

1 HB192
2 165300-1
3 By Representatives Collins, Moore (B), Pringle, Johnson (K),
4 Henry, Williams (P), Shiver, Gaston, Weaver, Fridy, Davis,
5 Brown, Hammon, Greer, Wood, Rowe, Butler, Fincher, Tuggle and
6 Hubbard
7 RFD: Education Policy
8 First Read: 05-MAR-15

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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 (c) No private or nonpublic school may establish a
6 public charter school pursuant to this act.

7 Section 3. The Legislature finds and declares all of
8 the following:

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

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

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

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

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

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

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

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

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

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

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

10 d. Provide additional high quality educational
11 options for all students, especially students in low
12 performing schools.

13 e. Create public schools with freedom and
14 flexibility in exchange for exceptional results.

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

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

20 (1) APPLICANT. Any group with 501(c)(3) tax-exempt
21 status or that has submitted an application for 501(c)(3)
22 tax-exempt status that develops and submits an application for
23 a public charter school to an authorizer.

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

1 (3) AT-RISK STUDENT. A student who has an economic
2 or academic disadvantage that requires special services and
3 assistance to succeed in educational programs. The term
4 includes, but is not limited to, students who are members of
5 economically disadvantaged families, students who are
6 identified as having special education needs, students who are
7 limited in English proficiency, students who are at risk of
8 dropping out of high school, and students who do not meet
9 minimum standards of academic proficiency.

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

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

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

24 (7) CONVERSION PUBLIC CHARTER SCHOOL. A public
25 charter school that existed as a non-charter public school
26 before becoming a public charter school. A conversion public
27 charter school shall adopt and maintain a policy giving

1 enrollment preference to students who reside within the former
2 attendance zone of the public school.

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

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

9 (10) GOVERNING BOARD. The independent board of a
10 public charter school that is party to the charter contract
11 with the authorizer. A governing board shall have at least 20
12 percent of its membership be parents of students who attend or
13 have attended the public charter school.

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

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

21 (13) NATIONALLY RECOGNIZED AUTHORIZING STANDARDS.
22 Standards for high quality public charter school authorizing
23 collaboratively drafted and regularly updated by practitioners
24 and policy makers from across the country who have experience
25 and practice in the field of charter authorizing.

26 (14) NON-CHARTER PUBLIC SCHOOL. A public school
27 other than a school formed pursuant to this act. A public

1 school that is under the direct management, governance, and
2 control of a local school board or the state.

3 (15) PARENT. A parent, guardian, or other person or
4 entity having legal custody of a child.

5 (16) PUBLIC CHARTER SCHOOL. A public school formed
6 pursuant to this act that satisfies all of the following:

7 a. Has autonomy over key decisions including, but
8 not limited to, decisions concerning finance, personnel,
9 scheduling, curriculum, instruction, and procurement.

10 b. Is governed by an independent governing board
11 that is a 501(c)(3) tax-exempt organization. No member of a
12 governing board shall have a financial relationship to an
13 education service provider or the staff of the authorizer.

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

17 d. Is a school to which parents choose to send their
18 student.

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

22 f. Provides an educational program that satisfies
23 all of the following:

24 1. Includes any grade or grades from prekindergarten
25 to 12th grade.

26 2. May include a specific academic approach or theme
27 including, but not limited to, vocational and technical

1 training; visual and performing arts; liberal arts and
2 classical education; or science, mathematics, and technology.

3 3. Operates in pursuit of a specific set of
4 educational objectives as defined in its charter contract,
5 such as college or career readiness, or both.

6 4. Operates under the oversight of its authorizer in
7 accordance with its charter contract.

8 (17) START-UP PUBLIC CHARTER SCHOOL. A public
9 charter school that did not exist as a non-charter public
10 school prior to becoming a public charter school.

11 (18) STUDENT. Any child who is eligible for
12 attendance in public schools in the state.

13 Section 5. (a) Open enrollment.

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

16 (2) A school system shall not require any student
17 enrolled in the school system to attend a start-up public
18 charter school.

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

23 (4) A public charter school may limit admission to
24 students within a given age group or grade level and may be
25 organized around a special emphasis, theme, or concept as
26 stated in the school's charter application, but fluency or

1 competence in the theme may not be used as a standard for
2 enrollment.

3 (5) A public charter school shall enroll all
4 students who wish to attend the school, unless the number of
5 students exceeds the capacity of the building identified for
6 the public charter school.

7 (6) If building capacity is insufficient to enroll
8 all students who wish to attend a start-up public charter
9 school, the school shall select students through a random
10 selection process. The school shall first enroll students who
11 reside within the school system in which the public charter
12 school is located. If the number of local students wanting to
13 enroll in the school exceeds the capacity of the school, then
14 the school shall conduct a random selection process to enroll
15 students who reside in the local school system. If the school
16 has additional capacity after admitting students from the
17 local school system, then the school shall admit any students
18 without regard to their residency by a random selection
19 process. The selection shall take place in a public meeting,
20 called by the governing body of the public charter school, and
21 following all posting and notice requirements prescribed by
22 the Alabama Open Meetings Act.

23 (7) Any non-charter public school converting
24 partially or entirely to a public charter school shall adopt
25 and maintain a policy giving enrollment preference to students
26 who reside within the former attendance area of that public
27 school.

1 (8) A public charter school shall give enrollment
2 preference to students enrolled in the public charter school
3 the previous school year and to siblings of students already
4 enrolled in the public charter school.

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

10 (10) This subsection does not preclude the formation
11 of a public charter school whose mission is focused on serving
12 special education students, students of the same gender,
13 students who pose such severe disciplinary programs that they
14 warrant a specific educational program, or students who are at
15 risk of academic failure. Notwithstanding the stated mission
16 of the public charter school, any student may attend.

17 (b) Credit transferability. If a student who was
18 previously enrolled in a public charter school enrolls in
19 another public school in Alabama, the student's new school
20 shall accept credits earned by the student in courses or
21 instructional programs at the public charter school in a
22 uniform and consistent manner and according to the same
23 criteria that are used to accept academic credits from other
24 public schools. Nothing in this act shall prevent local school
25 systems from administering placement tests for newly enrolled
26 students who were previously enrolled in a public charter
27 school.

1 (c) Determination of student capacity of public
2 charter schools. The capacity of the public charter school
3 shall be determined annually by the governing board of the
4 public charter school in conjunction with the authorizer and
5 in consideration of the public charter school's ability to
6 facilitate the academic success of its students, to achieve
7 the other objectives specified in the charter contract, and to
8 ensure that its student enrollment does not exceed the
9 capacity of its facility or site.

10 (d) Student information. A public charter school
11 shall maintain records on all enrolled students utilizing the
12 state adopted Alabama Student Information System (ASIM).

13 Section 6. (a) Eligible authorizing entities.

14 (1) A public charter school may not be established
15 in this state unless its establishment is authorized by this
16 section. No governmental entity or other entity, other than an
17 entity expressly granted chartering authority as set forth in
18 this section, may assume any authorizing function or duty in
19 any form. The following entities shall be authorizers of
20 public charter schools:

21 a. A local school board, for chartering of schools
22 within the boundaries of the school system under its
23 jurisdiction, pursuant to state law.

24 b. The Alabama Public Charter School Commission,
25 pursuant to this section.

26 (2) A local school board that registers as an
27 authorizer may approve or deny an application to form a public

1 charter school within the boundaries of the local school
2 system overseen by the local school board.

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

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

9 a. An application to form a public charter school is
10 denied by the local school board overseeing that system and
11 the applicant chooses to appeal the decision of the local
12 school board to the commission.

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

16 (b) Public charter school cap.

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

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

24 (3) The cap expires after five fiscal years of
25 implementation of this act.

26 (4) At the conclusion of the fifth fiscal year, the
27 department shall submit a report to the Legislature outlining

1 the performance of both start-up and conversion public charter
2 schools. This report shall include, at a minimum, academic
3 performance of all public charter schools in the state, a
4 detailed update on the authorizing process, and
5 recommendations for adjustments to public charter school
6 governance and oversight.

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

9 (c) The Alabama Public Charter School Commission.

10 (1) The commission is established as an independent
11 state entity.

12 (2) The mission of the commission is to authorize
13 high quality public charter schools, in accordance with the
14 powers expressly conferred on the commission in this act.

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

1 Tempore of the Senate, Speaker of the House of
2 Representatives, or the State Superintendent of Education.

3 (4) The ninth member of the commission shall be a
4 rotating position based on the local school system where the
5 application was denied. This member appointed to the rotating
6 position shall be appointed by the local school system where
7 the applicant is seeking to open a public charter school. The
8 local school system shall appoint a member to the rotating
9 position through board action specifically to consider that
10 application.

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

21 (6) Membership of the commission shall be inclusive
22 and reflect the racial, gender, geographic, urban/rural, and
23 economic diversity of the state. The appointing authority
24 shall consider the eight State Board of Education districts in
25 determining the geographical diversity of the commission.

26 (7) The initial appointments to the commission shall
27 be made no later than 30 days after the effective date of this

1 act. One recommended appointee of the Governor, Speaker of the
2 House of Representatives, President Pro Tempore of the Senate,
3 and State Superintendent of Education shall serve an initial
4 term of one year and one recommended appointee of the
5 Governor, Speaker of the House of Representatives, President
6 Pro Tempore of the Senate, and State Superintendent of
7 Education shall serve an initial term of two years.

8 Thereafter, all appointees shall serve two-year terms of
9 office. All appointments shall be eligible for reappointment
10 as determined by the appointing authority, not to exceed a
11 total of six years of service, unless the member was initially
12 appointed to serve a one-year term of office. If the initial
13 term of office of an appointee was one year, he or she may
14 serve a total of five years of service on the commission.

15 (8) A member of the commission may be removed for
16 failure to perform the duties of the appointment. Whenever a
17 vacancy on the commission exists, the appointing authority,
18 within 60 days after the vacancy occurs, shall appoint a
19 member for the remaining portion of the term. A member of the
20 commission shall abstain from any vote that involves a local
21 school system of which he or she is an employee or which he or
22 she oversees as a member of a local school board. The
23 requirement to abstain does not apply to the rotating position
24 on the commission.

25 (9) Six members of the commission constitute a
26 quorum, and a quorum shall be necessary to transact business.
27 Actions of the commission shall be by a majority vote of the

1 commission. The commission, in all respects, shall comply with
2 the Alabama Open Meetings Act and state record laws.

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

14 (10) If the commission overrules the decision of a
15 local school board and chooses to authorize the establishment
16 of a public charter school in that local school system, the
17 commission shall serve as the authorizer for that public
18 charter school, pursuant to this act.

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

20 a. Utilize professional and administrative staff of
21 the department as recommended by the State Superintendent of
22 Education.

23 b. Adopt rules for the operation and organization of
24 the commission.

25 c. Review, at least once per year, department rules
26 and regulations concerning public charter schools and, if

1 needed, recommend to the State Superintendent of Education any
2 rule or regulation changes deemed necessary.

3 d. Convene stakeholder groups and engage experts.

4 e. Seek and receive state, federal, and private
5 funds for operational expenses.

6 f. A commission member may not receive compensation,
7 but shall be reimbursed by the department for travel and per
8 diem expenses at the same rates and in the same manner as
9 state employees.

10 g. The commission shall submit an annual report to
11 the department pursuant to subsection (g).

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

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

19 b. Hold an open community hearing opportunity for
20 public comment.

21 c. Find that the local board's denial of an original
22 charter application was not supported by the application and
23 exhibits.

24 d. Take into consideration (i) other existing
25 charter school applications, (ii) the quality of school
26 options existing in the affected community, (iii) the
27 existence of other charter schools, and (iv) any other factors

1 considered relevant to ensure the establishment of
2 high-quality charter schools in accordance with the intent of
3 this act.

4 e. Find evidence that the local school board erred
5 in its application of nationally recognized authorizing
6 standards.

7 (d) A local school board may register with the
8 department for chartering authority within the boundaries of
9 the school system overseen by the local school board. The
10 department shall publicize to all local school boards the
11 opportunity to register with the state for chartering
12 authority within the school system they oversee. By June 1 of
13 each year, the department shall provide information about the
14 opportunity, including a registration deadline, to all local
15 school boards. To register as a charter authorizer in its
16 school system, each interested local school board shall submit
17 the following information in a format to be established by the
18 department:

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

21 (2) An explanation of the local school board's
22 capacity and commitment to execute the duties of quality
23 charter authorizing, as defined by nationally recognized
24 authorizing standards.

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

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

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

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

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

16 (e) If a local school board chooses not to register
17 as an authorizer, all applications seeking to open a start-up
18 public charter school within that local school board's
19 boundaries shall be denied. Applicants wishing to open a
20 public charter school physically located in that local school
21 system may apply directly to the commission.

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

23 (1) Solicit, invite, receive, and evaluate
24 applications from organizers of proposed public charter
25 schools.

26 (2) Approve applications that meet identified
27 educational needs.

1 (3) Deny applications that do not meet identified
2 educational needs.

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

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

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

9 (7) Determine whether each charter contract merits
10 renewal or revocation.

11 (g) An authorizer shall submit to the State Board of
12 Education a publicly accessible annual report within 60 days
13 after the end of each school fiscal year summarizing all of
14 the following:

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

17 (2) The academic and financial performance of all
18 operating public charter schools overseen by the authorizer,
19 according to the performance measures and expectations
20 specified in the charter contracts.

21 (3) The status of the public charter school
22 portfolio of the authorizer, identifying all public charter
23 schools within that portfolio as one of the following:

24 a. Approved, but not yet open.

25 b. Open and operating.

26 c. Terminated.

1 d. Closed, including year closed and reason for
2 closing.

3 e. Never opened.

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

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

12 (6) All use of taxpayer dollars including
13 expenditures, contracts, and revenues.

14 (h) To cover costs for overseeing and authorizing
15 public charter schools in accordance with this act, a local
16 school board serving as an authorizer may do all of the
17 following:

18 (1) Expend its own resources, seek grant funds, and
19 establish partnerships to support its public charter school
20 authorizing activities.

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

24 a. If the local school board has oversight over one
25 to three, inclusive, public charter schools: Three percent of
26 annual per student state allocations.

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

4 c. If the local school board has oversight over six
5 to 10, inclusive, public charter schools: One percent of
6 annual per student state allocations.

7 d. These funds shall be used to cover the costs for
8 a local school board to provide authorizing services to its
9 public charter schools.

10 (i) An employee, agent, or representative of an
11 authorizer may not simultaneously serve as an employee, agent,
12 representative, vendor, or contractor of a public charter
13 school of that authorizer.

14 (j) With the exception of charges for oversight
15 services as required in subsection (h), a public charter
16 school may not be required to purchase services from its
17 authorizer as a condition of charter approval or of a charter
18 contract, nor may any such condition be implied.

19 (k) A public charter school authorized by a local
20 school system may choose to purchase services, such as
21 transportation-related or lunchroom-related services, from its
22 authorizer. In such event, the public charter school and
23 authorizer shall execute an annual service contract, separate
24 from the charter contract, stating the mutual agreement of the
25 parties concerning any service fees to be charged to the
26 public charter school. A public charter school authorized by
27 the commission may not purchase services from the commission,

1 but consistent with this section, may purchase services from
2 the local school system where the public charter school is
3 located.

4 (l) The department shall oversee the performance and
5 effectiveness of all authorizers established under this act.
6 Persistently unsatisfactory performance of the portfolio of
7 the public charter schools of an authorizer, a pattern of
8 well-founded complaints about the authorizer or its public
9 charter schools, or other objective circumstances may trigger
10 a special review by the department. In reviewing and
11 evaluating the performance of an authorizer, the department
12 shall apply nationally recognized standards for quality in
13 charter authorizing. If, at any time, the department finds
14 that an authorizer is not in compliance with an existing
15 charter contract or the requirements of all authorizers under
16 this act, the department shall notify the authorizer in
17 writing of any identified problem, and the authorizer shall
18 have reasonable opportunity to respond and remedy the problem.

19 (m) If a local school board acting as an authorizer
20 persists in violating a material provision of a charter
21 contract or fails to remedy any other authorizing problem
22 after due notice from the department, the department shall
23 notify the local school board, within 60 days, that it intends
24 to terminate the chartering authority of the local school
25 board unless the local school board demonstrates a timely and
26 satisfactory remedy for the violation or deficiencies. If the
27 local school board acting as an authorizer persists, after due

1 notice from the department, in violating a material provision
2 of a charter contract or fails to remedy other identified
3 authorizing problems, the department shall notify the local
4 school board, within a reasonable amount of time under the
5 circumstances, that it intends to revoke the chartering
6 authority of the local school board unless the local school
7 board demonstrates a timely and satisfactory remedy for the
8 violation or deficiencies.

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

23 (o) In the event of revocation of the chartering
24 authority of an authorizer, the department shall manage the
25 timely and orderly transfer of each charter contract held by
26 that authorizer to another authorizer in the state, with the
27 mutual agreement of each affected public charter school and

1 proposed new authorizer. The new authorizer shall assume the
2 existing charter contract for the remainder of the charter
3 term.

4 (p) Authorizer power, duties, and liabilities.
5 Authorizers are responsible for executing, in accordance with
6 this act, the following essential powers and duties:

7 (1) Soliciting and evaluating charter applications
8 based on nationally recognized standards.

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

12 (3) Declining to approve weak or inadequate charter
13 applications.

14 (4) Negotiating and executing charter contracts with
15 each approved public charter school.

16 (5) Monitoring, in accordance with charter contract
17 terms, the performance and legal compliance of public charter
18 schools.

19 (6) Determining whether each charter contract merits
20 renewal, nonrenewal, or revocation.

21 (q) An authorizer that grants a charter to a
22 501(c)(3) tax-exempt organization for the purpose of opening
23 and operating a public charter school is not liable for the
24 debts or obligations of the public charter school, or for
25 claims arising from the performance of acts, errors, or
26 omissions by the charter school, if the authorizer has

1 complied with all oversight responsibilities required by law,
2 including, but not limited to, those required by this act.

3 (r) Principles and standards for charter
4 authorizing.

5 (1) All authorizers shall be required to develop and
6 maintain chartering policies and practices consistent with
7 nationally recognized principles and standards for quality
8 charter authorizing in all major areas of authorizing
9 responsibility including: Organizational capacity and
10 infrastructure; soliciting and evaluating charter
11 applications; performance contracting; ongoing public charter
12 school oversight and evaluation; and charter renewal
13 decision-making. The State Board of Education shall promulgate
14 reasonable rules and regulations to effectuate this section
15 within 90 days after the effective date of this act.

16 (2) Authorizers shall carry out all of their duties
17 under this act in a manner consistent with such nationally
18 recognized principles and standards and with the spirit and
19 intent of this act. Evidence of material or persistent failure
20 to do so shall constitute grounds for losing charter
21 authorizing powers.

22 Section 7. (a) Request for proposals.

23 (1) To solicit, encourage, and guide the development
24 of quality public charter school applications, every local
25 school board, in its role as public charter school authorizer,
26 shall issue and broadly publicize a request for proposals for
27 public charter school applications by 120 days after the

1 effective date of this act, and by November 1 in each
2 subsequent year. The content and dissemination of the request
3 for proposals shall be consistent with the purposes and
4 requirements of this act.

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

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

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

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

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

23 (7) The request for proposals shall state clear,
24 appropriately detailed questions as well as guidelines
25 concerning the format and content essential for applicants to
26 demonstrate the capacities necessary to establish and operate
27 a successful public charter school.

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

4 a. An executive summary.

5 b. The mission and vision of the proposed public
6 charter school, including identification of the targeted
7 student population and the community the school hopes to
8 serve.

9 c. The location or geographic area proposed for the
10 school.

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

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

15 f. Evidence of need and community support for the
16 proposed public charter school.

17 g. A brief biography regarding the expertise and
18 background on the proposed founding governing members and the
19 proposed school leadership and management team.

20 h. The school's proposed calendar and sample daily
21 schedule.

22 i. A description of the academic program.

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

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

3 l. The school's plan for identifying and
4 successfully serving students with disabilities, students who
5 are English language learners, students who are academically
6 behind, and gifted students, including, but not limited to,
7 compliance with applicable laws and regulations.

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

10 n. Plans and timelines for student recruitment and
11 enrollment, including random selection procedures in the event
12 that interest exceeds capacity.

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

15 p. An organization chart that clearly presents the
16 school's organizational structure, including lines of
17 authority and reporting between the governing board, staff,
18 any related bodies (such as advisory bodies or parent and
19 teacher councils), and any external organizations that will
20 play a role in managing the school.

21 q. A clear description of the roles and
22 responsibilities for the governing board, the school's
23 leadership and management team, and any other entities shown
24 in the organization chart.

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

1 s. Plans for recruiting and developing school
2 leadership and staff.

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

5 u. Proposed governing bylaws.

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

8 w. The school's plans for providing transportation,
9 food service, and all other significant operational or
10 ancillary services.

11 x. Opportunities and expectations for parental
12 involvement.

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

15 z. Description of the school's financial plan and
16 policies, including financial controls and audit requirements.
17 This plan shall include a disclosure of all donations of
18 private funding, if any, including, but not limited to, gifts
19 received from foreign governments, foreign legal entities,
20 and, when reasonably known, domestic entities affiliated with
21 either foreign governments or foreign legal entities.

22 aa. A description of the insurance coverage the
23 school will obtain.

24 bb. Start-up and five-year budgets with clearly
25 stated assumptions.

26 cc. Evidence of anticipated fundraising
27 contributions, if claimed in the application.

1 dd. A sound facilities plan, including backup or
2 contingency plans, if appropriate.

3 ee. 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 act.

17 2. After an education service provider has been
18 identified to manage the conversion public charter school, the
19 local school board shall negotiate a performance contract with
20 the selected education service provider as set forth in
21 subdivision (1) of subsection (d).

22 3. The conversion must occur at the beginning of an
23 academic school year and shall be subject to compliance with
24 this act.

25 4. At the time of conversion to a public charter
26 school, any teacher or administrator in the newly converted
27 public charter school shall have the opportunity to interview

1 for a position in the public charter school. The public
2 charter school is under no obligation to hire any teacher or
3 administrator.

4 5. At the time of conversion to a public charter
5 school, any teacher or administrator in the public charter
6 school may be allowed to transfer into vacant positions for
7 which they are both certified and qualified in other schools
8 in the school system prior to the hiring of new personnel for
9 those vacant positions.

10 6. If personnel reductions are contemplated as the
11 result of a conversion to a charter model, that shall be
12 clearly stated in the application. An approved conversion
13 shall constitute decreased student enrollment or a shortage of
14 revenues, or both, for the purposes of the local school board
15 implementing a reduction in force pursuant to Section 16-1-33,
16 Code of Alabama 1975.

17 b. After an education service provider has been
18 identified to manage the non-charter public school, the local
19 school board shall negotiate a performance contract with the
20 selected education service provider as set forth in
21 subdivision (1) of subsection (d).

22 (10) In the case of a proposed public charter school
23 that intends to contract with an education service provider
24 for substantial education services, management services, or
25 both types of services, the request for proposals shall
26 additionally require the applicants to do all of the
27 following:

1 a. Provide evidence of the education service
2 provider's success in serving student populations similar to
3 the targeted population, including demonstrated academic
4 achievement as well as successful management of nonacademic
5 school functions, if applicable.

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

16 c. Disclose and explain any existing or potential
17 conflicts of interest between the school governing board and
18 proposed education service provider or any affiliated business
19 entities.

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

25 (b) Application decision-making process.

26 (1) In evaluating and reviewing charter
27 applications, authorizers shall employ procedures, practices,

1 and criteria consistent with nationally recognized principles
2 and standards for quality charter authorizing. The application
3 review process shall include thorough evaluation of each
4 written charter application, an in-person interview with the
5 applicant group, and an opportunity in a public forum for
6 local residents to learn about and provide input on each
7 application.

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

10 a. Grant charters only to applicants that have
11 demonstrated competence in each element of the authorizer's
12 published approval criteria and are likely to open and operate
13 a successful public charter school.

14 b. Base decisions on documented evidence collected
15 through the application review process.

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

19 d. In the case of the commission, require
20 significant and objective evidence of interest for the public
21 charter school from the community the public charter school
22 wishes to serve.

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

25 a. Admissions requirements for entry, including, but
26 not limited to academic proficiency, particular skills or
27 competencies, or financial means.

1 b. Any parochial or religious theme.

2 (4) No later than 60 days after the filing of the
3 charter application, the authorizer shall decide to approve or
4 deny the charter application. The authorizer shall adopt by
5 resolution all charter approval or denial decisions in an open
6 meeting. If no action is taken on the application within 60
7 days, the application shall be considered denied and the
8 applicant may appeal the decision to the commission.

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

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

17 (7) Within 30 days of taking action to approve or
18 deny a charter application, the authorizer shall report to the
19 department the action it has taken. The authorizer shall
20 provide a copy of the report to the charter applicant at the
21 same time that the report is submitted to the department. The
22 report shall include a copy of the authorizer's resolution
23 setting forth the action taken and reasons for the decision
24 and assurances as to compliance with all of the procedural
25 requirements and application elements set forth in this
26 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 act that hampers, delays, or in any
15 manner negatively affects the desegregation efforts of a local
16 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 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
9 performance expectations and measures set forth in the charter
10 contract shall include, but need not be limited to, applicable
11 federal and state accountability requirements. The performance
12 provisions may be refined or amended by mutual agreement after
13 the public charter school is operating and has collected
14 baseline achievement data for its enrolled students.

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

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

25 (f) Preopening requirements or conditions.
26 Authorizers may establish reasonable preopening requirements
27 or conditions to monitor the start-up progress of newly

1 approved public charter schools and ensure that they are
2 prepared to open smoothly on the date agreed, and to ensure
3 that each school meets all building, health, safety,
4 insurance, and other legal requirements for school opening.

5 Section 8. (a) Performance framework.

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

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

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

18 c. Achievement gaps in both proficiency and growth
19 between major student subgroups.

20 d. Attendance.

21 e. Recurrent enrollment from year to year.

22 f. Postsecondary readiness for high schools.

23 g. Financial performance and sustainability.

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

1 (2) Annual performance targets shall be set by each
2 public charter school in conjunction with its authorizer, and
3 shall be designed to help each school meet applicable federal,
4 state, and authorizer expectations.

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

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

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

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

25 (b) Ongoing oversight and corrective action.

26 (1) An authorizer shall continually monitor the
27 performance and legal compliance of the public charter schools

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

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

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

1 (4) Every authorizer shall have the authority to
2 take appropriate corrective actions or exercise sanctions
3 short of revocation in response to apparent deficiencies in
4 public charter school performance or legal compliance. Such
5 actions or sanctions may include, if warranted, requiring a
6 school to develop and execute a corrective action plan within
7 a specified time frame.

8 (c) Renewals, revocations, and nonrenewals.

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

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

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

4 a. Present additional evidence, beyond the data
5 contained in the performance report, supporting its case for
6 charter renewal.

7 b. Describe improvements undertaken or planned for
8 the school.

9 c. Detail the school's plans for the next charter
10 term.

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

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

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

24 a. Ground its decisions in evidence of the school's
25 performance over the term of the charter contract in
26 accordance with the performance framework set forth in the
27 charter contract.

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

3 c. Provide a public report summarizing the evidence
4 basis for each decision.

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

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

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

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

18 d. Fails to meet generally accepted standards of
19 fiscal management.

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

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

1 a. Commits a material and substantial violation of
2 any of the terms, conditions, standards, or procedures
3 required under this act or the charter contract.

4 b. Fails to meet the performance expectations set
5 forth in the charter contract.

6 c. Fails to meet generally accepted standards of
7 fiscal management.

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

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

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

1 a. Provide the charter holders with a timely
2 notification of the prospect of revocation or nonrenewal and
3 of the reasons for such possible closures.

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

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

10 d. Allow the charter holders access to
11 representation by counsel, at the expense of the charter
12 holder, and to call witnesses on their behalf.

13 e. Permit the recordings of such proceedings.

14 f. After a reasonable period for deliberation,
15 require a final determination be made and conveyed in writing
16 to the charter holders.

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

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

1 as to compliance with all of the requirements set forth in
2 this act.

3 (d) School closure and dissolution.

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

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

26 (e) Charter transfers. Transfer of a charter
27 contract, and of oversight of that public charter school, from

1 one authorizer to another before the expiration of the charter
2 term shall not be permitted except by special petition to the
3 department by a public charter school or its authorizer. The
4 department shall review such petitions on a case-by-case basis
5 and may grant transfer requests in response to special
6 circumstances and evidence that such a transfer would serve
7 the best interests of the public charter school's students.

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

26 Section 9. (a) Legal status of a public charter
27 school.

1 (1) Notwithstanding any provision of law to the
2 contrary, to the extent that any provision of this act is
3 inconsistent with any other state or local law, rule, or
4 regulation, the provisions of this act shall govern and be
5 controlling.

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

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

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

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

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

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

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

23 (b) Powers of public charter schools. A public
24 charter school shall have all the powers necessary for
25 carrying out the terms of its charter contract including the
26 following powers:

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

3 (2) To secure appropriate insurance and to enter
4 into contracts and leases.

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

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

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

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

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

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

19 (c) General requirements.

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

24 (2) No public charter school may engage in any
25 sectarian practices in its educational program, admissions or
26 employment policies, or operations.

1 (3) A public charter school shall not discriminate
2 against any student on the basis of national origin minority
3 status or limited proficiency in English. Consistent with
4 federal civil rights laws, public charter schools shall
5 provide limited English proficient students with appropriate
6 services designed to teach them English and the general
7 curriculum.

8 (4) A public charter school shall not charge tuition
9 and may only charge such fees as may be imposed on other
10 students attending public schools in the state.

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

14 (d) Applicability of other laws, rules, and
15 regulations.

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

22 (2) Public charter schools shall be subject to the
23 statewide end-of-year annual standardized assessment as
24 applicable to other public schools in the state, but nothing
25 herein shall preclude a public charter school from
26 establishing additional student assessment measures that go

1 beyond state requirements if the school's authorizer approves
2 such measures.

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

6 (4) Any provision of this act to the contrary
7 notwithstanding, public charter schools shall be subject to
8 competitive bid laws in the same fashion as local boards of
9 education.

10 (e) Public charter school employees.

11 (1) Public charter schools shall comply with
12 applicable federal laws, rules, and regulations regarding the
13 qualification of teachers and other instructional staff. In
14 accordance with subsection (a), teachers in public charter
15 schools shall be exempt from state teacher certification
16 requirements.

17 (2) Start-up public charter schools may elect to
18 participate in the Teachers' Retirement System and Public
19 Education Employees' Health Insurance Plan. Such election must
20 take place prior to the execution of the charter contract and
21 once made is irrevocable. Conversion charter schools shall
22 participate in the Teachers' Retirement System and Public
23 Education Employees' Health Insurance Plan. Employees of
24 participating start-up public charter schools and employees of
25 conversion public charter schools shall participate in the
26 Teachers' Retirement System of Alabama as teachers defined in
27 subdivision (3) of Section 16-25-1, Code of Alabama 1975, and

1 are eligible to participate in the Public Education Employees'
2 Health Insurance Plan as employees defined in subdivision (1)
3 of Section 16-25A-1.

4 (3) A public charter school may not interfere with
5 laws and applicable rules protecting the rights of employees
6 to organize and be free from discrimination.

7 (f) Access to extracurricular and interscholastic
8 activities. Nothing in this act shall be construed to prevent
9 a public charter school from forming an athletic team and
10 participating in interscholastic athletics in the State of
11 Alabama. If a public charter school elects for its students to
12 participate in athletic contests or competitions, then the
13 school shall pursue membership in the Alabama High School
14 Athletic Association and shall adhere to all guidelines,
15 rules, regulations, and bylaws as other member schools.

16 Section 10. (a) Enrollment. Students enrolled in and
17 attending public charter schools shall be included in all
18 enrollment and attendance counts of students of the local
19 school system in which the students reside. The public charter
20 school shall report all such data to the local school systems
21 of residence in a timely manner. Each local school system
22 shall report such enrollment, attendance, and other counts of
23 students to the department in the manner required by the
24 department.

25 (b) Operational funding.

26 (1) The following provisions govern operational
27 funding:

1 a. In their initial year, and in subsequent years to
2 accommodate growth as articulated in their application,
3 funding for public charter schools shall be provided from the
4 Education Trust Fund in the Foundation Program appropriation
5 for current units. Subsequent year funding for public charter
6 schools shall be based on the Foundation Program allocation
7 and other public school Education Trust Fund appropriations.

8 b. For each of its students, a public charter school
9 shall receive the same amount of state funds, including funds
10 earmarked for the Foundation Program transportation, school
11 nurses, technology coordinators, and other line items that may
12 be included in the appropriation for the Foundation Program
13 Fund, that, for the then-current fiscal year, would have
14 otherwise been allocated on behalf of each public charter
15 school student to the local school system where the student
16 resides. This amount shall reflect the status of each student
17 according to grade level, economic disadvantage, limited
18 English proficiency, and special education needs.

19 c. For each of its students, a public charter school
20 shall receive the same amount of local tax revenue, that, for
21 the then-current fiscal year, would have otherwise been
22 allocated on behalf of each public charter school student to
23 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. The state funds described in paragraph a. shall
4 be forwarded on a quarterly basis to the public charter school
5 by the department. The local funds described in paragraph b.
6 shall be forwarded on a quarterly basis to the public charter
7 school by the local educational agency of the student's
8 residence, notwithstanding the oversight fee reductions
9 pursuant to Section 6. Additionally, any local revenues
10 restricted, earmarked, or committed by statutory provision,
11 constitutional provision, or board covenant pledged or imposed
12 by formal action of the local board of education or other
13 authorizing body of government, shall be excluded by the local
14 educational agency of the student's residence when determining
15 the amount of funds to be forwarded by the agency to the
16 public charter school.

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

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

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

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

16 (3) Special education funding.

17 a. The state shall pay directly to a public charter
18 school any federal or state aid attributable to a student with
19 a disability attending the school.

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

24 (4) Generally accepted accounting principles;
25 independent audit.

26 a. A public charter school shall adhere to generally
27 accepted accounting principles.

1 b. A public charter school shall annually engage an
2 independent certified public accountant to do an independent
3 audit of the school's finances. A public charter school shall
4 file a copy of each audit report and accompanying management
5 letter to its authorizer by June 1. This audit shall include
6 the same requirements as those required of local school system
7 pursuant to Section 16-13A-7, Code of Alabama 1975.

8 (5) Transportation funding.

9 a. The department shall disburse state
10 transportation funding to a public charter school on the same
11 basis and in the same manner as it is paid to public school
12 systems.

13 b. A public charter school may enter into a contract
14 with a school system or private provider to provide
15 transportation to the school's students.

16 c. Public charter schools that do not provide
17 transportation services shall not be allocated any federal,
18 state, or local funds otherwise earmarked for
19 transportation-related expenses.

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

22 (1) Public charter schools shall have the same
23 rights and access to PSCA funding opportunities as non-charter
24 public schools.

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

1 (b) Access to local school system facilities and
2 land.

3 (1) A public charter school shall have a right of
4 first refusal to purchase or lease at or below fair market
5 value a closed or unused public school facility or property
6 located in a school system from which it draws its students if
7 the school system decides to sell or lease the public school
8 facility or property.

9 (2) Unused facility means a school building or other
10 local board of education owned building that is or could be
11 appropriate for school use, in which more than 60 percent of
12 the building is not being used for direct student instruction
13 or critical administration purposes and for which no offer to
14 purchase has been executed.

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

19 Section 12. The provisions of this act are
20 severable. If any part of this act is declared invalid or
21 unconstitutional, that declaration shall not affect the part
22 that remains.

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