

1 SB45
2 164897-2
3 By Senator Marsh
4 RFD: Education & Youth Affairs
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8 SYNOPSIS: This bill would create the Alabama School
9 Choice and Student Opportunity Act.

10 This bill would create the Alabama Public
11 Charter School Commission and would provide for the
12 membership, powers, duties, and liabilities of the
13 commission.

14 This bill would provide for the application
15 process for establishing public charter schools and
16 conversion charter schools and would provide for
17 charter terms, charter contracts, and preopening
18 requirements and conditions.

19 This bill would provide for accountability
20 of charter schools pursuant to a performance
21 framework, ongoing oversight and corrective action,
22 and renewal, revocation, and nonrenewal of
23 charters.

24 This bill would provide for the operation
25 and autonomy of public charter schools.

26 This bill would also provide for funding and
27 facilities.

1
2 A BILL
3 TO BE ENTITLED
4 AN ACT
5

6 To create the Alabama School Choice and Student
7 Opportunity Act; to create the Alabama Public Charter School
8 Commission and provide for the membership, powers, duties, and
9 liabilities of the commission; to provide for the application
10 process for establishing public charter schools and conversion
11 charter schools; to provide for charter terms, charter
12 contracts, and preopening requirements and conditions; to
13 provide for accountability of charter schools pursuant to a
14 performance framework, ongoing oversight and corrective
15 action, and renewal, revocation, and nonrenewal of charters;
16 to provide for the operation and autonomy of public charter
17 schools; to provide for funding; and to provide for
18 facilities.

19 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

20 Section 1. This act shall be known and may be cited
21 as the Alabama School Choice and Student Opportunity Act.

22 Section 2. (a) Public charter schools may be
23 established in Alabama in accordance with this act. All public
24 charter schools in the state established under this act are
25 public schools and are part of the public education system of
26 the state.

1 (b) This act shall be interpreted to support the
2 findings and purposes of this act and to advance the continued
3 commitment of the state to the mission and goals of public
4 education.

5 Section 3. The Legislature finds and declares all of
6 the following:

7 (1) It is in the best interests of the people of
8 Alabama to provide all children with access to high quality
9 public schools.

10 (2) It is necessary to continue to search for ways
11 to strengthen the academic performance of elementary and
12 secondary public school students.

13 (3) Different students learn differently and public
14 schools should have the ability to customize programs to fit
15 the needs of individual students.

16 (4) Those who know students best, parents and
17 educators, make the best education-related decisions regarding
18 their students.

19 (5) Parents and local educators have a right and
20 responsibility to actively participate in the educational
21 institutions that serve the children of Alabama.

22 (6) Public school programs, whenever possible,
23 should be customized to fit the needs of individual children.

24 (7) Students of all backgrounds are entitled to
25 access to a high quality education.

26 (8) Therefore, with this act, the Legislature
27 intends to accomplish all of the following:

1 a. Provide school systems and communities with
2 additional tools that may be used to better meet the
3 educational needs of a diverse student population.

4 b. Encourage innovative educational ideas that
5 improve student learning for students at all academic levels.

6 c. Empower educators to be nimble and strategic in
7 their decisions on behalf of students.

8 d. Provide additional high quality educational
9 options to all students, especially students in low performing
10 schools.

11 e. Create public schools with freedom and
12 flexibility in exchange for exceptional results.

13 f. Foster tools and strategies to close achievement
14 gaps between high-performing and low-performing groups of
15 public school students.

16 Section 4. For the purposes of this act, the
17 following terms shall have the following meanings:

18 (1) APPLICANT. Any group with tax-exempt status or
19 that has submitted an application for tax-exempt status that
20 develops and submits an application for a public charter
21 school to an authorizer.

22 (2) APPLICATION. A proposal from an applicant to an
23 authorizer to enter into a charter contract whereby the
24 proposed school obtains public charter school status.

25 (3) AT-RISK STUDENT. A student who has an economic
26 or academic disadvantage that requires special services and
27 assistance to succeed in educational programs. The term

1 includes, but is not limited to, students who are members of
2 economically disadvantaged families, students who are
3 identified as having special education needs, students who are
4 limited in English proficiency, students who are at risk of
5 dropping out of high school, and students who do not meet
6 minimum standards of academic proficiency.

7 (4) AUTHORIZER. An entity authorized under this act
8 to review applications, approve or reject applications, enter
9 into charter contracts with applicants, oversee public charter
10 schools, and decide whether to renew, not renew, or revoke
11 charter contracts.

12 (5) CHARTER CONTRACT. A fixed-term renewable
13 contract between a public charter school and an authorizer
14 that outlines the roles, powers, responsibilities, and
15 quantitative and qualitative performance expectations for each
16 party to the contract.

17 (6) COMMISSION. The Alabama Public Charter School
18 Commission created in subsection (c) of Section 6. The
19 commission serves as an appellate body in specific
20 circumstances outlined in subsection (a) of Section 6.

21 (7) CONVERSION PUBLIC CHARTER SCHOOL. A public
22 charter school that existed as a non-charter public school
23 before becoming a public charter school. A conversion public
24 charter school shall adopt and maintain a policy giving
25 enrollment preference to students who reside within the former
26 attendance area of the public school.

27 (8) DEPARTMENT. The State Department of Education.

1 (9) EDUCATION SERVICE PROVIDER. An entity with which
2 a public charter school intends to contract with for
3 educational design, implementation, or comprehensive
4 management. This relationship shall be articulated in the
5 public charter school application.

6 (10) GOVERNING BOARD. The independent board of a
7 public charter school that is party to the charter contract
8 with the authorizer and whose members have been elected or
9 selected pursuant to the application of a public charter
10 school.

11 (11) LOCAL SCHOOL BOARD. A city or county board of
12 education exercising management and control of a city or
13 county local school system pursuant to state law.

14 (12) LOCAL SCHOOL SYSTEM. A public agency that
15 establishes and supervises one or more public schools within
16 its geographical limits pursuant to state law. A local school
17 system includes a city or county school system.

18 (13) NON-CHARTER PUBLIC SCHOOL. A public school
19 other than a school formed pursuant to this act. A public
20 school that is under the direct management, governance, and
21 control of a local school board or the state.

22 (14) PARENT. A parent, guardian, or other person or
23 entity having legal custody of a child.

24 (15) PUBLIC CHARTER SCHOOL. A public school formed
25 pursuant to this act that satisfies all of the following:

1 a. Has autonomy over key decisions including, but
2 not limited to, decisions concerning finance, personnel,
3 scheduling, curriculum, instruction, and procurement.

4 b. Is governed by an independent 501(c)(3) governing
5 board.

6 c. Is established and operated under the terms of a
7 charter contract between the governing board and its
8 authorizer, in accordance with this act.

9 d. Is a school to which parents choose to send their
10 student.

11 e. Is a school that admits students on the basis of
12 a random selection process if more students attempt to enroll
13 for admission than can be accommodated.

14 f. Provides an educational program that satisfies
15 all of the following:

16 1. Includes any grade or grades from prekindergarten
17 to 12th grade.

18 2. May include a specific academic approach or theme
19 including, but not limited to, vocational and technical
20 training; virtual education; visual and performing arts;
21 liberal arts and classical education; or science, mathematics,
22 and technology.

23 3. Operates in pursuit of a specific set of
24 educational objectives as defined in its charter contract,
25 such as college preparation.

26 4. Operates under the oversight of its authorizer in
27 accordance with its charter contract.

1 (16) START-UP PUBLIC CHARTER SCHOOL. A public
2 charter school that did not exist as a non-charter public
3 school prior to becoming a public charter school.

4 (17) STUDENT. Any child who is eligible for
5 attendance in public schools in the state.

6 Section 5. (a) Open enrollment.

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

9 (2) A school system shall not require any student
10 enrolled in the school system to attend a start-up public
11 charter school.

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

16 (4) A public charter school may limit admission to
17 students within a given age group or grade level and may be
18 organized around a special emphasis, theme, or concept as
19 stated in the in the school's charter application, but fluency
20 or competence in the theme may not be used as a standard for
21 enrollment.

22 (5) A public charter school shall enroll all
23 students who wish to attend the school, unless the number of
24 students exceeds the capacity of the building identified for
25 the public charter school.

26 (6) If building capacity is insufficient to enroll
27 all students who wish to attend a start-up public charter

1 school, the school shall select students through a random
2 selection process. The school shall first enroll students who
3 reside within the school system in which the public charter
4 school is located. If the number of local students wanting to
5 enroll in the school exceeds the capacity of the school, then
6 the school shall conduct a random selection process to enroll
7 students who reside in the local school system. If the school
8 has additional capacity after admitting students from the
9 local school system, then the school shall admit any students
10 without regard to their residency by a random selection
11 process. The selection shall take place in a public meeting,
12 called by the governing body of the public charter school, and
13 following all posting and notice requirements prescribed by
14 the Alabama Open Meetings Act.

15 (7) Any non-charter public school converting
16 partially or entirely to a public charter school shall adopt
17 and maintain a policy giving enrollment preference to students
18 who reside within the former attendance area of that public
19 school.

20 (8) A public charter school shall give enrollment
21 preference to students enrolled in the public charter school
22 the previous school year and to siblings of students already
23 enrolled in the public charter school.

24 (9) A public charter school may give enrollment
25 preference to children of a public charter school's founders,
26 governing board members, and full-time employees, so long as

1 they constitute no more than 10 percent of the school's total
2 student population.

3 (10) This subsection does not preclude the formation
4 of a public charter school whose mission is focused on serving
5 special education students, students of the same gender,
6 students who pose such severe disciplinary programs that they
7 warrant a specific educational program, or students who are at
8 risk of academic failure.

9 (b) Credit transferability. If a student who was
10 previously enrolled in a public charter school enrolls in
11 another public school in Alabama, the student's new school
12 shall accept credits earned by the student in courses or
13 instructional programs at the public charter school in a
14 uniform and consistent manner and according to the same
15 criteria that are used to accept academic credits from other
16 public schools.

17 (c) Determination of student capacity of public
18 charter schools. The capacity of the public charter school
19 shall be determined annually by the governing board of the
20 public charter school in conjunction with the authorizer and
21 in consideration of the public charter school's ability to
22 facilitate the academic success of its students, to achieve
23 the other objectives specified in the charter contract, and to
24 ensure that its student enrollment does not exceed the
25 capacity of its facility or site.

26 (d) Student information. A public charter school
27 shall maintain records on all enrolled students that is

1 compatible with the Alabama Student Information System (ASIM)
2 utilized by the State Department of Education.

3 Section 6. (a) Eligible authorizing entities.

4 (1) A public charter school may not be established
5 in this state unless its establishment is authorized by this
6 section. No governmental entity or other entity, other than an
7 entity expressly granted chartering authority as set forth in
8 this section, may assume any authorizing function or duty in
9 any form. The following entities shall be authorizers of
10 public charter schools:

11 a. A local school board, for chartering of schools
12 within the boundaries of the school system under its
13 jurisdiction, pursuant to state law.

14 b. The Alabama Public Charter School Commission,
15 pursuant to this section.

16 (2) A local school board that registers as an
17 authorizer may approve or deny an application to form a public
18 charter school within the boundaries of the local school
19 system overseen by the local school board.

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

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

26 a. An application to form a public charter school is
27 denied by the local school board overseeing that system and

1 the applicant chooses to appeal the decision of the local
2 school board to the commission.

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

6 (b) Public charter school cap.

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

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

14 (3) If the cap is not reached in a fiscal year, the
15 remaining spots shall roll over to the following fiscal year.
16 The cap expires after five fiscal years of implementation of
17 this act.

18 (4) At the conclusion of the fifth fiscal year, the
19 department shall submit a report to the Legislature outlining
20 the performance of both start-up and conversion public charter
21 schools. This report shall include, at a minimum, academic
22 performance of all public charter schools in the state, a
23 detailed update on the authorizing process, and
24 recommendations for adjustments to public charter school
25 governance and oversight.

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

1 (c) The Alabama Public Charter School Commission.

2 (1) The commission is established as an independent
3 state entity.

4 (2) The mission of the commission is to authorize
5 high quality public charter schools, in accordance with the
6 powers expressly conferred on the commission in subsection
7 (b).

8 (3) The commission shall be composed of a total of
9 nine members. The State Board of Education shall appoint eight
10 members, made up of two appointees recommended by the
11 Governor, two appointees recommended by the President Pro
12 Tempore of the Senate, two appointees recommended by the
13 Speaker of the House of Representatives, and two appointees
14 recommended by the State Superintendent of Education. The
15 Governor, the President Pro Tempore of the Senate, and the
16 Speaker of the House of Representatives shall each recommend a
17 list of no fewer than two nominees for each appointment to the
18 commission. No commission member can be appointed unless he or
19 she has been recommended by the Governor, President Pro
20 Tempore of the Senate, Speaker of the House of
21 Representatives, or the State Superintendent of Education.

22 (4) The ninth member of the commission shall be a
23 rotating position based on the local school system where the
24 application was denied. This member appointed to the rotating
25 position shall be appointed by the local school system where
26 the applicant is seeking to open a public charter school. The
27 local school system shall appoint a member to the rotating

1 position through board action specifically to consider that
2 application.

3 (5) The appointing authorities of the commission
4 members shall strive to select individuals that collectively
5 possess strong experience and expertise in public and
6 nonprofit governance, strategic planning, management and
7 finance, public school leadership, assessment, curriculum and
8 instruction, and public education law. Each member of the
9 commission shall have demonstrated understanding of and
10 commitment to charter schooling as a tool for strengthening
11 public education and shall sign an agreement to hear the
12 appeal and review documents in a fair and impartial manner.

13 (6) Membership of the commission shall be inclusive
14 and reflect the racial, gender, geographic, urban/rural, and
15 economic diversity of the state. The appointing authority
16 shall consider the eight State Board of Education districts in
17 determining the geographical diversity of the commission.

18 (7) The initial appointments to the commission shall
19 be made no later than 30 days after the effective date of this
20 act. One recommended appointee of the Governor, Speaker of the
21 House of Representatives, President Pro Tempore of the Senate,
22 and State Superintendent of Education shall serve an initial
23 term of one year and one recommended appointee of the
24 Governor, Speaker of the House of Representatives, President
25 Pro Tempore of the Senate, and State Superintendent of
26 Education shall serve an initial term of two years.
27 Thereafter, all appointees shall serve two-year terms of

1 office. All appointments shall be eligible for reappointment
2 as determined by the appointing authority, not to exceed a
3 total of six years of service, unless the member is a
4 recommended appointee of the State Superintendent of Education
5 or was initially appointed to serve a one-year term of office.
6 If the initial term of office of an appointee was one year, he
7 or she may serve a total of five years of service on the
8 commission.

9 (8) A member of the commission may be removed for
10 any cause that renders the member incapable or unfit to
11 discharge his or her duties as a commission member. Whenever a
12 vacancy on the commission exists, the appointing authority,
13 within 60 days after the vacancy occurs, shall appoint a
14 member for the remaining portion of the term. A member of the
15 commission shall abstain from any vote that involves a local
16 school system of which he or she is an employee or which he or
17 she oversees as a member of a local school board. The
18 requirement to abstain does not apply to the rotating position
19 on the commission.

20 (9) Six members of the commission constitute a
21 quorum, and a quorum shall be necessary to transact business.
22 Actions of the commission shall be by a majority vote of the
23 members present and voting. The commission, in all respects,
24 shall comply with the Alabama Open Meetings Act and state
25 record laws. Notwithstanding the preceding sentence, members
26 of the commission may participate in a meeting of the
27 commission by means of telephone conference, video conference,

1 or similar communications equipment by means of which all
2 persons participating in the meeting may hear each other at
3 the same time. Participation by such means shall constitute
4 presence in person at a meeting for all purposes, including
5 the establishment of a quorum. Telephone or video conference
6 or similar communications equipment shall also allow members
7 of the public the opportunity to simultaneously listen to or
8 observe meetings of the commission.

9 (10) If the commission overrules the decision of a
10 local school board and chooses to authorize the establishment
11 of a public charter school in that local school system, the
12 commission shall serve as the authorizer for that public
13 charter school, pursuant to subsection (e).

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

15 a. Engage professional and administrative staff of
16 the department.

17 b. Adopt rules for the operation and organization of
18 the commission.

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

23 d. Convene stakeholder groups and engage experts.

24 e. Seek and receive state, federal, and private
25 funds for operational expenses.

26 f. A council member may not receive compensation,
27 but shall be reimbursed by the department for travel and per

1 diem expenses at the same rates and in the same manner as
2 state employees.

3 g. The commission shall submit an annual report to
4 the department pursuant to subsection (e).

5 (12) In order to overrule the decision of a local
6 school board and authorize a public charter school, the
7 commission shall do all of the following:

8 a. Find evidence of a thorough and high-quality
9 public charter school application from the applicant based on
10 the authorizing standards in subdivision (8) of subsection (a)
11 of Section 7.

12 b. Hold an open community hearing opportunity for
13 public comment.

14 c. Take into consideration the local board's stated
15 reasoning for denying the original charter application.

16 d. Take into consideration other existing charter
17 school applications, the quality of school options existing in
18 the affected community, the existence of other charter
19 schools, and any other factors considered relevant to ensure
20 the establishment of high-quality charter schools in
21 accordance with the intent of this act.

22 e. Find evidence that the local school board erred
23 in its application of nationally recognized authorizing
24 standards.

25 (d) A local school board may register with the
26 department for chartering authority within the boundaries of
27 the school system overseen by the local school board. The

1 department shall publicize to all local school boards the
2 opportunity to register with the state for chartering
3 authority within the school system they oversee. By June 1 of
4 each year, the department shall provide information about the
5 opportunity, including a registration deadline, to all local
6 school boards. To register as a charter authorizer in its
7 school system, each interested local school board shall submit
8 the following information in a format to be established by the
9 department:

10 (1) Written notification of intent to serve as a
11 charter authorizer in accordance with this act.

12 (2) An explanation of the local school board's
13 capacity and commitment to execute the duties of quality
14 charter authorizing, as defined by nationally recognized
15 authorizing standards.

16 (3) An explanation of the local school board's
17 strategic vision for chartering.

18 (4) An explanation of how the local school board
19 plans to solicit public charter school applicants, in
20 accordance with this act.

21 (5) A description or outline of the performance
22 framework the local school board will use to guide the
23 establishment of a charter contract and for ongoing oversight
24 and evaluation of public charter schools, consistent with the
25 requirements of this act.

1 (6) A draft of the local school board's renewal,
2 revocation, and nonrenewal processes, consistent with
3 subsection (c) of Section 8.

4 (7) A statement of assurance that the local school
5 board commits to serving as a charter authorizer in
6 fulfillment of expectations, spirit, and intent of this act,
7 and shall fully participate in any authorizer training
8 provided or required by the state.

9 (e) If a local school board chooses not to register
10 as an authorizer, all applications seeking to open a start-up
11 public charter school within that local school board's
12 boundaries shall be denied. Applicants wishing to open a
13 public charter school physically located in that local school
14 system may apply directly to the commission.

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

16 (1) Solicit, invite, receive, and evaluate
17 applications from organizers of proposed public charter
18 schools.

19 (2) Approve applications that meet identified
20 educational needs.

21 (3) Deny applications that do not meet identified
22 educational needs.

23 (4) Create a framework to guide the development of
24 charter contracts.

25 (5) Negotiate and execute sound charter contracts
26 with each approved public charter school.

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

3 (7) Determine whether each charter contract merits
4 renewal or revocation.

5 (g) An authorizer shall submit to the State Board of
6 Education a publicly accessible annual report within 60 days
7 after the end of each school fiscal year summarizing all of
8 the following:

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

11 (2) The academic and financial performance of all
12 operating public charter schools overseen by the authorizer,
13 according to the performance measures and expectations
14 specified in the charter contracts.

15 (3) The status of the public charter school
16 portfolio of the authorizer, identifying all public charter
17 schools within that portfolio as one of the following:

18 a. Approved, but not yet open.

19 b. Open and operating.

20 c. Terminated.

21 d. Closed, including year closed and reason for
22 closing.

23 e. Never opened.

24 (4) The oversight and services, if any, provided by
25 the authorizer to the public charter schools under the purview
26 of the authorizer.

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

6 (6) To cover costs for overseeing and authorizing
7 public charter schools in accordance with this act, a local
8 school board serving as an authorizer may do all of the
9 following:

10 a. Expend its own resources, seek grant funds, and
11 establish partnerships to support its public charter school
12 authorizing activities.

13 b. Charge a portion of annual per student state
14 allocations received by each public charter school it
15 authorizes based on the following schedule:

16 1. If the local school board has oversight over one
17 to three, inclusive, public charter schools: Three percent of
18 annual per student state allocations.

19 2. If the local school board has oversight over four
20 to five, inclusive, public charter schools: Two percent of
21 annual per student state allocations.

22 3. If the local school board has oversight over six
23 to 10, inclusive, public charter schools: One percent of
24 annual per student state allocations.

25 4. These funds shall be used to cover the costs for
26 a local school board to provide authorizing services to its
27 public charter schools.

1 (7) An employee, agent, or representative of an
2 authorizer may not simultaneously serve as an employee, agent,
3 representative, vendor, or contractor of a public charter
4 school of that authorizer.

5 (8) With the exception of charges for oversight
6 services as required in subdivision (6), a public charter
7 school may not be required to purchase services from its
8 authorizer as a condition of charter approval or of a charter
9 contract, nor may any such condition be implied.

10 (9) A public charter school authorized by a local
11 school system may choose to purchase services, such as
12 transportation-related or lunchroom-related services, from its
13 authorizer. In such event, the public charter school and
14 authorizer shall execute an annual service contract, separate
15 from the charter contract, stating the mutual agreement of the
16 parties concerning any service fees to be charged to the
17 public charter school. A public charter school authorized by
18 the commission may not purchase services from the commission,
19 but consistent with this section, may purchase services from
20 the local school system where the public charter school is
21 located.

22 (10) The department shall oversee the performance
23 and effectiveness of all authorizers established under this
24 act. Persistently unsatisfactory performance of the portfolio
25 of the public charter schools of an authorizer, a pattern of
26 well-founded complaints about the authorizer or its public
27 charter schools, or other objective circumstances may trigger

1 a special review by the department. In reviewing and
2 evaluating the performance of an authorizer, the department
3 shall apply nationally recognized standards for quality in
4 charter authorizing. If, at any time, the department finds
5 that an authorizer is not in compliance with an existing
6 charter contract or the requirements of all authorizers under
7 this act, the department shall notify the authorizer in
8 writing of any identified problem, and the authorizer shall
9 have reasonable opportunity to respond and remedy the problem.

10 (11) If a local school board acting as an authorizer
11 persists in violating a material provision of a charter
12 contract or fails to remedy any other authorizing problem
13 after due notice from the department, the department shall
14 notify the local school board, within 60 days, that it intends
15 to terminate the chartering authority of the local school
16 board unless the local school board demonstrates a timely and
17 satisfactory remedy for the violation or deficiencies. If the
18 local school board acting as an authorizer persists, after due
19 notice from the department, in violating a material provision
20 of a charter contract or fails to remedy other identified
21 authorizing problems, the department shall notify the local
22 school board, within a reasonable amount of time under the
23 circumstances, that it intends to revoke the chartering
24 authority of the local school board unless the local school
25 board demonstrates a timely and satisfactory remedy for the
26 violation or deficiencies.

1 (12) If the commission violates a material provision
2 of a charter contract or fails to remedy any other authorizing
3 problems after due notice from the department, the department
4 shall notify the commission, within 60 days, that it intends
5 to notify the Governor, the Speaker of the House of
6 Representatives, and the President Pro Tempore of the Senate
7 of the actions of the commission unless the commission
8 demonstrates a timely and satisfactory remedy for the
9 violation of the deficiencies. Along with this notification,
10 the department shall publicly request in writing that the
11 Governor, the Speaker of the House of Representatives, and the
12 President Pro Tempore appointees comply with the requests of
13 the department or face a revocation of their appointment to
14 the commission.

15 (13) In the event of revocation of the chartering
16 authority of an authorizer, the department shall manage the
17 timely and orderly transfer of each charter contract held by
18 that authorizer to another authorizer in the state, with the
19 mutual agreement of each affected public charter school and
20 proposed new authorizer. The new authorizer shall assume the
21 existing charter contract for the remainder of the charter
22 term.

23 (h) Authorizer power, duties, and liabilities.
24 Authorizers are responsible for executing, in accordance with
25 this act, the following essential powers and duties:

26 (1) Soliciting and evaluating charter applications
27 based on nationally recognized standards.

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

4 (3) Declining to approve weak or inadequate charter
5 applications.

6 (4) Negotiating and executing sound charter
7 contracts with each approved public charter school.

8 (5) Monitoring, in accordance with charter contract
9 terms, the performance and legal compliance of public charter
10 schools.

11 (6) Determining whether each charter contract merits
12 renewal, nonrenewal, or revocation.

13 (i) An authority that grants a charter to a
14 501(c)(3) tax-exempt organization for the purpose of opening
15 and operating a public charter school is not liable for the
16 debts or obligations of the public charter school, or for
17 claims arising from the performance of acts, errors, or
18 omissions by the charter school, if the authority has complied
19 with all oversight responsibilities required by law,
20 including, but not limited to, those required by subsection
21 (f) and subsection (j).

22 (j) Principles and standards for charter
23 authorizing.

24 (1) All authorizers shall be required to develop and
25 maintain chartering policies and practices consistent with
26 nationally recognized principles and standards for quality
27 charter authorizing in all major areas of authorizing

1 responsibility including: Organizational capacity and
2 infrastructure; soliciting and evaluating charter
3 applications; performance contracting; ongoing public charter
4 school oversight and evaluation; and charter renewal
5 decision-making. The department shall produce guidance and
6 direction on the above for the benefit of local school boards
7 within 90 days after the effective date of this act.

8 (2) Authorizers shall carry out all of their duties
9 under this act in a manner consistent with such nationally
10 recognized principles and standards and with the spirit and
11 intent of this act. Evidence of material or persistent failure
12 to do so shall constitute grounds for losing charter
13 authorizing powers.

14 Section 7. (a) Request for proposals.

15 (1) To solicit, encourage, and guide the development
16 of quality public charter school applications, every local
17 school board, in its role as public charter school authorizer,
18 shall issue and broadly publicize a request for proposals for
19 public charter school applications by 120 days after the
20 effective date of this act, and by November 1 in each
21 subsequent year. The content and dissemination of the request
22 for proposals shall be consistent with the purposes and
23 requirements of this act.

24 (2) Public charter school applicants may submit a
25 proposal for a particular public charter school to no more
26 than one local school board at a time.

1 (3) The department shall annually establish and
2 disseminate a statewide timeline for charter approval or
3 denial decisions, which shall apply to all authorizers in the
4 state.

5 (4) Each local school board's request for proposals
6 shall present the board's strategic vision for chartering,
7 including a clear statement of any preferences the board
8 wishes to grant to applications that help at-risk students.

9 (5) The request for proposals shall include or
10 otherwise direct applicants to the performance framework that
11 the authorizer has developed for public charter school
12 oversight and evaluation in accordance with this act.

13 (6) The request for proposals shall include the
14 criteria that will guide the authorizer's decision to approve
15 or deny a charter application.

16 (7) The request for proposals shall state clear,
17 appropriately detailed questions as well as guidelines
18 concerning the format and content essential for applicants to
19 demonstrate the capacities necessary to establish and operate
20 a successful public charter school.

21 (8) The request for proposals shall require charter
22 applications to provide or describe thoroughly all of the
23 following essential elements of the proposed school plan:

24 a. An executive summary.

25 b. The mission and vision of the proposed public
26 charter school, including identification of the targeted

1 student population and the community the school hopes to
2 serve.

3 c. The location or geographic area proposed for the
4 school.

5 d. The grades to be served each year for the full
6 term of the charter contract.

7 e. Minimum, planned, and maximum enrollment per
8 grade per year for the term of the charter contract.

9 f. Evidence of need and community support for the
10 proposed public charter school.

11 g. Background information on the proposed founding
12 governing members and the proposed school leadership and
13 management team.

14 h. The school's proposed calendar and sample daily
15 schedule.

16 i. A description of the academic program.

17 j. A description of the school's instructional
18 design, including the type of learning environment (such as
19 classroom-based or independent study), class size and
20 structure, curriculum overview, and teaching methods.

21 k. The school's plan for using internal and external
22 assessments to measure and report student progress.

23 l. The school's plan for identifying and
24 successfully serving students with disabilities, students who
25 are English language learners, students who are academically
26 behind, and gifted students, including, but not limited to,
27 compliance with applicable laws and regulations.

1 m. A description of cocurricular or extracurricular
2 programs and how they will be funded and delivered.

3 n. Plans and timelines for student recruitment and
4 enrollment, including random selection procedures in the event
5 that interest exceeds capacity.

6 o. The school's student discipline policies,
7 including those for special education students.

8 p. An organization chart that clearly presents the
9 school's organizational structure, including lines of
10 authority and reporting between the governing board, staff,
11 any related bodies (such as advisory bodies or parent and
12 teacher councils), and any external organizations that will
13 play a role in managing the school.

14 q. A clear description of the roles and
15 responsibilities for the governing board, the school's
16 leadership and management team, and any other entities shown
17 in the organization chart.

18 r. A staffing chart for the school's first year, and
19 a staffing plan for the term of the charter.

20 s. Plans for recruiting and developing school
21 leadership and staff.

22 t. The school's leadership and teacher employment
23 policies, including performance evaluation plans.

24 u. Proposed governing bylaws.

25 v. Explanations of any partnerships or contractual
26 relationships central to the school's operations or mission.

1 w. The school's plans for providing transportation,
2 food service, and all other significant operational or
3 ancillary services.

4 x. Opportunities and expectations for parental
5 involvement.

6 y. A detailed school start-up plan, identifying
7 tasks, timelines and responsible individuals.

8 z. Description of the school's financial plan and
9 policies, including financial controls and audit requirements.

10 aa. A description of the insurance coverage the
11 school will obtain.

12 bb. Start-up and five-year budgets with clearly
13 stated assumptions.

14 cc. Evidence of anticipated fundraising
15 contributions, if claimed in the application.

16 dd. A sound facilities plan, including backup or
17 contingency plans, if appropriate.

18 ee. Any other item that the authorizer deems
19 appropriate to assess the applicant's ability to successfully
20 open and operate a public charter school.

21 (9) Conversion charter schools. A local school board
22 may convert a non-charter public school to a public charter
23 school.

24 a. A local school board's decision to convert a
25 school may not be appealed to the commission.

26 1. After identifying the non-charter public school
27 it has decided to convert to a public charter school, a local

1 school board shall release a request for proposals, allowing
2 public charter school operators the opportunity to submit
3 applications to manage the specific school as a public charter
4 school under the terms of this act.

5 2. After a public charter school operator has been
6 identified to manage the non-charter public school, the local
7 school board shall negotiate a performance contract with the
8 selected operator as set forth in subdivision (1) of
9 subsection (d).

10 3. The conversion must occur at the beginning of an
11 academic school year and shall be subject to compliance with
12 this act.

13 4. At the time of conversion to a public charter
14 school, any teacher or administrator in the newly converted
15 public charter school shall have the opportunity to interview
16 for a position in the public charter school. The public
17 charter school is under no obligation to hire any teacher or
18 administrator.

19 5. At the time of conversion to a public charter
20 school, any teacher or administrator in the public charter
21 school may be allowed to transfer into vacant positions for
22 which they are both certified and qualified in other schools
23 in the school system prior to the hiring of new personnel for
24 those vacant positions.

25 6. If personnel reductions are contemplated as the
26 result of a conversion to a charter model, that shall be
27 clearly stated in the application. An approved conversion

1 shall constitute decreased student enrollment or a shortage of
2 revenues, or both, for the purposes of the local school board
3 implementing a reduction in force pursuant to Section 16-1-33,
4 Code of Alabama 1975.

5 b. After a public charter school operator has been
6 identified to manage the non-charter public school, the local
7 school board shall negotiate a performance contract with the
8 selected operator as set forth in subdivision (1) of
9 subsection (d).

10 (10) In the case of a proposed public charter school
11 that intends to contract with an education service provider
12 for substantial education services, management services, or
13 both types of services, the request for proposals shall
14 additionally require the applicants to do all of the
15 following:

16 a. Provide evidence of the education service
17 provider's success in serving student populations similar to
18 the targeted population, including demonstrated academic
19 achievement as well as successful management of nonacademic
20 school functions, if applicable.

21 b. Provide a term sheet setting forth the proposed
22 duration of the service contract; roles and responsibilities
23 of the governing board; the school staff; and the service
24 provider; scope of services and resources to be provided by
25 the service provider; performance evaluation measures and
26 timelines; compensation structure, including clear
27 identification of all fees to be paid to the service provider;

1 methods of contract oversight and enforcement; investment
2 disclosure; and conditions for renewal and termination of the
3 contract.

4 c. Disclose and explain any existing or potential
5 conflicts of interest between the school governing board and
6 proposed service provider or any affiliated business entities.

7 (11) In the case of a public charter school proposal
8 from an applicant that currently operates one or more schools
9 inside or outside of Alabama, the request for proposals shall
10 additionally require the applicant to provide evidence of past
11 performance and current ability to manage for growth.

12 (b) Application decision-making process.

13 (1) In evaluating and reviewing charter
14 applications, authorizers shall employ procedures, practices,
15 and criteria consistent with nationally recognized principles
16 and standards for quality charter authorizing. The application
17 review process shall include thorough evaluation of each
18 written charter application, an in-person interview with the
19 applicant group, and an opportunity in a public forum for
20 local residents to learn about and provide input on each
21 application.

22 (2) In deciding whether to approve charter
23 applications, authorizers shall do all of the following:

24 a. Grant charters only to applicants that have
25 demonstrated competence in each element of the authorizer's
26 published approval criteria and are likely to open and operate
27 a successful public charter school.

1 b. Base decisions on documented evidence collected
2 through the application review process.

3 c. Follow charter-granting policies and practices
4 that are transparent, based on merit, and avoid conflicts of
5 interest or any appearance thereof.

6 d. In the case of the commission, require
7 significant and objective evidence of interest for the public
8 charter school from the community the public charter school
9 wishes to serve.

10 (3) An authorizer may not approve a public charter
11 school application that includes any of the following:

12 a. Admissions requirements for entry, including, but
13 not limited to academic proficiency, particular skills or
14 competencies, or financial means.

15 b. Any parochial or religious theme.

16 (4) No later than 60 days after the filing of the
17 charter application, the authorizer shall decide to approve or
18 deny the charter application. The authorizer shall adopt by
19 resolution all charter approval or denial decisions in an open
20 meeting. If no action is taken on the application within 60
21 days, the application shall be considered denied and the
22 applicant may appeal the decision to the commission.

23 (5) An approval decision may include, if
24 appropriate, reasonable conditions that the charter applicant
25 must meet before a charter contract may be executed pursuant
26 to this section.

1 (6) For any charter denial, the authorizer shall
2 clearly state, for public record, its reasons for denial. A
3 denied applicant may subsequently reapply to that board the
4 following year or appeal the denial to the commission.

5 (7) Within 30 days of taking action to approve or
6 deny a charter application, the authorizer shall report to the
7 department the action it has taken. The authorizer shall
8 provide a copy of the report to the charter applicant at the
9 same time that the report is submitted to the department. The
10 report shall include a copy of the authorizer's resolution
11 setting forth the action taken and reasons for the decision
12 and assurances as to compliance with all of the procedural
13 requirements and application elements set forth in this
14 section.

15 (c) Initial charter term. An initial charter shall
16 be granted for a term of five operating years. The charter
17 term shall commence on the public charter school's first day
18 of operation. An approved public charter school may delay its
19 opening for one school year in order to plan and prepare for
20 the school's opening. If the school requires an opening delay
21 of more than one year, the school shall request an extension
22 from its authorizer. The authorizer may grant or deny the
23 extension depending on the particular school's circumstances.

24 (d) Charter contracts.

25 (1) Within 60 days of approval of a charter
26 application, the authorizer and the governing board of the
27 approved public charter school shall execute a charter

1 contract that clearly sets forth the academic and operational
2 performance expectations and measures by which the public
3 charter school will be judged and the administrative
4 relationship between the authorizer and the public charter
5 school, including each party's rights and duties. The
6 performance expectations and measures set forth in the charter
7 contract shall include, but need not be limited to, applicable
8 federal and state accountability requirements. The performance
9 provisions may be refined or amended by mutual agreement after
10 the public charter school is operating and has collected
11 baseline achievement data for its enrolled students.

12 (2) The charter contract shall be signed by the
13 president of the authorizer's board and the president of the
14 public charter school's governing body. Within 10 days of
15 executing a charter contract, the authorizer shall submit to
16 the department written notification of the executed charter
17 contract and any attachments.

18 (3) No public charter school may commence operations
19 without a charter contract executed in accordance with this
20 act and approved in an open meeting of the authorizer's
21 governing board.

22 (e) Preopening requirements or conditions.
23 Authorizers may establish reasonable preopening requirements
24 or conditions to monitor the start-up progress of newly
25 approved public charter schools and ensure that they are
26 prepared to open smoothly on the date agreed, and to ensure

1 that each school meets all building, health, safety,
2 insurance, and other legal requirements for school opening.

3 Section 8. (a) Performance framework.

4 (1) The performance provisions within the charter
5 contract shall be based on a performance framework that
6 clearly sets forth the academic and operational performance
7 indicators, measures, and metrics that will guide the
8 authorizer's evaluations of each public charter school. The
9 performance framework shall include indicators, measures, and
10 metrics for, at a minimum:

11 a. Student academic proficiency, which includes, but
12 is not limited to, performance on state standardized
13 assessments.

14 b. Student academic growth, which includes, but is
15 not limited to, performance on state standardized assessments.

16 c. Achievement gaps in both proficiency and growth
17 between major student subgroups.

18 d. Attendance.

19 e. Recurrent enrollment from year to year.

20 f. Postsecondary readiness for high schools.

21 g. Financial performance and sustainability.

22 h. Board performance and stewardship, including
23 compliance with all applicable laws, regulations, and terms of
24 the charter contract.

25 (2) Annual performance targets shall be set by each
26 public charter school in conjunction with its authorizer, and

1 shall be designed to help each school meet applicable federal,
2 state, and authorizer expectations.

3 (3) The performance framework shall allow the
4 inclusion of additional rigorous, valid, and reliable
5 indicators proposed by a public charter school to augment
6 external evaluations of its performance, provided that the
7 authorizer approves the quality and rigor of such
8 school-proposed indicators, and they are consistent with the
9 purposes of this act.

10 (4) The performance framework shall require the
11 disaggregation of all student performance data by major
12 student subgroups (gender, race, poverty status, special
13 education status, English learner status, and gifted status).

14 (5) For each public charter school it oversees, the
15 authorizer shall be responsible for collecting, analyzing, and
16 reporting all data from state assessments in accordance with
17 the performance framework.

18 (6) Multiple schools operating under a single
19 charter contract or overseen by a single governing board shall
20 be required to report their performance as separate,
21 individual schools, and each school shall be held
22 independently accountable for its performance.

23 (b) Ongoing oversight and corrective action.

24 (1) An authorizer shall continually monitor the
25 performance and legal compliance of the public charter schools
26 it oversees, including collecting and analyzing data to
27 support ongoing evaluation according to the charter contract.

1 Every authorizer shall have the authority to conduct or
2 require oversight activities that enable the authorizer to
3 fulfill its responsibilities under this act, including
4 conducting appropriate inquiries and investigations, so long
5 as those activities are consistent with the intent of this
6 act, adhere to the terms of the charter contract, and do not
7 unduly prohibit the autonomy granted to public charter
8 schools.

9 (2) Each authorizer shall annually publish and
10 provide, as part of its annual report to the department and
11 the Legislature, a performance report for each public charter
12 school it oversees, in accordance with the performance
13 framework set forth in the charter contract and subsection (g)
14 of Section 6. The authorizer may require each public charter
15 school it oversees to submit an annual report to assist the
16 authorizer in gathering complete information about each
17 school, consistent with the performance framework.

18 (3) In the event that a public charter school's
19 performance or legal compliance appears unsatisfactory, the
20 authorizer shall promptly notify the public charter school of
21 the perceived problem and provide reasonable opportunity for
22 the school to remedy the problem, unless the problem warrants
23 revocation, in which case the revocation timelines shall
24 apply.

25 (4) Every authorizer shall have the authority to
26 take appropriate corrective actions or exercise sanctions
27 short of revocation in response to apparent deficiencies in

1 public charter school performance or legal compliance. Such
2 actions or sanctions may include, if warranted, requiring a
3 school to develop and execute a corrective action plan within
4 a specified time frame.

5 (c) Renewals, revocations, and nonrenewals.

6 (1) A charter may be renewed for successive
7 five-year terms of duration, although the authorizer may vary
8 the term based on the performance, demonstrated capacities,
9 and particular circumstances of each public charter school. An
10 authorizer may grant renewal with specific conditions for
11 necessary improvement to a public charter school.

12 (2) No later than July 15, the authorizer shall
13 issue a public charter school performance report and charter
14 renewal application guidance to any public charter school
15 whose charter is scheduled to expire the following year. The
16 performance report shall summarize the public charter school's
17 performance record to date, based on the data required by this
18 act and the charter contract, and shall provide notice of any
19 weaknesses or concerns perceived by the authorizer concerning
20 the public charter school that may jeopardize its position in
21 seeking renewal if not timely rectified. The public charter
22 school shall have 15 calendar days to respond to the
23 performance report and submit any corrections or
24 clarifications for the report.

25 (3) The renewal application guidance, at a minimum,
26 shall provide an opportunity for the public charter school to
27 do all of the following:

1 a. Present additional evidence, beyond the data
2 contained in the performance report, supporting its case for
3 charter renewal.

4 b. Describe improvements undertaken or planned for
5 the school.

6 c. Detail the school's plans for the next charter
7 term.

8 (4) The renewal application guidance shall include
9 or refer explicitly to the criteria that will guide the
10 authorizer's renewal decisions, which shall be based on the
11 performance framework set forth in the charter contract and
12 consistent with this act.

13 (5) No later than October 1, the governing board of
14 a public charter school seeking renewal shall submit a renewal
15 application to the charter authorizer pursuant to the renewal
16 application guidance issued by the authorizer. The authorizer
17 shall rule by resolution on the renewal application no later
18 than 30 days after the filing of the renewal application.

19 (6) In making charter renewal decisions, every
20 authorizer shall do all of the following:

21 a. Ground its decisions in evidence of the school's
22 performance over the term of the charter contract in
23 accordance with the performance framework set forth in the
24 charter contract.

25 b. Ensure that data used in making renewal decisions
26 are available to the school and the public.

1 c. Provide a public report summarizing the evidence
2 basis for each decision.

3 (7) A charter contract may be revoked at any time if
4 the authorizer determines that the public charter school did
5 any of the following or otherwise failed to comply with this
6 act:

7 a. Commits a material and substantial violation of
8 any of the terms, conditions, standards, or procedures
9 required under this act or the charter contract.

10 b. Fails to meet or make sufficient progress toward
11 the performance expectations set forth in the charter
12 contract.

13 c. Fails to attain the minimum state proficiency
14 standard for public charter schools in each year of their
15 operation and over the charter term.

16 d. Fails to meet generally accepted standards of
17 fiscal management.

18 e. Substantially violates any material provision of
19 law from which the public charter school was not exempted.

20 (8) An authorizer may non-renew a public charter
21 school if the authorizer determines that the public charter
22 school did any of the following or otherwise failed to comply
23 with this act:

24 a. Commits a material and substantial violation of
25 any of the terms, conditions, standards, or procedures
26 required under this act or the charter contract.

1 b. Fails to meet the performance expectations set
2 forth in the charter contract.

3 c. Fails to meet generally accepted standards of
4 fiscal management.

5 d. Substantially violates any material provision of
6 law from which the public charter school was not exempted.

7 (9) A charter contract shall not be renewed at the
8 end of the contract term if the public charter school fails to
9 meet the performance expectations set forth in the charter
10 contract, or fails to attain the minimum state proficiency
11 standard for public charter schools (minimum state standard)
12 in each year of its operation and over the charter term,
13 unless the public charter school demonstrates and the
14 authorizer affirms, through formal action of its board, that
15 other indicators of strength and exceptional circumstances
16 justify the continued operation of the school. At the time of
17 renewal, any public charter school that has received a grade
18 of F on the statewide accountability system for all public
19 schools pursuant to Section 16-6C-2, Code of Alabama 1975, or
20 a grade of D or F for the past three most recent years shall
21 be considered to fall below the minimum state standard.

22 (10) An authorizer shall develop revocation and
23 nonrenewal processes that do all of the following:

24 a. Provide the charter holders with a timely
25 notification of the prospect of revocation or nonrenewal and
26 of the reasons for such possible closures.

1 b. Allow the charter holders a reasonable amount of
2 time in which to prepare a response.

3 c. Provide the charter holders with an opportunity
4 to submit documents and give testimony challenging the
5 rationale for closure and in support of the continuation of
6 the school at an orderly proceeding held for that purpose.

7 d. Allow the charter holders access to
8 representation by counsel and to call witnesses on their
9 behalf.

10 e. Permit the recordings of such proceedings.

11 f. After a reasonable period for deliberation,
12 require a final determination be made and conveyed in writing
13 to the charter holders.

14 (11) If an authorizer revokes or does not renew a
15 charter, the authorizer shall clearly state, in a resolution,
16 the reasons for the revocation or nonrenewal.

17 (12) Within 15 days of taking action to renew, not
18 renew, or revoke a charter, the authorizer shall report to the
19 department the action taken, and shall provide a copy of the
20 report to the public charter school at the same time that the
21 report is submitted to the department. The report shall
22 include a copy of the authorizer's resolution setting forth
23 the action taken and reasons for the decision and assurances
24 as to compliance with all of the requirements set forth in
25 this act.

26 (d) School closure and dissolution.

1 (1) Prior to any public charter school closure
2 decision, an authorizer shall have developed a public charter
3 school closure protocol to ensure timely notification to
4 parents, orderly transition of students and student records to
5 new schools, and proper disposition of school funds, property,
6 and assets in accordance with the requirements of this act.
7 The protocol shall specify tasks, timelines, and responsible
8 parties, including delineating the respective duties of the
9 school and the authorizer.

10 (2) In the event of a public charter school closure
11 for any reason, the authorizer shall oversee and work with the
12 closing school to ensure a smooth and orderly closure and
13 transition for students and parents, as guided by the closure
14 protocol. In the event of a public charter school closure for
15 any reason, the assets of the school shall be distributed
16 first to satisfy outstanding payroll obligations for employees
17 of the school, then to creditors of the school, and then to
18 the State Treasury to the credit of the Education Trust Fund.
19 If the assets of the school are insufficient to pay all
20 parties to whom the school owes compensation, the
21 prioritization of the distribution of assets may be determined
22 by decree of a court of law.

23 (e) Charter transfers. Transfer of a charter
24 contract, and of oversight of that public charter school, from
25 one authorizer to another before the expiration of the charter
26 term shall not be permitted except by special petition to the
27 department by a public charter school or its authorizer. The

1 department shall review such petitions on a case-by-case basis
2 and may grant transfer requests in response to special
3 circumstances and evidence that such a transfer would serve
4 the best interests of the public charter school's students.

5 (f) Annual report. On or before November 1 of each
6 year beginning in the first year after the state has had
7 public charter schools operating for a full school year, the
8 department shall issue to the Governor, the Legislature, and
9 the public at large, an annual report on the state's public
10 charter schools, drawing from the annual reports submitted by
11 every authorizer as well as any additional relevant data
12 compiled by the department, for the school year ending in the
13 preceding calendar year. The annual report shall include a
14 comparison of the performance of public charter school
15 students with the performance of academically, ethnically, and
16 economically comparable groups of students in non-charter
17 public schools. In addition, the annual report shall include
18 the department's assessment of the successes, challenges, and
19 areas for improvement in meeting the purposes of this act,
20 including the department's recommendations as to any suggested
21 changes in state law or policy necessary to strengthen the
22 state's public charter schools.

23 Section 9. (a) Legal status of a public charter
24 school.

25 (1) Notwithstanding any provision of law to the
26 contrary, to the extent that any provision of this act is
27 inconsistent with any other state or local law, rule, or

1 regulation, the provisions of this act shall govern and be
2 controlling.

3 (2) A public charter school shall be subject to all
4 federal laws and authorities enumerated herein or arranged by
5 charter contract with the school's authorizer, where such
6 contracting is consistent with applicable laws, rules, and
7 regulations.

8 (3) Except as provided in this act, a public charter
9 school shall not be subject to the state's education statutes
10 or any state or local rule, regulation, policy, or procedure
11 relating to non-charter public schools within an applicable
12 local school system regardless of whether such rule,
13 regulation, policy, or procedure is established by the local
14 school board, the State Board of Education, or the State
15 Department of Education.

16 (4) A charter contract may consist of one or more
17 schools, to the extent approved by the authorizer and
18 consistent with applicable law. Each public charter school
19 that is part of a charter contract shall be separate and
20 distinct from any others. In the event that more than one
21 school is approved, the school only counts against the annual
22 public charter school cap in the fiscal year the school is
23 scheduled to open.

24 (5) A single governing board may hold one or more
25 charter contracts. Each public charter school that is part of
26 a charter contract shall be separate and distinct from any
27 others.

1 (6) A start-up public charter school shall function
2 as a local educational agency (LEA). A public charter school
3 shall be responsible for meeting the requirements of LEAs
4 under applicable federal, state, and local laws, including
5 those relating to special education. LEA status shall not
6 preclude a public charter school from developing partnerships
7 with school systems for services, resources, and programs by
8 mutual agreement or formal contract.

9 (7) A conversion public charter school shall remain
10 a part of the LEA in which the non-charter public school
11 existed prior to its conversion to a public charter school.

12 (8) A public charter school shall have primary
13 responsibility for special education at the school, including
14 identification and service provision. It shall be responsible
15 for meeting the needs of enrolled students with disabilities.
16 This does not preclude the public charter school from
17 collaborating with the local school system to meet the needs
18 of any special education student.

19 (b) Powers of public charter schools. A public
20 charter school shall have all the powers necessary for
21 carrying out the terms of its charter contract including the
22 following powers:

23 (1) To receive and disburse funds for school
24 purposes.

25 (2) To secure appropriate insurance and to enter
26 into contracts and leases, free from prevailing wage laws.

1 (3) To contract with an education service provider
2 for the management and operation of the public charter school
3 so long as the school's governing board retains oversight
4 authority over the school.

5 (4) To incur debt in reasonable anticipation of the
6 receipt of public or private funds.

7 (5) To pledge, assign, or encumber its assets to be
8 used as collateral for loans or extensions of credit.

9 (6) To solicit and accept any gifts or grants for
10 school purposes subject to applicable laws and the terms of
11 its charter contract.

12 (7) To acquire real property for use as its facility
13 or facilities, from public or private sources.

14 (8) To sue and be sued in its own name.

15 (c) General requirements.

16 (1) A public charter school shall not discriminate
17 against any person on the basis of race, creed, color, sex,
18 disability, or national origin or any other category that
19 would be unlawful if done by a non-charter public school.

20 (2) No public charter school may engage in any
21 sectarian practices in its educational program, admissions or
22 employment policies, or operations.

23 (3) A public charter school shall not discriminate
24 against any student on the basis of national origin minority
25 status or limited proficiency in English. Consistent with
26 federal civil rights laws, public charter schools shall
27 provide limited English proficient students with appropriate

1 services designed to teach them English and the general
2 curriculum.

3 (4) A public charter school shall not charge tuition
4 and may only charge such fees as may be imposed on other
5 public schools in the state.

6 (5) The powers, obligations, and responsibilities
7 set forth in the charter contract cannot be delegated or
8 assigned by either party.

9 (d) Applicability of other laws, rules, and
10 regulations.

11 (1) Public charter schools shall be subject to the
12 same civil rights, health, and safety requirements, including,
13 but not limited to, state and local public health and building
14 codes, employee fingerprinting and criminal background checks
15 applicable to other public schools in the state, except as
16 otherwise specifically provided in this act.

17 (2) Public charter schools shall be subject to the
18 statewide end-of-year annual standardized assessment as
19 applicable to other public schools in the state, but nothing
20 herein shall preclude a public charter school from
21 establishing additional student assessment measures that go
22 beyond state requirements if the school's authorizer approves
23 such measures.

24 (3) Public charter school governing boards shall be
25 subject to and comply with the Alabama Open Meetings Act and
26 public records laws.

27 (e) Public charter school employees.

1 (1) Public charter schools shall comply with
2 applicable federal laws, rules, and regulations regarding the
3 qualification of teachers and other instructional staff. In
4 accordance with subsection (a), teachers in public charter
5 schools shall be exempt from state teacher certification
6 requirements.

7 (2) Employees in start-up public charter schools are
8 eligible for participation in retirement and other benefits
9 programs of the state, if the start-up public charter school
10 chooses to participate. If the start-up public charter school
11 chooses to participate, the public charter school shall
12 continue to participate in the Retirement Systems of Alabama
13 for the duration of its contract and any renewal terms.
14 Conversion public charter schools are required to participate
15 in the Retirement Systems of Alabama.

16 (3) Public charter school employees cannot be
17 required to be members of any professional association. A
18 public charter school may not interfere, however, with laws
19 and applicable rules protecting the rights of employees to
20 organize and be free from discrimination.

21 (f) Access to extracurricular and interscholastic
22 activities. Nothing in this act shall be construed to prevent
23 a public charter school from forming an athletic team and
24 participating in interscholastic athletics in the State of
25 Alabama. If a public charter school elects for its students to
26 participate in athletic contests or competitions, then the
27 school shall pursue membership in the Alabama High School

1 Athletic Association and shall adhere to all guidelines,
2 rules, regulations, and bylaws as other member schools.

3 Section 10. (a) Enrollment. Students enrolled in and
4 attending public charter schools shall be included in all
5 enrollment and attendance counts of students of the local
6 school system in which the students reside. The public charter
7 school shall report all such data to the local school systems
8 of residence in a timely manner. Each local school system
9 shall report such enrollment, attendance, and other counts of
10 students to the department in the manner required by the
11 department.

12 (b) Operational funding.

13 (1) The following provisions govern operational
14 funding:

15 a. For each of its students, a public charter school
16 shall receive the same amount of state funds, including funds
17 earmarked for transportation, school nurses, technology
18 coordinators, and other line items that may be included in the
19 appropriation for the Foundation Program Fund, that, for the
20 then-current fiscal year, would have otherwise been allocated
21 on behalf of each public charter school student to the local
22 non-charter public school of each student's residence. This
23 amount shall reflect the status of each student according to
24 grade level, economic disadvantage, limited English
25 proficiency, and special education needs.

26 b. For each of its students, a public charter school
27 shall receive the same amount of local tax revenue, that, for

1 the then-current fiscal year, would have otherwise been
2 allocated on behalf of each public charter school student to
3 the local non-charter public school of each student's
4 residence, excluding those funds already earmarked through a
5 vote of the local school board for debt service, capital
6 expenditures, or transportation. As necessary, the department
7 shall promulgate processes and procedures to determine the
8 specific local revenue allocations according to the Foundation
9 Program for each public charter school.

10 c. The state funds described in paragraph a. shall
11 be forwarded on a quarterly basis to the public charter school
12 by the department. The local funds described in paragraph b.
13 shall be forwarded on a quarterly basis to the public charter
14 school by the local educational agency of the student's
15 residence, notwithstanding the oversight fee reductions
16 pursuant to subdivision (6) of subsection (g) of Section 6.
17 Additionally, any local revenues restricted, earmarked, or
18 committed by statutory provision, constitutional provision, or
19 board covenant pledged or imposed by formal action of the
20 local board of education or other authorizing body of
21 government, shall be excluded by the local educational agency
22 of the student's residence when determining the amount of
23 funds to be forwarded by the agency to the public charter
24 school.

25 d. The maximum annual local tax allocation forwarded
26 to a start-up public charter school from a local school system

1 shall, for each student, not exceed the per student portion of
2 the state required 10 mill ad valorem match.

3 e. The maximum annual local tax allocation forwarded
4 to a conversion public charter school from a local school
5 system shall, for each student, equal the amount that would
6 have been received by the local education agency of the
7 student's residence for each student who now attends a
8 conversion public charter school, minus any amounts otherwise
9 excluded pursuant to this section.

10 f. In its first year of operation, a start-up public
11 charter school's enrollment shall be determined by the public
12 charter school's contract with its authorizer. Local and state
13 funds will be distributed based on the number of students
14 articulated in the negotiated charter contract. This
15 application number will serve as the public charter school's
16 Average Daily Membership (ADM). The public charter school
17 shall submit this ADM number to the department in the same
18 manner as other non-charter public schools.

19 g. If necessary, the department shall adopt rules
20 governing how to calculate and distribute these per-student
21 allocations, as well as any rules governing cost-sharing for
22 students participating in specialized gifted, talented,
23 vocational, technical, or career education programs.

24 (2) Categorical funding. The state shall direct the
25 proportionate share of moneys generated under federal and
26 state categorical aid programs to public charter schools
27 serving students eligible for such aid. The state shall ensure

1 that public charter schools with rapidly expanding enrollments
2 are treated equitably in the calculation and disbursement of
3 all federal and state categorical aid program dollars. Each
4 public charter school that serves students who may be eligible
5 to receive services provided through such programs shall
6 comply with all reporting requirements to receive the aid.

7 (3) Special education funding.

8 a. The state shall pay directly to a public charter
9 school any federal or state aid attributable to a student with
10 a disability attending the school.

11 b. At either party's request, a public charter
12 school and its authorizer may negotiate and include in the
13 charter contract alternate arrangements for the provision of
14 and payment for special education services.

15 (4) Generally accepted accounting principles;
16 independent audit.

17 a. A public charter school shall adhere to generally
18 accepted accounting principles.

19 b. A public charter school shall annually engage an
20 external auditor to do an independent audit of the school's
21 finances. A public charter school shall file a copy of each
22 audit report and accompanying management letter to its
23 authorizer by June 1.

24 (5) Transportation funding.

25 a. The department shall disburse state
26 transportation funding to a public charter school on the same

1 basis and in the same manner as it is paid to public school
2 systems.

3 b. A public charter school may enter into a contract
4 with a school system or private provider to provide
5 transportation to the school's students.

6 c. Public charter schools that do not provide
7 transportation services shall not be allocated any federal,
8 state, or local funds otherwise earmarked for
9 transportation-related expenses.

10 Section 11. (a) Access to Alabama Public School and
11 College Authority (PSCA) funds.

12 (1) Public charter schools shall have the same
13 rights and access to PSCA funding opportunities as non-charter
14 public schools.

15 (2) The PSCA and the department shall adopt and
16 maintain a policy to ensure that public charter schools
17 receive access to equitable facilities funding.

18 (b) Access to local school system facilities and
19 land.

20 (1) A public charter school shall have a right of
21 first refusal to purchase or lease at or below fair market
22 value a closed public school facility or property located in a
23 school system from which it draws its students if the school
24 system decides to sell or lease the public school facility or
25 property.

26 (2) Unused facility means a school building or other
27 local board of education owned building that is or could be

1 appropriate for school use, in which more than 60 percent of
2 the building is not being used for direct student instruction
3 or critical administration purposes and for which no offer to
4 purchase has been executed.

5 (3) The department shall publish the names and
6 addresses of unused facilities on its website in a list that
7 is searchable at least by each facility's name and address.
8 This list shall be updated at least once a year by May 1.

9 Section 12. The provisions of this act are
10 severable. If any part of this act is declared invalid or
11 unconstitutional, that declaration shall not affect the part
12 that remains.

13 Section 13. This act shall become effective on the
14 first day of the third month following its passage and
15 approval by the Governor, or its otherwise becoming law.