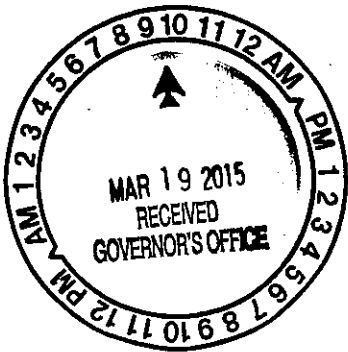


1 SB45  
2 165751-6  
3 By Senator Marsh  
4 RFD: Education and Youth Affairs  
5 First Read: 03-MAR-15  
6 PFD: 02/25/2015

ACT No. 2015 - 3



1 SB45

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4 ENROLLED, An Act,

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facilities.

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BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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Section 1. This act shall be known and may be cited as the Alabama School Choice and Student Opportunity Act.

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Section 2. (a) Public charter schools may be established in Alabama in accordance with this act. All public charter schools in the state established under this act are public schools and are part of the public education system of 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.

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

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

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

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

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

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

15          e. Create public schools with freedom and  
16 flexibility in exchange for exceptional results.

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

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

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

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

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

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

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

23           (6) COMMISSION. The Alabama Public Charter School  
24 Commission created in subsection (c) of Section 6. The

1 commission serves as an appellate body in specific  
2 circumstances outlined in subsection (a) of Section 6.

3 (7) CONVERSION PUBLIC CHARTER SCHOOL. A public  
4 charter school that existed as a non-charter public school  
5 before becoming a public charter school. A conversion public  
6 charter school shall adopt and maintain a policy giving  
7 enrollment preference to students who reside within the former  
8 attendance zone of the public school.

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

10 (9) EDUCATION SERVICE PROVIDER. An entity with which  
11 a public charter school intends to contract with for  
12 educational design, implementation, or comprehensive  
13 management. This relationship shall be articulated in the  
14 public charter school application.

15 (10) GOVERNING BOARD. The independent board of a  
16 public charter school that is party to the charter contract  
17 with the authorizer. A governing board shall have at least 20  
18 percent of its membership be parents of students who attend or  
19 have attended the public charter school for at least one  
20 academic year. Before the first day of instruction, the 20  
21 percent membership requirement may be satisfied by parents who  
22 intend to have their students attend the public charter  
23 school.

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

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

8           (13) NATIONALLY RECOGNIZED AUTHORIZING STANDARDS.  
9 Standards for high quality public charter school authorizing  
10 collaboratively drafted and regularly updated by practitioners  
11 and policy makers from across the country who have experience  
12 and practice in the field of charter authorizing.

13           (14) NON-CHARTER PUBLIC SCHOOL. A public school  
14 other than a school formed pursuant to this act. A public  
15 school that is under the direct management, governance, and  
16 control of a local school board or the state.

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

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

21           a. Has autonomy over key decisions including, but  
22 not limited to, decisions concerning finance, personnel,  
23 scheduling, curriculum, instruction, and procurement.

24           b. Is governed by an independent governing board  
25 that is a 501(c)(3) tax-exempt organization. No member of a

1 governing board shall have a financial relationship to an  
2 education service provider or the staff of the authorizer.

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

6 d. Is a school to which parents choose to send their  
7 student.

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

11 f. Provides an educational program that satisfies  
12 all of the following:

13 1. Includes any grade or grades from prekindergarten  
14 to 12th grade.

15 2. May include a specific academic approach or theme  
16 including, but not limited to, vocational and technical  
17 training; visual and performing arts; liberal arts and  
18 classical education; or science, mathematics, and technology.

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

22 4. Operates under the oversight of its authorizer in  
23 accordance with its charter contract.



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

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

6           Section 5. (a) Open enrollment.

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

9           (2) A school system shall not require any student  
10 enrolled in the school system to attend a start-up public  
11 charter school.

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

16           (4) A public charter school may limit admission to  
17 students within a given age group or grade level and may be  
18 organized around a special emphasis, theme, or concept as  
19 stated in the school's charter application, but fluency or  
20 competence in the theme may not be used as a standard for  
21 enrollment.

22           (5) A public charter school shall enroll all  
23 students who wish to attend the school, unless the number of  
24 students exceeds the capacity of the facility identified for  
25 the public charter school.

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

17           (7) Any non-charter public school converting  
18 partially or entirely to a public charter school shall adopt  
19 and maintain a policy giving enrollment preference to students  
20 who reside within the former attendance area of that public  
21 school.

22           After all students who reside within the former  
23 attendance area of that public school are enrolled, enrollment  
24 shall first be opened to students residing within the local

1 school system and then outside the local school system, as set  
2 forth in subdivision (6).

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

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

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

19 (b) Credit transferability. If a student who was  
20 previously enrolled in a public charter school enrolls in  
21 another public school in Alabama, the student's new school  
22 shall accept credits earned by the student in courses or  
23 instructional programs at the public charter school in a  
24 uniform and consistent manner and according to the same  
25 criteria that are used to accept academic credits from other

1 public schools. Nothing in this act shall prevent local school  
2 systems from administering placement tests for newly enrolled  
3 students who were previously enrolled in a public charter  
4 school.

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

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

17 Section 6. (a) Eligible authorizing entities.

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

1           a. A local school board, for chartering of schools  
2 within the boundaries of the school system under its  
3 jurisdiction, pursuant to state law.

4           b. The Alabama Public Charter School Commission,  
5 pursuant to this section.

6           (2) A local school board that registers as an  
7 authorizer may approve or deny an application to form a public  
8 charter school within the boundaries of the local school  
9 system overseen by the local school board.

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

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

16           a. An application to form a public charter school is  
17 denied by the local school board overseeing that system and  
18 the applicant chooses to appeal the decision of the local  
19 school board to the commission.

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

23           (b) Public charter school cap.

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

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

6           (3) The cap expires on April 1 immediately following  
7 the conclusion of the fifth fiscal year after the effective  
8 date of this act.

9           (4) At the conclusion of the fifth fiscal year, the  
10 department shall submit a report to the Legislature outlining  
11 the performance of both start-up and conversion public charter  
12 schools. This report shall include, at a minimum, academic  
13 performance of all public charter schools in the state, a  
14 detailed update on the authorizing process, and  
15 recommendations for adjustments to public charter school  
16 governance and oversight.

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

19           (c) The Alabama Public Charter School Commission.

20           (1) The commission is established as an independent  
21 state entity.

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

1           (3) The commission shall be composed of a total of  
2 11 members. The State Board of Education shall appoint 10  
3 members, made up of four appointees recommended by the  
4 Governor, one appointee recommended by the Lieutenant  
5 Governor, two appointees recommended by the President Pro  
6 Tempore of the Senate, and three appointees recommended by the  
7 Speaker of the House of Representatives. The Governor, the  
8 Lieutenant Governor, the President Pro Tempore of the Senate,  
9 and the Speaker of the House of Representatives shall each  
10 recommend a list of no fewer than two nominees for each  
11 appointment to the commission. One recommended appointee of  
12 the President Pro Tempore of the Senate and one recommended  
13 appointee of the Speaker of the House of Representatives shall  
14 be an appointee recommended by members of the Senate minority  
15 party and members of the House minority party, respectively.  
16 No commission member can be appointed unless he or she has  
17 been recommended by the Governor, Lieutenant Governor,  
18 President Pro Tempore of the Senate, or the Speaker of the  
19 House of Representatives.

20           (4) The eleventh member of the commission shall be a  
21 rotating position based on the local school system where the  
22 application was denied. This member appointed to the rotating  
23 position shall be appointed by the local school system where  
24 the applicant is seeking to open a public charter school. The  
25 local school system shall appoint a member to the rotating

1 position through board action specifically to consider that  
2 application.

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

13 (6) Membership of the commission shall be inclusive  
14 and reflect the racial, gender, geographic, urban/rural, and  
15 economic diversity of the state. The appointing authority  
16 shall consider the eight State Board of Education districts in  
17 determining the geographical diversity of the commission.

18 (7) The initial appointments to the commission shall  
19 be made no later than June 1, 2015. Two recommended appointees  
20 of the Governor, one recommended appointee of the Lieutenant  
21 Governor, one recommended appointee of the Speaker of the  
22 House of Representatives, and one recommended appointee of the  
23 President Pro Tempore of the Senate shall serve and initial  
24 term of one year and two recommended appointees of the  
25 Governor, two recommended appointees of the Speaker of the



1 House of Representatives, and one recommended appointee of the  
2 President Pro Tempore of the Senate shall serve an initial  
3 term of two years. Thereafter, all appointees shall serve two-  
4 year terms of office. All appointments shall be eligible for  
5 reappointment as determined by the appointing authority, not  
6 to exceed a total of six years of service, unless the member  
7 was initially appointed to serve a one-year term of office. If  
8 the initial term of office of an appointee was one year, he or  
9 she may serve a total of five years of service on the  
10 commission.

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

22 (9) Six members of the commission constitute a  
23 quorum, and a quorum shall be necessary to transact business.  
24 Actions of the commission shall be by a majority vote of the  
25 commission. The commission, in all respects, shall comply with

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

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

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

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

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

24 c. Review, at least once per year, department rules  
25 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 within the local school system where the  
21 application was denied.

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

1           d. Take into consideration (i) other existing  
2 charter school applications, (ii) the quality of school  
3 options existing in the affected community, (iii) the  
4 existence of other charter schools, and (iv) any other factors  
5 considered relevant to ensure the establishment of high-  
6 quality charter schools in accordance with the intent of this  
7 act.

8           e. Find evidence that the local school board erred  
9 in its application of nationally recognized authorizing  
10 standards.

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

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

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

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

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

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

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

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

22           (e) If a local school board chooses not to register  
23 as an authorizer, all applications seeking to open a start-up  
24 public charter school within that local school board's  
25 boundaries shall be denied. Applicants wishing to open a

1 public charter school physically located in that local school  
2 system may apply directly to the commission.

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

4 (1) Solicit, invite, receive, and evaluate  
5 applications from organizers of proposed public charter  
6 schools.

7 (2) Approve applications that meet identified  
8 educational needs.

9 (3) Deny applications that do not meet identified  
10 educational needs.

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

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

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

17 (7) Determine whether each charter contract merits  
18 renewal or revocation.

19 (g) An authorizer shall submit to the State Board of  
20 Education a publicly accessible annual report within 60 days  
21 after the end of each school fiscal year summarizing all of  
22 the following:

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

1           (2) The academic and financial performance of all  
2 operating public charter schools overseen by the authorizer,  
3 according to the performance measures and expectations  
4 specified in the charter contracts.

5           (3) The status of the public charter school  
6 portfolio of the authorizer, identifying all public charter  
7 schools within that portfolio as one of the following:

8           a. Approved, but not yet open.

9           b. Open and operating.

10          c. Terminated.

11          d. Closed, including year closed and reason for  
12 closing.

13          e. Never opened.

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

17           (5) The authorizing functions provided by the  
18 authorizer to the public charter schools under its  
19 jurisdiction, including the operating costs and expenses of  
20 the authorizer detailed in annual audited financial statements  
21 that conform to generally accepted accounting principles.

22           (6) All use of taxpayer dollars including  
23 expenditures, contracts, and revenues.

24           (h) To cover costs for overseeing and authorizing  
25 public charter schools in accordance with this act, a local

1 school board serving as an authorizer may do all of the  
2 following:

3 (1) Expend its own resources, seek grant funds, and  
4 establish partnerships to support its public charter school  
5 authorizing activities.

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

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

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

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

18 d. These funds shall be used to cover the costs for  
19 a local school board to provide authorizing services to its  
20 public charter schools.

21 (i) An employee, agent, or representative of an  
22 authorizer may not simultaneously serve as an employee, agent,  
23 representative, vendor, or contractor of a public charter  
24 school of that authorizer.



1           (j) With the exception of charges for oversight  
2 services as required in subsection (h), a public charter  
3 school may not be required to purchase services from its  
4 authorizer as a condition of charter approval or of a charter  
5 contract, nor may any such condition be implied.

6           (k) A public charter school authorized by a local  
7 school system may choose to purchase services, such as  
8 transportation-related or lunchroom-related services, from its  
9 authorizer. In such event, the public charter school and  
10 authorizer shall execute an annual service contract, separate  
11 from the charter contract, stating the mutual agreement of the  
12 parties concerning any service fees to be charged to the  
13 public charter school. A public charter school authorized by  
14 the commission may not purchase services from the commission,  
15 but consistent with this section, may purchase services from  
16 the local school system where the public charter school is  
17 located.

18           (l) The department shall oversee the performance and  
19 effectiveness of all authorizers established under this act.  
20 Persistently unsatisfactory performance of the portfolio of  
21 the public charter schools of an authorizer, a pattern of  
22 well-founded complaints about the authorizer or its public  
23 charter schools, or other objective circumstances may trigger  
24 a special review by the department. In reviewing and  
25 evaluating the performance of an authorizer, the department

1 shall apply nationally recognized standards for quality in  
2 charter authorizing. If, at any time, the department finds  
3 that an authorizer is not in compliance with an existing  
4 charter contract or the requirements of all authorizers under  
5 this act, the department shall notify the authorizer in  
6 writing of any identified problem, and the authorizer shall  
7 have reasonable opportunity to respond and remedy the problem.

8 (m) If a local school board acting as an authorizer  
9 persists in violating a material provision of a charter  
10 contract or fails to remedy any other authorizing problem  
11 after due notice from the department, the department shall  
12 notify the local school board, within 60 days, that it intends  
13 to revoke the chartering authority of the local school board  
14 unless the local school board demonstrates a timely and  
15 satisfactory remedy for the violation or deficiencies.

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

1 Governor, the Speaker of the House of Representatives, and the  
2 President Pro Tempore appointees comply with the requests of  
3 the department or face a revocation of their appointment to  
4 the commission.

5 (o) In the event of revocation of the chartering  
6 authority of an authorizer, the department shall manage the  
7 timely and orderly transfer of each charter contract held by  
8 that authorizer to another authorizer in the state, with the  
9 mutual agreement of each affected public charter school and  
10 proposed new authorizer. The new authorizer shall assume the  
11 existing charter contract for the remainder of the charter  
12 term.

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

16 (1) Soliciting and evaluating charter applications  
17 based on nationally recognized standards.

18 (2) Approving quality charter applications that meet  
19 identified educational needs and promote a diversity of high-  
20 quality educational choices.

21 (3) Declining to approve weak or inadequate charter  
22 applications.

23 (4) Negotiating and executing charter contracts with  
24 each approved public charter school.

1           (5) Monitoring, in accordance with charter contract  
2 terms, the performance and legal compliance of public charter  
3 schools.

4           (6) Determining whether each charter contract merits  
5 renewal, nonrenewal, or revocation.

6           (q) An authorizer that grants a charter to a  
7 501(c)(3) tax-exempt organization for the purpose of opening  
8 and operating a public charter school is not liable for the  
9 debts or obligations of the public charter school, or for  
10 claims arising from the performance of acts, errors, or  
11 omissions by the charter school, if the authorizer has  
12 complied with all oversight responsibilities required by law,  
13 including, but not limited to, those required by this act.

14           (r) Principles and standards for charter  
15 authorizing.

16           (1) All authorizers shall be required to develop and  
17 maintain chartering policies and practices consistent with  
18 nationally recognized principles and standards for quality  
19 charter authorizing in all major areas of authorizing  
20 responsibility including: Organizational capacity and  
21 infrastructure; soliciting and evaluating charter  
22 applications; performance contracting; ongoing public charter  
23 school oversight and evaluation; and charter renewal decision-  
24 making. The State Board of Education shall promulgate

1 reasonable rules and regulations to effectuate this section  
2 within 90 days after the effective date of this act.

3 (2) Authorizers shall carry out all of their duties  
4 under this act in a manner consistent with such nationally  
5 recognized principles and standards and with the spirit and  
6 intent of this act. Evidence of material or persistent failure  
7 to do so shall constitute grounds for losing charter  
8 authorizing powers.

9 Section 7. (a) Request for proposals.

10 (1) To solicit, encourage, and guide the development  
11 of quality public charter school applications, every local  
12 school board, in its role as public charter school authorizer,  
13 shall issue and broadly publicize a request for proposals for  
14 public charter school applications by 120 days after the  
15 effective date of this act, and by November 1 in each  
16 subsequent year. The content and dissemination of the request  
17 for proposals shall be consistent with the purposes and  
18 requirements of this act.

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

22 (3) The department shall annually establish and  
23 disseminate a statewide timeline for charter approval or  
24 denial decisions, which shall apply to all authorizers in the  
25 state.

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

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

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

12           (7) The request for proposals shall state clear,  
13 appropriately detailed questions as well as guidelines  
14 concerning the format and content essential for applicants to  
15 demonstrate the capacities necessary to establish and operate  
16 a successful public charter school.

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

20           a. An executive summary.

21           b. The mission and vision of the proposed public  
22 charter school, including identification of the targeted  
23 student population and the community the school hopes to  
24 serve.

1                   c. The location or geographic area proposed for the  
2 school.

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

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

7                   f. Evidence of need and community support for the  
8 proposed public charter school.

9                   g. A brief biography regarding the expertise and  
10 background on the proposed founding governing members and the  
11 proposed school leadership and management team.

12                   h. The school's proposed calendar and sample daily  
13 schedule.

14                   i. A description of the academic program.

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

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

21                   l. The school's plan for identifying and  
22 successfully serving students with disabilities, students who  
23 are English language learners, students who are academically  
24 behind, and gifted students, including, but not limited to,  
25 compliance with applicable laws and regulations.

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

3           n. Plans and timelines for student recruitment and  
4 enrollment, including random selection procedures in the event  
5 that interest exceeds capacity.

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

8           p. An organization chart that clearly presents the  
9 school's organizational structure, including lines of  
10 authority and reporting between the governing board, staff,  
11 any related bodies (such as advisory bodies or parent and  
12 teacher councils), and any external organizations that will  
13 play a role in managing the school.

14           q. A clear description of the roles and  
15 responsibilities for the governing board, the school's  
16 leadership and management team, and any other entities shown  
17 in the organization chart.

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

20           s. Plans for recruiting and developing school  
21 leadership and staff.

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

24           u. Proposed governing bylaws.



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

3           w. The school's plans for providing transportation,  
4 food service, and all other significant operational or  
5 ancillary services.

6           x. Opportunities and expectations for parental  
7 involvement.

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

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

17          aa. A description of the insurance coverage the  
18 school will obtain.

19          bb. Start-up and five-year budgets with clearly  
20 stated assumptions.

21          cc. Evidence of anticipated fundraising  
22 contributions, if claimed in the application.

23          dd. A sound facilities plan, including backup or  
24 contingency plans, if appropriate.

1 ee. In the case of an applicant who has submitted an  
2 application for 501(c)(3) tax-exempt status, but has not yet  
3 been approved for 501(c)(3) tax-exempt status, the applicant  
4 shall submit a copy of their application for 501(c)(3) tax-  
5 exempt status.

6 ff. Any other item that the authorizer deems  
7 appropriate to assess the applicant's ability to successfully  
8 open and operate a public charter school.

9 (9) Conversion public charter schools. A local  
10 school board may convert a non-charter public school to a  
11 public charter school.

12 a. Any local school board's decision to convert a  
13 school is not appealable to the commission.

14 1. After identifying the non-charter public school  
15 it has decided to convert to a public charter school, a local  
16 school board shall release a request for proposals, allowing  
17 education service providers the opportunity to submit  
18 applications to manage the specific school as a public charter  
19 school under the terms of this act.

20 2. The conversion must occur at the beginning of an  
21 academic school year and shall be subject to compliance with  
22 this act.

23 3. At the time of conversion to a public charter  
24 school, any teacher or administrator in the newly converted  
25 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 4. 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 5. 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

1 additionally require the applicants to do all of the  
2 following:

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

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

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

22 (11) In the case of a public charter school proposal  
23 from an applicant that currently operates one or more schools  
24 inside or outside of Alabama, the request for proposals shall

1 additionally require the applicant to provide evidence of past  
2 performance and current ability to manage for growth.

3 (b) Application decision-making process.

4 (1) In evaluating and reviewing charter  
5 applications, authorizers shall employ procedures, practices,  
6 and criteria consistent with nationally recognized principles  
7 and standards for quality charter authorizing. The application  
8 review process shall include thorough evaluation of each  
9 written charter application, an in-person interview with the  
10 applicant group, and an opportunity in a public forum for  
11 local residents to learn about and provide input on each  
12 application.

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

15 a. Grant charters only to applicants that have  
16 demonstrated competence in each element of the authorizer's  
17 published approval criteria and are likely to open and operate  
18 a successful public charter school.

19 b. Base decisions on documented evidence collected  
20 through the application review process.

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

24 d. In the case of the commission, require  
25 significant and objective evidence of interest for the public

1 charter school from the community the public charter school  
2 wishes to serve.

3 (3) An authorizer shall not approve a public charter  
4 school application that includes any of the following:

5 a. Admissions requirements for entry, including, but  
6 not limited to academic proficiency, particular skills or  
7 competencies, or financial means.

8 b. Any parochial or religious theme.

9 (4) No later than 60 days after the filing of the  
10 charter application, the authorizer shall decide to approve or  
11 deny the charter application; however, an application  
12 submitted by a public historically black college or university  
13 (HBCU), in partnership with a national nonprofit public HBCU  
14 support organization, for a charter school to be operated on  
15 or near the campus of the HBCU may be considered for expedited  
16 approval by the authorizer. The authorizer shall adopt by  
17 resolution all charter approval or denial decisions in an open  
18 meeting. If no action is taken on the application within 60  
19 days, the application shall be considered denied and the  
20 applicant may appeal the decision to the commission.

21 (5) An approval decision may include, if  
22 appropriate, reasonable conditions that the charter applicant  
23 must meet before a charter contract may be executed pursuant  
24 to this section.

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

5           (7) Within 30 days of taking action to approve or  
6 deny a charter application, the authorizer shall report to the  
7 department the action it has taken. The authorizer shall  
8 provide a copy of the report to the charter applicant at the  
9 same time that the report is submitted to the department. The  
10 report shall include a copy of the authorizer's resolution  
11 setting forth the action taken and reasons for the decision  
12 and assurances as to compliance with all of the procedural  
13 requirements and application elements set forth in this  
14 section.

15           (c) (1) The applicant for a public charter school,  
16 the local school board for the district in which a public  
17 charter school is proposed to be located, and the authorizer  
18 shall carefully review the potential impact of an application  
19 for a public charter school on the efforts of the local school  
20 system to comply with court orders and statutory obligations  
21 for creating and maintaining a unitary system of desegregated  
22 public schools.

23           (2) The authorizer shall attempt to measure the  
24 likely impact of a proposed public charter school on the

1 efforts of local school systems to achieve and maintain a  
2 unitary system.

3 (3) The authorizer shall not approve any public  
4 charter school under this act that hampers, delays, or in any  
5 manner negatively affects the desegregation efforts of a local  
6 school system.

7 (d) Initial charter term. An initial charter shall  
8 be granted for a term of five operating years. The charter  
9 term shall commence on the public charter school's first day  
10 of operation. An approved public charter school may delay its  
11 opening for one school year in order to plan and prepare for  
12 the school's opening. If the school requires an opening delay  
13 of more than one year, the school shall request an extension  
14 from its authorizer. The authorizer may grant or deny the  
15 extension depending on the particular school's circumstances.

16 (e) Charter contracts.

17 (1) Within 60 days of approval of a charter  
18 application, the authorizer and the governing board of the  
19 approved public charter school shall execute a charter  
20 contract that clearly sets forth the academic and operational  
21 performance expectations and measures by which the public  
22 charter school will be judged and the administrative  
23 relationship between the authorizer and the public charter  
24 school, including each party's rights and duties. The  
25 performance expectations and measures set forth in the charter



1 contract shall include, but need not be limited to, applicable  
2 federal and state accountability requirements. The performance  
3 provisions may be refined or amended by mutual agreement after  
4 the public charter school is operating and has collected  
5 baseline achievement data for its enrolled students. A  
6 governing board shall have received 501(c)(3) tax exempt  
7 status before beginning charter contract negotiations.

8 (2) The charter contract shall be signed by the  
9 president of the authorizer's board and the president of the  
10 public charter school's governing body. Within 10 days of  
11 executing a charter contract, the authorizer shall submit to  
12 the department written notification of the executed charter  
13 contract and any attachments.

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

18 (f) Preopening requirements or conditions.  
19 Authorizers may establish reasonable preopening requirements  
20 or conditions to monitor the start-up progress of newly  
21 approved public charter schools and ensure that they are  
22 prepared to open smoothly on the date agreed, and to ensure  
23 that each school meets all building, health, safety,  
24 insurance, and other legal requirements for school opening.

25 Section 8. (a) Performance framework.

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

8           a. Student academic proficiency, which includes, but  
9 is not limited to, performance on state standardized  
10 assessments.

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

13           c. Achievement gaps in both proficiency and growth  
14 between major student subgroups.

15           d. Attendance.

16           e. Recurrent enrollment from year to year.

17           f. Postsecondary readiness for high schools.

18           g. Financial performance and sustainability.

19           h. Board performance and stewardship, including  
20 compliance with all applicable laws, regulations, and terms of  
21 the charter contract.

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

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

8           (4) The performance framework shall require the  
9 disaggregation of all student performance data by major  
10 student subgroups (gender, race, poverty status, special  
11 education status, English learner status, and gifted status).

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

16           (6) Multiple schools overseen by a single governing  
17 board shall be required to report their performance as  
18 separate, individual schools, and each school shall be held  
19 independently accountable for its performance.

20           (b) Ongoing oversight and corrective action.

21           (1) An authorizer shall continually monitor the  
22 performance and legal compliance of the public charter schools  
23 it oversees, including collecting and analyzing data to  
24 support ongoing evaluation according to the charter contract.  
25 Every authorizer shall have the authority to conduct or

1       require oversight activities that enable the authorizer to  
2       fulfill its responsibilities under this act, including  
3       conducting appropriate inquiries and investigations, so long  
4       as those activities are consistent with the intent of this  
5       act, adhere to the terms of the charter contract, and do not  
6       unduly prohibit the autonomy granted to public charter  
7       schools.

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

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

24              (4) Every authorizer shall have the authority to  
25      take appropriate corrective actions or exercise sanctions

1 short of revocation in response to apparent deficiencies in  
2 public charter school performance or legal compliance. Such  
3 actions or sanctions may include, if warranted, requiring a  
4 school to develop and execute a corrective action plan within  
5 a specified time frame.

6 (c) Renewals, revocations, and nonrenewals.

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

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

1 accordance with the performance framework set forth in the  
2 charter contract.

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

5 c. Provide a public report summarizing the evidence  
6 basis for each decision.

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

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

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

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

20 d. Fails to meet generally accepted standards of  
21 fiscal management.

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

24 (8) An authorizer may non-renew a public charter  
25 school if the authorizer determines that the public charter

1 school did any of the following or otherwise failed to comply  
2 with this act:

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

6 b. Fails to meet the performance expectations set  
7 forth in the charter contract.

8 c. Fails to meet generally accepted standards of  
9 fiscal management.

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

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



1 a grade of D or F for the past three most recent years shall  
2 be considered to fall below the minimum state standard.

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

5 a. Provide the charter holders with a timely  
6 notification of the prospect of revocation or nonrenewal and  
7 of the reasons for such possible closures.

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

10 c. Provide the charter holders with an opportunity  
11 to submit documents and give testimony challenging the  
12 rationale for closure and in support of the continuation of  
13 the school at an orderly proceeding held for that purpose.

14 d. Allow the charter holders access to  
15 representation by counsel, at the expense of the charter  
16 holder, and to call witnesses on their behalf.

17 e. Permit the recordings of such proceedings.

18 f. After a reasonable period for deliberation,  
19 require a final determination be made and conveyed in writing  
20 to the charter holders.

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

24 (12) Within 15 days of taking action to renew, not  
25 renew, or revoke a charter, the authorizer shall report to the

1 department the action taken, and shall provide a copy of the  
2 report to the public charter school at the same time that the  
3 report is submitted to the department. The report shall  
4 include a copy of the authorizer's resolution setting forth  
5 the action taken and reasons for the decision and assurances  
6 as to compliance with all of the requirements set forth in  
7 this act.

8 (d) School closure and dissolution.

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

18 (2) In the event of a public charter school closure  
19 for any reason, the authorizer shall oversee and work with the  
20 closing school to ensure a smooth and orderly closure and  
21 transition for students and parents, as guided by the closure  
22 protocol. In the event of a public charter school closure for  
23 any reason, the assets of the school shall be distributed  
24 first to satisfy outstanding payroll obligations for employees  
25 of the school, then to creditors of the school, and then to

1 the State Treasury to the credit of the Education Trust Fund.  
2 If the assets of the school are insufficient to pay all  
3 parties to whom the school owes compensation, the  
4 prioritization of the distribution of assets may be determined  
5 by decree of a court of law.

6 (e) Charter transfers. Transfer of a charter  
7 contract, and of oversight of that public charter school, from  
8 one authorizer to another before the expiration of the charter  
9 term shall not be permitted except by special petition to the  
10 department by a public charter school or its authorizer. The  
11 department shall review such petitions on a case-by-case basis  
12 and may grant transfer requests in response to special  
13 circumstances and evidence that such a transfer would serve  
14 the best interests of the public charter school's students.

15 (f) Annual report. On or before November 1 of each  
16 year beginning in the first year after the state has had  
17 public charter schools operating for a full school year, the  
18 department shall issue to the Governor, the Legislature, and  
19 the public at large, an annual report on the state's public  
20 charter schools, drawing from the annual reports submitted by  
21 every authorizer as well as any additional relevant data  
22 compiled by the department, for the school year ending in the  
23 preceding calendar year. The annual report shall include a  
24 comparison of the performance of public charter school  
25 students with the performance of academically, ethnically, and

1 economically comparable groups of students in non-charter  
2 public schools. In addition, the annual report shall include  
3 the department's assessment of the successes, challenges, and  
4 areas for improvement in meeting the purposes of this act,  
5 including the department's recommendations as to any suggested  
6 changes in state law or policy necessary to strengthen the  
7 state's public charter schools.

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

10 (1) Notwithstanding any provision of law to the  
11 contrary, to the extent that any provision of this act is  
12 inconsistent with any other state or local law, rule, or  
13 regulation, the provisions of this act shall govern and be  
14 controlling.

15 (2) A public charter school shall be subject to all  
16 federal laws and authorities enumerated herein or arranged by  
17 charter contract with the school's authorizer, where such  
18 contracting is consistent with applicable laws, rules, and  
19 regulations.

20 (3) Except as provided in this act, a public charter  
21 school shall not be subject to the state's education statutes  
22 or any state or local rule, regulation, policy, or procedure  
23 relating to non-charter public schools within an applicable  
24 local school system regardless of whether such rule,  
25 regulation, policy, or procedure is established by the local

1 school board, the State Board of Education, or the State  
2 Department of Education.

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

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

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

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

1           (8) The governing board of a public charter school  
2 shall hold meetings in the local school system in which the  
3 public charter school is located and at times convenient for  
4 parents to attend.

5           (9) All members of a governing board shall be  
6 subject to the State Ethics Law.

7           (b) Powers of public charter schools. A public  
8 charter school shall have all the powers necessary for  
9 carrying out the terms of its charter contract including the  
10 following powers:

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

13           (2) To secure appropriate insurance and to enter  
14 into contracts and leases.

15           (3) To contract with an education service provider  
16 for the management and operation of the public charter school  
17 so long as the school's governing board retains oversight  
18 authority over the school.

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

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

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

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

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

4                   (c) General requirements.

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

9                   (2) No public charter school may engage in any  
10 sectarian practices in its educational program, admissions or  
11 employment policies, or operations.

12                   (3) A public charter school shall not discriminate  
13 against any student on the basis of national origin minority  
14 status or limited proficiency in English. Consistent with  
15 federal civil rights laws, public charter schools shall  
16 provide limited English proficient students with appropriate  
17 services designed to teach them English and the general  
18 curriculum.

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

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

1           (d) Applicability of other laws, rules, and  
2 regulations.

3           (1) Public charter schools shall be subject to the  
4 same civil rights, health, and safety requirements, including,  
5 but not limited to, state and local public health and building  
6 codes, employee fingerprinting and criminal background checks  
7 applicable to other public schools in the state, except as  
8 otherwise specifically provided in this act.

9           (2) Public charter schools shall be subject to the  
10 statewide end-of-year annual standardized assessment as  
11 applicable to other public schools in the state, but nothing  
12 herein shall preclude a public charter school from  
13 establishing additional student assessment measures that go  
14 beyond state requirements if the school's authorizer approves  
15 such measures.

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

19           (4) Any provision of this act to the contrary  
20 notwithstanding, public charter schools shall be subject to  
21 competitive bid laws in the same fashion as local boards of  
22 education.

23           (e) Public charter school employees.

24           (1) Public charter schools shall comply with  
25 applicable federal laws, rules, and regulations regarding the



1 qualification of teachers and other instructional staff. In  
2 accordance with subsection (a), teachers in public charter  
3 schools shall be exempt from state teacher certification  
4 requirements.

5 (2) Start-up public charter schools may elect to  
6 participate in the Teachers' Retirement System and Public  
7 Education Employees' Health Insurance Plan. Such election must  
8 take place prior to the execution of the charter contract and  
9 once made is irrevocable. Conversion charter schools shall  
10 participate in the Teachers' Retirement System and Public  
11 Education Employees' Health Insurance Plan and shall provide  
12 compensation for teachers and school nurses that complies with  
13 the pro rata daily rate of pay as provided in the state  
14 minimum salary schedules for teachers and school nurses.  
15 Employees of participating start-up public charter schools and  
16 employees of conversion public charter schools shall  
17 participate in the Teachers' Retirement System of Alabama as  
18 teachers defined in subdivision (3) of Section 16-25-1, Code  
19 of Alabama 1975, and are eligible to participate in the Public  
20 Education Employees' Health Insurance Plan as employees  
21 defined in subdivision (1) of Section 16-25A-1.

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

1           (4) Public charter school employees, teachers, and  
2 other instructional staff shall be subject to the State Ethics  
3 Law, Chapter 25, Title 36, Code of Alabama 1975.

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

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

22           (b) Operational funding.

23           (1) The following provisions govern operational  
24 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

1 expenditures, or transportation. As necessary, the department  
2 shall promulgate processes and procedures to determine the  
3 specific local revenue allocations according to the Foundation  
4 Program for each public charter school.

5 d. The state funds described in paragraph a. shall  
6 be forwarded on a quarterly basis to the public charter school  
7 by the department. The local funds described in paragraph b.  
8 shall be forwarded on a quarterly basis to the public charter  
9 school by the local educational agency of the student's  
10 residence, notwithstanding the oversight fee reductions  
11 pursuant to Section 6. Additionally, any local revenues  
12 restricted, earmarked, or committed by statutory provision,  
13 constitutional provision, or board covenant pledged or imposed  
14 by formal action of the local board of education or other  
15 authorizing body of government, shall be excluded by the local  
16 educational agency of the student's residence when determining  
17 the amount of funds to be forwarded by the agency to the  
18 public charter school.

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

23 f. The maximum annual local tax allocation forwarded  
24 to a conversion public charter school from a local school  
25 system shall, for each student, equal the amount that would

1 have been received by the local education agency of the  
2 student's residence for each student who now attends a  
3 conversion public charter school, minus any amounts otherwise  
4 excluded pursuant to this section.

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

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

20 (3) Special education funding.

21 a. The state shall pay directly to a public charter  
22 school any federal or state aid attributable to a student with  
23 a disability attending the school.

24 b. At either party's request, a public charter  
25 school and its authorizer may negotiate and include in the

1 charter contract alternate arrangements for the provision of  
2 and payment for special education services.

3 (4) Generally accepted accounting principles;  
4 independent audit.

5 a. A public charter school shall adhere to generally  
6 accepted accounting principles.

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

14 (5) Transportation funding.

15 a. The department shall disburse state  
16 transportation funding to a public charter school on the same  
17 basis and in the same manner as it is paid to public school  
18 systems.

19 b. A public charter school may enter into a contract  
20 with a school system or private provider to provide  
21 transportation to the school's students.

22 c. Public charter schools that do not provide  
23 transportation services shall not be allocated any federal,  
24 state, or local funds otherwise earmarked for transportation-  
25 related expenses.

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

3                   (1) Public charter schools shall have the same  
4 rights and access to PSCA funding opportunities as non-charter  
5 public schools.

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

9                   (b) Access to local school system facilities and  
10 land.

11                   (1) A public charter school shall have a right of  
12 first refusal to purchase or lease at or below fair market  
13 value a closed or unused public school facility or property  
14 located in a school system from which it draws its students if  
15 the school system decides to sell or lease the public school  
16 facility or property.

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

23                   (3) The department shall publish the names and  
24 addresses of unused facilities on its website in a list that

1 is searchable at least by each facility's name and address.  
2 This list shall be updated at least once a year by May 1.

3 Section 12. The provisions of this act are  
4 severable. If any part of this act is declared invalid or  
5 unconstitutional, that declaration shall not affect the part  
6 that remains.

7 Section 13. This act shall become effective  
8 immediately following its passage and approval by the  
9 Governor, or its otherwise becoming law.



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*Kay Ivey*

President and Presiding Officer of the Senate

*[Signature]*

Speaker of the House of Representatives

SB45

Senate 10-MAR-15

I hereby certify that the within Act originated in and passed the Senate, as amended.

Patrick Harris  
Secretary

House of Representatives  
Amended and passed 18-MAR-15

Senate concurred in House amendment 18-MAR-15

**APPROVED** 3.19.15  
By: Senator Marsh

**TIME** 2:58 PM  
Robert Bentley  
**GOVERNOR**

Alabama Secretary Of State

Act Num....: 2015-3  
Bill Num...: S-45

Recv'd 03/19/15 03:22p SLF

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SENATE ACTION

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB 45.

yeas 24 nays 9 abstain 0  
PATRICK HARRIS,  
Secretary

I hereby certify that the notice & proof is attached to the Bill, SB \_\_\_\_\_ as required in the General Acts of Alabama, 1975 Act No. 919.

PATRICK HARRIS,  
Secretary

CONFERENCE COMMITTEE

Senate Conferees \_\_\_\_\_

HOUSE ACTION

DATE: \_\_\_\_\_ 2012  
RD 1 RFD \_\_\_\_\_ GP

REPORT OF STANDING COMMITTEE

This bill having been referred by the House to its standing committee on Education Policy was acted upon by such committee in session, and returned therefrom to the House with the recommendation that it be Passed, w/amend(s) w/sub 1.  
This 12 day of MARCH, 2015.

*Kenj R. Ch*  
Chairperson

DATE: 3-12 2015  
RF w/sub RD 2 CAL

DATE: \_\_\_\_\_ 20\_\_\_\_  
RE-REFERRED  RE-COMMITTED   
Committee \_\_\_\_\_

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB 45.

YEAS 64 NAYS 34  
| JEFF WOODARD,  
Clerk