

**Proposed Substitute  
Bill No. 1096**

LCO No. 5946

**AN ACT CONCERNING CHARTER SCHOOLS.**

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

1 Section 1. Section 10-66aa of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2015*):

3 As used in [sections 10-66aa to 10-66ff] this section, sections 10-66bb  
4 to 10-66nn, inclusive, as amended by this act, and [sections 10-66hh to  
5 10-66kk, inclusive] sections 6 to 10, inclusive, of this act:

6 (1) "Charter school" means a public, nonsectarian school which is  
7 (A) established under a charter granted pursuant to section 10-66bb, as  
8 amended by this act, (B) organized as a nonprofit entity under state  
9 law, (C) a public agency for the purposes of the Freedom of  
10 Information Act, as defined in section 1-200, and (D) operated  
11 independently of any local or regional board of education in  
12 accordance with the terms of its charter and the provisions of [sections  
13 10-66aa to 10-66ff] this section and sections 10-66bb to 10-66nn,  
14 inclusive, as amended by this act, and sections 6 to 10, inclusive, of this  
15 act, provided no member or employee of a governing council of a  
16 charter school shall have a personal or financial interest in the assets,  
17 real or personal, of the school;

18 (2) "Local charter school" means a public school or part of a public

19 school that is converted into a charter school and is approved by the  
20 local or regional board of education of the school district in which it is  
21 located and by the State Board of Education pursuant to subsection (e)  
22 of section 10-66bb, as amended by this act;

23 (3) "State charter school" means a new public school approved by  
24 the State Board of Education pursuant to subsection (f) of section 10-  
25 66bb, as amended by this act;

26 (4) "Charter management organization" means any [entity] not-for-  
27 profit organization that (A) is exempt from taxation under Section  
28 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent  
29 corresponding internal revenue code of the United States, as amended  
30 from time to time, and (B) contracts with [that] a charter school  
31 [contracts with] for educational design, implementation or whole  
32 school management services; [and]

33 (5) "Whole school management services" means the financial,  
34 business, operational and administrative functions for a school; and

35 (6) "Charter" means a contract between the governing council of a  
36 charter school and the State Board of Education that sets forth the  
37 roles, powers, responsibilities and performance expectations of each  
38 party to the contract.

39 Sec. 2. Section 10-66bb of the general statutes is repealed and the  
40 following is substituted in lieu thereof (*Effective July 1, 2015*):

41 (a) (1) On and after July 1, 1997, and prior to July 1, 2015, the State  
42 Board of Education may grant charters for local and state charter  
43 schools in accordance with this section. On and after July 1, 2015, such  
44 state board may grant initial certificates of approval for charters for  
45 local and state charter schools in accordance with this section. Upon  
46 granting an initial certificate of approval for charter, such state board  
47 shall submit a copy of the initial certificate of approval for a charter  
48 and a summary of the comments made at a public hearing conducted  
49 pursuant to subdivision (2) of subsection (e) of this section or

50 subparagraph (B)(ii) of subdivision (1) of subsection (f) of this section,  
51 in accordance with section 11-4a, to the joint standing committees of  
52 the General Assembly having cognizance of matters relating to  
53 education and appropriations and the budgets of state agencies.

54 (2) The General Assembly may appropriate funds for the expenses  
55 of the local and state charter schools. Upon such appropriation with  
56 respect to an initial certificate of approval for charter for a local or state  
57 charter school, such initial certificate of approval for charter shall be  
58 effective and such initial certificate of approval for a charter shall be  
59 deemed a charter.

60 (3) A charter or initial certificate of approval for charter granted  
61 under this section shall not be considered a license, as defined in  
62 section 4-166, for the purposes of chapter 54.

63 (b) Any [person, association, corporation, organization or other  
64 entity] not-for-profit organization that is exempt from taxation under  
65 Section 501(c)(3) of the Internal Revenue Code of 1986, or any  
66 subsequent corresponding internal revenue code of the United States,  
67 as amended from time to time, public or independent institution of  
68 higher education, local or regional board of education or two or more  
69 boards of education cooperatively, or regional educational service  
70 center may apply to the Commissioner of Education, at such time and  
71 in such manner as the commissioner prescribes, to [establish] obtain an  
72 initial certificate of approval for a charter, [school,] provided no  
73 nonpublic elementary or secondary school may be established as a  
74 charter school and no parent or group of parents providing home  
75 instruction may establish a charter school for such instruction.

76 (c) On and after July 1, [2012] 2015, the State Board of Education  
77 shall review, annually, all applications and grant [charters] initial  
78 certificates of approval for a charter, in accordance with subsections (e)  
79 and (f) of this section, for a local or state charter school located in a  
80 town that has one or more schools that have been designated as a  
81 commissioner's network school, pursuant to section 10-223h, at the  
82 time of such application, or a town that has been designated as a low

83 achieving school district, pursuant to section 10-223e, at the time of  
84 such application. (1) Except as provided for in subdivision (2) of this  
85 subsection, no state charter school shall enroll (A) (i) more than two  
86 hundred fifty students, or (ii) in the case of a kindergarten to grade  
87 eight, inclusive, school, more than three hundred students, or (B)  
88 twenty-five per cent of the enrollment of the school district in which  
89 the state charter school is to be located, whichever is less. (2) In the  
90 case of a state charter school found by the State Board of Education to  
91 have a demonstrated record of achievement, said board shall, upon  
92 application by such school to said board, waive the provisions of  
93 subdivision (1) of this subsection for such school. (3) The State Board of  
94 Education shall give preference to applicants for charter schools (A)  
95 whose primary purpose is the establishment of education programs  
96 designed to serve one or more of the following student populations: (i)  
97 Students with a history of low academic performance, (ii) students  
98 who receive free or reduced priced lunches pursuant to federal law  
99 and regulations, (iii) students with a history of behavioral and social  
100 difficulties, (iv) students identified as requiring special education, (v)  
101 students who are English language learners, or (vi) students of a single  
102 gender; (B) whose primary purpose is to improve the academic  
103 performance of an existing school that has consistently demonstrated  
104 substandard academic performance, as determined by the  
105 Commissioner of Education; (C) that will serve students who reside in  
106 a priority school district pursuant to section 10-266p; (D) that will serve  
107 students who reside in a district in which seventy-five per cent or more  
108 of the enrolled students are members of racial or ethnic minorities; (E)  
109 that demonstrate highly credible and specific strategies to attract,  
110 enroll and retain students from among the populations described in  
111 subparagraph (A)(i) to (A)(vi), inclusive, of this subdivision; or (F) that,  
112 in the case of an applicant for a state charter school, such state charter  
113 school will be located at a work-site or such applicant is an institution  
114 of higher education. In determining whether to grant [a] an initial  
115 certificate of approval for a charter, the State Board of Education shall  
116 consider (i) the effect of the proposed charter school on (I) the  
117 reduction of racial, ethnic and economic isolation in the region in

118 which it is to be located, (II) the regional distribution of charter schools  
119 in the state, [and] (III) the potential of over-concentration of charter  
120 schools within a school district or in contiguous school districts, and  
121 (IV) the state's efforts to close the academic achievement gaps, as  
122 defined in section 10-1600, and (ii) the comments made at a public  
123 hearing conducted pursuant to subdivision (2) of subsection (e) of this  
124 section or subparagraph (B)(ii) of subdivision (1) of subsection (f) of  
125 this section.

126 (d) Applications pursuant to this section shall include a description  
127 of: (1) The mission, purpose and any specialized focus of the proposed  
128 charter school; (2) the interest in the community for the establishment  
129 of the charter school; (3) the school governance and procedures for the  
130 establishment of a governing council that (A) includes (i) teachers and  
131 parents and guardians of students enrolled in the school, and (ii) the  
132 chairperson of the local or regional board of education of the town in  
133 which the charter school is located and which has jurisdiction over a  
134 school that resembles the approximate grade configuration of the  
135 charter school, or the designee of such chairperson, provided such  
136 designee is a member of the board of education or the superintendent  
137 of schools for the school district, or the superintendent's designee, and  
138 (B) is responsible for the oversight of charter school operations,  
139 provided no member or employee of the governing council may have a  
140 personal or financial interest in the assets, real or personal, of the  
141 school; (4) the financial plan for operation of the school, provided no  
142 application fees or other fees for attendance, except as provided in this  
143 section, may be charged; (5) the educational program, instructional  
144 methodology and services to be offered to students; (6) the number  
145 and qualifications of teachers and administrators to be employed in the  
146 school; (7) the organization of the school in terms of the ages or grades  
147 to be taught and the total estimated enrollment of the school; (8) the  
148 student admission criteria and procedures to (A) ensure effective  
149 public information, (B) ensure open access on a space available basis,  
150 including the enrollment of students during the school year if spaces  
151 become available in the charter school, (C) promote a diverse student  
152 body, and (D) ensure that the school complies with the provisions of

153 section 10-15c and that it does not discriminate on the basis of  
154 disability, athletic performance or proficiency in the English language,  
155 provided the school may limit enrollment to a particular grade level or  
156 specialized educational focus and, if there is not space available for all  
157 students seeking enrollment, the school may give preference to siblings  
158 but shall otherwise determine enrollment by a lottery, except the State  
159 Board of Education may waive the requirements for such enrollment  
160 lottery pursuant to subsection (j) of this section; (9) a means to assess  
161 student performance that includes participation in mastery  
162 examinations, pursuant to section 10-14n; (10) procedures for teacher  
163 evaluation and professional development for teachers and  
164 administrators; (11) the provision of school facilities, pupil  
165 transportation and student health and welfare services; (12)  
166 procedures to encourage involvement by parents and guardians of  
167 enrolled students in student learning, school activities and school  
168 decision-making; (13) procedures to document efforts to increase the  
169 racial and ethnic diversity of staff; (14) a five-year plan to sustain the  
170 maintenance and operation of the school; [and] (15) a student  
171 recruitment and retention plan that shall include, but not be limited to,  
172 a clear description of a plan and the capacity of the school to attract,  
173 enroll and retain students from among the populations described in  
174 subparagraph (A)(i) to (A)(v), inclusive, of subdivision (3) of  
175 subsection (c) of this section; (16) a plan to share student learning  
176 practices and experiences with the local or regional board of education  
177 of the town in which the proposed charter school is to be located; and  
178 (17) in the case of an application in which the governing council of the  
179 proposed charter school intends to contract with a charter  
180 management organization for whole school management services: (A)  
181 Evidence of the charter management organization's ability to (i) serve  
182 student populations that are similar to the student population that will  
183 be served by the proposed charter school, (ii) create strong academic  
184 outcomes for students, and (iii) successfully manage nonacademic  
185 school functions, (B) a term sheet that sets forth (i) the length of the  
186 contract for whole school management services, (ii) the roles and  
187 responsibilities of the governing council of the proposed charter

188 school, the staff of the proposed charter school and the charter  
189 management organization, (iii) the scope of services and resources to  
190 be provided by the charter management organization, (iv) the  
191 performance evaluation measures and timelines, (v) the compensation  
192 structure, including a clear identification of all fees to be paid to the  
193 charter management organization, (vi) the methods of contract  
194 oversight and enforcement, and (vii) the conditions for renewal and  
195 termination of the contract, and (C) evidence of compliance with the  
196 provisions of section 10 of this act. Subject to the provisions of  
197 subsection (b) of section 10-66dd, an application may include, or a  
198 charter school may file, requests to waive provisions of the general  
199 statutes and regulations not required by sections 10-66aa to [10-66ff]  
200 10-66nn, inclusive, as amended by this act, and sections 6 to 10,  
201 inclusive, of this act, and which are within the jurisdiction of the State  
202 Board of Education.

203 (e) An application for the establishment of a local charter school  
204 shall be submitted to the local or regional board of education of the  
205 school district in which the local charter school is to be located for  
206 approval pursuant to this subsection. The local or regional board of  
207 education shall: (1) Review the application; (2) hold a public hearing in  
208 the school district on such application; (3) survey teachers and parents  
209 in the school district to determine if there is sufficient interest in the  
210 establishment and operation of the local charter school; and (4) vote on  
211 a complete application not later than [sixty] seventy-five days after the  
212 date of receipt of such application. Such board of education may  
213 approve the application by a majority vote of the members of the  
214 board present and voting at a regular or special meeting of the board  
215 called for such purpose. If the application is approved, the board shall  
216 forward the application to the State Board of Education. The State  
217 Board of Education shall vote on the application not later than  
218 [seventy-five] sixty days after the date of receipt of such application.  
219 Subject to the provisions of subsection (c) of this section, the State  
220 Board of Education may approve the application and grant the initial  
221 certificate of approval for a charter for the local charter school or reject  
222 such application by a majority vote of the members of the state board

223 present and voting at a regular or special meeting of the state board  
224 called for such purpose. The State Board of Education may condition  
225 the opening of such school on the school's meeting certain conditions  
226 determined by the Commissioner of Education to be necessary and  
227 may authorize the commissioner to release the initial certificate of  
228 approval for the charter when the commissioner determines such  
229 conditions are met. [The state board may grant the charter for the local  
230 charter school] After an initial certificate of approval for the charter for  
231 a local charter school is deemed a charter pursuant to subdivision (2)  
232 of subsection (a) of this section, such charter may be valid for a period  
233 of time of up to five years. [and] The state board may allow the  
234 applicant to delay its opening for a period of up to one school year in  
235 order for the applicant to fully prepare to provide appropriate  
236 instructional services. On and after July 1, 2015, any initial certificate of  
237 approval for a charter granted by the state board to a local charter shall  
238 include academic and organizational performance goals, developed by  
239 the state board, that set forth the performance indicators, measures  
240 and metrics that will be used by the state board to evaluate the local  
241 charter school.

242 (f) (1) Except as otherwise provided in subdivision (2) of this  
243 subsection, an application for the establishment of a state charter  
244 school shall be (A) submitted to the State Board of Education for  
245 approval in accordance with the provisions of this subsection, and (B)  
246 filed with the local or regional board of education in the school district  
247 in which the charter school is to be located. The state board shall: (i)  
248 Review such application; (ii) hold a public hearing on such application  
249 in the school district in which such state charter school is to be located;  
250 (iii) solicit and review comments on the application from the local or  
251 regional board of education for the school district in which such  
252 charter school is to be located and from the local or regional boards of  
253 education for school districts that are contiguous to the district in  
254 which such school is to be located; and (iv) vote on a complete  
255 application not later than ninety days after the date of receipt of such  
256 application. The State Board of Education may approve an application  
257 and grant the initial certificate of approval for a charter for the state

258 charter school by a majority vote of the members of the state board  
259 present and voting at a regular or special meeting of the state board  
260 called for such purpose. The State Board of Education may condition  
261 the opening of such school on the school's meeting certain conditions  
262 determined by the Commissioner of Education to be necessary and  
263 may authorize the commissioner to release the initial certificate of  
264 approval for the charter when the commissioner determines such  
265 conditions are met. [Charters shall be granted] After an initial  
266 certificate of approval for the charter for a state charter school is  
267 deemed a charter pursuant to subdivision (2) of subsection (a) of this  
268 section, such charter may be valid for a period of time of up to five  
269 years. [and] The state board may allow the applicant to delay its  
270 opening for a period of up to one school year in order for the applicant  
271 to fully prepare to provide appropriate instructional services. On and  
272 after July 1, 2015, any initial certificate of approval for a charter  
273 granted by the state board to a state charter school shall include  
274 academic and organizational performance goals, developed by the  
275 state board, that set forth the performance indicators, measures and  
276 metrics that will be used by the state board to evaluate the state charter  
277 school.

278 (2) On and after July 1, 2012, and before July 1, [2017] 2015, the State  
279 Board of Education shall not approve more than four applications for  
280 the establishment of new state charter schools unless two of the four  
281 such applications are for the establishment of two new state charter  
282 schools whose mission, purpose and specialized focus is to provide  
283 dual language programs or other models focusing on language  
284 acquisition for English language learners. Approval of applications  
285 under this subdivision shall be in accordance with the provisions of  
286 this section.

287 (g) Charters may be renewed, upon application, in accordance with  
288 the provisions of this section for the granting of such charters. Upon  
289 application for such renewal, the State Board of Education may  
290 commission an independent appraisal of the performance of the  
291 charter school that includes, but is not limited to, an evaluation of the

292 school's compliance with the provisions of this section and, on and  
293 after July 1, 2015, progress in meeting the academic and organizational  
294 performance goals set forth in the charter granted to the charter school.  
295 The State Board of Education shall consider the results of any such  
296 appraisal in determining whether to renew such charter. The State  
297 Board of Education may deny an application for the renewal of a  
298 charter if (1) student progress has not been sufficiently demonstrated,  
299 as determined by the commissioner, (2) the governing council has not  
300 been sufficiently responsible for the operation of the school or has  
301 misused or spent public funds in a manner that is detrimental to the  
302 educational interests of the students attending the charter school, (3)  
303 the school has not been in compliance with the terms of the charter  
304 granted by the state board, applicable laws and regulations, [or] (4) the  
305 efforts of the school have been insufficient to effectively attract, enroll  
306 and retain students from among the following populations: (A)  
307 Students with a history of low academic performance, (B) students  
308 who receive free or reduced priced lunches pursuant to federal law  
309 and regulations, (C) students with a history of behavioral and social  
310 difficulties, (D) students identified as requiring special education, or  
311 (E) students who are English language learners, or (5) the governing  
312 council of the state or local charter school has not established  
313 communications with the local or regional board of education of the  
314 town in which the state or local charter school is located to share  
315 student learning practices and experiences. If the State Board of  
316 Education does not renew a charter, it shall notify the governing  
317 council of the charter school of the reasons for such nonrenewal. On  
318 and after July 1, 2015, any charter renewed by the State Board of  
319 Education shall include academic and organizational performance  
320 goals, developed by the state board, that set forth the performance  
321 indicators, measures and metrics that will be used by the state board to  
322 evaluate the charter school.

323 (h) The Commissioner of Education may at any time place a charter  
324 school on probation if (1) the school has failed to (A) adequately  
325 demonstrate student progress, as determined by the commissioner, (B)  
326 comply with the terms of its charter or with applicable laws and

327 regulations, (C) achieve measurable progress in reducing racial, ethnic  
328 and economic isolation, or (D) maintain its nonsectarian status, or (2)  
329 the governing council has demonstrated an inability to provide  
330 effective leadership to oversee the operation of the charter school or  
331 has not ensured that public funds are expended prudently or in a  
332 manner required by law. If a charter school is placed on probation, the  
333 commissioner shall provide written notice to the charter school of the  
334 reasons for such placement, not later than five days after the  
335 placement, and shall require the charter school to file with the  
336 Department of Education a corrective action plan acceptable to the  
337 commissioner not later than thirty-five days from the date of such  
338 placement. The charter school shall implement a corrective action plan  
339 accepted by the commissioner not later than thirty days after the date  
340 of such acceptance. The commissioner may impose any additional  
341 terms of probation on the school that the commissioner deems  
342 necessary to protect the educational or financial interests of the state.  
343 The charter school shall comply with any such additional terms not  
344 later than thirty days after the date of their imposition. The  
345 commissioner shall determine the length of time of the probationary  
346 period, which may be up to one year, provided the commissioner may  
347 extend such period, for up to one additional year, if the commissioner  
348 deems it necessary. In the event that the charter school does not file or  
349 implement the corrective action plan within the required time period  
350 or does not comply with any additional terms within the required time  
351 period, the Commissioner of Education may withhold grant funds  
352 from the school until the plan is fully implemented or the school  
353 complies with the terms of probation, provided the commissioner may  
354 extend the time period for such implementation and compliance for  
355 good cause shown. Whenever a charter school is placed on probation,  
356 the commissioner shall notify the parents or guardians of students  
357 attending the school of the probationary status of the school and the  
358 reasons for such status. During the term of probation, the  
359 commissioner may require the school to file interim reports concerning  
360 any matter the commissioner deems relevant to the probationary  
361 status of the school, including financial reports or statements. No

362 charter school on probation may increase its student enrollment or  
363 engage in the recruitment of new students without the consent of the  
364 commissioner.

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

397 make a presentation to the board not later than twenty days from the  
398 date of such notice.

399 (j) (1) The governing council of a state or local charter school may  
400 apply to the State Board of Education for a waiver of the requirements  
401 of the enrollment lottery described in subdivision (8) of subsection (d)  
402 of this section, provided such state or local charter school has as its  
403 primary purpose the establishment of education programs designed to  
404 serve one or more of the following populations: (A) Students with a  
405 history of behavioral and social difficulties, (B) students identified as  
406 requiring special education, (C) students who are English language  
407 learners, or (D) students of a single gender.

408 (2) An enrollment lottery described in subdivision (8) of subsection  
409 (d) of this section shall not be held for a local charter school that is  
410 established at a school that is among the schools with a percentage  
411 equal to or less than five per cent when all schools are ranked highest  
412 to lowest in school performance index scores, as defined in section 10-  
413 223e.

414 Sec. 3. Section 10-66cc of the general statutes is repealed and the  
415 following is substituted in lieu thereof (*Effective July 1, 2015*):

416 (a) The governing council of a charter school shall submit annually,  
417 to the Commissioner of Education, a school profile as described in  
418 subsection (c) of section 10-220.

419 (b) The governing council of each charter school shall submit  
420 annually, to the Commissioner of Education, at such time and in such  
421 manner as the commissioner prescribes, and, in the case of a local  
422 charter school, to the local or regional board of education for the school  
423 district in which the school is located, a report on the [condition of the  
424 school] school's progress in meeting the academic and organizational  
425 performance goals set forth in the charter granted by the state board,  
426 including (1) the educational progress of students in the school, (2) the  
427 financial condition of the school, including a certified audit statement  
428 of all revenues from public and private sources and expenditures, (3)

429 accomplishment of the mission, purpose and any specialized focus of  
430 the charter school, (4) the racial and ethnic composition of the student  
431 body and efforts taken to increase the racial and ethnic diversity of the  
432 student body, and (5) best practices employed by the school that  
433 contribute significantly to the academic success of students.

434 Sec. 4. Section 10-66ll of the general statutes is repealed and the  
435 following is substituted in lieu thereof (*Effective July 1, 2015*):

436 Annually, the [commissioner] Commissioner of Education shall  
437 randomly select one state charter school, as defined in subdivision (3)  
438 of section 10-66aa, as amended by this act, to be subject to a  
439 comprehensive financial audit conducted by an independent auditor  
440 selected and monitored by the [Commissioner of Education]  
441 commissioner. Except as provided [for] in subsection (d) of section 10-  
442 66ee, the charter school shall be responsible for all costs associated  
443 with the audit conducted pursuant to the provisions of this section.

444 Sec. 5. (NEW) (*Effective July 1, 2015*) (a) On and after October 1, 2015,  
445 each member of a governing council of a state or local charter school  
446 shall complete training related to charter school governing council  
447 responsibilities and best practices at least once during the term of the  
448 charter.

449 (b) On and after October 1, 2015, each governing council of state and  
450 local charter schools shall adopt anti-nepotism and conflict of interest  
451 policies consistent with state law and best practices in nonprofit  
452 corporate governance.

453 Sec. 6. (NEW) (*Effective July 1, 2015*) Each charter management  
454 organization of a state or local charter school or, if there is no charter  
455 management organization associated with a state or local charter  
456 school, the governing council of such charter school, shall submit  
457 annually, to the Commissioner of Education, (1) a certified audit  
458 statement of all revenues from public and private sources and  
459 expenditures, and (2) a complete copy of such organization's or  
460 council's most recently completed Internal Revenue Service form 990,

461 including all parts and schedules.

462       Sec. 7. (NEW) (*Effective July 1, 2015*) The Commissioner of Education  
463 shall post any reports, certified audit statements and forms submitted  
464 to the Department of Education pursuant to section 10-66cc of the  
465 general statutes, as amended by this act, and section 6 of this act on the  
466 department's Internet web site not later than thirty days after receiving  
467 such reports, statements or forms. The commissioner shall identify any  
468 charter management organization or governing council of a charter  
469 school that did not submit a report, certified audit statement or form  
470 for the current reporting period and post such information on the  
471 department's Internet web site not later than thirty days after failing to  
472 receive such reports, statements or forms.

473       Sec. 8. (NEW) (*Effective July 1, 2015*) (a) On and after July 1, 2015, the  
474 State Board of Education shall require members of the governing  
475 council of a state or local charter school and members of a charter  
476 management organization to submit to a records check of the  
477 Department of Children and Families child abuse and neglect registry,  
478 established pursuant to section 17a-101k of the general statutes, and to  
479 state and national criminal history records checks before the state  
480 board grants initial certificates of approval for charters pursuant to  
481 section 10-66bb of the general statutes, as amended by this act. The  
482 criminal history records checks required under this subsection shall be  
483 conducted in accordance with section 29-17a of the general statutes.

484       (b) After an initial certificate of approval for the charter for a local or  
485 state charter school is granted pursuant to subdivision (1) of subsection  
486 (a) of this section, the State Board of Education shall require each  
487 applicant for a position in the governing council of a state or local  
488 charter school or in a charter management organization to submit to a  
489 records check of the Department of Children and Families child abuse  
490 and neglect registry, established pursuant to section 17a-101k of the  
491 general statutes, and to state and national criminal history records  
492 checks before such applicant may be hired. The criminal history  
493 records checks required under this subsection shall be conducted in

494 accordance with section 29-17a of the general statutes.

495 (c) On and after July 1, 2015, the governing council of a state or local  
496 charter school shall require each applicant for a position in a state or  
497 local charter school and each contractor doing business with a state or  
498 local charter school, who performs a service involving direct student  
499 contact, to submit to a records check of the Department of Children  
500 and Families child abuse and neglect registry, established pursuant to  
501 section 17a-101k of the general statutes, and to state and national  
502 criminal history records checks before such applicant may be hired or  
503 such contractor begins to perform such service. The criminal history  
504 records checks required under this subsection shall be conducted in  
505 accordance with section 29-17a of the general statutes.

506 Sec. 9. (NEW) (*Effective July 1, 2015*) (a) If a state or local charter  
507 school plans to make a material change in its operations, the governing  
508 council of such charter school shall submit, in writing, a request to  
509 amend the school's charter to the State Board of Education. For  
510 purposes of this section, "material change" means a change that  
511 fundamentally alters a charter school's mission, organizational  
512 structure or educational program, including, but not limited to, (1)  
513 altering the educational model in a fundamental way, (2) opening an  
514 additional school building, (3) contracting for or discontinuing a  
515 contract for whole school management services with a charter  
516 management organization, (4) renaming the charter school, (5)  
517 changing the grade configurations of the charter school, or (6)  
518 increasing or decreasing the total student enrollment capacity of the  
519 charter school by twenty per cent or more.

520 (b) In determining whether to grant a request by a state or local  
521 charter school to amend its charter, the State Board of Education shall  
522 (1) review the written request of the charter school, (2) solicit and  
523 review comments on the request from the local or regional board of  
524 education of the town in which the charter school is located or in  
525 which the proposed charter school is to be located, and (3) vote on the  
526 request not later than sixty days after the date of receipt of such

527 request or as part of the charter renewal process. The state board may  
528 approve the material change by a majority vote of the members of the  
529 state board present and voting at a regular or special meeting of the  
530 state board called for such purpose or for the purpose of considering  
531 whether to renew the charter of the charter school, pursuant to  
532 subsection (g) of section 10-66bb of the general statutes, as amended by  
533 this act.

534       Sec. 10. (NEW) (*Effective July 1, 2015*) (a) The governing council of a  
535 state or local charter school may only enter into a contract for whole  
536 school management services with a charter management organization.

537       (b) The governing council of a state or local charter school shall not  
538 enter into any contract for whole school management services that is  
539 contrary to state or federal law or regulations, which entails any  
540 financial or other conflicts of interest, or which amends, alters or  
541 modifies any provision of the charter granted by the State Board of  
542 Education to the school. To the extent that there is a conflict between  
543 the terms of the charter of the school and a contract for whole school  
544 management services, the terms of the charter shall govern.

545       (c) The governing council of a state or local charter school shall  
546 submit any contract for whole school management services between  
547 such governing council and charter management organization to the  
548 State Board of Education for approval. The state board, in determining  
549 whether to approve such contract, shall (1) review such contract, (2)  
550 solicit and review comments on such contract from the local or  
551 regional board of education of the town in which the charter school is  
552 located or in which the proposed charter school is to be located, and (3)  
553 vote on such contract not later than sixty days after the date of receipt  
554 of such contract. The state board may approve such contract by a  
555 majority vote of the members of the state board present and voting at a  
556 regular or special meeting of the state board called for such purpose.  
557 Any contract for whole school management services between the  
558 governing council of a state or local charter school and a charter  
559 management organization shall not take effect unless such contract has

560 been approved by the State Board of Education.

561 (d) The governing council of a state or local charter school shall not  
562 enter into any contract for whole school management services that  
563 would have the effect of reducing the governing council's  
564 responsibility for the operation of the charter school, or which would  
565 hinder the governing council in exercising effective supervision of the  
566 charter school.

567 (e) Any governing council of a state or local charter school that  
568 enters into a contract for whole school management services shall  
569 directly select, retain and compensate the attorney, accountant or audit  
570 firm representing the governing council.

571 (f) A contract for whole school management services shall include,  
572 but not be limited to: (1) The roles and responsibilities of the governing  
573 council of the charter school and the charter management  
574 organization, including all services to be provided under the contract,  
575 (2) the performance measures, mechanisms and consequences by  
576 which the governing council will hold the charter management  
577 organization accountable for performance, (3) the compensation to be  
578 paid to the charter management organization, including all fees,  
579 bonuses and what such compensation includes or requires, (4)  
580 financial reporting requirements and provisions for the governing  
581 council's financial oversight, (5) a choice of law provision that states  
582 that Connecticut state law shall be the controlling law for the contract,  
583 and (6) any such information required by the Commissioner of  
584 Education to ensure compliance with the provisions of chapter 164 of  
585 the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2015</i>	10-66aa
Sec. 2	<i>July 1, 2015</i>	10-66bb
Sec. 3	<i>July 1, 2015</i>	10-66cc
Sec. 4	<i>July 1, 2015</i>	10-66ll
Sec. 5	<i>July 1, 2015</i>	New section

**Proposed Substitute Bill No. 1096**

---

Sec. 6	<i>July 1, 2015</i>	New section
Sec. 7	<i>July 1, 2015</i>	New section
Sec. 8	<i>July 1, 2015</i>	New section
Sec. 9	<i>July 1, 2015</i>	New section
Sec. 10	<i>July 1, 2015</i>	New section