

SECOND REGULAR SESSION

SENATE BILL NO. 527

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR EMERY.

Pre-filed December 1, 2019, and ordered printed.

ADRIANE D. CROUSE, Secretary.

3151S.02I

AN ACT

To repeal sections 160.400, 160.403, 160.405, 160.408, 160.410, 160.415, 160.417, and 160.425, RSMo, and to enact in lieu thereof ten new sections relating to charter schools, with an effective date for a certain section.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 160.400, 160.403, 160.405, 160.408, 160.410, 160.415, 160.417, and 160.425, RSMo, are repealed and ten new sections enacted in lieu thereof, to be known as sections 160.400, 160.401, 160.402, 160.403, 160.405, 160.408, 160.410, 160.415, 160.417, and 160.425, to read as follows:

160.400. 1. [A charter school is an independent public school.] **As used in section 160.400 to 160.425, the following terms shall mean:**

(1) "Applicant", any person or group that develops and submits an application for a charter school to a sponsor;

(2) "Application", a proposal from an applicant to a sponsor to enter into a charter contract where the proposed school obtains charter status. An approved application shall not serve as the applicant's charter contract;

(3) "Charter contract", a fixed term, renewable, and legally binding contract between a charter school and a sponsor that outlines the roles, powers, and responsibilities, and academic performance terms of each party to the contract;

(4) "Charter school", a public school that:

(a) Has autonomy over decisions including, but not limited to, matters concerning finance, personnel, scheduling, curriculum, and instruction;

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

- 17 **(b) Is governed by an independent governing board;**
18 **(c) Is established and operated under the terms of a charter**
19 **contract between the board and its sponsor;**
20 **(d) Is a school to which parents choose to send their children;**
21 **(e) Is a school that admits students on the basis of a lottery as**
22 **provided by law if more students apply for admission than can be**
23 **accommodated;**
24 **(f) Provides a program of education that includes one or more of**
25 **the following: preschool, pre-kindergarten, any grade or grades from**
26 **kindergarten through grade twelve, and adult community, continuing,**
27 **and vocational and technical education programs as set forth in its**
28 **charter contract;**
29 **(g) Operates in pursuit of a specific set of educational objectives**
30 **as set forth in its charter contract; and**
31 **(h) Operates under the oversight of its sponsor rather than the**
32 **department in accordance with its charter contract;**
33 **(5) "Commission", the Missouri charter public school commission**
34 **established in section 160.425;**
35 **(6) "Department", the Missouri department of elementary and**
36 **secondary education;**
37 **(7) "Governing board", the independent board of a charter school**
38 **that is a party to the charter contract with the sponsor, whose members**
39 **have been elected or selected in accordance with the charter school's**
40 **board bylaws and charter contract;**
41 **(8) "High-needs students", students at risk of educational failure**
42 **or otherwise in need of special assistance and support, such as students**
43 **who are living in poverty, who are performing at far below grade level,**
44 **who have left school before receiving a regular high school diploma,**
45 **who are at risk of not graduating with a diploma on time, who are**
46 **homeless, who are in foster care, who have been incarcerated, who have**
47 **disabilities, or who are English language learners;**
48 **(9) "Local education agency", a public authority legally**
49 **constituted by the state as an administrative agency to provide control**
50 **of and direction for kindergarten through grade twelve public**
51 **educational institutions;**
52 **(10) "Sponsor", an entity authorized to review applications,**
53 **decide whether to approve or reject applications, enter into charter**

54 **contracts with applicants, oversee charter schools, and decide whether**
55 **to renew, not renew, or revoke charter contracts.**

56 2. [Except as further provided in subsection 4 of this section,] Charter
57 schools may be operated only:

58 (1) In a metropolitan school district;

59 (2) In an urban school district containing most or all of a city with a
60 population greater than three hundred fifty thousand inhabitants;

61 (3) In a school district that has been classified as unaccredited by the
62 state board of education;

63 (4) In a school district that has been classified as provisionally accredited
64 by the state board of education [and] **or** has received scores on its annual
65 performance report consistent with a classification of provisionally accredited or
66 unaccredited for three consecutive school years beginning with the 2012-13
67 accreditation year [under the following conditions:

68 (a) **provided that** the eligibility for charter schools of any school district
69 whose provisional accreditation is based in whole or in part on financial stress as
70 defined in sections 161.520 to 161.529, or on financial hardship as defined by rule
71 of the state board of education, shall be decided by a vote of the state board of
72 education during the third consecutive school year after the designation of
73 provisional accreditation; [and

74 (b) The sponsor is limited to the local school board or a sponsor who has
75 met the standards of accountability and performance as determined by the
76 department based on sections 160.400 to 160.425 and section 167.349 and
77 properly promulgated rules of the department;] or

78 (5) In a school district that has been **classified as** accredited without
79 provisions, [sponsored only by the local school board; provided that no board]
80 **under the following conditions:**

81 (a) **The sponsor is limited to the local school board; and**

82 (b) **No sponsor under this subdivision** with a current year enrollment
83 of one thousand five hundred fifty students or greater shall permit more than
84 thirty-five percent of its student enrollment to enroll in charter schools
85 [sponsored by the local board under the authority of this subdivision], except that
86 this restriction shall not apply to any school district that subsequently becomes
87 eligible under subdivision (3) or (4) of this subsection or to any district accredited
88 without provisions that sponsors charter schools prior to having a current year
89 student enrollment of one thousand five hundred fifty students or greater.

90 3. [Except as further provided in subsection 4 of this section,] The
91 following entities are eligible to sponsor charter schools:

92 (1) The school board [of the district] in any district [which is sponsoring
93 a charter school as of August 27, 2012, as permitted] **in which a charter**
94 **school may be operated** under subdivision (1) [or], (2), **or (5)** of subsection 2
95 of this section[, the special administrative board of a metropolitan school district
96 during any time in which powers granted to the district's board of education are
97 vested in a special administrative board, or if the state board of education
98 appoints a special administrative board to retain the authority granted to the
99 board of education of an urban school district containing most or all of a city with
100 a population greater than three hundred fifty thousand inhabitants, the special
101 administrative board of such school district];

102 (2) A public four-year college or university with an approved teacher
103 education program that meets regional or national standards of accreditation;

104 (3) A community college, the service area of which encompasses some
105 portion of the district;

106 (4) Any private four-year college or university with an enrollment of at
107 least one thousand students, with its primary campus in Missouri, and with an
108 approved teacher preparation program;

109 (5) Any two-year private vocational or technical school designated as a
110 501(c)(3) nonprofit organization under the Internal Revenue Code of 1986, as
111 amended, and accredited by the Higher Learning Commission, with its primary
112 campus in Missouri; **and**

113 (6) The [Missouri charter public school] commission [created in section
114 160.425].

115 4. Changes in a school district's accreditation status [that] **shall not**
116 affect [charter schools shall be addressed as follows, except for the districts
117 described in] **the operation or sponsorship of charter schools that**
118 **commenced operation in accordance with** subdivisions [(1) and (2)] **(3) to**
119 **(5)** of subsection 2 of this section[:

120 (1) As a district transitions from unaccredited to provisionally accredited,
121 the district shall continue to fall under the requirements for an unaccredited
122 district until it achieves three consecutive full school years of provisional
123 accreditation;

124 (2) As a district transitions from provisionally accredited to full
125 accreditation, the district shall continue to fall under the requirements for a

126 provisionally accredited district until it achieves three consecutive full school
127 years of full accreditation;

128 (3) In any school district classified as unaccredited or provisionally
129 accredited where a charter school is operating and is sponsored by an entity other
130 than the local school board, when the school district becomes classified as
131 accredited without provisions, a charter school may continue to be sponsored by
132 the entity sponsoring it prior to the classification of accredited without provisions
133 and shall not be limited to the local school board as a sponsor.

134 A charter school operating in a school district identified in subdivision (1) or (2)
135 of subsection 2 of this section may be sponsored by any of the entities identified
136 in subsection 3 of this section, irrespective of the accreditation classification of
137 the district in which it is located. A charter school in a district described in this
138 subsection whose charter provides for the addition of grade levels in subsequent
139 years may continue to add levels until the planned expansion is complete to the
140 extent of grade levels in comparable schools of the district in which the charter
141 school is operated.

142 5. The mayor of a city not within a county may request a sponsor under
143 subdivision (2), (3), (4), (5), or (6) of subsection 3 of this section to consider
144 sponsoring a "workplace charter school", which is defined for purposes of sections
145 160.400 to 160.425 as a charter school with the ability to target prospective
146 students whose parent or parents are employed in a business district, as defined
147 in the charter, which is located in the city].

148 [6.] 5. No sponsor shall receive from an applicant [for a charter school],
149 **nor shall any applicant receive from a sponsor**, any fee of any type for the
150 consideration of [a] **an application or charter contract**, nor [may] **shall a**
151 **sponsor or applicant** condition its consideration of [a charter] **an application**
152 **or charter contract** on the promise of future payment of any kind.

153 [7. The] 6. A charter school shall be organized as a Missouri nonprofit
154 corporation incorporated pursuant to, **and governed by**, chapter 355. [The
155 charter provided for herein shall constitute a contract between the sponsor and
156 the charter school.]

157 [8.] 7. As a nonprofit corporation incorporated pursuant to chapter 355,
158 the charter school shall select the method for election of [officers] **directors**
159 pursuant to section 355.326 based on the class of corporation selected. Meetings
160 of the governing board of the charter school shall be subject to the provisions of
161 sections 610.010 to 610.030.

162 [9.] 8. A sponsor of a charter school, its agents and employees [are not]
163 **shall not be financially** liable for any acts or omissions of a charter school that
164 it sponsors, including acts or omissions relating to the charter **contract**
165 submitted by the charter school, the operation of the charter school and the
166 performance of the charter school.

167 [10.] 9. A charter school may affiliate with a four-year college or
168 university, including a private college or university, [or] a community college, **or**
169 **vocational or technical school** as [otherwise] specified in subsection 3 of this
170 section when its charter is granted by a sponsor other than such college,
171 university [or], community college, **or vocational or technical**
172 **school**. Affiliation status recognizes a relationship between the charter school
173 and the college or university for purposes of teacher training and staff
174 development, curriculum and assessment development, use of physical facilities
175 owned by or rented on behalf of the college or university, and other similar
176 purposes. A university, college [or], community college, **or vocational or**
177 **technical school** may not charge or accept a fee for affiliation status.

178 [11.] 10. The expenses associated with sponsorship of charter schools
179 shall be defrayed by the department [of elementary and secondary education]
180 retaining one and five-tenths percent of the amount of state and local funding
181 allocated to the charter school under section 160.415, not to exceed one hundred
182 twenty-five thousand dollars, adjusted for inflation. The department [of
183 elementary and secondary education] shall remit the retained funds for each
184 charter school to the school's sponsor, provided the sponsor remains in good
185 standing by [fulfilling its sponsorship obligations under sections 160.400 to
186 160.425 and 167.349 with regard to each charter school it sponsors, including]
187 appropriate demonstration of the following:

188 (1) Expends no less than ninety percent of its charter school sponsorship
189 funds in support of its charter school sponsorship program[, or as a]. **Any direct**
190 investment in the sponsored schools **shall be made as a pro rata distribution**
191 **to all sponsored schools;**

192 (2) Maintains a comprehensive application process that follows fair
193 procedures and rigorous criteria and grants charters only to those [developers]
194 **applicants** who demonstrate strong capacity for establishing and operating a
195 [quality] charter school;

196 (3) Negotiates contracts with charter schools that clearly articulate the
197 rights and responsibilities of each party regarding school autonomy, expected

198 outcomes, measures for evaluating success or failure, performance consequences
199 based on the [annual performance report] **performance provisions in this**
200 **charter contract**, and other material terms;

201 (4) Conducts **charter** contract oversight that evaluates performance,
202 monitors compliance, informs intervention and renewal decisions, and ensures
203 autonomy provided under applicable law; [and]

204 (5) Designs and implements a transparent and rigorous process that uses
205 comprehensive data to make merit-based renewal decisions;

206 (6) **Fulfills its sponsorship obligations under sections 160.400 to**
207 **160.425, and section 167.349, with regard to each charter school it**
208 **sponsors;**

209 (7) **Expends its charter school sponsorship funds in a manner**
210 **that avoids conflicts of interest, inducements, or incentives that might**
211 **compromise the sponsor's judgment in charter approval and**
212 **accountability decisions; and**

213 (8) **Any dispute between the sponsor and the department shall be**
214 **resolved using the provisions of chapter 536 except that a sponsor shall**
215 **not be required to exhaust any administrative remedies before seeking**
216 **judicial relief.**

217 [12.] 11. Sponsors receiving funds under subsection [11] 10 of this
218 section shall be required to submit annual reports to the joint committee on
219 education demonstrating they are in compliance with subsection [17] 16 of this
220 section.

221 [13.] 12. No [university, college or community college shall grant a
222 charter to a nonprofit corporation if an employee of the university, college or
223 community college is a member of the corporation's board of directors] **employee,**
224 **trustee, agent, or representative of a sponsor shall simultaneously serve**
225 **as an employee, trustee, agency representative, vendor, or contractor**
226 **of a charter school sponsored by such entity. This subsection shall not**
227 **apply to members of such governing boards holding office prior to the**
228 **effective date of this act.**

229 [14.] 13. No sponsor shall grant a charter under sections 160.400 to
230 160.425 and 167.349 without ensuring that a criminal background check and
231 family care safety registry check are conducted for all members of the governing
232 board of the charter [schools] **school** or the incorporators of the charter school
233 if initial directors are not named in the articles of incorporation, nor shall a

234 sponsor renew a charter **contract** without ensuring a criminal background check
235 and family care safety registry check are conducted for each member of the
236 governing board of the charter school.

237 [15.] 14. No member of the governing board of a charter school shall hold
238 any office or employment from the board or the charter school while serving as
239 a member, nor shall the member have any substantial interest, as defined in
240 section 105.450, in any entity employed by or contracting with the board **for**
241 **goods and services**. No board member shall be an employee of a company that
242 provides substantial services to the charter school. All members of the governing
243 board of the charter school shall be considered decision-making public servants
244 as defined in section 105.450 for the purposes of the financial disclosure
245 requirements contained in sections 105.483, 105.485, 105.487, and 105.489.

246 [16.] 15. A sponsor shall develop the policies and procedures for:

247 (1) The review of a charter school [proposal including an application that
248 provides sufficient information for rigorous evaluation of the proposed charter and
249 provides clear documentation that the education program and academic program
250 are aligned with the state standards and grade-level expectations, and provides
251 clear documentation of effective governance and management structures, and a
252 sustainable operational plan] **application**;

253 (2) The granting of [a charter] **an application**;

254 (3) The performance [contract] **framework** that the sponsor will use to
255 evaluate the performance of charter schools. [Charter schools shall meet current
256 state academic performance standards as well as other standards agreed upon by
257 the sponsor and the charter school in the performance contract] **A performance**
258 **framework shall clearly set forth the academic and operational**
259 **performance indicators, measures, and metrics that shall guide the**
260 **sponsor's evaluation. The performance framework shall meet, but shall**
261 **not be limited to, current state academic performance standards**;

262 (4) The sponsor's intervention, renewal, [and] revocation, **expansion,**
263 **merger, and replication** policies, including the conditions under which the
264 [charter] sponsor may intervene in the operation of the charter school, along with
265 actions and consequences that may ensue, and the conditions for renewal of the
266 charter at the end of the term, consistent with subsections 8 and 9 of section
267 160.405;

268 (5) Additional criteria that the sponsor will use for ongoing oversight of
269 the charter; [and]

270 (6) **Protocol and** procedures to be implemented if a charter school should
271 close, consistent with the provisions of **subsection 1 of section 160.402 and**
272 subdivision (15) of subsection 1 of section 160.405; **and**

273 (7) **Sponsor conflicts of interest and ethics.**

274 The department shall provide guidance to sponsors in developing such policies
275 and procedures.

276 [17.] **16.** (1) A sponsor shall provide timely submission to the [state
277 board of education] **department** of all data necessary to demonstrate that the
278 sponsor is in material compliance with all requirements of sections 160.400 to
279 160.425 and section 167.349. The [state board of education] **department** shall
280 ensure each sponsor is in compliance with all requirements under sections
281 160.400 to 160.425 and 167.349 for each charter school sponsored by any
282 sponsor. The [state board] **department** shall notify each sponsor of the
283 standards for sponsorship of charter schools, delineating both what is mandated
284 by statute and what best practices dictate. The [state board] **department** shall
285 evaluate sponsors to determine compliance with these standards every three
286 years. The evaluation shall include a sponsor's policies and procedures in the
287 areas of [charter] application approval; required charter agreement terms and
288 content; sponsor performance evaluation and compliance monitoring; and charter
289 **contract** renewal, intervention, and revocation decisions. [Nothing shall
290 preclude the department from undertaking an evaluation at any time for cause.]

291 (2) If the department determines that a sponsor is in material
292 noncompliance with its sponsorship duties, the sponsor shall be notified and
293 given reasonable time for remediation. If remediation does not address the
294 compliance issues identified by the department, the commissioner of education
295 shall conduct a public hearing and thereafter provide notice to the [charter]
296 sponsor of corrective action that will be recommended to the state board of
297 education. Corrective action by the department may include withholding the
298 sponsor's funding and suspending the sponsor's authority to sponsor a **charter**
299 school that it currently sponsors or to sponsor any additional **charter** school
300 until the sponsor is reauthorized by the state board of education under section
301 160.403, **or terminating the sponsor's authority to sponsor any charter**
302 **schools.**

303 (3) The [charter] sponsor may, within thirty days of receipt of the notice
304 of the [commissioner's recommendation] **department's recommendation,**
305 provide a written statement and other documentation to show cause as to why

306 that action should not be taken. Final determination of corrective action shall be
307 determined by the [state board of education] **department** based upon a review
308 of the documentation submitted to the department and the [charter] sponsor.

309 (4) If the [state board] **department** removes the authority to sponsor a
310 currently operating charter school under any provision of law, the [Missouri
311 charter public school] commission shall become the sponsor of the school.

312 [18.] **17.** If a sponsor notifies a charter school of closure under subsection
313 8 of section 160.405, the department [of elementary and secondary education]
314 shall exercise its financial withholding authority under subsection 12 of section
315 160.415 to assure all obligations of the charter school shall be met. The state[,
316 charter sponsor,] or resident district shall not be liable for any outstanding
317 liability or obligations of the charter school. **The transferring of assets or
318 operational control from one charter school to another, with sponsor
319 approval, shall not constitute closure of a charter school.**

320 **18.** If a charter school fails to receive a renewal of its charter
321 contract after a three-year term as described in paragraph (d) of
322 subdivision (3) of subsection 9 of section 160.405, the sponsor at the
323 time of the failure of renewal shall not sponsor any new charter schools
324 until the department has completed an evaluation and the sponsor has
325 received notice that it is compliant with all requirements and meeting
326 state standards. The evaluation by the department shall determine
327 whether the sponsor meets the state standards of sponsorship and was
328 in compliance with requirements under sections 160.400 to 160.425 and
329 167.349 for all charter schools sponsored by the sponsor.

160.401. 1. No charter school shall be required to purchase
2 services from its sponsor as a condition of charter approval, or of
3 executing a charter contract, nor may any such condition be implied.

4 2. A charter school may, at its discretion, choose to purchase
5 services from its sponsor. In such event, the charter school and
6 sponsor shall execute an annual service contract, separate from the
7 charter contract, stating the parties' mutual agreement concerning any
8 services to be provided by the sponsor and any service fees to be
9 charged to the charter school. A sponsor may not charge more than
10 market rates for services provided to a charter school.

11 3. Within thirty days after the end of each fiscal year, each
12 sponsor shall provide to each charter school it oversees an itemized
13 accounting of the actual costs of services purchased by the charter

14 school from the sponsor. Any difference between the amount initially
15 charged to the charter school and the actual cost shall be reconciled
16 and paid to the owed party. If either party disputes the itemized
17 accounting, or charges to either party, the disputing party is entitled
18 to request a third party review at its own expense. The review shall be
19 conducted by the department, whose determination shall be final.

160.402. 1. In the event of a charter school closure for any
2 reason, the sponsor shall oversee and work with the closing school to
3 ensure a smooth, orderly, and complete closure and transition for
4 students and parents, as guided by the closure protocol and
5 procedures. Closure, including the dissolution of the charter school
6 and disposition of its property, shall be governed by the charter
7 contract and this section. Any disagreement or dispute arising between
8 a charter school, sponsor, or third party during, or as a result of
9 closure shall be resolved in accordance with chapter 355. A court
10 appointing a receiver in a charter school dissolution proceeding shall
11 give preference to the charter school's sponsor as an
12 appointee. Closure is not final until all school property is disposed of
13 and records are transferred in accordance with this section and
14 applicable law.

15 2. Transfer of a charter contract, and oversight of a charter
16 school, from one sponsor to another shall not be permitted except by
17 special petition to the department by a charter school or its
18 sponsor. The department shall review such petitions on a case by case
19 basis and may grant transfer requests in response to special
20 circumstances, evidence that such a transfer would serve the best
21 interests of the charter school's students, and agreement by the school
22 and the sponsor. Transfer of a charter contract and oversight of a
23 charter school to the commission shall not be subject to the petition
24 and review process set forth in this subsection.

25 3. A sponsor may relinquish its sponsorship at any time by
26 sending a letter to the department stating its intention and the date of
27 relinquishment. When a sponsor relinquishes sponsorship, all of the
28 sponsor's existing charter contracts and sponsorship fees are
29 transferred to the commission; provided that if a sponsor does
30 relinquish its sponsorship of all of its charter contracts, such sponsor
31 shall no longer be eligible to be a sponsor. A transfer under this

32 subsection shall not be subject to the petition and review process set
33 forth in subsection 2 of this section.

34 4. One or more charter schools or local education agencies may
35 merge into a single charter school or local education agency upon
36 special petition to the department by all merging organizations. The
37 department shall review such petitions on a case by case basis, and may
38 grant merger requests in response to special circumstances, including
39 evidence that such a merger would serve the best interests of the
40 charter school's students, and agreement by the merging organization
41 as to the terms of such merger. An approved merger shall not be
42 subject to the closure provisions applicable to charter schools.

43 5. A transfer or merger under this section shall not extend the
44 term of any existing charter contract that has been transferred or has
45 been part of a merger under this section.

160.403. 1. The department of [elementary and secondary education]
2 shall establish an annual application and approval process for all entities eligible
3 to be a sponsor [charters] as set forth in section 160.400 which are not
4 sponsoring a charter school as of August 28, 2012, except that the [Missouri
5 charter public school] commission shall not be required to undergo the application
6 and approval process. [No later than November 1, 2012, the department shall
7 make available information and guidelines for all eligible sponsors concerning the
8 opportunity to apply for sponsoring authority under this section.]

9 2. The application process for sponsorship shall require each interested
10 eligible sponsor[, except for the Missouri charter public school commission,] to
11 submit an application by February first **of the first year in which the**
12 **eligible sponsor seeks to sponsor a charter school** that includes the
13 following:

14 (1) Written notification of intent to serve as a [charter school] sponsor in
15 accordance with sections 160.400 to 160.425 and section 167.349;

16 (2) Evidence of the applicant sponsor's budget and personnel capacity;

17 (3) An outline of the request for proposal that the applicant sponsor
18 would, if approved as a [charter] sponsor, issue to solicit [charter school]
19 applicants consistent with sections 160.400 to 160.425 and section 167.349;

20 (4) The performance [contract] **framework** that the applicant sponsor
21 would, if approved as a charter sponsor, use to evaluate the charter schools it
22 sponsors; and

23 (5) The applicant sponsor's renewal, revocation, and [nonrenewal
24 processes] **closure protocol and procedures** consistent with section 160.405.

25 3. By April first of each year, the department shall decide whether to
26 grant or deny a sponsoring authority to a sponsor applicant. This decision shall
27 be made based on the applicant sponsor's compliance with sections 160.400 to
28 160.425 and section 167.349 and properly promulgated rules of the department.

29 4. Within thirty days of the department's decision, the department shall
30 execute a renewable sponsoring contract with each entity it has approved as a
31 sponsor. The term of each [authorizing] **sponsoring** contract shall [be six years
32 and renewable] **have a term of six years with a perpetual option for**
33 **renewal.**

160.405. 1. A person, group or organization seeking to establish a charter
2 school shall submit [the proposed charter] **an application**, as provided in this
3 section, to a sponsor. If the sponsor is not a school board, the applicant shall give
4 a copy of its application to the school board of the district in which the charter
5 school is to be located and to the [state board of education] **department**, within
6 five business days of the date the application is filed with the proposed
7 sponsor. The school board may file objections with the proposed sponsor, and, if
8 [a charter] **an application** is granted, the school board may file objections with
9 the [state board of education] **department**. The charter **application** shall
10 include [a legally binding performance contract that describes the obligations and
11 responsibilities of the school and the sponsor as outlined in sections 160.400 to
12 160.425 and section 167.349 and shall address] **at a minimum** the following:

13 (1) A mission and vision statement for the charter school;

14 (2) A description of the charter school's organizational structure and
15 bylaws of the governing [body] **board**, which will be responsible for the policy,
16 financial management, and operational decisions of the charter school, including
17 the nature and extent of parental, professional educator, and community
18 involvement in the governance and operation of the charter school;

19 (3) A financial plan for the first three years of operation of the charter
20 school including provisions for annual audits;

21 (4) A description of the charter school's policy for securing personnel
22 services, its personnel policies, personnel qualifications, and professional
23 development plan;

24 (5) A description of the grades or ages of students being served;

25 (6) The school's calendar of operation, which shall include at least the

26 equivalent of a full school term as defined in section 160.011;

27 (7) A [description of the charter school's pupil performance standards and
28 academic program performance standards] **proposal for the charter school's**
29 **performance provisions for the charter contract**, which shall meet the
30 requirements of subdivision (6) of subsection 4 of this section[. The charter
31 school program shall be designed to enable each pupil to achieve such standards
32 and shall contain a complete set of indicators, measures, metrics, and targets for
33 academic program performance, including specific goals on graduation rates and
34 standardized test performance and academic growth], **and the sponsor's**
35 **performance framework**;

36 (8) A description of the charter school's educational program and
37 curriculum;

38 (9) The **proposed** term of the charter[, which shall be five years and may
39 be renewed] **contract. If renewal occurs as described under paragraph**
40 **(e) of subdivision (3) of subsection 9 of this section, such renewal shall**
41 **be only for a three-year term**;

42 (10) Procedures, consistent with the Missouri financial accounting
43 manual, for monitoring the financial accountability of the charter, which shall
44 meet the requirements of subdivision (4) of subsection 4 of this section;

45 (11) [Preopening requirements for applications that require that charter
46 schools meet all health, safety, and other legal requirements prior to opening;

47 (12)] A description of the charter school's policies on student discipline and
48 student admission, which shall include a statement, where applicable, of the
49 validity of attendance of students who do not reside in the district but who may
50 be eligible to attend under the terms of judicial settlements and procedures that
51 ensure admission of students with disabilities in a nondiscriminatory manner;

52 [(13)] **(12)** A description of the charter school's grievance procedure for
53 parents [or guardians];

54 [(14)] A description of the agreement and time frame for implementation
55 between the charter school and the sponsor as to when a sponsor shall intervene
56 in a charter school, when a sponsor shall revoke a charter for failure to comply
57 with subsection 8 of this section, and when a sponsor will not renew a charter
58 under subsection 9 of this section;

59 (15)] **(13)** Procedures to be implemented if the charter school should
60 close, as provided in subdivision (6) of subsection 16 of section 160.400 including:

61 (a) Orderly transition of student records to new schools and archival of

62 student records;

63 (b) Archival of business operation and transfer or repository of personnel
64 records;

65 (c) Submission of final financial reports;

66 (d) Resolution of any remaining financial obligations;

67 (e) Disposition of the charter school's assets upon closure; and

68 (f) A notification plan to inform parents or guardians of students, the local
69 school district, the retirement system in which the charter school's employees
70 participate, and the [state board of education] **department** within thirty days
71 of the decision to close;

72 [(16)] **(14)** A description of the special education and related services
73 that shall be available to meet the needs of students with disabilities; [and]

74 [(17) For all new or revised charters,] **(15) Protocols and** procedures
75 to be used upon closure of the charter school requiring that unobligated assets of
76 the charter school be returned to the department [of elementary and secondary
77 education] for their disposition, which upon receipt of such assets shall return
78 them to the local school district in which the school was located, the state, or any
79 other entity to which they would belong; **and**

80 **(16) Any other matters the department deems appropriate.**

81 Charter schools operating on August 27, 2012, shall have until August 28, 2015,
82 to meet the requirements of this subsection.

83 2. [Proposed charters] **An applicant** shall be subject to the following
84 **application** requirements:

85 (1) [A charter] **An application** shall be submitted to the sponsor, and
86 follow the sponsor's policies and procedures for review and [granting] **approval**
87 of [a charter approval, and be approved by the state board of education by
88 January thirty-first prior to the school year of the proposed opening date of the
89 charter school] **the application**;

90 (2) A charter may be approved when the sponsor determines that the
91 requirements of this section are met, determines that the applicant is sufficiently
92 qualified to operate a charter school, and that the proposed charter **school** is
93 consistent with the sponsor's charter sponsorship goals and capacity. The
94 sponsor's decision of approval or denial shall be made within ninety days of the
95 filing of the proposed charter;

96 (3) If the [charter] **application** is denied, the proposed sponsor shall
97 notify the applicant in writing as to the reasons for its denial and forward a copy

98 to the [state board of education] **department and commission** within five
99 business days following the denial;

100 (4) If [a proposed charter] **an application** is denied by a sponsor, the
101 [proposed charter] **application** may be submitted to the [state board of
102 education] **commission**, along with the sponsor's written reasons for its denial.
103 If the [state board] **commission** determines that the applicant meets the
104 requirements of this section, that the applicant is sufficiently qualified to operate
105 the charter school, and that granting [a charter] **an application** to the applicant
106 would be likely to provide educational benefit to the children of the district, the
107 [state board] **commission** may [grant a charter] **approve an application** and
108 **the commission shall** act as sponsor of the charter school. The [state board]
109 **commission** shall review the [proposed charter] **application** and make a
110 determination of whether to deny or [grant the proposed charter] **approve the**
111 **application** within sixty days of receipt of the [proposed charter] **application**,
112 provided that any [charter] **application** to be considered by the [state board of
113 education] **commission** under this subdivision shall be submitted no later than
114 March first prior to the school year in which the charter school intends to begin
115 operations. The [state board of education] **commission** shall notify the
116 applicant in writing as to the reasons for its denial, if applicable; and

117 (5) [The] **A** sponsor [of a charter school] shall give priority to [charter
118 school] applicants that propose a school oriented to [high-risk] **high-needs**
119 students and to the reentry of dropouts into the school system. If a sponsor
120 grants three or more charters, at least one-third of the charters granted by the
121 sponsor shall be to schools that actively recruit dropouts or [high-risk] **high-**
122 **needs** students as their student body and address the needs of dropouts or
123 [high-risk] **high-needs** students through their proposed mission, curriculum,
124 teaching methods, and services. [For purposes of this subsection, a "high-risk"
125 student is one who is at least one year behind in satisfactory completion of course
126 work or obtaining high school credits for graduation, has dropped out of school,
127 is at risk of dropping out of school, needs drug and alcohol treatment, has severe
128 behavioral problems, has been suspended from school three or more times, has
129 a history of severe truancy, is a pregnant or parenting teen, has been referred for
130 enrollment by the judicial system, is exiting incarceration, is a refugee, is
131 homeless or has been homeless sometime within the preceding six months, has
132 been referred by an area school district for enrollment in an alternative program,
133 or qualifies as high risk under department of elementary and secondary education

134 guidelines.] Dropout shall be defined through the guidelines of the school core
135 data report. The provisions of this [subsection] **subdivision** do not apply to
136 [charters] **charter schools** sponsored by the [state board of education]
137 **commission**.

138 3. If [a charter] **an application** is approved by a sponsor, the [charter]
139 application shall be submitted to the [state board of education] **department**,
140 along with a statement of finding by the sponsor that the application meets the
141 requirements of sections 160.400 to 160.425 and section 167.349 [and a
142 monitoring plan under which the charter sponsor shall evaluate the academic
143 performance, including annual performance reports, of students enrolled in the
144 charter school. The state board of education shall approve or deny a charter
145 application within sixty days of receipt of the application. The state board of
146 education may deny a charter on grounds that the application fails to meet the
147 requirements of sections 160.400 to 160.425 and section 167.349 or that a charter
148 sponsor previously failed to meet the statutory responsibilities of a charter
149 sponsor. Any denial of a charter application made by the state board of education
150 shall be in writing and shall identify the specific failures of the application to
151 meet the requirements of sections 160.400 to 160.425 and section 167.349, and
152 the written denial shall be provided within ten business days to the sponsor]
153 **within fifteen days of approval**.

154 4. A charter [school shall, as provided in its charter] **contract shall**
155 **require a charter school to:**

156 (1) Be nonsectarian in its programs, admission policies, employment
157 practices, and all other operations;

158 (2) Comply with laws and regulations of the state, county, or city relating
159 to health, safety, and state minimum educational standards, as specified by the
160 state board of education, including the requirements relating to student discipline
161 under sections 160.261, 167.161, 167.164, and 167.171, notification of criminal
162 conduct to law enforcement authorities under sections 167.115 [to] **and** 167.117,
163 academic assessment under section 160.518, transmittal of school records under
164 section 167.020, the minimum amount of school time required under section
165 171.031, and the employee criminal history background check and the family care
166 safety registry check under section 168.133;

167 (3) Except as provided in sections 160.400 to 160.425 and as specifically
168 provided in other sections, be exempt from all laws and rules relating to schools,
169 governing boards and school districts;

170 (4) Be financially accountable, use practices consistent with the Missouri
171 financial accounting manual, provide for an annual audit by a certified public
172 accountant, publish audit reports and annual financial reports as provided in
173 chapter 165, provided that the annual financial report may be published on the
174 [department of elementary and secondary education's] **department's** internet
175 website in addition to other publishing requirements, and provide liability
176 insurance to indemnify the school, its board, staff and teachers against tort
177 claims. A charter school that receives local educational agency status under
178 subsection 6 of this section shall meet the requirements imposed by the
179 Elementary and Secondary Education Act for audits of such agencies and comply
180 with all federal audit requirements for charters with local educational agency
181 status. For purposes of an audit by petition under section 29.230, a charter
182 school shall be treated as a political subdivision on the same terms and conditions
183 as the school district in which it is located. For the purposes of securing such
184 insurance, a charter school shall be eligible for the Missouri public entity risk
185 management fund pursuant to section 537.700. A charter school that incurs debt
186 shall include a repayment plan in its financial plan;

187 (5) Provide a comprehensive program of instruction for at least one grade
188 or age group from early childhood through grade twelve, as specified in its
189 charter;

190 (6) (a) [Design a method to measure pupil progress toward the pupil
191 academic standards adopted by the state board of education pursuant to section
192 160.514, establish] **Comply with the performance provisions in the**
193 **charter contract, which shall be based on the performance framework**
194 **established by the sponsor under subdivision (3) of subsection 15 of**
195 **section 160.400, establish** baseline student performance [in accordance with
196 the performance contract] during the first year of operation, **and collect annual**
197 **student performance data** [as defined by the annual performance report
198 throughout the duration of the charter to annually monitor student academic
199 performance, and to the extent applicable based upon grade levels offered by the
200 charter school, participate in the statewide system of assessments, comprised of
201 the essential skills tests and the nationally standardized norm-referenced
202 achievement tests, as designated by the state board pursuant to section 160.518,
203 complete and distribute an annual report card as prescribed in section 160.522,
204 which shall also include a statement that background checks have been completed
205 on the charter school's board members, and report to its sponsor, the local school

206 district, and the state board of education as to its teaching methods and any
207 educational innovations and the results thereof] **necessary to measure annual**
208 **performance targets, with such targets being subject to approval by its**
209 **sponsor**. No charter school shall be considered in the Missouri school
210 improvement program review [of the district in which it is located for the
211 resource or process standards of the program].

212 (b) For proposed [high-risk or alternative] **high-needs** charter schools,
213 sponsors shall approve performance [measures] **terms** based on mission,
214 curriculum, teaching methods, and services. Sponsors shall also approve
215 comprehensive academic and behavioral measures to determine whether students
216 are meeting performance [standards] **terms** on a different time frame as specified
217 in that school's charter. Student performance shall be assessed comprehensively
218 to determine whether a [high-risk or alternative] **high-needs** charter school has
219 documented adequate student progress. Student performance shall be based on
220 sponsor-approved comprehensive measures as well as standardized public school
221 measures. Annual presentation of charter school report card data to the
222 department [of elementary and secondary education], the state board, and the
223 public shall include comprehensive measures of student progress.

224 (c) Nothing in this subdivision shall be construed as permitting a charter
225 school to be held to lower performance standards than other public schools within
226 a district; however, the charter **contract** of a charter school may permit students
227 to meet performance standards on a different time frame as specified in its
228 charter **contract**. The performance standards for alternative and special purpose
229 charter schools that target [high-risk] **high-needs** students [as defined in
230 subdivision (5) of subsection 2 of this section] shall be based on measures defined
231 in the school's [performance] **charter** contract with its sponsors;

232 (7) Comply with all applicable federal and state laws and regulations
233 regarding students with disabilities, including sections 162.670 to 162.710, the
234 Individuals with Disabilities Education Act (20 U.S.C. Section 1400) and Section
235 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794) or successor
236 legislation;

237 (8) Provide along with any request for review by the state board of
238 education the following:

239 (a) Documentation that the applicant has provided a copy of the
240 application to the school board of the district in which the charter school is to be
241 located, except in those circumstances where the school district is the sponsor of

242 the charter school; [and]

243 (b) A statement outlining the reasons for approval or denial by the
244 sponsor, specifically addressing the requirements of sections 160.400 to 160.425
245 and 167.349; **and**

246 (c) **A conflict of interest policy and a code of ethics;**

247 (9) **Incorporate application materials submitted under subsection**
248 **1 of this section into the charter contract.**

249 **Charter schools operating on August 27, 2020, shall have until August**
250 **28, 2023, to meet the requirements of this subsection.**

251 5. (1) Proposed or existing [high-risk or alternative] **high-needs** charter
252 schools may include alternative arrangements for students to obtain credit for
253 satisfying graduation requirements in the school's charter application and
254 charter. Alternative arrangements may include, but not be limited to, credit for
255 off-campus instruction, embedded credit, work experience through an internship
256 arranged through the school, and independent studies. [When the state board of
257 education approves the charter, any such alternative arrangements shall be
258 approved at such time.]

259 (2) The department [of elementary and secondary education] shall conduct
260 a study of any charter school granted alternative arrangements for students to
261 obtain credit under this subsection after three years of operation to assess
262 student performance, graduation rates, educational outcomes, and entry into the
263 workforce or higher education.

264 6. [The charter of] A charter [school] **contract** may be amended at the
265 request of the governing [body] **board** of the charter school and on the approval
266 of the sponsor. The sponsor and the governing board and staff of the charter
267 school shall jointly review the school's performance, management and operations
268 during the first year of operation and then every other year after the most recent
269 review or at any point where the operation or management of the charter school
270 is changed or transferred to another entity, either public or private. The
271 governing board of a charter school may amend the charter **contract**, if the
272 sponsor approves such amendment, or the sponsor and the governing board may
273 reach an agreement in writing to reflect the charter school's decision to become
274 a local educational agency. In such case the sponsor shall give the department
275 [of elementary and secondary education] written notice no later than March first
276 of any year, with the agreement to become effective July first. The department
277 may waive the March first notice date in its discretion. The department shall

278 identify and furnish a list of its regulations that pertain to local educational
279 agencies to such schools within thirty days of receiving such notice.

280 7. Sponsors shall annually review the charter school's compliance with
281 statutory standards including:

282 (1) Participation in the statewide system of assessments, as designated
283 by the state board of education under section 160.518;

284 (2) Assurances for the completion and distribution of an annual report
285 card as prescribed in section 160.522;

286 (3) The collection of baseline data during the first three years of operation
287 to determine the longitudinal success of the charter school;

288 (4) A method to measure pupil progress toward the pupil academic
289 standards adopted by the state board of education under section 160.514; and

290 (5) Publication of each charter school's annual performance **[report] data.**

291 8. (1) (a) A sponsor's policies shall give schools clear, adequate,
292 evidence-based, and timely notice of contract violations or performance
293 deficiencies and mandate intervention based upon findings of the state board of
294 education of the following:

295 a. The charter school provides a high school program which fails to
296 maintain a graduation rate of at least seventy percent in three of the last four
297 school years unless the school has dropout recovery as its mission; **and**

298 b. **[The charter school's annual performance report results are below the**
299 **district's annual performance report results based on the performance standards**
300 **that are applicable to the grade level configuration of both the charter school and**
301 **the district in which the charter school is located in three of the last four school**
302 **years; and**

303 **c.] The charter school is identified as a persistently lowest achieving school**
304 **by the department [of elementary and secondary education].**

305 (b) A sponsor shall **[have a policy to] revoke a charter during the charter**
306 **term if there is:**

307 a. Clear evidence of **[underperformance as demonstrated in the charter**
308 **school's annual performance report] the charter school's failure to meet the**
309 **standards set forth in this subparagraph** in three of the last four school
310 years[; or].

311 (i) **For charter schools serving pupils in grades kindergarten**
312 **through grade eight:**

313 i. **The percentage of students who perform proficient and**

314 advanced on the annual statewide system of assessments under section
315 160.518 in English language arts and mathematics in the charter school
316 is equal to or higher than the average percentage of grade level
317 equivalent students in nonselective school buildings in the school
318 district in which the charter school is located who perform proficient
319 and advanced in English language arts and mathematics; or

320 ii. The average rate or growth in English language arts and
321 mathematics on the annual statewide system of assessments under
322 section 160.518 is equal to or higher than the average rate of growth in
323 English language arts and mathematics for grade level equivalent
324 students in nonselective school buildings in the district in which the
325 charter school is located;

326 (ii) For charter schools serving pupils in grades nine through
327 twelve:

328 i. The percentage of students who perform proficient and
329 advanced on the annual statewide system of assessments under section
330 160.518 in English language arts and mathematics in the charter school,
331 other than a charter school in which fifty percent or more of the
332 school's students were previously considered dropouts under
333 subdivision (5) of subsection 2 of this section, is equal to or higher than
334 the average percentage of grade level equivalent students in
335 nonselective school buildings in the school district in which the charter
336 school is located, who perform proficient and advanced in English
337 language arts and mathematics; or

338 ii. The average rate of growth in English language arts and
339 mathematics on the annual statewide system of assessments under
340 section 160.518, other than a charter school in which fifty percent or
341 more of the school's students were previously considered dropouts
342 under subdivision (5) of subsection 2 of this section, is equal to or
343 higher than the average rate of growth in English language arts and
344 mathematics for grade level equivalent students in nonselective school
345 buildings in the district in which the charter school is located; or

346 b. A violation of the law or the public trust that imperils students or
347 public funds.

348 (c) A sponsor shall revoke a charter or take other appropriate remedial
349 action, which may include placing the charter school on probationary status for
350 no more than twenty-four months, provided that no more than one designation

351 of probationary status shall be allowed for the duration of the charter contract,
352 at any time if the charter school commits a serious breach of one or more
353 provisions of its charter **contract** or on any of the following grounds: failure to
354 meet the performance [contract] **provisions** as set forth in its charter **contract**,
355 failure to meet generally accepted standards of fiscal management, failure to
356 provide information necessary to confirm compliance with all provisions of the
357 charter **contract** and sections 160.400 to 160.425 and 167.349 within forty-five
358 days following receipt of written notice requesting such information, or violation
359 of law.

360 (2) The sponsor may place the charter school on probationary status to
361 allow the implementation of a remedial plan, which may require a change of
362 methodology, a change in leadership, or both, after which, if such plan is
363 unsuccessful, the charter **contract** may be revoked.

364 (3) At least sixty days before acting to revoke a charter **contract**, the
365 sponsor shall notify the governing board of the charter school of the proposed
366 action in writing. The notice shall state the grounds for the proposed action. The
367 school's governing board may request in writing a hearing before the sponsor
368 within two weeks of receiving the notice.

369 (4) The sponsor of a charter school shall establish procedures to conduct
370 administrative hearings upon determination by the sponsor that grounds exist to
371 revoke a charter. Final decisions of a sponsor from hearings conducted pursuant
372 to this subsection are subject to an appeal to the state board of education, which
373 shall determine whether the charter **contract** shall be revoked.

374 (5) A termination shall be effective only at the conclusion of the school
375 year, unless the sponsor determines that continued operation of the school
376 presents a clear and immediate threat to the health and safety of the children.

377 (6) A [charter] sponsor shall make available the school accountability
378 report card information as provided under section 160.522 [and the results of the
379 academic monitoring required under subsection 3 of this section].

380 9. (1) A sponsor shall take all reasonable steps necessary to confirm that
381 each charter school sponsored by such sponsor is in material compliance and
382 remains in material compliance with all material provisions of the charter
383 **contract** and sections 160.400 to 160.425 and 167.349. Every charter school
384 shall provide all information necessary to confirm ongoing compliance with all
385 provisions of its charter **contract** and sections 160.400 to 160.425 and 167.349
386 in a timely manner to its sponsor.

387 (2) The sponsor's renewal process of the charter school shall be based on
388 the thorough analysis of a comprehensive body of objective evidence and consider
389 if:

390 (a) The charter school has [maintained results on its annual performance
391 report that meet or exceed the district in which the charter school is located
392 based on the performance standards that are applicable to the grade-level
393 configuration of both the charter school and the district in which the charter
394 school is located in three of the last four school years] **met the annual**
395 **performance targets;**

396 (b) The charter school is [organizationally and fiscally viable determining
397 at a minimum that the school does not have:

398 a. A negative balance in its operating funds;

399 b. A combined balance of less than three percent of the amount expended
400 for such funds during the previous fiscal year; or

401 c. Expenditures that exceed receipts for the most recently completed fiscal
402 year;] **not identified as experiencing financial stress, as defined in**
403 **subsection 2 of section 160.417, in three of the last four school years;**
404 **and**

405 (c) The charter **school** is in compliance with its [legally binding
406 performance] **charter** contract and sections 160.400 to 160.425 and section
407 167.349]; and

408 (d) The charter school has an annual performance report consistent with
409 a classification of accredited for three of the last four years and is fiscally viable
410 as described in paragraph (b) of this subdivision. If such is the case, the charter
411 school may have an expedited renewal process as defined by rule of the
412 department of elementary and secondary education].

413 (3) (a) Beginning August first during the year in which a charter is
414 considered for renewal, a [charter school] sponsor shall demonstrate to the [state
415 board of education] **department** that the charter school is in compliance with
416 federal and state law as provided in sections 160.400 to 160.425 and section
417 167.349 and the school's [performance] **charter** contract including but not
418 limited to those requirements specific to academic performance.

419 (b) [Along with data reflecting the academic performance standards
420 indicated in paragraph (a) of this subdivision, the sponsor shall submit a revised
421 charter application to the state board of education for review.

422 (c) Using the data requested and the revised charter application under

423 paragraphs (a) and (b) of this subdivision, the state board of education shall
424 determine] **The department shall verify** if compliance with all standards
425 enumerated in this subdivision has been achieved. [The state board of education
426 at its next regularly scheduled meeting shall vote on the revised charter
427 application.

428 (d) **(c)** If [a charter school sponsor demonstrates] **the department**
429 **verifies that the charter school has met** the objectives identified in this
430 subdivision, the [state board of education] **department** shall [renew the school's
431 charter] **notify the sponsor that the renewal has met all requirements;**

432 **(d) If a charter school fails to meet the standards set forth in**
433 **subparagraph a. of paragraph (b) of subdivision (1) of subsection 8 of**
434 **this section for two of the three consecutive years immediately before**
435 **a decision whether to renew the school's charter contract is made, any**
436 **renewal granted shall be only for a three-year term. If a charter school**
437 **again underperforms for two years of the three-year term, the school's**
438 **charter contract shall not be renewed.**

439 10. A school district may enter into a lease with a charter school for
440 physical facilities. **A charter school may also contract with a school**
441 **district or any other entity to provide services to the charter school.**

442 11. A governing board or a school district employee who has control over
443 personnel actions shall not take unlawful reprisal against another employee at
444 the school district because the employee is directly or indirectly involved in an
445 application to establish a charter school. A governing board or a school district
446 employee shall not take unlawful reprisal against an educational program of the
447 school or the school district because an application to establish a charter school
448 proposes the conversion of all or a portion of the educational program to a charter
449 school. As used in this subsection, "unlawful reprisal" means an action that is
450 taken by a governing board or a school district employee as a direct result of a
451 lawful application to establish a charter school and that is adverse to another
452 employee or an educational program.

453 12. Charter school board members shall be subject to the same liability
454 for acts while in office as if they were regularly and duly elected members of
455 school boards in any other public school district in this state. The governing
456 board of a charter school may participate, to the same extent as a school board,
457 in the Missouri public entity risk management fund in the manner provided
458 under sections 537.700 to 537.756.

459 13. Any entity, either public or private, operating, administering, or
460 otherwise managing a charter school shall be considered a quasi-public
461 governmental body and subject to the provisions of sections 610.010 to 610.035.

462 14. [The chief financial officer of] A charter school shall maintain:

463 (1) A surety bond in an amount determined by the sponsor to be adequate
464 based on the cash flow of the school; or

465 (2) An insurance policy issued by an insurance company licensed to do
466 business in Missouri on all employees in the amount of five hundred thousand
467 dollars or more that provides coverage in the event of employee theft.

468 15. The department [of elementary and secondary education] shall
469 calculate an annual performance report for each charter school and shall publish
470 it in the same manner as annual performance reports are calculated and
471 published for districts and attendance centers.

472 [16. The joint committee on education shall create a committee to
473 investigate facility access and affordability for charter schools. The committee
474 shall be comprised of equal numbers of the charter school sector and the public
475 school sector and shall report its findings to the general assembly by December
476 31, 2016.]

160.408. 1. For purposes of this section, "high-quality charter school"
2 means a charter school operating in the state of Missouri that meets the following
3 requirements:

4 (1) [Receives eighty-five percent or more of the total points on the annual
5 performance report for three out of the last four school years by comparing points
6 earned to the points possible on the annual performance report for three of the
7 last four school years;

8 (2) Maintains a graduation rate of at least eighty percent for three of the
9 last four school years, if the charter school provides a high school program;

10 (3) Is in material compliance with its legally binding performance contract
11 and sections 160.400 to 160.425 and section 167.349; and

12 (4) Is organizationally and fiscally viable as described in paragraph (b) of
13 subdivision (2) of subsection 9 of section 160.405.

14 2. Notwithstanding any other provision of law, high-quality charter
15 schools shall be provided expedited opportunities to replicate and expand into
16 unaccredited districts, a metropolitan district, or an urban school district
17 containing most or all of a home rule city with more than four hundred thousand
18 inhabitants and located in more than one county. Such replication and expansion

19 shall be subject to the following:

20 (1) The school seeking to replicate or expand shall submit its proposed
21 charter to a proposed sponsor. The charter shall include a legally binding
22 performance contract that meets the requirements of sections 160.400 to 160.425
23 and section 167.349;

24 (2) The sponsor's decision to approve or deny shall be made within sixty
25 days of the filing of the proposed charter with the proposed sponsor;

26 (3) If a charter is approved by a sponsor, the charter application shall be
27 filed with the state board of education with a statement of finding from the
28 sponsor that the application meets the requirements of sections 160.400 to
29 160.425 and section 167.349 and a monitoring plan under which the sponsor shall
30 evaluate the academic performance of students enrolled in the charter
31 school. Such filing shall be made by January thirty-first prior to the school year
32 in which the charter school intends to begin operations.

33 3. The term of the charter for schools operating under this section shall
34 be five years, and the charter may be renewed for terms of] **The percentage of**
35 **students who perform proficient and advanced on the annual statewide**
36 **system of assessment under section 160.518 in English language arts**
37 **and mathematics in the charter school is higher than the average**
38 **percentage of grade level equivalent students in the state performing**
39 **proficient and advanced in English language arts and mathematics for**
40 **two of the three immediately preceding years; or**

41 (2) **The average rate of growth in English language arts and**
42 **mathematics on the annual statewide system of assessments under**
43 **section 160.518 is equal to or higher than the average percentage of**
44 **grade level equivalent students in the state for two of the three**
45 **immediately preceding years.**

46 2. **Notwithstanding any other provision of law, a sponsor may**
47 **renew the charter contract of a high quality charter school for a term**
48 **of up to ten years. Renewal shall be subject to the provisions of paragraphs (a)**
49 **to (d) of subdivision (3) of subsection 9 of section 160.405.**

160.410. 1. A charter school shall enroll:

2 (1) All pupils resident in the district in which it operates;

3 (2) Nonresident pupils eligible to attend a district's school under an urban
4 voluntary transfer program;

5 (3) Nonresident pupils who transfer from an unaccredited district under

6 section 167.895, provided that the charter school is an approved charter school,
7 as defined in section 167.895, and subject to all other provisions of section
8 167.895; **and**

9 (4) In the case of a charter school whose mission includes student drop-out
10 prevention or recovery, any nonresident pupil from the same or an adjacent
11 county who resides in a residential care facility, a transitional living group home,
12 or an independent living program whose last school of enrollment is in the school
13 district where the charter school is established, who submits a timely
14 application[; and

15 (5) In the case of a workplace charter school, any student eligible to
16 attend under subdivision (1) or (2) of this subsection whose parent is employed
17 in the business district, who submits a timely application, unless the number of
18 applications exceeds the capacity of a program, class, grade level or building. The
19 configuration of a business district shall be set forth in the charter and shall not
20 be construed to create an undue advantage for a single employer or small number
21 of employers].

22 2. If capacity is insufficient to enroll all pupils who submit a timely
23 application, the charter school shall have an admissions process that assures all
24 applicants of an equal chance of gaining admission and does not discriminate
25 based on parents' ability to pay fees or tuition except that:

26 (1) A charter school may establish a geographical area around the school
27 whose residents will receive a preference for enrolling in the school, provided that
28 such preferences do not result in the establishment of racially or
29 socioeconomically isolated schools [and provided such preferences conform to
30 policies and guidelines established by the state board of education];

31 (2) A charter school may also give a preference for admission of children
32 whose siblings attend the school or whose parents are employed at the school [or
33 in the case of a workplace charter school, a child whose parent is employed in the
34 business district or at the business site of such school];

35 (3) Charter schools may also give a preference for admission to [high-risk]
36 **high-needs** students[, as defined in subdivision (5) of subsection 2 of section
37 160.405,] when the school targets these students through its proposed mission,
38 curriculum, teaching methods, and services;

39 (4) A charter school may also give a preference for admission to students
40 who will be eligible for the free and reduced price lunch program in the upcoming
41 school year.

42 3. A charter school shall not limit admission based on race, ethnicity,
43 national origin, disability, income level, except as allowed under subdivision (4)
44 of subsection 2 of this section, proficiency in the English language or athletic
45 ability, but may limit admission to pupils within a given age group or grade
46 level. Charter schools may limit admission based on gender only when the school
47 is a single-gender school. Students of a charter school who have been enrolled for
48 a full academic year shall be counted in the performance of the charter school on
49 the statewide assessments in that calendar year, unless otherwise exempted as
50 English language learners. For purposes of this subsection, "full academic year"
51 means the last Wednesday in September through the administration of the
52 Missouri assessment program test without transferring out of the school and
53 re-enrolling.

54 4. A charter school shall make available for public inspection **by**
55 **providing on their website**, and [provide] upon request, to the parent,
56 guardian, or other custodian of any school-age pupil resident in the district in
57 which the school is located the following information:

58 (1) The school's charter **contract**;

59 (2) The school's most recent annual report card published according to
60 section 160.522; **and**

61 (3) [The results of background checks on the charter school's board
62 members; and

63 (4)] If a charter school is operated by a management company, a copy of
64 the written contract between the governing board of the charter school and the
65 educational management organization or the charter management organization
66 for services. The charter school may charge reasonable fees, not to exceed the
67 rate specified in section 610.026 for furnishing copies of documents under this
68 subsection.

69 5. When a student attending a charter school who is a resident of the
70 school district in which the charter school is located moves out of the boundaries
71 of such school district, the student may complete the current semester and shall
72 be considered a resident student. The student's parent or legal guardian shall
73 be responsible for the student's transportation to and from the charter school.

74 6. If a change in school district boundary lines occurs under section
75 162.223, 162.431, 162.441, or 162.451, or by action of the state board of education
76 under section 162.081, including attachment of a school district's territory to
77 another district or dissolution, such that a student attending a charter school

78 prior to such change no longer resides in a school district in which the charter
79 school is located, then the student may complete the current academic year at the
80 charter school. The student shall be considered a resident student. The student's
81 parent or legal guardian shall be responsible for the student's transportation to
82 and from the charter school.

83 7. The provisions of sections 167.018 and 167.019 concerning foster
84 children's educational rights are applicable to charter schools.

160.415. 1. As used in this section, the following terms mean:

2 (1) "Department", the department of elementary and secondary
3 education;

4 (2) "Local aid", all local and county revenue received by the
5 school district and charter schools within the school district.

6 (a) The term "local aid" includes, but is not limited to, the
7 following:

8 a. Merchants' and manufacturers' tax revenues;

9 b. Financial institutions tax revenues;

10 c. City sales tax revenue, including city sales tax collected in any
11 city not within a county;

12 d. Fines and escheats;

13 e. Payments in lieu of taxes;

14 f. Revenues from state-assessed railroad and utilities tax; and

15 g. Any future aid.

16 (b) The term "local aid" shall not be construed to include
17 charitable contributions, gifts, and grants made to school districts and
18 charter schools, interest earnings of school districts and charter
19 schools, student fees paid to school districts and charter schools, or any
20 other funding solely intended for a particular school district or charter
21 school and their respective employees, schools, foundations, or
22 organizations.

23 2. For the purposes of calculation and distribution of state school aid
24 under section 163.031, pupils enrolled in a charter school shall be included in the
25 pupil enrollment of the school district within which each pupil resides. Each
26 charter school shall report the [names, addresses, and] eligibility for free and
27 reduced price lunch, special education, or limited English proficiency status, as
28 well as eligibility for categorical aid, of pupils [resident] residing in a school
29 district who are enrolled in the charter school to the school district in which those

30 pupils reside. The charter school shall report the average daily attendance data,
31 free and reduced price lunch count, special education pupil count, and limited
32 English proficiency pupil count to the [state] department [of elementary and
33 secondary education]. Each charter school shall promptly notify the [state]
34 department [of elementary and secondary education] and the pupil's **local** school
35 district when a student discontinues enrollment at a charter school.

36 [2.] **3.** Except as provided in [subsections 3 and 4] **subsection 5** of this
37 section, the aid payments for charter schools shall be as described in this
38 subsection.

39 (1) A school district having one or more resident pupils attending a
40 charter school shall pay to the charter school an annual amount equal to the
41 product of the charter school's weighted average daily attendance and the state
42 adequacy target, multiplied by the dollar value modifier for the district, plus local
43 tax revenues per weighted average daily attendance from the incidental and
44 teachers' funds in excess of the performance levy as defined in section 163.011
45 plus all other state aid attributable to such pupils, **plus local aid received by**
46 **the school district divided by the total weighted average daily**
47 **attendance of the school district and all charter schools within the**
48 **school district.**

49 (2) A charter school that has declared itself as a local educational
50 agency shall receive all state aid calculated under this subsection from
51 the department and all local aid calculated under this subsection from
52 the school district. A charter school shall receive an annual amount
53 equal to the product of the charter school's weighted average daily
54 attendance and the state adequacy target, multiplied by the dollar
55 value modifier for the district, plus local tax revenues per weighted
56 average daily attendance from the incidental and teachers' funds in
57 excess of the performance levy as defined in section 163.011 plus all
58 other state aid attributable to such pupils plus local aid received by the
59 school district divided by the total weighted average daily attendance
60 of the school district and all charter schools within the school district.

61 (3) Each month the school district shall calculate the amount of
62 local aid owed to the charter school by the school district under this
63 subsection. The school district shall pay to the charter school the
64 amount of local aid owed to the charter school, as calculated by the
65 school district using the previous month's weighted average daily

66 attendance of the charter school. If any payment of local aid is due, the
67 school district shall make monthly payments on the twenty-first day of
68 each month beginning in July of each year.

69 (a) If the school district fails to make timely payment the
70 department shall impose any penalty the department deems
71 appropriate.

72 (b) The school district shall, as part of its annual audit as
73 required by section 165.111, include a report converting the local aid
74 received from an accrual basis to a cash basis. Such report shall be
75 made publicly available on its district website in a searchable format
76 or as a downloadable and searchable document.

77 (4) The department shall conduct an annual review of any
78 payments made in the previous fiscal year under subdivision (3) of this
79 subsection to determine if there has been any underpayment or
80 overpayment. The annual review, to be conducted in January of each
81 year, shall include a calculation of the amount of local aid owed to
82 charter schools using the first preceding year's annual audit required
83 by section 165.111. The school district shall pay to the charter school
84 the amount of local aid owed to the charter school as calculated by the
85 department. In the event of an underpayment, the school district shall
86 remit the underpayment amount to the charter school. In the event of
87 an overpayment, the charter school shall remit the overpayment
88 amount to the school district.

89 (a) If the school district fails to remit any underpayment amount
90 to the school district within thirty days of notification of the
91 underpayment amount, the department shall impose any penalty the
92 department deems appropriate.

93 (b) If the charter school fails to remit any overpayment amount
94 to the school district within thirty days of notification of the
95 overpayment amount, the department shall impose any penalty the
96 department deems appropriate.

97 (5) If a prior year correction of the amount of local aid is
98 necessary, the school district shall recalculate the amount owed to a
99 charter school and either remit any underpayment amount to the
100 charter school or provide a bill to the charter school for any
101 overpayment amount. Any underpayment or overpayment amount shall
102 be remitted under the schedules in paragraphs (a) and (b) of

103 **subdivision (4) of this subsection.**

104 **(6)** The district of residence of a pupil attending a charter school shall
105 also pay to the charter school any other federal or state aid that the district
106 receives on account of such **[child] pupil**.

107 **[(3)] (7)** If the department overpays or underpays the amount due to the
108 charter school, such overpayment or underpayment shall be repaid by the public
109 charter school or credited to the **[public]** charter school in twelve equal payments
110 in the next fiscal year.

111 **[(4)] (8)** The amounts provided pursuant to this subsection shall be
112 prorated for partial year enrollment for a pupil.

113 **[(5)] (9)** A school district shall pay the amounts due pursuant to this
114 subsection as the disbursal agent and no later than twenty days following the
115 receipt of any such funds. The department of elementary and secondary
116 education shall pay the amounts due when it acts as the disbursal agent within
117 five days of the required due date.

118 **4. Each charter school and each school district responsible for**
119 **distributing local aid to charter schools under subsection 3 of this**
120 **section shall include as part of their annual independent audit an audit**
121 **of pupil residency, enrollment, and attendance in order to verify pupil**
122 **residency in the school district or local education agency.**

123 **[3.** A workplace charter school shall receive payment for each eligible
124 pupil as provided under subsection 2 of this section, except that if the student is
125 not a resident of the district and is participating in a voluntary interdistrict
126 transfer program, the payment for such pupils shall be the same as provided
127 under section 162.1060.

128 **4.] 5.** A charter school that has declared itself as a local educational
129 agency shall receive from the department **[of elementary and secondary**
130 **education]** an annual amount equal to the product of the charter school's
131 weighted average daily attendance and the state adequacy target, multiplied by
132 the dollar value modifier for the district, plus local tax revenues per weighted
133 average daily attendance from the incidental and teachers funds in excess of the
134 performance levy as defined in section 163.011 plus all other state aid
135 attributable to such pupils. If a charter school declares itself as a local
136 educational agency, the department of elementary and secondary education shall,
137 upon notice of the declaration, reduce the payment made to the school district by
138 the amount specified in this subsection and pay directly to the charter school the

139 annual amount reduced from the school district's payment.

140 [5.] 6. If a school district fails to make timely payments of any amount
141 for which it is the disbursal agent, the [state] department [of elementary and
142 secondary education] shall authorize payment to the charter school of the amount
143 due pursuant to subsection [2] 3 of this section and shall deduct the same
144 amount from the next state school aid apportionment to the owing school district.
145 If a charter school is paid more or less than the amounts due pursuant to this
146 section, the amount of overpayment or underpayment shall be adjusted equally
147 in the next twelve payments by the school district or the department [of
148 elementary and secondary education], as appropriate. Any dispute between the
149 school district and a charter school as to the amount owing to the charter school
150 shall be resolved by the department [of elementary and secondary education], and
151 the department's decision shall be the final administrative action for the purposes
152 of review pursuant to chapter 536. During the period of dispute, the department
153 [of elementary and secondary education] shall make every administrative and
154 statutory effort to allow the continued education of children in their current
155 public charter school setting.

156 [6.] 7. The charter school and a local school board may agree by contract
157 for services to be provided by the school district to the charter school. The
158 charter school may contract with any other entity for services. Such services may
159 include but are not limited to food service, custodial service, maintenance,
160 management assistance, curriculum assistance, media services and libraries and
161 shall be subject to negotiation between the charter school and the local school
162 board or other entity. Documented actual costs of such services shall be paid for
163 by the charter school.

164 [7.] 8. In the case of a proposed charter school that intends to contract
165 with an education service provider for substantial educational services or
166 management services, the request for proposals shall additionally require the
167 [charter school] applicant to:

168 (1) Provide evidence of the education service provider's success in serving
169 student populations similar to the targeted population, including demonstrated
170 academic achievement as well as successful management of nonacademic school
171 functions, if applicable;

172 (2) Provide a term sheet setting forth the proposed duration of the service
173 contract; roles and responsibilities of the governing board, the school staff, and
174 the service provider; scope of services and resources to be provided by the service

175 provider; performance evaluation measures and time lines; compensation
176 structure, including clear identification of all fees to be paid to the service
177 provider; methods of contract oversight and enforcement; investment disclosure;
178 and conditions for renewal and termination of the contract;

179 (3) Disclose any known conflicts of interest between the school governing
180 board and proposed service provider or any affiliated business entities;

181 (4) Disclose and explain any termination or nonrenewal of contracts for
182 equivalent services for any other charter school in the United States within the
183 past five years;

184 (5) Ensure that the legal counsel for the charter school shall report
185 directly to the charter school's governing board; and

186 (6) Provide a process to ensure that the expenditures that the education
187 service provider intends to bill to the charter school shall receive prior approval
188 of the governing board or its designee.

189 [8.] 9. A charter school may enter into contracts with community
190 partnerships and state agencies acting in collaboration with such partnerships
191 that provide services to children and their families linked to the school.

192 [9.] 10. A charter school shall be eligible for transportation state aid
193 pursuant to section 163.161 and shall be free to contract with the local district,
194 or any other entity, for the provision of transportation to the students of the
195 charter school.

196 [10.] 11. (1) The proportionate share of state and federal resources
197 generated by students with disabilities or staff serving them shall be paid in full
198 to charter schools enrolling those students by their school district where such
199 enrollment is through a contract for services described in this section. The
200 proportionate share of money generated under other federal or state categorical
201 aid programs shall be directed to charter schools serving such students eligible
202 for that aid.

203 (2) A charter school shall provide the special services provided pursuant
204 to section 162.705 and may provide the special services pursuant to a contract
205 with a school district or any provider of such services.

206 [11.] 12. A charter school [may] **shall** not charge tuition or impose fees
207 that a school district is prohibited from charging or imposing, except that a
208 charter school may receive tuition payments from districts in the same or an
209 adjoining county for nonresident students who transfer to an approved charter
210 school, as defined in section 167.895, from an unaccredited district.

211 [12.] 13. A charter school is authorized to incur debt in anticipation of
212 receipt of funds. A charter school may also borrow to finance facilities and other
213 capital items. A school district may incur bonded indebtedness or take other
214 measures to provide for physical facilities and other capital items for charter
215 schools that it sponsors or contracts with. [Except as otherwise specifically
216 provided in sections 160.400 to 160.425, upon the dissolution of a charter school,
217 any liabilities of the corporation will be satisfied through the procedures of
218 chapter 355. A charter school shall satisfy all its financial obligations within
219 twelve months of notice from the sponsor of the charter school's closure under
220 subsection 8 of section 160.405. After satisfaction of all its financial obligations,
221 a charter school shall return any remaining state and federal funds to the
222 department of elementary and secondary education for disposition as stated in
223 subdivision (17) of subsection 1 of section 160.405. The department of elementary
224 and secondary education may withhold funding at a level the department
225 determines to be adequate during a school's last year of operation until the
226 department determines that school records, liabilities, and reporting
227 requirements, including a full audit, are satisfied.]

228 [13.] 14. Charter schools shall not have the power to acquire property by
229 eminent domain.

230 [14.] 15. The governing [body] **board** of a charter school is authorized
231 to accept grants, gifts or donations of any kind and to expend or use such grants,
232 gifts or donations. A grant, gift or donation [may] **shall** not be accepted by the
233 governing [body] **board** if it is subject to any condition contrary to law applicable
234 to the charter school or other public schools, or contrary to the terms of the
235 charter.

236 16. **The department may promulgate rules for the annual review**
237 **of payments and any penalties to be assessed under subsection 3 of this**
238 **section. Any rule or portion of a rule, as that term is defined in section**
239 **536.010, that is created under the authority delegated in this section**
240 **shall become effective only if it complies with and is subject to all of**
241 **the provisions of chapter 536 and, if applicable, section 536.028. This**
242 **section and chapter 536 are nonseverable, and if any of the powers**
243 **vested with the general assembly pursuant to chapter 536 to review, to**
244 **delay the effective date, or to disapprove and annul a rule are**
245 **subsequently held unconstitutional, then the grant of rulemaking**
246 **authority and any rule proposed or adopted after August 28, 2020, shall**

247 be invalid and void.

160.417. 1. By October 1, 2012, and by each October first thereafter, the
2 sponsor of each charter school shall review the information submitted on the
3 report required by section 162.821 to identify charter schools experiencing
4 financial stress. The department [of elementary and secondary education] shall
5 be authorized to obtain such additional information from a charter school as may
6 be necessary to determine the financial condition of the charter school. Annually,
7 a listing of charter schools identified as experiencing financial stress according
8 to the provisions of this section shall be provided to the governor, speaker of the
9 house of representatives, and president pro tempore of the senate by the
10 department [of elementary and secondary education].

11 2. For the purposes of this section, a charter school shall be identified as
12 experiencing financial stress if it:

13 (1) At the end of its most recently completed fiscal year:

14 (a) Has a negative balance in its operating funds; or

15 (b) Has a combined balance of less than three percent of the amount
16 expended from such funds during the previous fiscal year;

17 (2) [For the most recently completed fiscal year expenditures, exceeded
18 receipts for any of its funds because of recurring costs; or

19 (3)] Due to insufficient fund balances or reserves, incurred debt after
20 January thirty-first and before July first during the most recently completed
21 fiscal year in order to meet expenditures of the charter school.

22 3. The sponsor shall notify by November first the governing board of the
23 charter school identified as experiencing financial stress. Upon receiving the
24 notification, the governing board shall develop, or cause to have developed, and
25 shall approve a budget and education plan on forms provided by the sponsor. The
26 budget and education plan shall be submitted to the sponsor, signed by the
27 officers of the charter school, within forty-five calendar days of notification that
28 the charter school has been identified as experiencing financial
29 stress. Minimally, the budget and education plan shall:

30 (1) Give assurances that adequate educational services to students of the
31 charter school shall continue uninterrupted for the remainder of the current
32 school year and that the charter school can provide the minimum amount of
33 school time required by section 171.031;

34 (2) Outline a procedure to be followed by the charter school to report to
35 charter school patrons about the financial condition of the charter school; and

36 (3) Detail the expenditure reduction measures, revenue increases, or other
37 actions to be taken by the charter school to address its condition of financial
38 stress.

39 4. Upon receipt and following review of any budget and education plan,
40 the sponsor may make suggestions to improve the plan. Nothing in sections
41 160.400 to 160.425 or section 167.349 shall exempt a charter school from
42 submitting a budget and education plan to the sponsor according to the provisions
43 of this section following each such notification that a charter school has been
44 identified as experiencing financial stress, except that the sponsor may permit a
45 charter school's governing board to make amendments to or update a budget and
46 education plan previously submitted to the sponsor.

47 5. The department may withhold any payment of financial aid otherwise
48 due to the charter school until such time as the sponsor and the charter school
49 have fully complied with this section.

160.425. 1. The "Missouri Charter Public School Commission" is hereby
2 created with the authority to sponsor high quality charter schools throughout the
3 state of Missouri.

4 2. The commission shall consist of nine members appointed by the
5 governor, by and with the advice and consent of the senate. No more than five
6 of the members shall be of the same political party. No more than two members
7 shall be from the same congressional district. The term of office of each member
8 shall be four years, except those of the members first appointed, of which three
9 shall be appointed for a term of one year, two for a term of two years, two for a
10 term of three years, and two for a term of four years. At the expiration of the
11 term of each member, the governor, by and with the advice and consent of the
12 senate, shall appoint a successor.

13 3. The appointees to the commission shall be selected as follows:

14 (1) One member selected by the governor from a slate of three
15 recommended by the commissioner of education;

16 (2) One member selected by the governor from a slate of three
17 recommended by the commissioner of higher education;

18 (3) One member selected by the governor from a slate of three
19 recommended by the president pro tempore of the senate;

20 (4) One member selected by the governor from a slate of three
21 recommended by the speaker of the house of representatives; and

22 (5) Five additional members appointed by the governor, one of whom shall

23 be selected from a slate of three nominees recommended by the Missouri School
24 Boards Association.

25 4. Members appointed to the commission shall collectively possess strong
26 experience and expertise in governance, management and finance, school
27 leadership, assessment, curriculum and instruction, and education law. All
28 members of the commission shall have demonstrated understanding of and
29 commitment to charter schooling as a strategy for strengthening public education.

30 5. The commission shall annually elect a chairperson and vice
31 chairperson, who shall act as chairperson in his or her absence. The commission
32 shall meet at the call of the chairperson. The chairperson may call meetings at
33 such times as he or she deems advisable and shall call a meeting when requested
34 to do so by three or more members of the commission. Members of the
35 commission are not eligible to receive compensation.

36 6. The commission may approve **[proposed charters] applications** for its
37 sponsorship under sections 160.400 to 160.425 and shall:

38 (1) Comply with all of the requirements applicable to sponsors under
39 sections 160.400 to 160.425;

40 (2) Exercise sponsorship over **[charters] applicants** approved by the
41 commission under sections 160.400 to 160.425, including receipt of sponsorship
42 funding under subsection **[11] 10** of section 160.400.

43 7. Charter schools sponsored by the commission shall comply with all of
44 the requirements applicable to charter schools under sections 160.400 to 160.425.

45 8. The commission shall conduct its business in accordance with chapter
46 610.

47 9. The department **[of elementary and secondary education]** shall provide
48 start-up funding for the commission to operate. The commission shall reimburse
49 the department's costs from any funds it receives as sponsor under section
50 160.400.

51 10. The commission is authorized to receive and expend gifts, grants, and
52 donations of any kind from any public or private entity to carry out the purposes
53 of sections 160.400 to 160.425, subject to the terms and conditions under which
54 they are given, provided that all such terms and conditions are permissible under
55 law.

56 11. **There is hereby created in the state treasury the "Charter**
57 **Public School Sponsorship Fund", which shall consist of money**
58 **collected under subsection 10 of section 160.400. The state treasurer**

59 shall be custodian of the fund. In accordance with sections 30.170 and
60 30.180, the state treasurer may approve disbursements. The fund shall
61 be a dedicated fund and money in the fund shall be used solely by the
62 commission for the purpose of paying expenses associated with
63 sponsorship of charter schools and any other purpose consistent with
64 the intent of subsection 10 of section 160.400.

65 (1) Notwithstanding the provisions of section 33.080 to the
66 contrary, any moneys remaining in the fund at the end of the biennium
67 shall not revert to the credit of the general revenue fund.

68 (2) The state treasurer shall invest moneys in the fund in the
69 same manner as other funds are invested. Any interest and moneys
70 earned on such investments shall be credited to the fund.

Section B. The repeal and reenactment of section 160.415 shall become
2 effective July 1, 2021.

✓

Bill

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