

1 SB300
2 182280-3
3 By Senator Marsh
4 RFD: Education and Youth Affairs
5 First Read: 14-MAR-17

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8 SYNOPSIS: Under existing law, the Alabama School
9 Choice and Student Opportunity Act establishes the
10 Alabama Public Charter School Commission and
11 provides the process for establishing and
12 maintaining public charter schools in the state.

13 This bill would provide that the 10 members
14 of the Alabama Public Charter School Commission
15 currently appointed by the State Board of Education
16 from nominees recommended by the Governor,
17 Lieutenant Governor, President Pro Tempore of the
18 Senate, and Speaker of the House of Representatives
19 be appointed by the Governor, the Lieutenant
20 Governor, the President Pro Tempore of the Senate,
21 and the Speaker of the House of Representatives and
22 would authorize the commission to employ necessary
23 staff.

24 Under existing law, a public charter school
25 may be authorized only by a local school board or
26 the Alabama Public Charter School Commission.

1 This bill would require the State Department
2 of Education to annually publish a list of
3 registered local authorizers and would allow an
4 applicant to apply directly to the commission if a
5 particular school system is not listed.

6 This bill would provide further for
7 deadlines on the statewide timeline for local
8 authorizer applications.

9 This bill would permit authorizers to
10 encourage proposals that include a specific
11 academic approach or theme.

12 This bill would increase the length of time
13 during which an authorizer and the governing board
14 of an approved public charter school are required
15 to execute a charter contract from 60 to 120 days.

16 This bill would also revise provisions
17 relating to operational funding of public charter
18 schools and would require the forwarding of certain
19 state funds by the department to the public charter
20 school on a monthly basis in lieu of a quarterly
21 basis.

22
23 A BILL
24 TO BE ENTITLED
25 AN ACT
26

1 Relating to the Alabama School Choice and Student
2 Opportunity Act; to amend Sections 16-6F-6, 16-6F-7, and
3 16-6F-10, Code of Alabama 1975, to provide for the appointment
4 of 10 members of the Alabama Public Charter School Commission,
5 currently appointed by the State Board of Education from
6 nominees recommended by the Governor, Lieutenant Governor,
7 President Pro Tempore of the Senate, and Speaker of the House
8 of Representatives, by those officials; to authorize the
9 commission to employ necessary staff; to require the State
10 Department of Education to annually publish a list of
11 registered local authorizers of public charter schools and
12 allow an applicant to apply directly to the commission if a
13 particular school system is not listed; to provide further for
14 deadlines on the statewide timeline for local authorizer
15 applications; to permit authorizers to encourage proposals
16 including specific academic approaches or themes; to increase
17 the length of time during which an authorizer and the
18 governing board of an approved public charter school are
19 required to execute a charter contract from 60 to 120 days; to
20 revise certain operational funding of public charter schools'
21 provisions; and to require the forwarding of certain state
22 funds by the department to public charter schools on a monthly
23 basis in lieu of a quarterly basis.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. Sections 16-6F-6, 16-6F-7, and 16-6F-10
26 of the Code of Alabama 1975, are amended to read as follows:

27 "§16-6F-6.

1 "(a) Eligible authorizing entities.

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

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

12 "b. The Alabama Public Charter School Commission,
13 pursuant to this section.

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

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

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

25 "a. An application to form a public charter school
26 is 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) The cap expires on April 1 immediately
15 following the conclusion of the fiscal year beginning October
16 1, 2020.

17 "(4) At the conclusion of the fiscal year beginning
18 October 1, 2020, the department shall submit a report to the
19 Legislature outlining the performance of both start-up and
20 conversion public charter schools. This report shall include,
21 at a minimum, academic performance of all public charter
22 schools in the state, a detailed update on the authorizing
23 process, and recommendations for adjustments to public charter
24 school governance and oversight.

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

27 "(c) The Alabama Public Charter School Commission.

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

3 "(2) The mission of the commission is to authorize
4 high quality public charter schools, in accordance with the
5 powers expressly conferred on the commission in this chapter.

6 "(3) The commission shall be composed of a total of
7 11 members.

8 "a. The initial membership of the commission shall
9 be appointed as follows:

10 "1. The State Board of Education shall appoint 10
11 members, made up of four appointees recommended by the
12 Governor, one appointee recommended by the Lieutenant
13 Governor, two appointees recommended by the President Pro
14 Tempore of the Senate, and three appointees recommended by the
15 Speaker of the House of Representatives. The Governor, the
16 Lieutenant Governor, the President Pro Tempore of the Senate,
17 and the Speaker of the House of Representatives shall each
18 recommend a list of no fewer than two nominees for each
19 initial appointment to the commission. One recommended initial
20 appointee of the President Pro Tempore of the Senate and one
21 recommended initial appointee of the Speaker of the House of
22 Representatives shall be an appointee recommended by members
23 of the Senate minority party and members of the House minority
24 party, respectively. No initial commission member can be
25 appointed unless he or she has been recommended by the
26 Governor, Lieutenant Governor, President Pro Tempore of the
27 Senate, or the Speaker of the House of Representatives.

1 "2. Commencing on the effective date of the act
2 adding this subparagraph, as the terms of members expire, the
3 nominating authority for the respective member of the
4 commission shall be the appointing authority for his or her
5 successor on the commission so that the Governor shall appoint
6 four members to the commission, the Lieutenant Governor shall
7 appoint one member to the commission, the President Pro
8 Tempore of the Senate shall appoint two members to the
9 commission, and the Speaker of the House of Representatives
10 shall appoint three members to the commission.

11 "(4) The eleventh member of the commission shall be
12 a rotating position based on the local school system where the
13 application was denied. This member appointed to the rotating
14 position shall be appointed by the local school system where
15 the applicant is seeking to open a public charter school. The
16 local school system shall appoint a member to the rotating
17 position through board action specifically to consider that
18 application.

19 "(5) The appointing authorities of the commission
20 members shall strive to select individuals that collectively
21 possess strong experience and expertise in public and
22 nonprofit governance, strategic planning, management and
23 finance, public school leadership, assessment, curriculum and
24 instruction, and public education law. Each member of the
25 commission shall have demonstrated understanding of and
26 commitment to charter schooling as a tool for strengthening

1 public education and shall sign an agreement to hear the
2 appeal and review documents in a fair and impartial manner.

3 "(6) Membership of the commission shall be inclusive
4 and reflect the racial, gender, geographic, urban/rural, and
5 economic diversity of the state. The appointing authority
6 shall consider the eight State Board of Education districts in
7 determining the geographical diversity of the commission.

8 "(7) The initial appointments to the commission
9 shall be made no later than June 1, 2015. Two recommended
10 appointees of the Governor, one recommended appointee of the
11 Lieutenant Governor, one recommended appointee of the Speaker
12 of the House of Representatives, and one recommended appointee
13 of the President Pro Tempore of the Senate shall serve an
14 initial term of one year and two recommended appointees of the
15 Governor, two recommended appointees of the Speaker of the
16 House of Representatives, and one recommended appointee of the
17 President Pro Tempore of the Senate shall serve an initial
18 term of two years. Thereafter, all appointees shall serve
19 two-year terms of office. All appointments shall be eligible
20 for reappointment as determined by the appointing authority,
21 not to exceed a total of six years of service, unless the
22 member was initially appointed to serve a one-year term of
23 office. If the initial term of office of an appointee was one
24 year, he or she may serve a total of five years of service on
25 the commission.

26 "(8) A member of the commission may be removed for
27 failure to perform the duties of the appointment. Whenever a

1 vacancy on the commission exists, the appointing authority,
2 within 60 days after the vacancy occurs, shall appoint a
3 member for the remaining portion of the term in the same
4 manner as the original appointment was made. A member of the
5 commission shall abstain from any vote that involves a local
6 school system of which he or she is an employee or which he or
7 she oversees as a member of a local school board. The
8 requirement to abstain does not apply to the rotating position
9 on the commission.

10 "(9) Six members of the commission constitute a
11 quorum, and a quorum shall be necessary to transact business.
12 Actions of the commission shall be by a majority vote of the
13 commission. The commission, in all respects, shall comply with
14 the Alabama Open Meetings Act and state record laws.
15 Notwithstanding the preceding sentence, members of the
16 commission may participate in a meeting of the commission by
17 means of telephone conference, video conference, or similar
18 communications equipment by means of which all persons
19 participating in the meeting may hear each other at the same
20 time. Participation by such means shall constitute presence in
21 person at a meeting for all purposes, including the
22 establishment of a quorum. Telephone or video conference or
23 similar communications equipment shall also allow members of
24 the public the opportunity to simultaneously listen to or
25 observe meetings of the commission.

26 "(10) If the commission overrules the decision of a
27 local school board and chooses to authorize the establishment

1 of a public charter school in that local school system, the
2 commission shall serve as the authorizer for that public
3 charter school, pursuant to this chapter.

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

5 "a. Utilize professional and administrative staff of
6 the department as recommended by the State Superintendent of
7 Education.

8 "b. Adopt rules for the operation and organization
9 of the commission.

10 "c. Review, at least once per year, department rules
11 and regulations concerning public charter schools and, if
12 needed, recommend to the State Superintendent of Education any
13 rule or regulation changes deemed necessary.

14 "d. Convene stakeholder groups and engage experts.

15 "e. Seek and receive state, federal, and private
16 funds for operational expenses.

17 "f. A commission member may not receive
18 compensation, but shall be reimbursed by the department for
19 travel and per diem expenses at the same rates and in the same
20 manner as state employees.

21 "g. The commission shall submit an annual report to
22 the department pursuant to subsection (g).

23 "h. Employ staff to coordinate commission business.

24 "(12) In order to overrule the decision of a local
25 school board and authorize a public charter school, the
26 commission, in its own consideration of the application, shall
27 do all of the following:

1 "a. Find evidence of a thorough and high-quality
2 public charter school application from the applicant based on
3 the authorizing standards in subdivision (8) of subsection (a)
4 of Section 16-6F-7.

5 "b. Hold an open community hearing opportunity for
6 public comment within the local school system where the
7 application was denied.

8 "c. Find that the local board's denial of an
9 original charter application was not supported by the
10 application and exhibits or that the identified educational
11 needs of the local school board did not reflect the
12 priorities, practices, or strategic plan of the school system.

13 "d. Take into consideration 1. other existing
14 charter school applications, 2. the quality of school options
15 existing in the affected community, 3. the existence of other
16 charter schools, and 4. any other factors considered relevant
17 to ensure the establishment of high-quality charter schools in
18 accordance with the intent of this chapter.

19 "e. Find evidence that the local school board erred
20 in its application of nationally recognized authorizing
21 standards.

22 "(d) A local school board may register with the
23 department for chartering authority within the boundaries of
24 the school system overseen by the local school board. The
25 department shall publicize to all local school boards the
26 opportunity to register with the state for chartering
27 authority within the school system they oversee. By June 1 of

1 each year, the department shall provide information about the
2 opportunity, including a registration deadline, to all local
3 school boards. By September 1 of each year, the department
4 shall publish a list of registered local authorizers for that
5 calendar year. If a school system is not listed by the
6 September 1 deadline, an applicant may apply directly to the
7 commission to open a school within the borders of the school
8 system during the application cycle for that year. To register
9 as a charter authorizer in its school system, each interested
10 local school board shall submit the following information in a
11 format to be established by the department:

12 "(1) Written notification of intent to serve as a
13 charter authorizer in accordance with this chapter.

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

18 "(3) An explanation of the local school board's
19 strategic vision for chartering.

20 "(4) An explanation of how the local school board
21 plans to solicit public charter school applicants, in
22 accordance with this chapter.

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

1 "(6) A draft of the local school board's renewal,
2 revocation, and nonrenewal processes, consistent with
3 subsection (c) of Section 16-6F-8.

4 "(7) A statement of assurance that the local school
5 board commits to serving as a charter authorizer and shall
6 fully participate in any authorizer training provided or
7 required by the state.

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

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

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

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

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

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

24 "(5) Negotiate and execute charter contracts with
25 each approved public charter school.

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

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

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

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

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

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

19 "a. Approved, but not yet open.

20 "b. Open and operating.

21 "c. Terminated.

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

24 "e. Never opened.

25 "(4) The oversight and services, if any, provided by
26 the authorizer to the public charter schools under the purview
27 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) All use of taxpayer dollars including
7 expenditures, contracts, and revenues.

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

12 "(1) Expend its own resources, seek grant funds, and
13 establish partnerships to support its public charter school
14 authorizing activities.

15 "(2) Charge a portion of annual per student state
16 allocations received by each public charter school it
17 authorizes based on the following schedule:

18 "a. If the local school board has oversight over one
19 to three, inclusive, public charter schools: Three percent of
20 annual per student state allocations.

21 "b. If the local school board has oversight over
22 four to five, inclusive, public charter schools: Two percent
23 of annual per student state allocations.

24 "c. If the local school board has oversight over six
25 to 10, inclusive, public charter schools: One percent of
26 annual per student state allocations.

1 "d. These funds shall be used to cover the costs for
2 a local school board to provide authorizing services to its
3 public charter schools.

4 "(i) An employee, agent, or representative of an
5 authorizer may not simultaneously serve as an employee, agent,
6 representative, vendor, or contractor of a public charter
7 school of that authorizer.

8 "(j) With the exception of charges for oversight
9 services as required in subsection (h), a public charter
10 school may not be required to purchase services from its
11 authorizer as a condition of charter approval or of a charter
12 contract, nor may any such condition be implied.

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

25 "(l) The department shall oversee the performance
26 and effectiveness of all authorizers established under this
27 chapter. Persistently unsatisfactory performance of the

1 portfolio of the public charter schools of an authorizer, a
2 pattern of well-founded complaints about the authorizer or its
3 public charter schools, or other objective circumstances may
4 trigger a special review by the department. In reviewing and
5 evaluating the performance of an authorizer, the department
6 shall apply nationally recognized standards for quality in
7 charter authorizing. If, at any time, the department finds
8 that an authorizer is not in compliance with an existing
9 charter contract or the requirements of all authorizers under
10 this chapter, the department shall notify the authorizer in
11 writing of any identified problem, and the authorizer shall
12 have reasonable opportunity to respond and remedy the problem.

13 "(m) If a local school board acting as an authorizer
14 persists in violating a material provision of a charter
15 contract or fails to remedy any other authorizing problem
16 after due notice from the department, the department shall
17 notify the local school board, within 60 days, that it intends
18 to revoke the chartering authority of the local school board
19 unless the local school board demonstrates a timely and
20 satisfactory remedy for the violation or deficiencies.

21 "(n) If the commission violates a material provision
22 of a charter contract or fails to remedy any other authorizing
23 problems after due notice from the department, the department
24 shall notify the commission, within 60 days, that it intends
25 to notify the Governor, the Speaker of the House of
26 Representatives, and the President Pro Tempore of the Senate
27 of the actions of the commission unless the commission

1 demonstrates a timely and satisfactory remedy for the
2 violation of the deficiencies. Along with this notification,
3 the department shall publicly request in writing that the
4 Governor, the Speaker of the House of Representatives, and the
5 President Pro Tempore appointees comply with the requests of
6 the department or face a revocation of their appointment to
7 the commission.

8 "(o) In the event of revocation of the chartering
9 authority of an authorizer, the department shall manage the
10 timely and orderly transfer of each charter contract held by
11 that authorizer to another authorizer in the state, with the
12 mutual agreement of each affected public charter school and
13 proposed new authorizer. The new authorizer shall assume the
14 existing charter contract for the remainder of the charter
15 term.

16 "(p) Authorizer power, duties, and liabilities.
17 Authorizers are responsible for executing, in accordance with
18 this chapter, the following essential powers and duties:

19 "(1) Soliciting and evaluating charter applications
20 based on nationally recognized standards.

21 "(2) Approving quality charter applications that
22 meet identified educational needs and promote a diversity of
23 high-quality educational choices.

24 "(3) Declining to approve weak or inadequate charter
25 applications.

26 "(4) Negotiating and executing charter contracts
27 with each approved public charter school.

1 "(5) Monitoring, in accordance with charter contract
2 terms, the performance and legal compliance of public charter
3 schools.

4 "(6) Determining whether each charter contract
5 merits renewal, nonrenewal, or revocation.

6 "(q) An authorizer that grants a charter to a
7 501(c)(3) tax-exempt organization for the purpose of opening
8 and operating a public charter school is not liable for the
9 debts or obligations of the public charter school, or for
10 claims arising from the performance of acts, errors, or
11 omissions by the charter school, if the authorizer has
12 complied with all oversight responsibilities required by law,
13 including, but not limited to, those required by this chapter.

14 "(r) Principles and standards for charter
15 authorizing.

16 "(1) All authorizers shall be required to develop
17 and maintain chartering policies and practices consistent with
18 nationally recognized principles and standards for quality
19 charter authorizing in all major areas of authorizing
20 responsibility including: Organizational capacity and
21 infrastructure; soliciting and evaluating charter
22 applications; performance contracting; ongoing public charter
23 school oversight and evaluation; and charter renewal
24 decision-making. The State Board of Education shall promulgate
25 reasonable rules and regulations to effectuate this section by
26 June 17, 2015.

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

7 "§16-6F-7.

8 "(a) Request for proposals.

9 "(1) To solicit, encourage, and guide the
10 development of quality public charter school applications,
11 every local school board, in its role as public charter school
12 authorizer, shall issue and broadly publicize a request for
13 proposals for public charter school applications by July 17,
14 2015, and by November 1 in each subsequent year. The content
15 and dissemination of the request for proposals shall be
16 consistent with the purposes and requirements of this act.

17 "(2) Public charter school applicants may submit a
18 proposal for a particular public charter school to no more
19 than one local school board at a time.

20 "(3) The department shall annually establish and
21 disseminate a statewide timeline for charter approval or
22 denial decisions, which shall apply to all local authorizers
23 in the state. The timeline shall include deadlines that
24 require applications to be approved or denied 12 months prior
25 to the proposed opening of a school.

26 "(4) Each local school board's request for proposals
27 shall present the board's strategic vision for chartering,

1 including a clear statement of any preferences the board
2 wishes to grant to applications that help at-risk students.

3 "(5) The request for proposals shall include or
4 otherwise direct applicants to the performance framework that
5 the authorizer has developed for public charter school
6 oversight and evaluation in accordance with this chapter.

7 "(6) The request for proposals shall include the
8 criteria that will guide the authorizer's decision to approve
9 or deny a charter application.

10 "(7) The request for proposals shall state clear,
11 appropriately detailed questions as well as guidelines
12 concerning the format and content essential for applicants to
13 demonstrate the capacities necessary to establish and operate
14 a successful public charter school.

15 "(8) The request for proposals shall require charter
16 applications to provide or describe thoroughly all of the
17 following essential elements of the proposed school plan:

18 "a. An executive summary.

19 "b. The mission and vision of the proposed public
20 charter school, including identification of the targeted
21 student population and the community the school hopes to
22 serve.

23 "c. The location or geographic area proposed for the
24 school.

25 "d. The grades to be served each year for the full
26 term of the charter contract.

1 "e. Minimum, planned, and maximum enrollment per
2 grade per year for the term of the charter contract.

3 "f. Evidence of need and community support for the
4 proposed public charter school.

5 "g. A brief biography regarding the expertise and
6 background on the proposed founding governing members and the
7 proposed school leadership and management team.

8 "h. The school's proposed calendar and sample daily
9 schedule.

10 "i. A description of the academic program.

11 "j. A description of the school's instructional
12 design, including the type of learning environment, such as
13 classroom-based or independent study, class size and
14 structure, curriculum overview, and teaching methods.

15 "k. The school's plan for using internal and
16 external assessments to measure and report student progress.

17 "l. The school's plan for identifying and
18 successfully serving students with disabilities, students who
19 are English language learners, students who are academically
20 behind, and gifted students, including, but not limited to,
21 compliance with applicable laws and regulations.

22 "m. A description of cocurricular or extracurricular
23 programs and how they will be funded and delivered.

24 "n. Plans and timelines for student recruitment and
25 enrollment, including random selection procedures in the event
26 that interest exceeds capacity.

1 "o. The school's student discipline policies,
2 including those for special education students.

3 "p. An organization chart that clearly presents the
4 school's organizational structure, including lines of
5 authority and reporting between the governing board, staff,
6 any related bodies, such as advisory bodies or parent and
7 teacher councils, and any external organizations that will
8 play a role in managing the school.

9 "q. A clear description of the roles and
10 responsibilities for the governing board, the school's
11 leadership and management team, and any other entities shown
12 in the organization chart.

13 "r. A staffing chart for the school's first year,
14 and a staffing plan for the term of the charter.

15 "s. Plans for recruiting and developing school
16 leadership and staff.

17 "t. The school's leadership and teacher employment
18 policies, including performance evaluation plans.

19 "u. Proposed governing bylaws.

20 "v. Explanations of any partnerships or contractual
21 relationships central to the school's operations or mission.

22 "w. The school's plans for providing transportation,
23 food service, and all other significant operational or
24 ancillary services.

25 "x. Opportunities and expectations for parental
26 involvement.

1 "y. A detailed school start-up plan, identifying
2 tasks, timelines, and responsible individuals.

3 "z. Description of the school's financial plan and
4 policies, including financial controls and audit requirements.
5 This plan shall include a disclosure of all donations of
6 private funding, if any, including, but not limited to, gifts
7 received from foreign governments, foreign legal entities,
8 and, when reasonably known, domestic entities affiliated with
9 either foreign governments or foreign legal entities.

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. In the case of an applicant who has submitted
19 an application for 501(c)(3) tax-exempt status, but has not
20 yet been approved for 501(c)(3) tax-exempt status, the
21 applicant shall submit a copy of the application for 501(c)(3)
22 tax-exempt status.

23 "ff. Authorizers may encourage, but may not require,
24 proposals that include a specific academic approach or theme
25 to address the diverse educational needs of communities in the
26 state. A request for proposals shall include a clear statement

1 of any preference the authorizer wishes to grant to particular
2 types of applications.

3 "~~ff.gg.~~ Any other item that the authorizer deems
4 appropriate to assess the applicant's ability to successfully
5 open and operate a public charter school.

6 "(9) Conversion public charter schools. A local
7 school board may convert a non-charter public school to a
8 public charter school.

9 "a. Any local school board's decision to convert a
10 school is not appealable to the commission.

11 "1. After identifying the non-charter public school
12 it has decided to convert to a public charter school, a local
13 school board shall release a request for proposals, allowing
14 education service providers the opportunity to submit
15 applications to manage the specific school as a public charter
16 school under the terms of this chapter.

17 "2. The conversion must occur at the beginning of an
18 academic school year and shall be subject to compliance with
19 this chapter.

20 "3. At the time of conversion to a public charter
21 school, any teacher or administrator in the newly converted
22 public charter school shall have the opportunity to interview
23 for a position in the public charter school. The public
24 charter school is under no obligation to hire any teacher or
25 administrator.

26 "4. At the time of conversion to a public charter
27 school, any teacher or administrator in the public charter

1 school may be allowed to transfer into vacant positions for
2 which they are both certified and qualified in other schools
3 in the school system prior to the hiring of new personnel for
4 those vacant positions.

5 "5. If personnel reductions are contemplated as the
6 result of a conversion to a charter model, that shall be
7 clearly stated in the application. An approved conversion
8 shall constitute decreased student enrollment or a shortage of
9 revenues, or both, for the purposes of the local school board
10 implementing a reduction in force pursuant to Section 16-1-33.

11 "b. After an education service provider has been
12 identified to manage the non-charter public school, the local
13 school board shall negotiate a performance contract with the
14 selected education service provider as set forth in
15 subdivision (1) of subsection (e).

16 "(10) In the case of a proposed public charter
17 school that intends to contract with an education service
18 provider for substantial education services, management
19 services, or both types of services, the request for proposals
20 shall additionally require the applicants to do all of the
21 following:

22 "a. Provide evidence of the education service
23 provider's success in serving student populations similar to
24 the targeted population, including demonstrated academic
25 achievement as well as successful management of nonacademic
26 school functions, if applicable.

1 "b. Provide a term sheet setting forth the proposed
2 duration of the service contract; roles and responsibilities
3 of the governing board; the school staff; and the education
4 service provider; scope of services and resources to be
5 provided by the education service provider; performance
6 evaluation measures and timelines; compensation structure,
7 including clear identification of all fees to be paid to the
8 education service provider; methods of contract oversight and
9 enforcement; investment disclosure; and conditions for renewal
10 and termination of the contract.

11 "c. Disclose and explain any existing or potential
12 conflicts of interest between the school governing board and
13 proposed education service provider or any affiliated business
14 entities.

15 "(11) In the case of a public charter school
16 proposal from an applicant that currently operates one or more
17 schools inside or outside of Alabama, the request for
18 proposals shall additionally require the applicant to provide
19 evidence of past performance and current ability to manage for
20 growth.

21 "(b) Application decision-making process.

22 "(1) In evaluating and reviewing charter
23 applications, authorizers shall employ procedures, practices,
24 and criteria consistent with nationally recognized principles
25 and standards for quality charter authorizing. The application
26 review process shall include thorough evaluation of each
27 written charter application, an in-person interview with the

1 applicant group, and an opportunity in a public forum for
2 local residents to learn about and provide input on each
3 application.

4 "(2) In deciding whether to approve charter
5 applications, authorizers shall do all of the following:

6 "a. Grant charters only to applicants that have
7 demonstrated competence in each element of the authorizer's
8 published approval criteria and are likely to open and operate
9 a successful public charter school.

10 "b. Base decisions on documented evidence collected
11 through the application review process.

12 "c. Follow charter-granting policies and practices
13 that are transparent, based on merit, and avoid conflicts of
14 interest or any appearance thereof.

15 "d. In the case of the commission, require
16 significant and objective evidence of interest for the public
17 charter school from the community the public charter school
18 wishes to serve.

19 "(3) An authorizer shall not approve a public
20 charter school application that includes any of the following:

21 "a. Admissions requirements for entry, including,
22 but not limited to academic proficiency, particular skills or
23 competencies, or financial means.

24 "b. Any parochial or religious theme.

25 "(4) No later than 60 days after the filing of the
26 charter application, the authorizer shall decide to approve or
27 deny the charter application; however, an application

1 submitted by a public historically black college or university
2 (HBCU), in partnership with a national nonprofit public HBCU
3 support organization, for a charter school to be operated on
4 or near the campus of the HBCU may be considered for expedited
5 approval by the authorizer. The authorizer shall adopt by
6 resolution all charter approval or denial decisions in an open
7 meeting. If no action is taken on the application within 60
8 days, the application shall be considered denied and the
9 applicant may appeal the decision to the commission.

10 "(5) An approval decision may include, if
11 appropriate, reasonable conditions that the charter applicant
12 must meet before a charter contract may be executed pursuant
13 to this section.

14 "(6) For any charter denial, the authorizer shall
15 clearly state, for public record, its reasons for denial. A
16 denied applicant may subsequently reapply to that board the
17 following year or appeal the denial to the commission.

18 "(7) Within ~~30~~ seven days of taking action to
19 approve or deny a charter application, the authorizer shall
20 report to the department the action it has taken. The
21 authorizer shall provide a copy of the report to the charter
22 applicant at the same time that the report is submitted to the
23 department. The report shall include a copy of the
24 authorizer's resolution setting forth the action taken and
25 reasons for the decision and assurances as to compliance with
26 all of the procedural requirements and application elements
27 set forth in this section.

1 "(c) (1) The applicant for a public charter school,
2 the local school board for the district in which a public
3 charter school is proposed to be located, and the authorizer
4 shall carefully review the potential impact of an application
5 for a public charter school on the efforts of the local school
6 system to comply with court orders and statutory obligations
7 for creating and maintaining a unitary system of desegregated
8 public schools.

9 "(2) The authorizer shall attempt to measure the
10 likely impact of a proposed public charter school on the
11 efforts of local school systems to achieve and maintain a
12 unitary system.

13 ~~"(3) The authorizer shall not approve any public
14 charter school under this chapter that hampers, delays, or in
15 any manner negatively affects the desegregation efforts of a
16 local school system.~~

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

26 "(e) Charter contracts.

1 "(1) Within ~~60~~ 120 days of approval of a charter
2 application, the authorizer and the governing board of the
3 approved public charter school shall execute a charter
4 contract that clearly sets forth the academic and operational
5 performance expectations and measures by which the public
6 charter school will be judged and the administrative
7 relationship between the authorizer and the public charter
8 school, including each party's rights and duties. The charter
9 contract shall also include a statement of the amount of
10 funding and a payment schedule detailing when those funds will
11 be provided to the charter school. The performance
12 expectations and measures set forth in the charter contract
13 shall include, but need not be limited to, applicable federal
14 and state accountability requirements. The performance
15 provisions may be refined or amended by mutual agreement after
16 the public charter school is operating and has collected
17 baseline achievement data for its enrolled students. A
18 governing board shall have received 501(c)(3) tax exempt
19 status before beginning charter contract negotiations.

20 "(2) The charter contract shall be signed by the
21 president of the authorizer's board and the president of the
22 public charter school's governing body. Within 10 days of
23 executing a charter contract, the authorizer shall submit to
24 the department written notification of the executed charter
25 contract and any attachments.

26 "(3) No public charter school may commence
27 operations without a charter contract executed in accordance

1 with this chapter and approved in an open meeting of the
2 authorizer's governing board.

3 "(f) Preopening requirements or conditions.

4 Authorizers may establish reasonable preopening requirements
5 or conditions to monitor the start-up progress of newly
6 approved public charter schools and ensure that they are
7 prepared to open smoothly on the date agreed, and to ensure
8 that each school meets all building, health, safety,
9 insurance, and other legal requirements for school opening.

10 "§16-6F-10.

11 "(a) Enrollment. Students enrolled in and attending
12 public charter schools shall be included in all enrollment and
13 attendance counts of students of the local school system in
14 which the students reside. The public charter school shall
15 report all such data to the local school systems of residence
16 in a timely manner. Each local school system shall report such
17 enrollment, attendance, and other counts of students to the
18 department in the manner required by the department.

19 "(b) Operational funding.

20 "(1) The following provisions govern operational
21 funding:

22 "a. In their initial year, and in subsequent years
23 to accommodate growth as articulated in their application,
24 funding for public charter schools shall be provided from the
25 Education Trust Fund in the Foundation Program appropriation
26 for current units. Subsequent year funding for public charter

1 schools shall be based on the Foundation Program allocation
2 and other public school Education Trust Fund appropriations.

3 "b. For each of its students, a public charter
4 school shall receive from the state the same amount of gross
5 Foundation Program funds, as well as state funds, including
6 funds earmarked for ~~the Foundation Program~~ transportation,
7 school nurses, technology coordinators, and other line items
8 that may be included in the state appropriation ~~for the~~
9 ~~Foundation Program Fund, that, for the then-current fiscal~~
10 ~~year, and~~ and would have otherwise been allocated on behalf of
11 each public charter school student to the local school system
12 where the student resides. ~~This amount shall reflect the~~
13 ~~status of each student according to grade level, economic~~
14 ~~disadvantage, limited English proficiency, and special~~
15 ~~education needs~~ Any additional funds shall be forwarded to the
16 charter school from the local school system only if agreed
17 upon by mutual consent of the local board of education and the
18 charter school governing board.

19 "c. ~~For each of its students, a public charter~~
20 ~~school shall receive the same amount of local tax revenue,~~
21 ~~that, for the then-current fiscal year, would have otherwise~~
22 ~~been allocated on behalf of each public charter school student~~
23 ~~to the local non-charter public school of each student's~~
24 ~~residence, excluding those funds already earmarked through a~~
25 ~~vote of the local school board for debt service, capital~~
26 ~~expenditures, or transportation. As necessary, the department~~
27 ~~shall promulgate processes and procedures to determine the~~

1 ~~specific local revenue allocations according to the Foundation~~
2 ~~Program for each public charter school.~~

3 "d.c. The state funds described in paragraph a.
4 shall be forwarded on a ~~quarterly~~ monthly basis to the public
5 charter school by the department. The local funds described in
6 paragraph b. shall be forwarded on a ~~quarterly~~ monthly basis
7 to the public charter school by the local educational agency
8 of the student's residence, notwithstanding the oversight fee
9 reductions pursuant to Section 16-6F-6. ~~Additionally, any~~
10 ~~local revenues restricted, earmarked, or committed by~~
11 ~~statutory provision, constitutional provision, or board~~
12 ~~covenant pledged or imposed by formal action of the local~~
13 ~~board of education or other authorizing body of government,~~
14 ~~shall be excluded by the local educational agency of the~~
15 ~~student's residence when determining the amount of funds to be~~
16 ~~forwarded by the agency to the public charter school.~~

17 "e. ~~The maximum annual local tax allocation~~
18 ~~forwarded to a start-up public charter school from a local~~
19 ~~school system shall, for each student, not exceed the per~~
20 ~~student portion of the state required 10 mill ad valorem~~
21 ~~match.~~

22 "f.d. The maximum annual local tax allocation
23 forwarded to a conversion public charter school from a local
24 school system shall, for each student, equal the amount that
25 would have been received by the local education agency of the
26 student's residence for each student who now attends a

1 conversion public charter school, minus any amounts otherwise
2 excluded pursuant to this section.

3 "g.e. If necessary, the department shall adopt rules
4 governing how to calculate and distribute these per-student
5 allocations, as well as any rules governing cost-sharing for
6 students participating in specialized gifted, talented,
7 vocational, technical, or career education programs.

8 "(2) Categorical funding. The department shall
9 direct the proportionate share of moneys generated under
10 federal and state categorical aid programs to public charter
11 schools serving students eligible for such aid. The state
12 shall ensure that public charter schools with rapidly
13 expanding enrollments are treated equitably in the calculation
14 and disbursement of all federal and state categorical aid
15 program dollars. Each public charter school that serves
16 students who may be eligible to receive services provided
17 through such programs shall comply with all reporting
18 requirements to receive the aid.

19 "(3) Special education funding.

20 "a. The state shall pay directly to a public charter
21 school any federal or state aid attributable to a student with
22 a disability attending the school.

23 "b. At either party's request, a public charter
24 school and its authorizer may negotiate and include in the
25 charter contract alternate arrangements for the provision of
26 and payment for special education services.

1 "(4) Generally accepted accounting principles;
2 independent audit.

3 "a. A public charter school shall adhere to
4 generally accepted accounting principles.

5 "b. A public charter school shall annually engage an
6 independent certified public accountant to do an independent
7 audit of the school's finances. A public charter school shall
8 file a copy of each audit report and accompanying management
9 letter to its authorizer by June 1. This audit shall include
10 the same requirements as those required of local school system
11 pursuant to Section 16-13A-7.

12 "(5) Transportation funding.

13 "a. The department shall disburse state
14 transportation funding to a public charter school on the same
15 basis and in the same manner as it is paid to public school
16 systems.

17 "b. A public charter school may enter into a
18 contract with a school system or private provider to provide
19 transportation to the school's students.

20 "c. Public charter schools that do not provide
21 transportation services shall not be allocated any federal,
22 state, or local funds otherwise earmarked for
23 transportation-related expenses."

24 Section 2. This act shall become effective
25 immediately following its passage and approval by the
26 Governor, or its otherwise becoming law.