House Bill 1215 (AS PASSED HOUSE AND SENATE) By: Representatives Thomas of the 21<sup>st</sup>, Wade of the 9<sup>th</sup>, Jones of the 47<sup>th</sup>, Carson of the 46<sup>th</sup>, Gullett of the 19<sup>th</sup>, and others

## A BILL TO BE ENTITLED AN ACT

1 To amend Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to 2 elementary and secondary education, so as to revise and provide for certain definitions; to 3 provide for students to withdraw without penalty from a local school in the school system 4 in which such student resides and enroll in a charter school with available classroom space; 5 to require local boards of education to adopt a universal, streamlined transfer process that allows for such transfers; to require local boards of education to periodically adjust the 6 7 calculated amount of allocated local revenue based upon collected local revenues; to repeal 8 certain reporting requirements for the Department of Audits and Accounts regarding certain 9 charter schools that offer virtual instruction; to provide for related matters; to repeal 10 conflicting laws; and for other purposes.

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## BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.
Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to elementary and
secondary education, is amended by revising Code Section 20-2-2062, relating to definitions
under the Charter Schools Act of 1998, as follows:
"20-2-2062.

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17 As used in this article, the term:

18 (1) 'Charter' means a performance based contract between a local board and a charter 19 petitioner, the terms of which are approved by the local board and by the state board in 20 the case of a local charter school; between the state board and a charter petitioner, the 21 terms of which are approved by the state board in the case of a state chartered special 22 school;; or between a local board and the state board, the terms of which are approved by 23 the state board in the case of a charter system. By entering into a charter, a charter 24 petitioner and local board shall be deemed to have agreed to be bound to all the provisions of this article as if such terms were set forth in the charter. 25

(1.1) 'Charter attendance zone' means all or any portion of the local school system in
which the charter school is located and may include all or any portion of other local
school systems if the charter school is jointly authorized pursuant to subsection (c) of
Code Section 20-2-2063.

30 (2) 'Charter petitioner' means a local school, local board of education, private individual, 31 private organization, or state or local public entity that submits or initiates a petition for 32 a charter. The term 'charter petitioner' does not include home study programs or schools, 33 sectarian schools, religious schools, private for profit schools, private educational 34 institutions not established, operated, or governed by the State of Georgia, or existing 35 private schools. On and after July 1, 2013, a charter for a local charter school, if 36 approved, shall be a three-party agreement between a charter petitioner, a local board of 37 education, and the State Board of Education, and the charter petitioner for such local 38 charter school shall be a party other than the local board of education.

39 (3) 'Charter school' means a public school that:

40 (A) Operates is operating under the terms of a charter that is subject to the provisions
41 of this article or Article 31A of this chapter;

42 (B) Operates under the supervision and direction of a charter school governing board;

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44	(D) Is the subject of a school report card prepared and distributed by the Office of
45	Student Achievement as provided in Code Section 20-14-34.
46	(3.1) 'Charter school governing board' or 'governing board' means the governing board
47	of the nonprofit organization that is involved in school-level governance of the local
48	charter school and that is subject to the training requirements provided for in Code
49	<u>Section 20-2-2072.</u>
50	(3.1)(3.2) 'Charter system' means a local school system that is operating under the terms
51	of a charter pursuant to Code Section 20-2-2063.2.
52	(4) 'Conversion charter school' means a charter school that existed as a local school prior
53	to becoming a charter school.
54	(4.1) 'Educationally disadvantaged students' means all or a subset of the following:
55	students who are economically disadvantaged, students with disabilities, limited English
56	proficient students, neglected or delinquent students, and homeless students, as each such
57	subset is defined by the State Board of Education in accordance with federal education
58	guidelines and regulations.
59	(5) 'Faculty and instructional staff members' means all certificated personnel assigned
60	to the school on a full-time basis and all paraprofessionals assigned to the school on a
61	full-time basis. The term 'paraprofessional' shall have the same meaning as set out in
62	Code Section 20-2-204.
63	(5.1) 'Governing council' means a school level council of parents, teachers,
64	administrators, and others who are involved in school level governance within a charter
65	system.
66	(5.2) 'High school cluster' means a high school and all of the middle and elementary
67	schools which contain students who matriculate to such high school. The schools in a
68	high school cluster may include charter schools, local schools, or a combination of both.

(6) 'Local board' means a county or independent board of education exercising control
and management of a local school system pursuant to Article VIII, Section V,
Paragraph II of the Constitution.

(7) 'Local charter school' means a conversion charter school or start-up charter school
that is <u>authorized by a local board and the state board to operate operating</u> under the terms
of a charter <del>between approved by</del> the charter petitioner, and the local board, and the state
<u>board</u>.

76 (8) 'Local revenue' means local taxes budgeted for school purposes in excess of the local 77 five mill share, combined with any applicable equalization grant and budgeted revenues 78 from any of the following: investment earnings, unrestricted donations, and the sale of 79 surplus property; but exclusive of revenue from bonds issued for capital projects, revenue 80 to pay debt service on such bonds and local option sales tax for capital projects. Nothing 81 in this paragraph shall be construed to prevent a local board from including a local charter 82 school in projects specified in the ballot language of a local option sales tax or bond 83 referendum.

84 (9) 'Local school' means a public school in Georgia that is under the management and85 control of a local board.

86 (10) 'Local school system' means the system of public schools established and
87 maintained by a local board within its limits pursuant to Article VIII, Section V,
88 Paragraph I of the Constitution.

89 (11) 'Petition' means a proposal to establish a charter school or a charter system.

90 (12) 'QBE formula earnings' means funds earned for the Quality Basic Education
91 Formula pursuant to Code Section 20-2-161, including the portion of such funds that are
92 calculated as the local five mill share in accordance with Code Section 20-2-164.

93 (12.1) 'School level governance' means decision-making authority in personnel
 94 decisions, financial decisions, curriculum and instruction, resource allocation,

- 95 establishing and monitoring the achievement of school improvement goals, and school96 operations.
- 97 (13) 'Special school' means a school whose creation is authorized pursuant to
  98 Article VIII, Section V, Paragraph VII of the Constitution.
- 99 (14) 'Start-up charter school' means a charter school that did not exist as a local school100 prior to becoming a charter school.
- 101 (15) 'State board' means the State Board of Education.
- 102 (16) 'State chartered special school' means a charter school created as a special school
- 103 that is operating authorized by the state board to operate under the terms of a charter
- 104 between the charter petitioner and the state board.
- 105 (17) 'System charter school' means a school within a charter system."
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## **SECTION 2.**

Said chapter is further amended in Code Section 20-2-2066, relating to admission enrollment,
and withdrawal of students under the Charter Schools Act of 1998, by revising subsection
(d) as follows:

110 "(d)(1) A student may withdraw without penalty from a charter school at any time and 111 enroll in a local school in the school system in which such student resides as may be 112 provided for by the policies of the local board. A student who is suspended or expelled 113 from a charter school as a result of a disciplinary action taken by a charter school shall 114 be entitled to enroll in a local school within the local school system in which the student 115 resides, if, under the disciplinary policy of the local school system, such student would 116 not have been subject to suspension or expulsion for the conduct which gave rise to the 117 suspension or expulsion. In such instances, the local board shall not be required to 118 independently verify the nature or occurrence of the applicable conduct or any evidence 119 relating thereto.

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120 (2) A student may withdraw without penalty from a local school in the school system in

121 which such student resides at any time and enroll in a charter school with available

- 122 <u>classroom space in accordance with the enrollment provisions of this Code section.</u>"
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## **SECTION 3.**

Said chapter is further amended in Code Section 20-2-2068.1, relating to charter schoolfunding, by revising subsections (c) and (c.3) as follows:

126 "(c) In addition to the earnings set out in subsection (b) of this Code section, local revenue 127 shall be allocated to a local charter school on the same basis as for any local school in the 128 local school system; provided, however, that the calculation of such allocation of local 129 revenue shall be adjusted at least semiannually based upon collected local revenues. In the 130 case of a start-up charter school, local revenue earnings shall be calculated as follows:

- (1) Determine the total amount of state and local five mill share funds earned by students
  enrolled in the local start-up charter school as calculated by the Quality Basic Education
  Formula pursuant to Part 4 of Article 6 of this chapter including any funds for
  psychologists and school social workers but excluding 5 percent of system-wide funds
  for central administration and excluding any categorical grants not applicable to the
  charter school;
- 137 (2) Determine the total amount of state and local five mill share funds earned by all
  138 students in the public schools of the local school system, including any charter schools
  139 that receive local revenue, as calculated by the Quality Basic Education Formula but
  140 excluding categorical grants and other non-QBE formula grants;
- 141 (3) Divide the amount obtained in paragraph (1) of this subsection by the amount142 obtained in paragraph (2) of this subsection; and
- (4) Multiply the quotient obtained in paragraph (3) of this subsection by the schoolsystem's local revenue.

145 The product obtained in paragraph (4) of this subsection shall be the amount of local funds 146 to be distributed to the local start-up charter school by the local board; provided, however, 147 that nothing in this subsection shall preclude a charter petitioner and a local board of education from specifying in the charter a greater amount of local funds to be provided by 148 149 the local board to the local start-up charter school if agreed upon by all parties to the 150 charter. Local funds so earned shall be distributed to the local start-up charter school by 151 the local board. Where feasible and where services are provided, funds for construction 152 projects shall also be distributed to the local start-up charter school as earned. In all other 153 fiscal matters, including applicable federal allotments, the local board shall treat the local 154 start-up charter school no less favorably than other local schools located within the 155 applicable school system and shall calculate and distribute the funding for the start-up charter school on the basis of its actual or projected enrollment in the current school year 156 157 according to an enrollment counting procedure or projection method stipulated in the terms of the charter. The local school system shall distribute to each local charter school the 158 159 proportionate amount of federal funds for which such local charter school is eligible under 160 each federal program, including, but not limited to, funds earned pursuant to Title I, 161 Title II, and Title III of the federal Elementary and Secondary Education Act and pursuant 162 to the federal Individuals with Disabilities Education Act; provided, however, that a local 163 charter school and a local board of education may mutually collaborate and agree upon 164 specific ways for some or all of the charter school's proportionate amount of federal funds 165 to be provided by the local school system through in-kind services, with the terms of such 166 mutual agreement to be included in the charter. Local charter schools shall use any federal 167 funds received pursuant to this subsection for the purposes of the federal program for 168 which they were earned."

"(c.3)(1) Each local board of education that has one or more local charter schools shall
provide each local charter school with a preliminary annual allotment sheet itemizing the
preliminary calculation of state, local, and federal allocations to be provided by the local

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calendar days after the local school system receives its preliminary annual allotment sheet
from the Department of Education.

(2) The local board of education shall publish in a prominent location on its website the
calculation of earnings to each local charter school made pursuant to subsections (a), (b),
and (c) of this Code section, including federal funds received by each local charter
school. Such calculations shall be published as soon as practicable prior to the
distribution of funds to the local charter school by the local board, and no later than
October 1 of each year, and shall be updated:

(A) Upon upon receipt of any additional federal funds received pursuant to state
 reallocation of federal funds and distributed to local charter schools-; and

183 (B) At least semiannually based upon collected local revenues.

Such calculations may be published in conjunction with the financial and transparency information required to be published by local boards of education pursuant to Part 3B of Article 2 of Chapter 14 of Title 20. In the event that the Department of Education makes such calculations available on its website, a local board of education may post a link in a prominent location on its website to the Department of Education's web page which contains such calculations to comply with this subsection.

(3) In the event that the local board of education determines that an adjustment to the allocation for a local charter school is necessary, <u>including</u>, <u>but not limited to</u>, adjustments as provided for in subparagraph (B) of paragraph (2) of this subsection, the local board of education shall provide the local charter school with 30 days' notice before the allocation is adjusted, shall provide an amended itemized allotment sheet to the local charter school, and shall publish the amended itemized allotment sheet in a prominent location on its website."

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197	SECTION 4.
198	Said chapter is further amended in Article 31, the "Charter Schools Act of 1998," by
199	repealing Code Section 20-2-2076, relating to annual report on state chartered special schools
200	that offer virtual instruction, requirements, and publication on website.
201	SECTION 5.
202	Said chapter is further amended in Article 31A, relating to state charter schools, by repealing
203	Code Section 20-2-2093, relating to annual report on state charter schools that offer virtual
204	instruction, minimum requirements, and publication on website.
205	SECTION 6.
206	Said chapter is further amended in Code Section 20-2-2131, relating to enrollment of
207	students in school to which not originally assigned, procedure, annual notification, and
208	exception, by revising subsection (e) as follows:
209	"(e) This Code section shall not apply to charter schools; provided, however, that each
210	local board of education shall adopt a universal, streamlined transfer process that allows
211	for transfers pursuant to paragraph (2) of subsection (d) of Code Section 20-2-2066."
212	SECTION 7.

213 All laws and parts of laws in conflict with this Act are repealed.