shall comply with  
301 the Alabama Open Meetings Act and state record laws.  
302 Notwithstanding the preceding sentence, members of the  
303 commission may participate in a meeting of the commission by  
304 means of telephone conference, video conference, or similar  
305 communications equipment by means of which all persons  
306 participating in the meeting may hear each other at the same  
307 time. Participation by such means shall constitute presence in  
308 person at a meeting for all purposes, including the



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309 establishment of a quorum. Telephone or video conference or  
310 similar communications equipment shall also allow members of  
311 the public the opportunity to simultaneously listen to or  
312 observe meetings of the commission.

313 ~~(10)~~ (9) If the commission overrules the decision of a  
314 local school board and chooses to authorize the establishment  
315 of a public charter school in that local school system, the  
316 commission shall serve as the authorizer for that public  
317 charter school, pursuant to this chapter.

318 (10) Each member of the commission, upon assuming  
319 office, shall complete an orientation program, and an annual  
320 training program thereafter, as developed by the commission.  
321 The orientation program shall focus on roles and  
322 responsibilities of charter school authorizers, laws impacting  
323 commissioners as public officials, general education laws, and  
324 best practices. In developing and implementing the programs,  
325 the commission may consult national or state organizations  
326 with training expertise. Before the start of each regular  
327 legislative session, the commission shall provide a report to  
328 each appointing authority regarding the implementation and  
329 effectiveness of the programs. Failure to attend and complete  
330 a required orientation or annual training program may  
331 constitute grounds for removal from the commission by the  
332 appointing authority.

333 (11) The commission may do any of the following:

334 ~~a. Utilize professional and administrative staff of the~~  
335 ~~department as recommended by the State Superintendent of~~  
336 ~~Education.~~



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337 a. Upon evaluation and agreement, share services,  
338 facilities, supplies, and related costs with the department.

339 b. Adopt rules for the ~~operation and organization of~~  
340 ~~the commission~~ implementation and administration of this  
341 chapter.

342 c. Review, at least once per year, department rules and  
343 regulations concerning public charter schools and, if needed,  
344 recommend to the State Superintendent of Education any rule or  
345 regulation changes deemed necessary.

346 d. Convene stakeholder groups and engage experts.

347 e. Seek and receive state, federal, and private funds  
348 for operational expenses.

349 f. Employ professional, administrative, technical, and  
350 clerical staff, without regard to the state Merit System, who  
351 shall serve at the pleasure of the commission. Staff employed  
352 pursuant to this paragraph shall receive compensation and  
353 benefits established by the commission, payable in the same  
354 manner as state employees.

355 ~~f.~~ (12) A commission member may not receive  
356 compensation, but shall be reimbursed by the department for  
357 travel and per diem expenses at the same rates and in the same  
358 manner as state employees.

359 ~~g.~~ (13) The commission shall submit an annual report to  
360 the department pursuant to subsection (g).

361 ~~(12)~~ (14) In order to overrule the decision of a local  
362 school board and authorize a public charter school, the  
363 commission, in its own consideration of the application, shall  
364 do all of the following:



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365 a. Find evidence of a thorough and high-quality public  
366 charter school application from the applicant based on the  
367 authorizing standards in subdivision (8) of subsection (a) of  
368 Section 16-6F-7.

369 b. Hold an open community hearing opportunity for  
370 public comment within the local school system where the  
371 application was denied.

372 c. Find that the local board's denial of an original  
373 charter application ~~was~~ is not supported by the then current  
374 application and exhibits.

375 d. Take into consideration all of the following:

376 1. ~~other~~ Other existing charter school applications~~.~~.

377 2. ~~the~~ The quality of school options existing in the  
378 affected community~~.~~.

379 3. ~~the~~ The existence of other charter schools~~,~~and.

380 4. ~~any~~ Any other factors considered relevant to ensure  
381 the establishment of high-quality charter schools in  
382 accordance with the intent of this chapter.

383 ~~e. Find evidence that the local school board erred in~~  
384 ~~its application of nationally recognized authorizing~~  
385 ~~standards.~~

386 (d) (1) A local school board may ~~register with~~ apply to  
387 the department for chartering authority within the boundaries  
388 of the school system overseen by the local school board. The  
389 department shall publicize to all local school boards the  
390 opportunity to ~~register with~~ apply to the state for chartering  
391 authority within the school system they oversee. By June 1 of  
392 each year, the department shall provide information about the



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393 opportunity, including ~~a registration~~ an application deadline,  
394 to all local school boards. To ~~register~~ apply as a charter  
395 authorizer in its school system, each interested local school  
396 board shall submit the following information in a format to be  
397 established by the department:

398 ~~(1)~~ a. Written notification of intent to serve as a  
399 charter authorizer in accordance with this chapter.

400 ~~(2)~~ b. An explanation of the local school board's  
401 capacity and commitment to execute the duties of quality  
402 charter authorizing, as defined by nationally recognized  
403 authorizing standards.

404 ~~(3)~~ c. An explanation of the local school board's  
405 strategic vision for chartering.

406 ~~(4)~~ d. An explanation of how the local school board  
407 plans to solicit public charter school applicants, in  
408 accordance with this chapter.

409 ~~(5)~~ e. A description or outline of the performance  
410 framework the local school board will use to guide the  
411 establishment of a charter contract and for ongoing oversight  
412 and evaluation of public charter schools, consistent with the  
413 requirements of this chapter.

414 ~~(6)~~ f. A draft of the local school board's renewal,  
415 revocation, and nonrenewal processes, consistent with  
416 subsection (c) of Section 16-6F-8.

417 ~~(7)~~ g. A statement of assurance that the local school  
418 board commits to serving as a charter authorizer and shall  
419 fully participate in ~~any~~ an annual authorizer training  
420 ~~provided or required by the state~~ approved by the department.





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421 (2) Once chartering authority is granted, the  
422 registered local school board shall reapply to be an  
423 authorizer every five years.

424 (e) If a local school board chooses not to register as  
425 an authorizer, all applications seeking to open a start-up  
426 public charter school within that local school board's  
427 boundaries shall be denied. Applicants wishing to open a  
428 public charter school physically located in that local school  
429 system may apply directly to the commission.

430 (f) An authorizer may do all of the following:

431 (1) Solicit, invite, receive, and evaluate applications  
432 from organizers of proposed public charter schools.

433 (2) Approve applications that meet identified  
434 educational needs.

435 (3) Deny applications that do not meet identified  
436 educational needs.

437 (4) Create a framework to guide the development of  
438 charter contracts.

439 (5) Negotiate and execute charter contracts with each  
440 approved public charter school.

441 (6) Monitor the academic, fiscal, and organizational  
442 performance and compliance of public charter schools.

443 (7) Determine whether each charter contract merits  
444 renewal or revocation.

445 (g) An authorizer shall submit to the State Board of  
446 Education a publicly accessible annual report within 60 days  
447 after the end of each school fiscal year summarizing all of  
448 the following:



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449 (1) The authorizer's strategic vision for chartering  
450 and progress toward achieving that vision.

451 (2) The academic and financial performance of all  
452 operating public charter schools overseen by the authorizer,  
453 according to the performance measures and expectations  
454 specified in the charter contracts.

455 (3) The status of the public charter school portfolio  
456 of the authorizer, identifying all public charter schools  
457 within that portfolio as one of the following:

458 a. Approved, but not yet open.

459 b. Open and operating.

460 c. Terminated.

461 d. Closed, including year closed and reason for  
462 closing.

463 e. Never opened.

464 (4) The oversight and services, if any, provided by the  
465 authorizer to the public charter schools under the purview of  
466 the authorizer.

467 (5) The authorizing functions provided by the  
468 authorizer to the public charter schools under its  
469 jurisdiction, including the operating costs and expenses of  
470 the authorizer detailed in annual audited financial statements  
471 that conform to generally accepted accounting principles.

472 (6) All use of taxpayer dollars including expenditures,  
473 contracts, and revenues.

474 (h) To cover costs for overseeing and authorizing  
475 public charter schools in accordance with this chapter, ~~a~~  
476 ~~local school board serving as~~ an authorizer may do all of the



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477 following:

478 (1) Expend its own resources, seek grant funds, and  
479 establish partnerships to support its public charter school  
480 authorizing activities.

481 (2) Charge a portion of annual per student state  
482 allocations received by each public charter school it  
483 authorizes based on the following schedule:

484 a. If the ~~local school board~~ authorizer has oversight  
485 over one to three, inclusive, public charter schools: Three  
486 percent of annual per student state allocations.

487 b. If the ~~local school board~~ authorizer has oversight  
488 over four to five, inclusive, public charter schools: Two  
489 percent of annual per student state allocations.

490 c. If the ~~local school board~~ authorizer has oversight  
491 over six to 10, inclusive, public charter schools: One percent  
492 of annual per student state allocations.

493 d. These funds shall be used to cover the costs for ~~a~~  
494 ~~local school board~~ an authorizer to provide authorizing  
495 services to its public charter schools.

496 (i) An employee, agent, or representative of an  
497 authorizer may not simultaneously serve as an employee, agent,  
498 representative, vendor, or contractor of a public charter  
499 school of that authorizer.

500 (j) With the exception of charges for oversight  
501 services as required in subsection (h), a public charter  
502 school may not be required to purchase services from its  
503 authorizer as a condition of charter approval or of a charter  
504 contract, nor may any such condition be implied.



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505 (k) A public charter school authorized by a local  
506 school system may choose to purchase services, such as  
507 transportation-related or lunchroom-related services, from its  
508 authorizer. In such event, the public charter school and  
509 authorizer shall execute an annual service contract, separate  
510 from the charter contract, stating the mutual agreement of the  
511 parties concerning any service fees to be charged to the  
512 public charter school. A public charter school authorized by  
513 the commission may not purchase services from the commission,  
514 but consistent with this section, may purchase services from  
515 the local school system where the public charter school is  
516 located.

517 (l) The department shall oversee the performance and  
518 effectiveness of all authorizers established under this  
519 chapter. Persistently unsatisfactory performance of the  
520 portfolio of the public charter schools of an authorizer, a  
521 pattern of well-founded complaints about the authorizer or its  
522 public charter schools, or other objective circumstances may  
523 trigger a special review by the department. In reviewing and  
524 evaluating the performance of an authorizer, the department  
525 shall apply nationally recognized standards for quality in  
526 charter authorizing. If, at any time, the department finds  
527 that an authorizer is not in compliance with an existing  
528 charter contract or the requirements of all authorizers under  
529 this chapter, the department shall notify the authorizer in  
530 writing of any identified problem, and the authorizer shall  
531 have reasonable opportunity to respond and remedy the problem.

532 (m) If a local school board acting as an authorizer



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533 persists in violating a material provision of a charter  
534 contract or fails to remedy any other authorizing problem  
535 after due notice from the department, the department shall  
536 notify the local school board, within 60 days, that it intends  
537 to revoke the chartering authority of the local school board  
538 unless the local school board demonstrates a timely and  
539 satisfactory remedy for the violation or deficiencies.

540 (n) If the commission violates a material provision of  
541 a charter contract or fails to remedy any other authorizing  
542 problems after due notice from the department, the department  
543 shall notify the commission, within 60 days, that it intends  
544 to notify the Governor, the Speaker of the House of  
545 Representatives, and the President Pro Tempore of the Senate  
546 of the actions of the commission unless the commission  
547 demonstrates a timely and satisfactory remedy for the  
548 violation of the deficiencies. Along with this notification,  
549 the department shall publicly request in writing that the  
550 Governor, the Speaker of the House of Representatives, and the  
551 President Pro Tempore appointees comply with the requests of  
552 the department or face a revocation of their appointment to  
553 the commission.

554 (o) In the event of revocation of the chartering  
555 authority of an authorizer, the department shall manage the  
556 timely and orderly transfer of each charter contract held by  
557 that authorizer to another authorizer in the state, with the  
558 mutual agreement of each affected public charter school and  
559 proposed new authorizer. The new authorizer shall assume the  
560 existing charter contract for the remainder of the charter



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561 term.

562 (p) Authorizer power, duties, and liabilities.

563 Authorizers are responsible for executing, in accordance with  
564 this chapter, the following essential powers and duties:

565 (1) Soliciting and evaluating charter applications  
566 based on nationally recognized standards.

567 (2) Approving quality charter applications that meet  
568 identified educational needs and promote a diversity of  
569 high-quality educational choices.

570 (3) Declining to approve weak or inadequate charter  
571 applications.

572 (4) Negotiating and executing charter contracts with  
573 each approved public charter school.

574 (5) Monitoring, in accordance with charter contract  
575 terms, the performance and legal compliance of public charter  
576 schools.

577 (6) Determining whether each charter contract merits  
578 renewal, nonrenewal, or revocation.

579 (q) An authorizer that grants a charter to a 501(c)(3)  
580 tax-exempt organization for the purpose of opening and  
581 operating a public charter school is not liable for the debts  
582 or obligations of the public charter school, or for claims  
583 arising from the performance of acts, errors, or omissions by  
584 the charter school, if the authorizer has complied with all  
585 oversight responsibilities required by law, including, but not  
586 limited to, those required by this chapter.

587 (r) Principles and standards for charter authorizing.

588 (1) All authorizers shall be required to develop and



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589 maintain chartering policies and practices consistent with  
590 nationally recognized principles and standards for quality  
591 charter authorizing in all major areas of authorizing  
592 responsibility including: Organizational capacity and  
593 infrastructure; soliciting and evaluating charter  
594 applications; performance contracting; ongoing public charter  
595 school oversight and evaluation; and charter renewal  
596 decision-making. The State Board of Education shall promulgate  
597 reasonable rules and regulations to effectuate this section by  
598 June 17, 2015.

599 (2) Authorizers shall carry out all of their duties  
600 under this chapter in a manner consistent with such nationally  
601 recognized principles and standards and with the spirit and  
602 intent of this chapter. Evidence of material or persistent  
603 failure to do so shall constitute grounds for losing charter  
604 authorizing powers."

605 "§16-6F-10

606 (a) Enrollment. ~~Students enrolled in and attending~~  
607 ~~public charter schools shall be included in all enrollment and~~  
608 ~~attendance counts of students of the local school system in~~  
609 ~~which the students reside. The public charter school shall~~  
610 ~~report all such data to the local school systems of residence~~  
611 ~~in a timely manner.~~ Each local school system public charter  
612 school shall report ~~such~~ enrollment, attendance, and other  
613 counts of students to the department in the manner required by  
614 the department.

615 (b) Operational funding.

616 (1) The following provisions govern operational



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617 funding:

618 a. ~~In their initial year, and in subsequent years to~~  
619 ~~accommodate growth as articulated in their application,~~  
620 ~~funding for public charter schools shall be provided from the~~  
621 ~~Education Trust Fund in the Foundation Program appropriation~~  
622 ~~for current units. Subsequent year funding for public charter~~  
623 ~~schools shall be based on the Foundation Program allocation~~  
624 ~~and other public school Education Trust Fund appropriations.~~

625 1. In their initial year, and in subsequent years to  
626 accommodate growth as articulated in their application,  
627 start-up public charter schools shall be provided Foundation  
628 Program funding by inclusion of anticipated enrollment as  
629 provided in the approved charter application. During the  
630 fiscal year, the resulting Foundation Program allocation shall  
631 be adjusted to reconcile the variance between anticipated and  
632 actual funded enrollment.

633 2. A conversion public charter school shall be funded  
634 at the same level as the school was funded prior to conversion  
635 to a conversion public charter school. All federal, state, and  
636 local dollars allocated to support the conversion public  
637 charter school shall be directly appropriated by the local  
638 school board to the conversion public charter school operator.  
639 Under no circumstances may the local school board withhold  
640 funds for services without mutual agreement from the  
641 conversion public charter school operator.

642 3. In addition to Foundation Program allocation, all  
643 start-up public charter schools shall participate in other  
644 Education Trust Fund and Public School Fund appropriations in





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645 the same manner as any other non-charter public school system.  
646 In addition to Foundation Program allocation, all conversion  
647 public charter schools shall receive from the local school  
648 board a pro rata share of other Education Trust Fund and  
649 Public School Fund appropriations.

650         b. For each of its students, a public charter school  
651 shall receive the same amount of state funds, including funds  
652 earmarked for the Foundation Program transportation, school  
653 nurses, technology coordinators, and other line items that may  
654 be included in the appropriation for the Foundation Program  
655 Fund, that, for the then-current fiscal year, would have  
656 otherwise been allocated on behalf of each public charter  
657 school student to the local school system where the student  
658 resides. This amount shall reflect the status of each student  
659 according to grade level, economic disadvantage, limited  
660 English proficiency, and special education needs.

661         c. For each of its students, a public charter school  
662 shall receive the same amount of local tax revenue, that, for  
663 the then-current fiscal year, would have otherwise been  
664 allocated on behalf of each public charter school student to  
665 the local non-charter public school of each student's  
666 residence, excluding those funds already earmarked through a  
667 vote of the local school board for debt service, capital  
668 expenditures, or transportation. As necessary, the department  
669 shall promulgate processes and procedures to determine the  
670 specific local revenue allocations according to the Foundation  
671 Program for each public charter school.

672         d. The state funds described in paragraph ~~b.~~a. shall be



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673 forwarded ~~on a quarterly basis to the~~ by the department to all  
674 start-up public charter ~~school~~ schools and conversion public  
675 charter schools on the same schedule as funds are forwarded to  
676 local school systems by the department. The local funds  
677 described in paragraph c. shall be forwarded on a quarterly  
678 basis to the public charter school by the local educational  
679 agency of the student's residence, notwithstanding the  
680 oversight fee reductions pursuant to Section 16-6F-6.  
681 Additionally, any local revenues restricted, earmarked, or  
682 committed by statutory provision, constitutional provision, or  
683 board covenant pledged or imposed by formal action of the  
684 local board of education or other authorizing body of  
685 government, shall be excluded by the local educational agency  
686 of the student's residence when determining the amount of  
687 funds to be forwarded by the agency to the public charter  
688 school.

689 e. The maximum annual local tax allocation forwarded to  
690 a start-up public charter school from a local school system  
691 shall, for each student, not exceed the per student portion of  
692 the state required 10 mill ad valorem match.

693 f. The ~~maximum~~ annual local tax allocation forwarded to  
694 a conversion public charter school from a local school system  
695 shall, for each student, equal the amount that would have been  
696 received by the local education agency of the student's  
697 residence for each student who now attends a conversion public  
698 charter school, ~~minus any amounts otherwise excluded pursuant~~  
699 ~~to this section.~~ In the event a local school system fails to  
700 honor an agreement with a conversion public charter school



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701 operator or if the local school system fails to forward the  
702 annual local tax allocation to a conversion public charter  
703 school as required by this subsection, the State  
704 Superintendent of Education shall intervene pursuant to  
705 Section 16-4-4, and allocate the local funds to the conversion  
706 public charter school accordingly.

707 g. ~~If necessary~~ Annually, the department shall ~~adopt~~  
708 ~~rules governing how to~~ calculate ~~and distribute~~ these  
709 per-student allocations, ~~as well as any~~ and ensure that these  
710 per-student allocations are distributed directly to start-up  
711 public charter schools and conversion public charter schools  
712 on a per-student basis. The department shall adopt rules  
713 governing cost-sharing for students participating in  
714 specialized gifted, talented, vocational, technical, or career  
715 education programs.

716 (2) Categorical funding. The department shall direct  
717 the proportionate share of ~~moneys~~ monies generated under  
718 federal and state categorical aid programs to all public  
719 charter schools, including start-up public charter schools and  
720 conversion public charter schools, serving students eligible  
721 for such aid. The state shall ensure that all public charter  
722 schools with rapidly expanding enrollments are treated  
723 equitably in the calculation and disbursement of all federal  
724 and state categorical aid program dollars. Each public charter  
725 school that serves students who may be eligible to receive  
726 services provided through such programs shall comply with all  
727 reporting requirements to receive the aid.

728 (3) Special education funding.



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729 a. The state shall pay directly to a public charter  
730 school, including start-up public charter schools and  
731 conversion public charter schools, any federal or state aid  
732 attributable to a student with a disability attending the  
733 school.

734 b. At either party's request, a public charter school  
735 and its authorizer may negotiate and include in the charter  
736 contract alternate arrangements for the provision of and  
737 payment for special education services.

738 (4) Generally accepted accounting principles;  
739 independent audit.

740 a. A public charter school shall adhere to generally  
741 accepted accounting principles.

742 b. A public charter school shall annually engage an  
743 independent certified public accountant to do an independent  
744 audit of the school's finances. A public charter school shall  
745 file a copy of each audit report and accompanying management  
746 letter to its authorizer by June 1. This audit shall include  
747 the same requirements as those required of local school system  
748 pursuant to Section 16-13A-7.

749 (5) Transportation funding.

750 a. The department shall disburse state transportation  
751 funding to a public charter school on the same basis and in  
752 the same manner as it is paid to public school systems.

753 b. A public charter school may enter into a contract  
754 with a school system or private provider to provide  
755 transportation to the school's students.

756 c. Public charter schools that do not provide



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757 transportation services shall not be allocated any federal,  
758 state, or local funds otherwise earmarked for  
759 transportation-related expenses."

760           Section 2. This act shall become effective on the first  
761 day of the third month following its passage and approval by  
762 the Governor, or its otherwise becoming law.