

SECOND REGULAR SESSION

SENATE BILL NO. 835

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS RUPP AND KEAVENY.

Read 1st time January 26, 2010, and ordered printed.

TERRY L. SPIELER, Secretary.

4710S.011

AN ACT

To repeal sections 160.405 and 160.410, RSMo, and to enact in lieu thereof two new sections relating to charter schools.

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

Section A. Sections 160.405 and 160.410, RSMo, are repealed and two new
2 sections enacted in lieu thereof, to be known as sections 160.405 and 160.410, to
3 read as follows:

160.405. 1. A person, group or organization seeking to establish a charter
2 school shall submit the proposed charter, as provided in this section, to a sponsor.
3 If the sponsor is not a school board, the applicant shall give a copy of its
4 application to the school board of the district in which the charter school is to be
5 located and to the state board of education, within five business days of the date
6 the application is filed with the proposed sponsor. The school board may file
7 objections with the proposed sponsor, and, if a charter is granted, the school
8 board may file objections with the state board of education. The charter shall
9 include a mission statement for the charter school, a description of the charter
10 school's organizational structure and bylaws of the governing body, which will be
11 responsible for the policy and operational decisions of the charter school, a
12 financial plan for the first three years of operation of the charter school including
13 provisions for annual audits, a description of the charter school's policy for
14 securing personnel services, its personnel policies, personnel qualifications, and
15 professional development plan, a description of the grades or ages of students
16 being served, the school's calendar of operation, which shall include at least the
17 equivalent of a full school term as defined in section 160.011, and an outline of
18 criteria specified in this section designed to measure the effectiveness of the

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

19 school. The charter shall also state:

20 (1) The educational goals and objectives to be achieved by the charter
21 school;

22 (2) A description of the charter school's educational program and
23 curriculum;

24 (3) The term of the charter, which shall be not less than five years, nor
25 greater than ten years and shall be renewable;

26 (4) A description of the charter school's pupil performance standards,
27 which must meet the requirements of subdivision (6) of subsection 5 of this
28 section. The charter school program must be designed to enable each pupil to
29 achieve such standards;

30 (5) A description of the governance and operation of the charter school,
31 including the nature and extent of parental, professional educator, and
32 community involvement in the governance and operation of the charter school;
33 and

34 (6) A description of the charter school's policies on student discipline and
35 student admission, which shall include a statement, where applicable, of the
36 validity of attendance of students who do not reside in the district but who may
37 be eligible to attend under the terms of judicial settlements.

38 2. Proposed charters shall be subject to the following requirements:

39 (1) A charter may be approved when the sponsor determines that the
40 requirements of this section are met and determines that the applicant is
41 sufficiently qualified to operate a charter school. The sponsor's decision of
42 approval or denial shall be made within ninety days of the filing of the proposed
43 charter;

44 (2) If the charter is denied, the proposed sponsor shall notify the applicant
45 in writing as to the reasons for its denial and forward a copy to the state board
46 of education within five business days following the denial;

47 (3) If a proposed charter is denied by a sponsor, the proposed charter may
48 be submitted to the state board of education, along with the sponsor's written
49 reasons for its denial. If the state board determines that the applicant meets the
50 requirements of this section, that the applicant is sufficiently qualified to operate
51 the charter school, and that granting a charter to the applicant would be likely
52 to provide educational benefit to the children of the district, the state board may
53 grant a charter and act as sponsor of the charter school. The state board shall
54 review the proposed charter and make a determination of whether to deny or

55 grant the proposed charter within sixty days of receipt of the proposed charter,
56 provided that any charter to be considered by the state board of education under
57 this subdivision shall be submitted no later than March first prior to the school
58 year in which the charter school intends to begin operations. The state board of
59 education shall notify the applicant in writing as the reasons for its denial, if
60 applicable; and

61 (4) The sponsor of a charter school shall give priority to charter school
62 applicants that propose a school oriented to high-risk students and to the reentry
63 of dropouts into the school system. If a sponsor grants three or more charters,
64 at least one-third of the charters granted by the sponsor shall be to schools that
65 actively recruit dropouts or high-risk students as their student body and address
66 the needs of dropouts or high-risk students through their proposed mission,
67 curriculum, teaching methods, and services. For purposes of this subsection, a
68 "high-risk" student is one who is at least one year behind in satisfactory
69 completion of course work or obtaining credits for graduation, pregnant or a
70 parent, homeless or has been homeless sometime within the preceding six
71 months, has limited English proficiency, has been suspended from school three
72 or more times, is eligible for free or reduced-price school lunch, or has been
73 referred by the school district for enrollment in an alternative
74 program. "Dropout" shall be defined through the guidelines of the school core
75 data report. The provisions of this subsection do not apply to charters sponsored
76 by the state board of education.

77 3. If a charter is approved by a sponsor, the charter application shall be
78 submitted to the state board of education, along with a statement of finding that
79 the application meets the requirements of sections 160.400 to 160.420 and section
80 167.439, RSMo, and a monitoring plan under which the charter sponsor will
81 evaluate the academic performance of students enrolled in the charter
82 school. The state board of education may, within sixty days, disapprove the
83 granting of the charter. The state board of education may disapprove a charter
84 on grounds that the application fails to meet the requirements of sections 160.400
85 to 160.420 and section 167.349, RSMo, or that a charter sponsor previously failed
86 to meet the statutory responsibilities of a charter sponsor.

87 4. Any disapproval of a charter pursuant to subsection 3 of this section
88 shall be subject to judicial review pursuant to chapter 536, RSMo.

89 5. A charter school shall, as provided in its charter:

90 (1) Be nonsectarian in its programs, admission policies, employment

91 practices, and all other operations;

92 (2) Comply with laws and regulations of the state, county, or city relating
93 to health, safety, and state minimum educational standards, as specified by the
94 state board of education, including the requirements relating to student discipline
95 under sections 160.261, 167.161, 167.164, and 167.171, RSMo, notification of
96 criminal conduct to law enforcement authorities under sections 167.115 to
97 167.117, RSMo, academic assessment under section 160.518, transmittal of school
98 records under section 167.020, RSMo, and the minimum number of school days
99 and hours required under section 160.041;

100 (3) Except as provided in sections 160.400 to 160.420, be exempt from all
101 laws and rules relating to schools, governing boards and school districts;

102 (4) Be financially accountable, use practices consistent with the Missouri
103 financial accounting manual, provide for an annual audit by a certified public
104 accountant, publish audit reports and annual financial reports as provided in
105 chapter 165, RSMo, provided that the annual financial report may be published
106 on the department of elementary and secondary education's Internet web site in
107 addition to other publishing requirements, and provide liability insurance to
108 indemnify the school, its board, staff and teachers against tort claims. A charter
109 school that receives local educational agency status under subsection 6 of this
110 section shall meet the requirements imposed by the Elementary and Secondary
111 Education Act for audits of such agencies. For purposes of an audit by petition
112 under section 29.230, RSMo, a charter school shall be treated as a political
113 subdivision on the same terms and conditions as the school district in which it is
114 located. For the purposes of securing such insurance, a charter school shall be
115 eligible for the Missouri public entity risk management fund pursuant to section
116 537.700, RSMo. A charter school that incurs debt must include a repayment plan
117 in its financial plan;

118 (5) Provide a comprehensive program of instruction for at least one grade
119 or age group from kindergarten through grade twelve, which may include early
120 childhood education if funding for such programs is established by statute, as
121 specified in its charter;

122 (6) (a) Design a method to measure pupil progress toward the pupil
123 academic standards adopted by the state board of education pursuant to section
124 160.514, collect baseline data during at least the first three years for determining
125 how the charter school is performing and to the extent applicable, participate in
126 the statewide system of assessments, comprised of the essential skills tests and

127 the nationally standardized norm-referenced achievement tests, as designated by
128 the state board pursuant to section 160.518, complete and distribute an annual
129 report card as prescribed in section 160.522, which shall also include a statement
130 that background checks have been completed on the charter school's board
131 members, report to its sponsor, the local school district, and the state board of
132 education as to its teaching methods and any educational innovations and the
133 results thereof, and provide data required for the study of charter schools
134 pursuant to subsection 4 of section 160.410. No charter school will be considered
135 in the Missouri school improvement program review of the district in which it is
136 located for the resource or process standards of the program.

137 (b) For proposed high risk or alternative charter schools, sponsors shall
138 approve performance measures based on mission, curriculum, teaching methods,
139 and services. Sponsors shall also approve comprehensive academic and
140 behavioral measures to determine whether students are meeting performance
141 standards on a different time frame as specified in that school's charter. Student
142 performance shall be assessed comprehensively to determine whether a high risk
143 or alternative charter school has documented adequate student progress. Student
144 performance shall be based on sponsor-approved comprehensive measures as well
145 as standardized public school measures. Annual presentation of charter school
146 report card data to the department of elementary and secondary education, the
147 state board, and the public shall include comprehensive measures of student
148 progress.

149 (c) Nothing in this [paragraph] **subdivision** shall be construed as
150 permitting a charter school to be held to lower performance standards than other
151 public schools within a district; however, the charter of a charter school may
152 permit students to meet performance standards on a different time frame as
153 specified in its charter;

154 (7) Assure that the needs of special education children are met in
155 compliance with all applicable federal and state laws and regulations;

156 (8) Provide along with any request for review by the state board of
157 education the following:

158 (a) Documentation that the applicant has provided a copy of the
159 application to the school board of the district in which the charter school is to be
160 located, except in those circumstances where the school district is the sponsor of
161 the charter school; and

162 (b) A statement outlining the reasons for approval or disapproval by the

163 sponsor, specifically addressing the requirements of sections 160.400 to 160.420
164 and 167.349, RSMo.

165 **6. (1) Proposed or existing high risk or alternative charter**
166 **schools may include alternative arrangements for students to obtain**
167 **credit for satisfying graduation requirements in the school's charter**
168 **application and charter. Alternative arrangements may include, but**
169 **not be limited to, credit for off-campus instruction, embedded credit,**
170 **work experience through a paid or unpaid internship arranged through**
171 **the school, and independent studies. When the state board of education**
172 **approves the charter, any such alternative arrangements shall be**
173 **approved at such time.**

174 **(2) The department of elementary and secondary education shall**
175 **conduct a study of any charter school granted alternative arrangements**
176 **for students to obtain credit under this subsection after three years of**
177 **operation to assess student performance, graduation rates, educational**
178 **outcomes, and entry into the workforce or higher education.**

179 **7.** The charter of a charter school may be amended at the request of the
180 governing body of the charter school and on the approval of the sponsor. The
181 sponsor and the governing board and staff of the charter school shall jointly
182 review the school's performance, management and operations at least once every
183 two years or at any point where the operation or management of the charter
184 school is changed or transferred to another entity, either public or private. The
185 governing board of a charter school may amend the charter, if the sponsor
186 approves such amendment, or the sponsor and the governing board may reach an
187 agreement in writing to reflect the charter school's decision to become a local
188 educational agency for the sole purpose of seeking direct access to federal grants.
189 In such case the sponsor shall give the department of elementary and secondary
190 education written notice no later than March first of any year, with the
191 agreement to become effective July first. The department may waive the March
192 first notice date in its discretion. The department shall identify and furnish a list
193 of its regulations that pertain to local educational agencies to such schools within
194 thirty days of receiving such notice.

195 **[7.] 8. (1)** A sponsor shall revoke a charter or take other appropriate
196 remedial action, which may include placing the charter school on probationary
197 status, at any time if the charter school commits a serious breach of one or more
198 provisions of its charter or on any of the following grounds: failure to meet

199 academic performance standards as set forth in its charter, failure to meet
200 generally accepted standards of fiscal management, failure to provide information
201 necessary to confirm compliance with all provisions of the charter and sections
202 160.400 to 160.420 and 167.349, RSMo, within forty-five days following receipt of
203 written notice requesting such information, or violation of law.

204 (2) The sponsor may place the charter school on probationary status to
205 allow the implementation of a remedial plan, which may require a change of
206 methodology, a change in leadership, or both, after which, if such plan is
207 unsuccessful, the charter may be revoked.

208 (3) At least sixty days before acting to revoke a charter, the sponsor shall
209 notify the governing board of the charter school of the proposed action in
210 writing. The notice shall state the grounds for the proposed action. The school's
211 governing board may request in writing a hearing before the sponsor within two
212 weeks of receiving the notice.

213 (4) The sponsor of a charter school shall establish procedures to conduct
214 administrative hearings upon determination by the sponsor that grounds exist to
215 revoke a charter. Final decisions of a sponsor from hearings conducted pursuant
216 to this subsection are subject to judicial review pursuant to chapter 536, RSMo.

217 (5) A termination shall be effective only at the conclusion of the school
218 year, unless the sponsor determines that continued operation of the school
219 presents a clear and immediate threat to the health and safety of the children.

220 (6) A charter sponsor shall make available the school accountability report
221 card information as provided under section 160.522 and the results of the
222 academic monitoring required under subsection 3 of this section.

223 [8.] 9. A sponsor shall take all reasonable steps necessary to confirm that
224 each charter school sponsored by such sponsor is in material compliance and
225 remains in material compliance with all material provisions of the charter and
226 sections 160.400 to 160.420 and 167.349, RSMo. Every charter school shall
227 provide all information necessary to confirm ongoing compliance with all
228 provisions of its charter and sections 160.400 to 160.420 and 167.349, RSMo, in
229 a timely manner to its sponsor.

230 [9.] 10. A school district may enter into a lease with a charter school for
231 physical facilities.

232 [10.] 11. A governing board or a school district employee who has control
233 over personnel actions shall not take unlawful reprisal against another employee
234 at the school district because the employee is directly or indirectly involved in an

235 application to establish a charter school. A governing board or a school district
236 employee shall not take unlawful reprisal against an educational program of the
237 school or the school district because an application to establish a charter school
238 proposes the conversion of all or a portion of the educational program to a charter
239 school. As used in this subsection, "unlawful reprisal" means an action that is
240 taken by a governing board or a school district employee as a direct result of a
241 lawful application to establish a charter school and that is adverse to another
242 employee or an educational program.

243 [11.] 12. Charter school board members shall be subject to the same
244 liability for acts while in office as if they were regularly and duly elected
245 members of school boards in any other public school district in this state. The
246 governing board of a charter school may participate, to the same extent as a
247 school board, in the Missouri public entity risk management fund in the manner
248 provided under sections 537.700 to 537.756, RSMo.

249 [12.] 13. Any entity, either public or private, operating, administering,
250 or otherwise managing a charter school shall be considered a quasi-public
251 governmental body and subject to the provisions of sections 610.010 to 610.035,
252 RSMo.

253 [13.] 14. The chief financial officer of a charter school shall maintain:

254 (1) A surety bond in an amount determined by the sponsor to be adequate
255 based on the cash flow of the school; or

256 (2) An insurance policy issued by an insurance company licensed to do
257 business in Missouri on all employees in the amount of five hundred thousand
258 dollars or more that provides coverage in the event of employee theft.

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
4 voluntary transfer program; [and]

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

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

20 2. If capacity is insufficient to enroll all pupils who submit a timely
21 application, the charter school shall have an admissions process that assures all
22 applicants of an equal chance of gaining admission except that:

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

28 (2) A charter school may also give a preference for admission of children
29 whose siblings attend the school or whose parents are employed at the school or
30 in the case of a workplace charter school, a child whose parent is employed in the
31 business district or at the business site of such school; **and**

32 **(3) A charter school whose mission includes student drop-out**
33 **prevention or recovery as described in subdivision (3) of subsection 1**
34 **of this section shall give preference for admission to resident pupils**
35 **over nonresident pupils.**

36 3. A charter school shall not limit admission based on race, ethnicity,
37 national origin, disability, gender, income level, proficiency in the English
38 language or athletic ability, but may limit admission to pupils within a given age
39 group or grade level. **A charter school may give a preference for**
40 **admission to high-risk students and dropouts, as defined in subdivision**
41 **(4) of subsection 2 of section 160.405.**

42 4. The department of elementary and secondary education shall
43 commission a study of the performance of students at each charter school in
44 comparison with an equivalent group of district students representing an
45 equivalent demographic and geographic population and a study of the impact of
46 charter schools upon the constituents they serve in the districts in which they are
47 located, to be conducted by the joint committee on education. The charter school
48 study shall include analysis of the administrative and instructional practices of

49 each charter school and shall include findings on innovative programs that
50 illustrate best practices and lend themselves to replication or incorporation in
51 other schools. The joint committee on education shall coordinate with individuals
52 representing charter [public] schools and the districts in which charter schools
53 are located in conducting the study. The study of a charter school's student
54 performance in relation to a comparable group shall be designed to provide
55 information that would allow parents and educators to make valid comparisons
56 of academic performance between the charter school's students and an equivalent
57 group of district students representing an equivalent demographic and geographic
58 population. The student performance assessment and comparison shall include,
59 but may not be limited to:

60 (1) Missouri assessment program test performance and aggregate growth
61 over several years;
62 (2) Student reenrollment rates;
63 (3) Educator, parent, and student satisfaction data;
64 (4) Graduation rates in secondary programs; and
65 (5) Performance of students enrolled in the same public school for three
66 or more consecutive years. The impact study shall be undertaken every two years
67 to determine the impact of charter schools on the constituents they serve in the
68 districts where charter schools are operated. The impact study shall include, but
69 is not limited to, determining if changes have been made in district policy or
70 procedures attributable to the charter school and to perceived changes in
71 attitudes and expectations on the part of district personnel, school board
72 members, parents, students, the business community and other education
73 stakeholders. The department of elementary and secondary education shall make
74 the results of the studies public and shall deliver copies to the governing boards
75 of the charter schools, the sponsors of the charter schools, the school board and
76 superintendent of the districts in which the charter schools are operated.

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

80 (1) The school's charter;
81 (2) The school's most recent annual report card published according to
82 section 160.522; and
83 (3) The results of background checks on the charter school's board
84 members. The charter school may charge reasonable fees, not to exceed the rate

85 specified in section 610.026, RSMo, for furnishing copies of documents under this
86 subsection.

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