

SECOND REGULAR SESSION

HOUSE BILL NO. 1487

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE REHDER.

3072H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 160.400, 160.410, and 160.415, RSMo, and to enact in lieu thereof three new sections relating to recovery programs for high school students.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 160.400, 160.410, and 160.415, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 160.400, 160.410, and 160.415, to read as follows:

160.400. 1. A charter school is an independent public school.

2. Except as further provided in subsection 4 of this section, charter schools may be operated only:

(1) In a metropolitan school district;

(2) In an urban school district containing most or all of a city with a population greater than three hundred fifty thousand inhabitants;

(3) In a school district that has been classified as unaccredited by the state board of education;

(4) In a school district that has been classified as provisionally accredited by the state board of education and has received scores on its annual performance report consistent with a classification of provisionally accredited or unaccredited for three consecutive school years beginning with the 2012-13 accreditation year under the following conditions:

(a) The eligibility for charter schools of any school district whose provisional accreditation is based in whole or in part on financial stress as defined in sections 161.520 to 161.529, or on financial hardship as defined by rule of the state board of education, shall be

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 decided by a vote of the state board of education during the third consecutive school year after
17 the designation of provisional accreditation; and

18 (b) The sponsor is limited to the local school board or a sponsor who has met the
19 standards of accountability and performance as determined by the department based on sections
20 160.400 to 160.425 and section 167.349 and properly promulgated rules of the department; or

21 (5) In a school district that has been accredited without provisions, sponsored only by
22 the local school board; provided that no board with a current year enrollment of one thousand
23 five hundred fifty students or greater shall permit more than thirty-five percent of its student
24 enrollment to enroll in charter schools sponsored by the local board under the authority of this
25 subdivision, except that this restriction shall not apply to any school district that subsequently
26 becomes eligible under subdivision (3) or (4) of this subsection or to any district accredited
27 without provisions that sponsors charter schools prior to having a current year student enrollment
28 of one thousand five hundred fifty students or greater.

29 3. Except as further provided in subsection 4 of this section, the following entities are
30 eligible to sponsor charter schools:

31 (1) The school board of the district in any district which is sponsoring a charter school
32 as of August 27, 2012, as permitted under subdivision (1) or (2) of subsection 2 of this section,
33 the special administrative board of a metropolitan school district during any time in which
34 powers granted to the district's board of education are vested in a special administrative board,
35 or if the state board of education appoints a special administrative board to retain the authority
36 granted to the board of education of an urban school district containing most or all of a city with
37 a population greater than three hundred fifty thousand inhabitants, the special administrative
38 board of such school district;

39 (2) A public four-year college or university with an approved teacher education program
40 that meets regional or national standards of accreditation;

41 (3) A community college, the service area of which encompasses some portion of the
42 district;

43 (4) Any private four-year college or university with an enrollment of at least one
44 thousand students, with its primary campus in Missouri, and with an approved teacher
45 preparation program;

46 (5) Any two-year private vocational or technical school designated as a 501(c)(3)
47 nonprofit organization under the Internal Revenue Code of 1986, as amended, and accredited by
48 the Higher Learning Commission, with its primary campus in Missouri;

49 (6) The Missouri charter public school commission created in section 160.425.

50 4. Changes in a school district's accreditation status that affect charter schools shall be
51 addressed as follows, except for the districts described in subdivisions (1) and (2) of subsection
52 2 of this section:

53 (1) As a district transitions from unaccredited to provisionally accredited, the district
54 shall continue to fall under the requirements for an unaccredited district until it achieves three
55 consecutive full school years of provisional accreditation;

56 (2) As a district transitions from provisionally accredited to full accreditation, the district
57 shall continue to fall under the requirements for a provisionally accredited district until it
58 achieves three consecutive full school years of full accreditation;

59 (3) In any school district classified as unaccredited or provisionally accredited where a
60 charter school is operating and is sponsored by an entity other than the local school board, when
61 the school district becomes classified as accredited without provisions, a charter school may
62 continue to be sponsored by the entity sponsoring it prior to the classification of accredited
63 without provisions and shall not be limited to the local school board as a sponsor.

64

65 A charter school operating in a school district identified in subdivision (1) or (2) of subsection
66 2 of this section may be sponsored by any of the entities identified in subsection 3 of this section,
67 irrespective of the accreditation classification of the district in which it is located. A charter
68 school in a district described in this subsection whose charter provides for the addition of grade
69 levels in subsequent years may continue to add levels until the planned expansion is complete
70 to the extent of grade levels in comparable schools of the district in which the charter school is
71 operated.

72 5. **For purposes of sections 160.400 to 160.425, the following terms shall mean:**

73 (1) **"Recovery charter high school", a charter school giving instruction in a grade**
74 **or grades not lower than the ninth nor higher than the twelfth grade;**

75 (2) **"Substance dependency", a state in which a person functions normally in the**
76 **presence of a drug following repeated drug exposure and suffers psychological reactions**
77 **such as withdrawal syndrome when the drug is removed;**

78 (3) **"Substance use disorder", shall have the same meaning as in section 478.001.**

79 6. **A recovery charter high school may be operated in an urban school district**
80 **containing most or all of a home rule city with more than four hundred thousand**
81 **inhabitants and located in more than one county whose mission and vision statement**
82 **provides for the following:**

83 (1) **To educate all available and eligible students who are in recovery from**
84 **substance use disorder, substance dependency, or co-occurring disorders such as anxiety,**
85 **depression, and attention deficit hyperactivity disorder;**

86 **(2) To meet state requirements for awarding a high school diploma; and**

87 **(3) To support students in working a strong program of recovery.**

88 7. The mayor of a city not within a county may request a sponsor under subdivision (2),
89 (3), (4), (5), or (6) of subsection 3 of this section to consider sponsoring a "workplace charter
90 school", which is defined for purposes of sections 160.400 to 160.425 as a charter school with
91 the ability to target prospective students whose parent or parents are employed in a business
92 district, as defined in the charter, which is located in the city.

93 ~~[6-]~~ 8. No sponsor shall receive from an applicant for a charter school any fee of any type
94 for the consideration of a charter, nor may a sponsor condition its consideration of a charter on
95 the promise of future payment of any kind.

96 ~~[7-]~~ 9. The charter school shall be organized as a Missouri nonprofit corporation
97 incorporated pursuant to chapter 355. The charter provided for herein shall constitute a contract
98 between the sponsor and the charter school.

99 ~~[8-]~~ 10. As a nonprofit corporation incorporated pursuant to chapter 355, the charter
100 school shall select the method for election of officers pursuant to section 355.326 based on the
101 class of corporation selected. Meetings of the governing board of the charter school shall be
102 subject to the provisions of sections 610.010 to 610.030.

103 ~~[9-]~~ 11. A sponsor of a charter school, its agents and employees are not liable for any acts
104 or omissions of a charter school that it sponsors, including acts or omissions relating to the
105 charter submitted by the charter school, the operation of the charter school and the performance
106 of the charter school.

107 ~~[10-]~~ 12. A charter school may affiliate with a four-year college or university, including
108 a private college or university, or a community college as otherwise specified in subsection 3 of
109 this section when its charter is granted by a sponsor other than such college, university or
110 community college. Affiliation status recognizes a relationship between the charter school and
111 the college or university for purposes of teacher training and staff development, curriculum and
112 assessment development, use of physical facilities owned by or rented on behalf of the college
113 or university, and other similar purposes. A university, college or community college may not
114 charge or accept a fee for affiliation status.

115 ~~[11-]~~ 13. The expenses associated with sponsorship of charter schools shall be defrayed
116 by the department of elementary and secondary education retaining one and five-tenths percent
117 of the amount of state and local funding allocated to the charter school under section 160.415,
118 not to exceed one hundred twenty-five thousand dollars, adjusted for inflation. The department
119 of elementary and secondary education shall remit the retained funds for each charter school to
120 the school's sponsor, provided the sponsor remains in good standing by fulfilling its sponsorship

121 obligations under sections 160.400 to 160.425 and 167.349 with regard to each charter school
122 it sponsors, including appropriate demonstration of the following:

123 (1) Expends no less than ninety percent of its charter school sponsorship funds in support
124 of its charter school sponsorship program, or as a direct investment in the sponsored schools;

125 (2) Maintains a comprehensive application process that follows fair procedures and
126 rigorous criteria and grants charters only to those developers who demonstrate strong capacity
127 for establishing and operating a quality charter school;

128 (3) Negotiates contracts with charter schools that clearly articulate the rights and
129 responsibilities of each party regarding school autonomy, expected outcomes, measures for
130 evaluating success or failure, performance consequences based on the annual performance report,
131 and other material terms;

132 (4) Conducts contract oversight that evaluates performance, monitors compliance,
133 informs intervention and renewal decisions, and ensures autonomy provided under applicable
134 law; and

135 (5) Designs and implements a transparent and rigorous process that uses comprehensive
136 data to make merit-based renewal decisions.

137 ~~[12.]~~ **14.** Sponsors receiving funds under subsection ~~[11]~~ **13** of this section shall be
138 required to submit annual reports to the joint committee on education demonstrating they are in
139 compliance with subsection ~~[17]~~ **19** of this section.

140 ~~[13.]~~ **15.** No university, college or community college shall grant a charter to a nonprofit
141 corporation if an employee of the university, college or community college is a member of the
142 corporation's board of directors.

143 ~~[14.]~~ **16.** No sponsor shall grant a charter under sections 160.400 to 160.425 and 167.349
144 without ensuring that a criminal background check and family care safety registry check are
145 conducted for all members of the governing board of the charter schools or the incorporators of
146 the charter school if initial directors are not named in the articles of incorporation, nor shall a
147 sponsor renew a charter without ensuring a criminal background check and family care safety
148 registry check are conducted for each member of the governing board of the charter school.

149 ~~[15.]~~ **17.** No member of the governing board of a charter school shall hold any office or
150 employment from the board or the charter school while serving as a member, nor shall the
151 member have any substantial interest, as defined in section 105.450, in any entity employed by
152 or contracting with the board. No board member shall be an employee of a company that
153 provides substantial services to the charter school. All members of the governing board of the
154 charter school shall be considered decision-making public servants as defined in section 105.450
155 for the purposes of the financial disclosure requirements contained in sections 105.483, 105.485,
156 105.487, and 105.489.

157 ~~[16.]~~ **18.** A sponsor shall develop the policies and procedures for:

158 (1) The review of a charter school proposal including an application that provides
159 sufficient information for rigorous evaluation of the proposed charter and provides clear
160 documentation that the education program and academic program are aligned with the state
161 standards and grade-level expectations, and provides clear documentation of effective
162 governance and management structures, and a sustainable operational plan;

163 (2) The granting of a charter;

164 (3) The performance contract that the sponsor will use to evaluate the performance of
165 charter schools. Charter schools shall meet current state academic performance standards as well
166 as other standards agreed upon by the sponsor and the charter school in the performance contract;

167 (4) The sponsor's intervention, renewal, and revocation policies, including the conditions
168 under which the charter sponsor may intervene in the operation of the charter school, along with
169 actions and consequences that may ensue, and the conditions for renewal of the charter at the end
170 of the term, consistent with subsections 8 and 9 of section 160.405;

171 (5) Additional criteria that the sponsor will use for ongoing oversight of the charter; and

172 (6) Procedures to be implemented if a charter school should close, consistent with the
173 provisions of subdivision (15) of subsection 1 of section 160.405.

174

175 The department shall provide guidance to sponsors in developing such policies and procedures.

176 ~~[17.]~~ **19.** (1) A sponsor shall provide timely submission to the state board of education
177 of all data necessary to demonstrate that the sponsor is in material compliance with all
178 requirements of sections 160.400 to 160.425 and section 167.349. The state board of education
179 shall ensure each sponsor is in compliance with all requirements under sections 160.400 to
180 160.425 and 167.349 for each charter school sponsored by any sponsor. The state board shall
181 notify each sponsor of the standards for sponsorship of charter schools, delineating both what
182 is mandated by statute and what best practices dictate. The state board shall evaluate sponsors
183 to determine compliance with these standards every three years. The evaluation shall include a
184 sponsor's policies and procedures in the areas of charter application approval; required charter
185 agreement terms and content; sponsor performance evaluation and compliance monitoring; and
186 charter renewal, intervention, and revocation decisions. Nothing shall preclude the department
187 from undertaking an evaluation at any time for cause.

188 (2) If the department determines that a sponsor is in material noncompliance with its
189 sponsorship duties, the sponsor shall be notified and given reasonable time for remediation. If
190 remediation does not address the compliance issues identified by the department, the
191 commissioner of education shall conduct a public hearing and thereafter provide notice to the
192 charter sponsor of corrective action that will be recommended to the state board of education.

193 Corrective action by the department may include withholding the sponsor's funding and
194 suspending the sponsor's authority to sponsor a school that it currently sponsors or to sponsor any
195 additional school until the sponsor is reauthorized by the state board of education under section
196 160.403.

197 (3) The charter sponsor may, within thirty days of receipt of the notice of the
198 commissioner's recommendation, provide a written statement and other documentation to show
199 cause as to why that action should not be taken. Final determination of corrective action shall
200 be determined by the state board of education based upon a review of the documentation
201 submitted to the department and the charter sponsor.

202 (4) If the state board removes the authority to sponsor a currently operating charter
203 school under any provision of law, the Missouri charter public school commission shall become
204 the sponsor of the school.

205 ~~[48-]~~ **20.** If a sponsor notifies a charter school of closure under subsection 8 of section
206 160.405, the department of elementary and secondary education shall exercise its financial
207 withholding authority under subsection 12 of section 160.415 to assure all obligations of the
208 charter school shall be met. The state, charter sponsor, or resident district shall not be liable for
209 any outstanding liability or obligations of the charter school.

160.410. 1. A charter school shall enroll:

2 (1) All pupils resident in the district in which it operates;

3 (2) Nonresident pupils eligible to attend a district's school under an urban voluntary
4 transfer program;

5 (3) Nonresident pupils who transfer from an unaccredited district under section 167.895,
6 provided that the charter school is an approved charter school, as defined in section 167.895, and
7 subject to all other provisions of section 167.895;

8 (4) In the case of a charter school whose mission includes student drop-out prevention
9 or recovery, any nonresident pupil from the same or an adjacent county who resides in a
10 residential care facility, a transitional living group home, or an independent living program
11 whose last school of enrollment is in the school district where the charter school is established,
12 who submits a timely application; ~~and~~

13 (5) In the case of a workplace charter school, any student eligible to attend under
14 subdivision (1) or (2) of this subsection whose parent is employed in the business district, who
15 submits a timely application, unless the number of applications exceeds the capacity of a
16 program, class, grade level or building. The configuration of a business district shall be set forth
17 in the charter and shall not be construed to create an undue advantage for a single employer or
18 small number of employers; **and**

19 **(6) In the case of a recovery charter high school, any pupil who is eligible to attend**
20 **under subdivision (1), (2), or (3) of this subsection, and any nonresident pupil, who is in**
21 **recovery from substance use disorder, substance dependency, or co-occurring disorders**
22 **such as anxiety, depression, and attention deficit hyperactivity disorder.**

23 **(a) A recovery charter high school may enroll students residing in another state,**
24 **provided such student is in recovery from substance use disorder, substance dependency,**
25 **or co-occurring disorders such as anxiety, depression, and attention deficit hyperactivity**
26 **disorder.**

27 **(b) The department of elementary and secondary education may enter into**
28 **agreements with states to develop a reciprocity agreement for students seeking to attend**
29 **a recovery charter high school in the state of Missouri. An out-of-state school district from**
30 **a state subject to a reciprocity agreement having one or more resident pupils attending a**
31 **recovery charter high school in the state of Missouri shall pay to the recovery charter high**
32 **school an annual amount equal to one hundred five percent of the previous school year's**
33 **per pupil expenditure in the state of Missouri. If an out-of-state student resides in a state**
34 **that is not subject to a reciprocity agreement, such student shall pay to the recovery**
35 **charter high school an amount equal to one hundred five percent of the previous school**
36 **year's per pupil expenditure in the state of Missouri. Such student shall not be included**
37 **in the count of average daily attendance.**

38 2. If capacity is insufficient to enroll all pupils who submit a timely application, the
39 charter school shall have an admissions process that assures all applicants of an equal chance of
40 gaining admission and does not discriminate based on parents' ability to pay fees or tuition
41 except that:

42 (1) A charter school may establish a geographical area around the school whose residents
43 will receive a preference for enrolling in the school, provided that such preferences do not result
44 in the establishment of racially or socioeconomically isolated schools and provided such
45 preferences conform to policies and guidelines established by the state board of education;

46 (2) A charter school may also give a preference for admission of children whose siblings
47 attend the school or whose parents are employed at the school or in the case of a workplace
48 charter school, a child whose parent is employed in the business district or at the business site
49 of such school. **A recovery charter high school may give preference to such students**
50 **provided such students are in recovery from substance use disorder, substance**
51 **dependency, or co-occurring disorders such as anxiety, depression, and attention deficit**
52 **hyper activity;**

53 (3) Charter schools may also give a preference for admission to high-risk students, as
54 defined in subdivision (5) of subsection 2 of section 160.405, when the school targets these
55 students through its proposed mission, curriculum, teaching methods, and services;

56 (4) A charter school may also give a preference for admission to students who will be
57 eligible for the free and reduced price lunch program in the upcoming school year.

58 3. A charter school shall not limit admission based on race, ethnicity, national origin,
59 disability, income level, except as allowed under subdivision (4) of subsection 2 of this section,
60 proficiency in the English language or athletic ability, but may limit admission to pupils within
61 a given age group or grade level. **A recovery charter high school shall limit admission to**
62 **pupils who are in recovery from substance use disorder, substance dependency, or co-**
63 **occurring disorders such as anxiety, depression, and attention deficit hyperactivity**
64 **disorder.** Charter schools may limit admission based on gender only when the school is a
65 single-gender school. Students of a charter school who have been enrolled for a full academic
66 year shall be counted in the performance of the charter school on the statewide assessments in
67 that calendar year, unless otherwise exempted as English language learners. For purposes of this
68 subsection, "full academic year" means the last Wednesday in September through the
69 administration of the Missouri assessment program test without transferring out of the school and
70 re-enrolling.

71 4. A charter school shall make available for public inspection, and provide upon request,
72 to the parent, guardian, or other custodian of any school-age pupil resident in the district in which
73 the school is located the following information:

74 (1) The school's charter;

75 (2) The school's most recent annual report card published according to section 160.522;

76 (3) The results of background checks on the charter school's board members; and

77 (4) If a charter school is operated by a management company, a copy of the written
78 contract between the governing board of the charter school and the educational management
79 organization or the charter management organization for services. The charter school may
80 charge reasonable fees, not to exceed the rate specified in section 610.026 for furnishing copies
81 of documents under this subsection.

82 5. When a student attending a charter school who is a resident of the school district in
83 which the charter school is located moves out of the boundaries of such school district, the
84 student may complete the current semester and shall be considered a resident student. The
85 student's parent or legal guardian shall be responsible for the student's transportation to and from
86 the charter school.

87 6. If a change in school district boundary lines occurs under section 162.223, 162.431,
88 162.441, or 162.451, or by action of the state board of education under section 162.081,

89 including attachment of a school district's territory to another district or dissolution, such that a
90 student attending a charter school prior to such change no longer resides in a school district in
91 which the charter school is located, then the student may complete the current academic year at
92 the charter school. The student shall be considered a resident student. The student's parent or
93 legal guardian shall be responsible for the student's transportation to and from the charter school.

94 7. The provisions of sections 167.018 and 167.019 concerning foster children's
95 educational rights are applicable to charter schools.

160.415. 1. For the purposes of calculation and distribution of state school aid under
2 section 163.031, pupils enrolled in a charter school shall be included in the pupil enrollment of
3 the school district within which each pupil resides. Each charter school shall report the names,
4 addresses, and eligibility for free and reduced price lunch, special education, or limited English
5 proficiency status, as well as eligibility for categorical aid, of pupils resident in a school district
6 who are enrolled in the charter school to the school district in which those pupils reside. The
7 charter school shall report the average daily attendance data, free and reduced price lunch count,
8 special education pupil count, and limited English proficiency pupil count to the state department
9 of elementary and secondary education. Each charter school shall promptly notify the state
10 department of elementary and secondary education and the pupil's school district when a student
11 discontinues enrollment at a charter school.

12 2. Except as provided in subsections 3 and 4 of this section, the aid payments for charter
13 schools shall be as described in this subsection.

14 (1) A school district having one or more resident pupils attending a charter school shall
15 pay to the charter school an annual amount equal to the product of the charter school's weighted
16 average daily attendance and the state adequacy target, multiplied by the dollar value modifier
17 for the district, plus local tax revenues per weighted average daily attendance from the incidental
18 and teachers' funds in excess of the performance levy as defined in section 163.011 plus all other
19 state aid attributable to such pupils.

20 (2) The district of residence of a pupil attending a charter school shall also pay to the
21 charter school any other federal or state aid that the district receives on account of such child.

22 (3) If the department overpays or underpays the amount due to the charter school, such
23 overpayment or underpayment shall be repaid by the public charter school or credited to the
24 public charter school in twelve equal payments in the next fiscal year.

25 (4) The amounts provided pursuant to this subsection shall be prorated for partial year
26 enrollment for a pupil.

27 (5) A school district shall pay the amounts due pursuant to this subsection as the
28 disbursal agent and no later than twenty days following the receipt of any such funds. The

29 department of elementary and secondary education shall pay the amounts due when it acts as the
30 disbursal agent within five days of the required due date.

31 **(6) If a recovery charter high school that has not declared itself as a local**
32 **educational agency has one or more nonresident pupils, the nonresident pupils shall not**
33 **be counted for purposes of determining the amount of aid described in subdivisions (1) and**
34 **(2) of this subsection. Each school district that has one or more of its resident pupils**
35 **attending such a charter school shall pay to the charter school, for each such pupil, one**
36 **hundred percent of its average per-pupil expenditure, excluding interest payments and**
37 **grants.**

38 3. A workplace charter school shall receive payment for each eligible pupil as provided
39 under subsection 2 of this section, except that if the student is not a resident of the district and
40 is participating in a voluntary interdistrict transfer program, the payment for such pupils shall be
41 the same as provided under section 162.1060.

42 4. **(1)** A charter school that has declared itself as a local educational agency shall receive
43 from the department of elementary and secondary education an annual amount equal to the
44 product of the charter school's weighted average daily attendance and the state adequacy target,
45 multiplied by the dollar value modifier for the district, plus local tax revenues per weighted
46 average daily attendance from the incidental and teachers funds in excess of the performance
47 levy as defined in section 163.011 plus all other state aid attributable to such pupils. If a charter
48 school declares itself as a local educational agency, the department of elementary and secondary
49 education shall, upon notice of the declaration, reduce the payment made to the school district
50 by the amount specified in this subsection and pay directly to the charter school the annual
51 amount reduced from the school district's payment.

52 **(2) (a) If a recovery charter high school that has declared itself as a local**
53 **educational agency has one or more nonresident pupils, the charter school shall receive**
54 **from the department of elementary and secondary education an annual amount equal to**
55 **the amount described in subdivision (1) of this subsection; except that, the nonresident**
56 **pupils shall not be counted for purposes of determining the amount of aid as described in**
57 **subdivision (1) of this subsection. Each school district that has one or more of its resident**
58 **pupils attending such a charter school as nonresident pupils shall pay to the charter school,**
59 **for each such pupil, one hundred percent of its average per-pupil expenditure, excluding**
60 **interest payments and grants.**

61 **(b) Upon notice of the charter school's declaration of local educational agency**
62 **status, the department of elementary and secondary education shall reduce the payment**
63 **made to the school district in which the charter school is located from any source by the**
64 **amount specified in subdivision (1) of this subsection, calculated as described in paragraph**

65 **(a) of this subdivision, and pay directly to the charter school the annual amount reduced**
66 **from the school district's payment.**

67 5. If a school district fails to make timely payments of any amount for which it is the
68 disbursal agent, the state department of elementary and secondary education shall authorize
69 payment to the charter school of the amount due pursuant to subsection 2 of this section and shall
70 deduct the same amount from the next state school aid apportionment to the owing school
71 district. If a charter school is paid more or less than the amounts due pursuant to this section,
72 the amount of overpayment or underpayment shall be adjusted equally in the next twelve
73 payments by the school district or the department of elementary and secondary education, as
74 appropriate. Any dispute between the school district and a charter school as to the amount owing
75 to the charter school shall be resolved by the department of elementary and secondary education,
76 and the department's decision shall be the final administrative action for the purposes of review
77 pursuant to chapter 536. During the period of dispute, the department of elementary and
78 secondary education shall make every administrative and statutory effort to allow the continued
79 education of children in their current public charter school setting.

80 6. The charter school, **including a recovery charter high school**, and a local school
81 board may agree by contract for services to be provided by the school district to the charter
82 school. The charter school may contract with any other entity for services. Such services may
83 include but are not limited to food service, custodial service, maintenance, management
84 assistance, curriculum assistance, media services and libraries and shall be subject to negotiation
85 between the charter school and the local school board or other entity. Documented actual costs
86 of such services shall be paid for by the charter school.

87 7. In the case of a proposed charter school that intends to contract with an education
88 service provider for substantial educational services or management services, the request for
89 proposals shall additionally require the charter school applicant to:

90 (1) Provide evidence of the education service provider's success in serving student
91 populations similar to the targeted population, including demonstrated academic achievement
92 as well as successful management of nonacademic school functions, if applicable. **In the case**
93 **of a recovery charter high school, such applicant need only provide evidence of the**
94 **education service provider's history of providing such educational services;**

95 (2) Provide a term sheet setting forth the proposed duration of the service contract; roles
96 and responsibilities of the governing board, the school staff, and the service provider; scope of
97 services and resources to be provided by the service provider; performance evaluation measures
98 and time lines; compensation structure, including clear identification of all fees to be paid to the
99 service provider; methods of contract oversight and enforcement; investment disclosure; and
100 conditions for renewal and termination of the contract;

101 (3) Disclose any known conflicts of interest between the school governing board and
102 proposed service provider or any affiliated business entities;

103 (4) Disclose and explain any termination or nonrenewal of contracts for equivalent
104 services for any other charter school in the United States within the past five years;

105 (5) Ensure that the legal counsel for the charter school shall report directly to the charter
106 school's governing board; and

107 (6) Provide a process to ensure that the expenditures that the education service provider
108 intends to bill to the charter school shall receive prior approval of the governing board or its
109 designee.

110 8. A charter school may enter into contracts with community partnerships and state
111 agencies acting in collaboration with such partnerships that provide services to children and their
112 families linked to the school.

113 9. A charter school shall be eligible for transportation state aid pursuant to section
114 163.161 and shall be free to contract with the local district, or any other entity, for the provision
115 of transportation to the students of the charter school.

116 10. (1) The proportionate share of state and federal resources generated by students with
117 disabilities or staff serving them shall be paid in full to charter schools enrolling those students
118 by their school district where such enrollment is through a contract for services described in this
119 section. The proportionate share of money generated under other federal or state categorical aid
120 programs shall be directed to charter schools serving such students eligible for that aid.

121 (2) A charter school shall provide the special services provided pursuant to section
122 162.705 and may provide the special services pursuant to a contract with a school district or any
123 provider of such services.

124 11. A charter school may not charge tuition or impose fees that a school district is
125 prohibited from charging or imposing, except that a charter school may receive:

126 (1) Tuition payments from districts in the same or an adjoining county for nonresident
127 students who transfer to an approved charter school, as defined in section 167.895, from an
128 unaccredited district; **and**

129 (2) **Payments from school districts as described in this section.**

130 12. A charter school is authorized to incur debt in anticipation of receipt of funds. A
131 charter school may also borrow to finance facilities and other capital items. A school district
132 may incur bonded indebtedness or take other measures to provide for physical facilities and other
133 capital items for charter schools that it sponsors or contracts with. Except as otherwise
134 specifically provided in sections 160.400 to 160.425, upon the dissolution of a charter school,
135 any liabilities of the corporation will be satisfied through the procedures of chapter 355. A
136 charter school shall satisfy all its financial obligations within twelve months of notice from the

137 sponsor of the charter school's closure under subsection 8 of section 160.405. After satisfaction
138 of all its financial obligations, a charter school shall return any remaining state and federal funds
139 to the department of elementary and secondary education for disposition as stated in subdivision
140 (17) of subsection 1 of section 160.405. The department of elementary and secondary education
141 may withhold funding at a level the department determines to be adequate during a school's last
142 year of operation until the department determines that school records, liabilities, and reporting
143 requirements, including a full audit, are satisfied.

144 13. Charter schools shall not have the power to acquire property by eminent domain.

145 14. The governing body of a charter school is authorized to accept grants, gifts or
146 donations of any kind and to expend or use such grants, gifts or donations. A grant, gift or
147 donation may not be accepted by the governing body if it is subject to any condition contrary to
148 law applicable to the charter school or other public schools, or contrary to the terms of the
149 charter.

150 **15. Notwithstanding any other provision of this section, if the provisions of any**
151 **other section specify a tuition amount to be paid by the resident district for a nonresident**
152 **pupil attending a recovery charter high school, the provisions of such section specifying the**
153 **tuition amount shall govern, and the provisions of this section shall not apply to such pupil.**

✓