

HCS HB 473 -- CHARTER SCHOOLS

SPONSOR: Dieckhaus (Jones, 63)

COMMITTEE ACTION: Voted "do pass" by the Committee on Elementary and Secondary Education by a vote of 11 to 5.

This substitute changes the laws regarding charter schools and establishes the Missouri Charter Public School Commission. In its main provisions, the substitute:

(1) Allows a charter school to be operated in any school district that has been designated as unaccredited or provisionally and, after July 1, 2014, allows a charter school to operate in any district that has been accredited without provisions for at least the last five consecutive years, with the sponsor limited to the local school board. Currently, charter schools are permitted only in the St. Louis and Kansas City school districts;

(2) Expands those authorized to sponsor a charter school to include any public four-year college or university with an approved teacher education program; a community college with a service area that encompasses some portion of an eligible school district; any private college or university with its primary campus in Missouri that meets specified enrollment and program requirements; a two-year private nonprofit vocational or technical school meeting specified requirements; the Missouri Charter Public School Commission established by the substitute; and a nonprofit or charitable organization meeting specified requirements;

(3) Requires a sponsor to submit an annual report to the General Assembly when it receives sponsorship funds to demonstrate its compliance with the sponsorship requirements and requires a sponsor to develop policies and procedures for the review of a charter school proposal; the granting of a charter; the performance framework for the evaluation of a school's performance; ongoing oversight; renewal, nonrenewal, or revocation processes; and the closing of a charter school, including stakeholder notification, student record transfer, and asset disposition. The Department of Elementary and Secondary Education must provide guidance to sponsors in developing policies and procedures;

(4) Allows the State Board of Education within the department, when acting as an interim sponsor, to revoke the charter of the school that it is sponsoring if the school fails to meet academic performance or other goals as specified in the school's charter;

(5) Requires the department to establish an application and approval process for potential sponsors and requires each current sponsor to apply by April 1, 2012, to continue as a sponsor;

(6) Revises the required contents of charters to include a performance contract that contains targets and measures for academic performance, operation and governance, and the school's mission when applicable. A grievance procedure as well as procedures for school revocation, nonrenewal, and closure must also be included in a charter;

(7) Requires a proposed charter to be approved by the state board by March 31 prior to the proposed opening date;

(8) Revises the definition of "high-risk" students and removes the requirement that if a sponsor has three or more charter schools, at least one-third of the schools must be for high-risk students;

(9) Requires a charter school to conduct an employee criminal history background check and family care safety registry check on each of its employees;

(10) Requires a charter school to establish baseline student performance in accordance with the performance contract during the first year of operation; collect performance data throughout the duration of the charter; and participate in the statewide assessment system to the extent applicable based on the grade levels offered by the charter school. Performance standards for alternative and special purpose charter schools for high-risk students must be based on academic growth measures;

(11) Allows a high-risk or alternative charter school to establish alternative ways for students to obtain credit for graduation, such as credit for off-campus instruction, work experience, or embedded instruction. The department, after three years, must conduct a study of a school which was granted alternative arrangements to assess student performance, graduation rates, educational outcomes, and entry into the workforce or higher education rates;

(12) Clarifies that the biennial operational review must be conducted during the first year of operation and every other year after the most current review;

(13) Removes the requirement that a charter school become a local educational agency for the sole purpose of direct access to federal grants and allows the school to become an agency if the sponsor and the governing board reach a written agreement to become an agency;

(14) Specifies that a sponsor may place a charter school on probation for no more than 12 months and only once during the term of the charter contract;

(15) Requires, beginning January 1, 2012, a charter school sponsor as part of the renewal process to demonstrate to the state board several specified areas of compliance if the school falls below the specified graduation rate, is in the lowest achieving 5% of Title I schools, or does not demonstrate growth as evidenced by state assessment program scores three out of the last four years. If compliance cannot be established according to the deadlines in the substitute, the state board may vote to close the school or to continue it under certain conditions;

(16) Requires a charter school to close if the charter is revoked by the state board or its sponsor, if the charter is not renewed by the state board, or if the charter is voluntarily relinquished;

(17) Allows a charter school the opportunity of first refusal to acquire surplus school district buildings at the fair market value;

(18) Requires the state board to immediately close any charter school that has failed to attain the state's annual performance standard as it relates to the state's implementation plan for the federal No Child Left Behind Act of 2001 that is not outperforming the lowest performing district school;

(19) Allows a charter school whose mission includes dropout prevention or recovery to admit a nonresident student who is considered high risk or is a dropout from the same or an adjacent county when the student resides in a residential care facility, a transitional living group home, or an independent living program. Charter alternative or special purpose schools may give admission preference to high-risk students;

(20) Requires a charter school operated by a management company to make a copy of the written contract between the governing board of the charter school and the educational or charter management organization available for public inspection and upon the request of specified district residents;

(21) Allows a charter school student who has moved out of the school district to finish the current semester at the charter school. If school district boundaries change so that a student attending a charter school no longer resides in the district, the student may complete the current school year. In both instances, the student's parent or legal guardian will be responsible for the student's transportation to and from the school;

(22) Specifies that foster children's educational rights are applicable to charter schools;

(23) Allows a cooperative of school districts to become a managerial or academic contractor and establishes disclosure requirements for contractors;

(24) Allows the department to withhold funding during a charter school's last year of operation until it determines that school records, liabilities, and reporting requirements including a full audit are satisfied; and

(25) Establishes the nine-member Missouri Charter Public School Commission and specifies its duties and requirements for its operation.

FISCAL NOTE: Estimated Net Cost on General Revenue Fund of Unknown - Could Exceed \$369,413 in FY 2012, Unknown - Could Exceed \$265,826 in FY 2013, and Unknown - Could Exceed \$267,552 in FY 2014. No impact on Other State Funds in FY 2012, FY 2013, and FY 2014.

PROPOSERS: Supporters say that charter schools offer students an alternative to their assigned school and offer districts another tool to improve. The bill improves school and sponsor accountability.

Testifying for the bill were Representative Jones (63); Cheri Shannon, Missouri Charter Public School Association; Lisa Grover, National Alliance for Public Charter Schools; Children's Education Council of Missouri; Missouri Education Reform Council; Patricia Riles; Lisa Jackson; Pamela McLucas; Marica McDuffie; L. C. Robinson; Cornell Hassan; Rosalyn Jackson; and Crandle Troupe.

OPPOSERS: Those who oppose the bill say that higher sponsor standards are crucial. The scope of the law should not be expanded until current schools are performing better.

Testifying against the bill were Byron Clemens, American Federation of Teachers St. Louis, Local 420; Missouri National Education Association; St. Louis Public Schools; Cooperating School Districts of Greater St. Louis; Cooperating School Districts of Greater Kansas City; Missouri State Teachers Association; Kansas City Missouri School District; Missouri Council of School Administrators; and Missouri School Boards Association.