

1 SB302
2 218460-2
3 By Senator Marsh
4 RFD: Education Policy
5 First Read: 09-MAR-22

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4 ENGROSSED

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7 A BILL
8 TO BE ENTITLED
9 AN ACT

10
11 Relating to the Alabama School Choice and Student
12 Opportunity Act; to amend Section 16-6F-10, Code of Alabama
13 1975, to provide further for the operational and categorical
14 funding of public charter schools in the state.

15 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

16 Section 1. Section 16-6F-10 of the Code of Alabama
17 1975, is amended to read as follows:

18 "§16-6F-10.

19 "(a) Enrollment. Each start-up public charter school
20 shall report ~~such~~ enrollment, attendance, and other counts of
21 students to the department in the manner required by the
22 department.

23 "(b) Operational funding.

24 "(1) The following provisions govern operational
25 funding:

26 "a. ~~In their initial year, and in subsequent years~~
27 ~~to accommodate growth as articulated in their application,~~

1 ~~funding for public charter schools shall be provided from the~~
2 ~~Education Trust Fund in the Foundation Program appropriation~~
3 ~~for current units. Subsequent year funding for public charter~~
4 ~~schools shall be based on the Foundation Program allocation~~
5 ~~and other public school Education Trust Fund appropriations. A~~
6 public charter school, which includes start-up public charter
7 schools and conversion public charter schools, shall be funded
8 for basic student needs, during start-up and planned
9 structured growth years, in the same manner as a newly formed
10 non-charter public school. In their initial year, operational
11 funding prior to the beginning of the fiscal year shall be
12 provided from the Education Trust Fund appropriation for
13 current units. Foundation Program funding during the
14 developmental years for a start-up public charter school shall
15 be provided by inclusion of anticipated enrollment for the
16 upcoming school year as provided in the approved charter
17 application. During the fiscal year, the resulting Foundation
18 Program allocation shall be adjusted to reconcile the variance
19 between anticipated and actual funded enrollment. In addition
20 to Foundation Program allocations, a public charter school,
21 which includes start-up public charter schools and conversion
22 public charter schools, shall participate in other Education
23 Trust Fund and Public School Fund appropriations in the same
24 manner as any other non-charter public school system.

25 "b. For each of its students, a public charter
26 school, which includes start-up public charter schools and
27 conversion public charter schools, shall receive the same

1 amount of state funds, including funds earmarked for the
2 Foundation Program transportation, school nurses, technology
3 coordinators, and other line items that may be included in the
4 appropriation for the Foundation Program Fund, that, for the
5 then-current fiscal year, would have otherwise been allocated
6 on behalf of each public charter school student to the local
7 school system where the student resides. This amount shall
8 reflect the status of each student according to grade level,
9 economic disadvantage, limited English proficiency, and
10 special education needs.

11 "c. For each ~~of its students~~ student who resides
12 within the county where a public charter school is located, a
13 start-up public charter school shall receive the same amount
14 of local tax revenue, that, for the then-current fiscal year,
15 would have otherwise been allocated on behalf of each public
16 charter school student to the local non-charter public school
17 of each student's residence, excluding those funds already
18 earmarked through a vote of the local school board for debt
19 service, capital expenditures, or transportation. As
20 necessary, the participate in the apportionment and
21 distribution of a pro rata share of the countywide taxes on
22 the same basis as non-charter local school boards as
23 determined by Section 16-13-31. For the purposes of allocation
24 of countywide taxes under Section 16-13-31, public charter
25 schools are considered a local board of education. Any public
26 charter school that receives countywide taxes pursuant to this
27 paragraph shall not receive any allocation of state Foundation

1 Program funding in excess of the proportionate amount
2 allocated to non-charter public schools. In the event that a
3 start-up public charter school is located in a county with a
4 population of less than 40,000, the State Department of
5 Education shall provide the 10 mill match requirement for
6 Foundation Program participation from state funds appropriated
7 for the Foundation Program to the start-up public charter
8 school. Any start-up public charter school located in a county
9 with a population of less than 40,000 shall not receive any
10 countywide revenue. charter school shall receive all of the
11 local funding that the local school system would otherwise
12 have been allocated to that non-charter public school before
13 conversion to a conversion public charter school. The
14 department shall ~~promulgate~~ adopt processes and procedures to
15 annually determine the ~~specific~~ budgeted local revenue
16 allocations ~~according to the Foundation Program~~ for each
17 public charter school before the deadline for submission of
18 applications to the commission or the registered local
19 authorizer.

20 "d. The state funds described in paragraph a. shall
21 be forwarded on a ~~quarterly~~ monthly basis to the public
22 charter school by the department. The ~~local~~ countywide funds
23 described in paragraph ~~b.~~ c. shall be forwarded on a ~~quarterly~~
24 monthly basis to the public charter school by the ~~local~~
25 ~~educational agency~~ county revenue commissioner ~~of the~~
26 ~~student's residence~~, notwithstanding the oversight fee
27 reductions pursuant to Section 16-6F-6. Additionally, any

1 local revenues committed by statutory provision,
2 constitutional provision, or broad resolution, pledged or
3 imposed by formal action of the local board of education or
4 other authorizing body of government, prior to the date of
5 this act, shall not be included in the allocation of
6 countywide taxes pursuant to paragraph c. Additionally, any
7 local revenues restricted, earmarked, or committed by
8 statutory provision, constitutional provision, or board
9 covenant pledged or imposed by formal action of the local
10 board of education or other authorizing body of government,
11 shall be excluded by the local educational agency of the
12 student's residence when determining the amount of funds to be
13 forwarded by the agency to the public charter school.

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

19 "f. ~~The maximum annual local tax allocation~~
20 ~~forwarded to a conversion public charter school from a local~~
21 ~~school system shall, for each student, equal the amount that~~
22 ~~would have been received by the local education agency of the~~
23 ~~student's residence for each student who now attends a~~
24 ~~conversion public charter school, minus any amounts otherwise~~
25 ~~excluded pursuant to this section.~~

26 "g. e. If necessary Annually, the department shall
27 adopt rules governing how to calculate and distribute these

1 per-student allocations, ~~as well as any~~ and ensure that these
2 per-student allocations are distributed directly to start-up
3 public charter schools and conversion public charter schools
4 on a per-student basis. The department shall adopt rules
5 governing cost-sharing for students participating in
6 specialized gifted, talented, vocational, technical, or career
7 education programs.

8 "(2) Categorical funding. The department shall
9 direct the proportionate share of ~~moneys~~ monies generated
10 under federal and state categorical aid programs to all public
11 charter schools serving students eligible for ~~such~~ the aid.
12 The state shall ensure that public charter schools with
13 rapidly expanding enrollments are treated equitably in the
14 calculation and disbursement of all federal and state
15 categorical aid program dollars. Each public charter school
16 that serves students who may be eligible to receive services
17 provided through ~~such~~ these programs shall comply with all
18 reporting 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 "(c) Nothing in this section shall be interpreted to
25 prevent a local school board from willingly sharing non-county
26 revenue with a start-up public charter school or a conversion
27 public charter school."

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

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Senate

Read for the first time and referred to the Senate
committee on Education Policy..... 09-MAR-22

Read for the second time and placed on the calen-
dar..... 10-MAR-22

Read for the third time and passed as amended 17-MAR-22

Yeas 23
Nays 1
Abstaining 2

Patrick Harris,
Secretary.