AN ACT CONCERNING CHARTER SCHOOLS AND OPEN CHOICE PROGRAM FUNDING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 10-66bb of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(a) On and after July 1, 1997, the State Board of Education may grant, within available appropriations, charters for local and state charter schools in accordance with this section.

(b) Any person, association, corporation, organization or other entity, public or independent institution of higher education, local or regional board of education or two or more boards of education cooperatively, or regional educational service center may apply to the Commissioner of Education, at such time and in such manner as the commissioner prescribes, to establish a charter school, provided no nonpublic elementary or secondary school may be established as a charter school and no parent or group of parents providing home instruction may establish a charter school for such instruction.
(c) The State Board of Education shall review, annually, all applications and grant charters in accordance with subsection (f) of this section. [(1) Except as provided for in subdivision (2) of this subsection, no] No state charter school shall enroll (A) (i) more than two hundred fifty students, or (ii) in the case of a kindergarten to grade eight, inclusive, school, more than three hundred students, or (B) twenty-five per cent of the enrollment of the school district in which the state charter school is to be located, whichever is less. [(2) In the case of a state charter school found by the State Board of Education to have a demonstrated record of achievement, such school may, upon application to and approval by said board, enroll up to eighty-five students per grade, if within available appropriations.] The State Board of Education shall give preference to applicants for charter schools that will serve students who reside in a priority school district pursuant to section 10-266p or in a district in which seventy-five per cent or more of the enrolled students are members of racial or ethnic minorities and to applicants for state charter schools that will be located at a work-site or that are institutions of higher education. In determining whether to grant a charter, the State Board of Education shall consider the effect of the proposed charter school on the reduction of racial, ethnic and economic isolation in the region in which it is to be located, the regional distribution of charter schools in the state and the potential of over-concentration of charter schools within a school district or in contiguous school districts.

(d) Applications pursuant to this section shall include a description of: (1) The mission, purpose and any specialized focus of the proposed charter school; (2) the interest in the community for the establishment of the charter school; (3) the school governance and procedures for the establishment of a governing council that (A) includes (i) teachers and parents and guardians of students enrolled in the school, and (ii) the chairperson of the local or regional board of education of the town in which the charter school is located and which has jurisdiction over a school that resembles the approximate grade configuration of the charter school, or the designee of such chairperson, provided such
designee is a member of the board of education or the superintendent of schools for the school district, and (B) is responsible for the oversight of charter school operations, provided no member or employee of the governing council may have a personal or financial interest in the assets, real or personal, of the school; (4) the financial plan for operation of the school, provided no application fees or other fees for attendance, except as provided in this section, may be charged; (5) the educational program, instructional methodology and services to be offered to students; (6) the number and qualifications of teachers and administrators to be employed in the school; (7) the organization of the school in terms of the ages or grades to be taught and the total estimated enrollment of the school; (8) the student admission criteria and procedures to (A) ensure effective public information, (B) ensure open access on a space available basis, (C) promote a diverse student body, and (D) ensure that the school complies with the provisions of section 10-15c and that it does not discriminate on the basis of disability, athletic performance or proficiency in the English language, provided the school may limit enrollment to a particular grade level or specialized educational focus and, if there is not space available for all students seeking enrollment, the school may give preference to siblings but shall otherwise determine enrollment by a lottery; (9) a means to assess student performance that includes participation in state-wide mastery examinations pursuant to chapter 163c; (10) procedures for teacher evaluation and professional development for teachers and administrators; (11) the provision of school facilities, pupil transportation and student health and welfare services; (12) procedures to encourage involvement by parents and guardians of enrolled students in student learning, school activities and school decision-making; (13) document efforts to increase the racial and ethnic diversity of staff; and (14) a five-year plan to sustain the maintenance and operation of the school. Subject to the provisions of subsection (b) of section 10-66dd, an application may include, or a charter school may file, requests to waive provisions of the general statutes and regulations not required by sections 10-66aa to 10-66ff,
inclusive, as amended by this act, and which are within the jurisdiction
of the State Board of Education.

(e) An application for the establishment of a local charter school
shall be submitted to the local or regional board of education of the
school district in which the local charter school is to be located for
approval pursuant to this subsection. The local or regional board of
education shall: (1) Review the application; (2) hold a public hearing in
the school district on such application; (3) survey teachers and parents
in the school district to determine if there is sufficient interest in the
establishment and operation of the local charter school; and (4) vote on
a complete application not later than sixty days after the date of receipt
of such application. Such board of education may approve the
application by a majority vote of the members of the board present and
voting at a regular or special meeting of the board called for such
purpose. If the application is approved, the board shall forward the
application to the State Board of Education. The State Board of
Education shall vote on the application not later than seventy-five days
after the date of receipt of such application. Subject to the provisions of
subsection (c) of this section, the State Board of Education may
approve the application and grant the charter for the local charter
school or reject such application by a majority vote of the members of
the state board present and voting at a regular or special meeting of
the state board called for such purpose. The State Board of Education
may condition the opening of such school on the school's meeting
certain conditions determined by the Commissioner of Education to be
necessary and may authorize the commissioner to release the charter
when the commissioner determines such conditions are met. The state
board may grant the charter for the local charter school for a period of
time of up to five years and may allow the applicant to delay its
opening for a period of up to one school year in order for the applicant
to fully prepare to provide appropriate instructional services.

(f) An application for the establishment of a state charter school
shall be (1) submitted to the State Board of Education for approval in
accordance with the provisions of this subsection, and (2) filed with the local or regional board of education in the school district in which the charter school is to be located. The state board shall: (A) Review such application; (B) hold a public hearing on such application in the school district in which such state charter school is to be located; (C) solicit and review comments on the application from the local or regional board of education for the school district in which such charter school is to be located and from the local or regional boards of education for school districts that are contiguous to the district in which such school is to be located; and (D) vote on a complete application not later than seventy-five days after the date of receipt of such application. The State Board of Education may approve an application and grant the charter for the state charter school by a majority vote of the members of the state board present and voting at a regular or special meeting of the state board called for such purpose. The State Board of Education may condition the opening of such school on the school's meeting certain conditions determined by the Commissioner of Education to be necessary and may authorize the commissioner to release the charter when the commissioner determines such conditions are met. Charters shall be granted for a period of time of up to five years and may allow the applicant to delay its opening for a period of up to one school year in order for the applicant to fully prepare to provide appropriate instructional services.

(g) Charters may be renewed, upon application, in accordance with the provisions of this section for the granting of such charters. Upon application for such renewal, the State Board of Education may commission an independent appraisal of the performance of the charter school that includes, but is not limited to, an evaluation of the school's compliance with the provisions of this section. The State Board of Education shall consider the results of any such appraisal in determining whether to renew such charter. The State Board of Education may deny an application for the renewal of a charter if (1) student progress has not been sufficiently demonstrated, as determined by the commissioner, (2) the governing council has not
been sufficiently responsible for the operation of the school or has misused or spent public funds in a manner that is detrimental to the educational interests of the students attending the charter school, or (3) the school has not been in compliance with applicable laws and regulations. If the State Board of Education does not renew a charter, it shall notify the governing council of the charter school of the reasons for such nonrenewal.

(h) The Commissioner of Education may at any time place a charter school on probation if (1) the school has failed to (A) adequately demonstrate student progress, as determined by the commissioner, (B) comply with the terms of its charter or with applicable laws and regulations, (C) achieve measurable progress in reducing racial, ethnic and economic isolation, or (D) maintain its nonsectarian status, or (2) the governing council has demonstrated an inability to provide effective leadership to oversee the operation of the charter school or has not ensured that public funds are expended prudently or in a manner required by law. If a charter school is placed on probation, the commissioner shall provide written notice to the charter school of the reasons for such placement, not later than five days after the placement, and shall require the charter school to file with the Department of Education a corrective action plan acceptable to the commissioner not later than thirty-five days from the date of such placement. The charter school shall implement a corrective action plan accepted by the commissioner not later than thirty days after the date of such acceptance. The commissioner may impose any additional terms of probation on the school that the commissioner deems necessary to protect the educational or financial interests of the state. The charter school shall comply with any such additional terms not later than thirty days after the date of their imposition. The commissioner shall determine the length of time of the probationary period, which may be up to one year, provided the commissioner may extend such period, for up to one additional year, if the commissioner deems it necessary. In the event that the charter school does not file or implement the corrective action plan within the required time period
or does not comply with any additional terms within the required time period, the Commissioner of Education may withhold grant funds from the school until the plan is fully implemented or the school complies with the terms of probation, provided the commissioner may extend the time period for such implementation and compliance for good cause shown. Whenever a charter school is placed on probation, the commissioner shall notify the parents or guardians of students attending the school of the probationary status of the school and the reasons for such status. During the term of probation, the commissioner may require the school to file interim reports concerning any matter the commissioner deems relevant to the probationary status of the school, including financial reports or statements. No charter school on probation may increase its student enrollment or engage in the recruitment of new students without the consent of the commissioner.

(i) The State Board of Education may revoke a charter if a charter school has failed to: (1) Comply with the terms of probation, including the failure to file or implement a corrective action plan; (2) demonstrate satisfactory student progress, as determined by the commissioner; (3) comply with the terms of its charter or applicable laws and regulations; or (4) manage its public funds in a prudent or legal manner. Unless an emergency exists, prior to revoking a charter, the State Board of Education shall provide the governing council of the charter school with a written notice of the reasons for the revocation, including the identification of specific incidents of noncompliance with the law, regulation or charter or other matters warranting revocation of the charter. It shall also provide the governing council with the opportunity to demonstrate compliance with all requirements for the retention of its charter by providing the State Board of Education or a subcommittee of the board, as determined by the State Board of Education, with a written or oral presentation. Such presentation shall include an opportunity for the governing council to present documentary and testimonial evidence to refute the facts cited by the State Board of Education for the proposed revocation or in justification.
of its activities. Such opportunity shall not constitute a contested case within the meaning of chapter 54. The State Board of Education shall determine, not later than thirty days after the date of an oral presentation or receipt of a written presentation, whether and when the charter shall be revoked and notify the governing council of the decision and the reasons therefor. A decision to revoke a charter shall not constitute a final decision for purposes of chapter 54. In the event an emergency exists in which the commissioner finds that there is imminent harm to the students attending a charter school, the State Board of Education may immediately revoke the charter of the school, provided the notice concerning the reasons for the revocation is sent to the governing council not later than ten days after the date of revocation and the governing council is provided an opportunity to make a presentation to the board not later than twenty days from the date of such notice.

Sec. 2. Section 10-66hh of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(a) For the fiscal [years] year ending June 30, 2008, [and June 30, 2009] and each fiscal year thereafter, the Commissioner of Education shall establish, within available bond authorizations, a grant program to assist state charter schools in financing (1) school building projects, as defined in section 10-282, (2) general improvements to school buildings, as defined in subsection (a) of section 10-265h, and (3) repayment of debt incurred for school building projects. The governing authorities of such state charter schools may apply for such grants to the Department of Education at such time and in such manner as the commissioner prescribes. The commissioner shall give preference to applications that provide for matching funds from nonstate sources.

(b) All final calculations for grant awards pursuant to this section in an amount equal to or greater than two hundred fifty thousand dollars shall include a computation of the state grant amount amortized on a
straight line basis over a ten-year period. Any state charter school which abandons, sells, leases, demolishes or otherwise redirects the use of a school building which benefited from such a grant award during such amortization period, including repayment of debt for the purchase, renovation or improvement of the building, shall refund to the state the unamortized balance of the state grant remaining as of the date that the abandonment, sale, lease, demolition or redirection occurred. The amortization period shall begin on the date the grant award is paid. A state charter school required to make a refund to the state pursuant to this subsection may request forgiveness of such refund if the building is redirected for public use.

Sec. 3. Subsection (g) of section 10-266aa of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2010):

(g) [The] For the fiscal year ending June 30, 2011, and each fiscal year thereafter, the Department of Education shall provide, within available appropriations, an annual grant to the local or regional board of education for each receiving district in an amount not to exceed (1) two thousand five hundred dollars for each out-of-district student who attends school in the receiving district under the program if the number of such out-of-district students are less than or equal to three per cent of the total student population of such receiving district, (2) six thousand dollars for each out-of-district student who attends school in the receiving district under the program if the number of such out-of-district students are greater than three per cent but less than or equal to five per cent of the total student population of such receiving district, and (3) nine thousand dollars for each out-of-district student who attends school in the receiving district under the program if the number of such out-of-district students are greater than five per cent of the total student population of such receiving district. Each town which receives funds pursuant to this subsection shall make such funds available to its local or regional board of education in supplement to any other local appropriation, other state or federal
grant or other revenue to which the local or regional board of education is entitled.

This act shall take effect as follows and shall amend the following sections:

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Statement of Purpose:
To remove fiscal restrictions that limit the State Board of Education's ability to grant charters to local and state charter schools; to eliminate the enrollment cap of eighty-five students per grade for state charter schools that have demonstrated a record of achievement; to extend the Commissioner of Education's authority to provide grants to state charter schools for capital expenses; and to increase the per pupil grant to districts receiving open choice program students.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]