## SECOND REGULAR SESSION

## SENATE BILL NO. 1072

## 94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR RUPP.

Read 1st time February 4, 2008, and ordered printed.

4636S.02I

TERRY L. SPIELER, Secretary.

## AN ACT

To repeal sections 160.400 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Section A. Sections 160.400 and 160.410, RSMo, are repealed and two new

- 2 sections enacted in lieu thereof, to be known as sections 160.400 and 160.410, to
- 3 read as follows:
  - 160.400. 1. A charter school is an independent public school.
- 2. Charter schools may be operated only in a metropolitan school district
- 3 or in an urban school district containing most or all of a city with a population
- 4 greater than three hundred fifty thousand inhabitants or in any school
- 5 district where the proposed charter specifies a student enrollment
- 6 comprising at least thirty percent of students who require special
- 7 education services as part of an existing individualized education
- 8 **program** and may be sponsored by any of the following:
- 9 (1) The school board of the district;
- 10 (2) [A public four-year college or university with its primary campus in
- 11 the school district or in a county adjacent to the county in which the district is
- 12 located, with an approved teacher education program that meets regional or
- 13 national standards of accreditation;
- 14 (3)] A community college [located in] whose service area includes any
- 15 **portion of** the district; or
- 16 [(4)] (3) Any public or private four-year college or university [located
- 17 in a city not within a county with an enrollment of at least one thousand
- 18 students,] with its primary campus in Missouri and with an approved

19 teacher preparation program.

- 3. The mayor of a city not within a county may request a sponsor under subdivision (2), (3), or (4) of subsection 2 of this section to consider sponsoring a workplace charter school, which is defined for purposes of sections 160.400 to 160.420 as a charter school with the ability to target prospective students whose parent or parents are employed in a business district, as defined in the charter, which is located in the city.
  - 4. No sponsor shall receive from an applicant for a charter school any fee of any type for the consideration of a charter, nor may a sponsor condition its consideration of a charter on the promise of future payment of any kind.
- 5. The charter school shall be a Missouri nonprofit corporation incorporated pursuant to chapter 355, RSMo. The charter provided for herein shall constitute a contract between the sponsor and the charter school.
  - 6. As a nonprofit corporation incorporated pursuant to chapter 355, RSMo, the charter school shall select the method for election of officers pursuant to section 355.326, RSMo, based on the class of corporation selected. Meetings of the governing board of the charter school shall be subject to the provisions of sections 610.010 to 610.030, RSMo, the open meetings law.
  - 7. A sponsor of a charter school, its agents and employees are not liable for any acts or omissions of a charter school that it sponsors, including acts or omissions relating to the charter submitted by the charter school, the operation of the charter school and the performance of the charter school.
  - 8. A charter school may affiliate with a four-year college or university, including a private college or university, or a community college as otherwise specified in subsection 2 of this section when its charter is granted by a sponsor other than such college, university or community college. Affiliation status recognizes a relationship between the charter school and the college or university for purposes of teacher training and staff development, curriculum and assessment development, use of physical facilities owned by or rented on behalf of the college or university, and other similar purposes. The primary campus of the college or university must be located within the county in which the school district lies wherein the charter school is located or in a county adjacent to the county in which the district is located. A university, college or community college may not charge or accept a fee for affiliation status.
  - 9. The expenses associated with sponsorship of charter schools shall be defrayed by the department of elementary and secondary education retaining one and five-tenths percent of the amount of state and local funding allocated to the

charter school under section 160.415, not to exceed one hundred twenty-five thousand dollars, adjusted for inflation. Such amount shall not be withheld when the sponsor is a school district or the state board of education. The department of elementary and secondary education shall remit the retained funds for each charter school to the school's sponsor, provided the sponsor remains in good standing by fulfilling its sponsorship obligations under sections 160.400 to 160.420 and 167.349, RSMo, with regard to each charter school it sponsors.

- 10. No university, college or community college shall grant a charter to a nonprofit corporation if an employee of the university, college or community college is a member of the corporation's board of directors.
- 11. No sponsor shall grant a charter under sections 160.400 to 160.420 and 167.349, RSMo, without ensuring that a criminal background check and child abuse registry check are conducted for all members of the governing board of the charter schools or the incorporators of the charter school if initial directors are not named in the articles of incorporation, nor shall a sponsor renew a charter without ensuring a criminal background check and child abuse registry check are conducted for each member of the governing board of the charter school.
- 12. No member of the governing board of a charter school shall hold any office or employment from the board or the charter school while serving as a member, nor shall the member have any substantial interest, as defined in section 105.450, RSMo, in any entity employed by or contracting with the board. No board member shall be an employee of a company that provides substantial services to the charter school. All members of the governing board of the charter school shall be considered decision-making public servants as defined in section 105.450, RSMo, for the purposes of the financial disclosure requirements contained in sections 105.483, 105.485, 105.487, and 105.489, RSMo.
  - 13. A sponsor shall provide timely submission to the state board of education of all data necessary to demonstrate that the sponsor is in material compliance with all requirements of sections 160.400 to 160.420 and 167.349, RSMo.
- 14. The state board of education shall ensure each sponsor is in compliance with all requirements under sections 160.400 to 160.420 and 167.349, RSMo, for each charter school sponsored by any sponsor. The state board shall notify each sponsor of the standards for sponsorship of charter schools, delineating both what is mandated by statute and what best practices dictate. The state board, after a public hearing, may require remedial action for a sponsor that it finds has not fulfilled its obligations of sponsorship, such

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remedial actions including withholding the sponsor's funding and suspending for a period of up to one year the sponsor's authority to sponsor a school that it currently sponsors or to sponsor any additional school. If the state board removes the authority to sponsor a currently operating charter school, the state board shall become the interim sponsor of the school for a period of up to three years until the school finds a new sponsor or until the charter contract period lapses.

160.410. 1. A charter school shall enroll:

- (1) All pupils resident in the district in which it operates;
- (2) Nonresident pupils eligible to attend a district's school under an urban voluntary transfer program; and
  - (3) In the case of a charter school whose charter specifies a student enrollment comprising at least thirty percent of students who require special education services as part of an existing individualized education program as described in subsection 2 of section 160.400, a nonresident pupil who submits a timely application;
- (4) In the case of a workplace charter school, any student eligible to attend under subdivision (1) or (2) of this subsection whose parent is employed in the business district, who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level or building. The configuration of a business district shall be set forth in the charter and shall not be construed to create an undue advantage for a single employer or small number of employers.
  - 2. If capacity is insufficient to enroll all pupils who submit a timely application, the charter school shall have an admissions process that assures all applicants of an equal chance of gaining admission except that:
  - (1) A charter school may establish a geographical area around the school whose residents will receive a preference for enrolling in the school, provided that such preferences do not result in the establishment of racially or socioeconomically isolated schools and provided such preferences conform to policies and guidelines established by the state board of education; and
  - (2) A charter school may also give a preference for admission of children whose siblings attend the school or whose parents are employed at the school or in the case of a workplace charter school, a child whose parent is employed in the business district or at the business site of such school.
- 3. A charter school shall not limit admission based on race, ethnicity, national origin, disability, gender, income level, proficiency in the English language or athletic ability, but may limit admission to pupils within a given age

32 group or grade level.

- 33 4. The department of elementary and secondary education shall commission a study of the performance of students at each charter school in 34comparison with a comparable group and a study of the impact of charter schools 35 upon the districts in which they are located, to be conducted by a contractor 36 selected through a request for proposal. The department of elementary and 37 secondary education shall reimburse the contractor from funds appropriated by 38 the general assembly for the purpose. The study of a charter school's student 39 performance in relation to a comparable group shall be designed to provide 40 information that would allow parents and educators to make valid comparisons 41 of academic performance between the charter school's students and a group of 42 students comparable to the students enrolled in the charter school. The impact 43 study shall be undertaken every two years to determine the effect of charter 44 schools on education stakeholders in the districts where charter schools are 45 operated. The impact study may include, but is not limited to, determining if 46 changes have been made in district policy or procedures attributable to the 47charter school and to perceived changes in attitudes and expectations on the part 48 of district personnel, school board members, parents, students, the business 49 community and other education stakeholders. The department of elementary and 50 secondary education shall make the results of the studies public and shall deliver 51 52copies to the governing boards of the charter schools, the sponsors of the charter schools, the school board and superintendent of the districts in which the charter 53 schools are operated. 54
- 55 5. A charter school shall make available for public inspection, and provide 56 upon request, to the parent, guardian, or other custodian of any school-age pupil 57 resident in the district in which the school is located the following information:
  - (1) The school's charter;

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- 59 (2) The school's most recent annual report card published according to 60 section 160.522; and
- 61 (3) The results of background checks on the charter school's board 62 members.
- 63 The charter school may charge reasonable fees, not to exceed the rate specified 64 in section 610.026, RSMo, for furnishing copies of documents under this 65 subsection.

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