

FEB 9 1998

EDUCATION

HOUSE FILE 2196
BY WISE and WARNSTADT

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to charter schools.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2196

1 Section 1. NEW SECTION. 256D.1 TITLE.

2 This chapter shall be known and may be cited as the
3 "Charter School Act".

4 Sec. 2. NEW SECTION. 256D.2 PURPOSES.

5 1. It is the purpose of this chapter to provide a means to
6 revitalize education and continually do all of the following:

7 a. Improve student learning.

8 b. Increase learning opportunities for students.

9 c. Encourage the use of different and innovative teaching
10 methods.

11 d. Require the measurement of learning outcomes and create
12 different and innovative methods for measuring outcomes.

13 e. Establish new forms of accountability for schools.

14 f. Create new professional opportunities for teachers,
15 including the opportunity to be responsible for the learning
16 program at the school site.

17 2. This chapter does not provide a means to keep open a
18 school that otherwise would be closed. Applicants bear the
19 burden of proving that conversion to a charter school fulfills
20 a purpose specified in this chapter and independent of the
21 school's closing.

22 Sec. 3. NEW SECTION. 256D.3 DEFINITIONS.

23 As used in this chapter unless the context otherwise
24 requires:

25 1. "Department" means the department of education.

26 2. "Director" means the director of the department of
27 education.

28 3. "Sponsor" means a school board, accredited private
29 postsecondary institution, community college, or institution
30 of higher learning under the control of the state board of
31 regents authorized to sponsor one or more charter schools.

32 4. "State board" means the state board of education.

33 Sec. 4. NEW SECTION. 256D.4 APPLICABILITY.

34 This section applies only to charter schools formed and
35 operated under this chapter.

1 Sec. 5. NEW SECTION. 256D.5 FORMATION OF SCHOOL.

2 1. A school board, private college, community college, or
3 an institution of higher learning under the control of the
4 state board of regents may sponsor one or more charter schools
5 as provided in this section.

6 2. A sponsor may authorize one or more teachers, who are
7 licensed under chapter 272, to operate a charter school
8 subject to the approval of the state board. If one or more
9 teachers applies to a school board for sponsorship and the
10 school board elects not to sponsor a charter school, the
11 applicant may appeal the school board's decision to the state
12 board of education if two members of the local school board
13 voted to sponsor the school. If the state board authorizes
14 the school, the state board shall sponsor the school according
15 to this section. A charter school shall be organized and
16 operated as a nonprofit cooperative association under chapter
17 498 or nonprofit corporation under chapter 504A.

18 3. Before a sponsor may form and operate a school, the
19 sponsor must file an affidavit with the state board stating
20 its intent to authorize a charter school. The affidavit shall
21 state the terms and conditions under which the sponsor pledges
22 to authorize a charter school. The state board shall approve
23 or disapprove a sponsor's proposed authorization within sixty
24 days of receipt of an affidavit. Failure to obtain state
25 board approval precludes a sponsor from authorizing the
26 charter school that was the subject of the affidavit.

27 4. A sponsor approved by the state board to organize and
28 operate a charter school shall conduct an election for members
29 of the charter school's board of directors in a timely manner
30 once the charter school begins operation. Any staff members
31 employed at the school, including teachers providing
32 instruction under a contract with a cooperative or corporation
33 and all parents of children enrolled in the school, may vote
34 in the election. Licensed teachers employed at the school,
35 including teachers providing instruction under a contract with

1 a cooperative or corporation, shall be a majority of the
2 members of the board of directors. A provisional board may
3 operate before the election of the school's board of
4 directors. The board of directors is a governmental body for
5 purposes of chapter 21.

6 5. The granting or renewal of a charter by a sponsoring
7 entity shall not be conditioned upon the bargaining unit
8 status of the employees of the school.

9 Sec. 6. NEW SECTION. 256D.6 CONVERSION OF EXISTING
10 SCHOOLS.

11 The board of directors of a school district may convert one
12 or more of its existing schools to charter schools under this
13 chapter if ninety percent of the full-time teachers employed
14 to teach at the school sign a petition seeking conversion.
15 The conversion must occur at the beginning of an academic
16 year.

17 Sec. 7. NEW SECTION. 256D.7 CONTRACT.

18 The sponsor's authorization for a charter school shall be
19 in the form of a written contract signed by the sponsor and
20 the board of directors of the charter school. The contract
21 for a charter school shall be in writing and contain, at a
22 minimum, the following:

23 1. A description of a program that carries out one or more
24 of the purposes enumerated in section 256D.2.

25 2. Specific outcomes students are to achieve under section
26 256D.11.

27 3. Admission policies and procedures.

28 4. A description of the management and administration of
29 the charter school.

30 5. Requirements and procedures for program and financial
31 audits.

32 6. A plan describing methods for complying with sections
33 256D.9, 256D.14, 256D.17, and 256D.24.

34 7. Assurance of the assumption of liability by the charter
35 school.

1 8. Types and amounts of insurance coverage to be obtained
2 by the charter school.

3 9. The term of the contract, which may be up to three
4 years.

5 Sec. 8. NEW SECTION. 256D.8 PUBLIC STATUS -- EXEMPTION
6 FROM STATUTES AND RULES.

7 A charter school is a public school and is part of the
8 state's system of public education. Except as provided in
9 this chapter, a charter school is exempt from all statutes and
10 rules applicable to a school, a school board, or a school
11 district, although it may elect to comply with one or more
12 provisions of statutes or rules.

13 Sec. 9. NEW SECTION. 256D.9 REQUIREMENTS.

14 1. A charter school shall meet all applicable state and
15 local health and safety requirements.

16 2. A charter school sponsored by a school board may be
17 located in any school district, unless the school board of the
18 school district of the proposed location disapproves by
19 written resolution. If a school board disapproves by
20 resolution a request to locate within its boundaries a charter
21 school sponsored by another school board, the sponsoring
22 school board may appeal to the state board of education. If
23 the state board authorizes the school, the state board shall
24 sponsor the school.

25 3. A charter school shall be nonsectarian in its programs,
26 admission policies, employment practices, and all other
27 operations. A sponsor shall not authorize a charter school or
28 program that is affiliated with a nonpublic sectarian school
29 or a religious institution.

30 4. Charter schools shall not be used as a method of
31 providing education or generating revenue for students who are
32 receiving competent private instruction pursuant to chapter
33 299A.

34 5. The primary focus of a charter school shall be to
35 provide a comprehensive program of instruction for at least

1 one grade or age group from five through eighteen years of
2 age. Instruction may be provided to people younger than five
3 years or older than eighteen years of age.

4 6. A charter school shall not charge tuition.

5 7. A charter school is subject to and shall comply with
6 chapters 216 and 216A relating to civil and human rights.

7 8. A charter school is subject to and shall comply with
8 sections 275.55A, 279.9A, 280.17B, 280.21B, and 282.4,
9 relating to suspension and expulsion of a student.

10 9. A charter school is subject to the same financial
11 audits, audit procedures, and audit requirements as a school
12 district. The audit shall be consistent with the requirements
13 of sections 11.6, 11.14, 11.19, 256.9, subsection 19, and
14 section 279.29, except to the extent deviations are necessary
15 because of the program at the school. The department, the
16 auditor of state, or the legislative fiscal bureau may conduct
17 financial, program, or compliance audits.

18 10. A charter school is a school district for the purposes
19 of tort liability under chapter 670.

20 Sec. 10. NEW SECTION. 256D.10 ADMISSION REQUIREMENTS.

21 1. A charter school may limit admission to any of the
22 following:

23 a. Students within an age group or grade level.

24 b. Individuals who are eligible to participate in an
25 alternative options education program under section 280.19A.

26 c. Residents of a specific geographic area where the
27 percentage of the population of non-Caucasian people of that
28 area is greater than the percentage of the non-Caucasian
29 population in the congressional district in which the
30 geographic area is located, and as long as the school reflects
31 the racial and ethnic diversity of the specific area.

32 2. A charter school shall enroll an eligible student who
33 submits a timely application, unless the number of
34 applications exceeds the capacity of a program, class, grade
35 level, or building. In this case, students shall be accepted

1 by lot.

2 3. A charter school shall not limit admission to students
3 on the basis of intellectual ability, measures of achievement
4 or aptitude, or athletic ability.

5 Sec. 11. NEW SECTION. 256D.11 STUDENT PERFORMANCE.

6 A charter school shall design its programs to at least meet
7 any outcomes adopted by the state board for public school
8 students. In the absence of state board requirements, the
9 school shall meet the outcomes contained in the contract with
10 the sponsor. The achievement levels of the outcomes contained
11 in the contract may exceed the achievement levels of any
12 outcomes adopted by the state board for public school
13 students.

14 Sec. 12. NEW SECTION. 256D.12 EMPLOYMENT AND OTHER
15 OPERATING MATTERS.

16 A charter school shall employ or contract with necessary
17 teachers, as defined in section 272.1, who hold a valid
18 license with an endorsement for the type of service for which
19 the teacher is employed. The school may employ necessary
20 employees who are not required to hold teaching licenses to
21 perform duties other than teaching and may contract for other
22 services. The school may discharge teachers and nonlicensed
23 employees.

24 The board of directors of the charter school also shall
25 decide matters related to the operation of the school,
26 including budgeting, curriculum, and operating procedures.

27 Sec. 13. NEW SECTION. 256D.13 STUDENTS WITH SPECIAL
28 EDUCATION NEEDS.

29 A charter school shall comply with chapter 256B and
30 administrative rules adopted pursuant to that chapter relating
31 to the education of students with special education needs, and
32 receive state special education aid, as though it were a
33 school district. For children requiring special education,
34 the board of directors of the district of residence shall pay
35 to the charter school the actual costs incurred in providing

1 the appropriate special education.

2 Sec. 14. NEW SECTION. 256D.14 LENGTH OF SCHOOL YEAR.

3 A charter school shall provide instruction each year for at
4 least the number of days required by section 279.10,
5 subsection 1, unless the school provides instruction
6 throughout the year according to section 256.20 or 279.10,
7 subsection 3.

8 Sec. 15. NEW SECTION. 256D.15 REPORTS.

9 A charter school shall report at least annually to its
10 sponsor and the state board of education the information
11 required by the sponsor or the state board. The reports are
12 public records subject to chapter 22.

13 Sec. 16. NEW SECTION. 256D.16 REVIEW AND COMMENT.

14 The department shall review and comment on the evaluation,
15 by the sponsor, of the performance of a charter school before
16 the charter school's contract is renewed. The information
17 from the review and comment shall be reported to the state
18 board in a timely manner. Periodically, the state board shall
19 report trends or suggestions based on the evaluation of
20 charter school contracts to the house and senate education
21 committees.

22 Sec. 17. NEW SECTION. 256D.17 TRANSPORTATION.

23 1. By July 1 of each year, a charter school shall notify
24 the district in which the school is located and the department
25 if it will provide transportation for students enrolled at the
26 school for the fiscal year.

27 2. If a charter school elects to provide transportation
28 for students, the transportation shall be provided by the
29 charter school within the district in which the charter school
30 is located. The state shall pay transportation aid to the
31 charter school according to section 285.1.

32 3. For students who reside outside the district in which
33 the charter school is located, the charter school is not
34 required to provide or pay for transportation between the
35 student's residence and the border of the district in which

1 the charter school is located. A parent may be reimbursed by
2 the charter school for costs of transportation from the
3 student's residence to the border of the district in which the
4 charter school is located if the student is from a family
5 whose income is at or below the poverty level, as defined by
6 the most recently revised poverty income guidelines published
7 by the United States department of health and human services.
8 The reimbursement shall be in the manner provided in section
9 285.3 for parental reimbursement for nonpublic school student
10 transportation.

11 4. At the time a student enrolls in a charter school, the
12 charter school shall provide the parent or guardian with
13 information regarding the transportation.

14 5. If a charter school does not elect to provide
15 transportation, transportation for students enrolled at the
16 school shall be provided by the district in which the school
17 is located, in the manner provided in section 285.1,
18 subsection 15, for a student residing in the same district in
19 which a nonpublic school designated for attendance is located.
20 Transportation may be provided by the district in which the
21 charter school is located for a student residing in a
22 different district, in the same manner provided for in section
23 285.1, subsection 16, for students whose nonpublic school
24 designated for attendance is located outside the boundary line
25 of the school district of the student's residence.

26 Sec. 18. NEW SECTION. 256D.18 LEASED SPACE.

27 A charter school may lease space from a school board
28 eligible to be a sponsor or other public or private nonprofit,
29 nonsectarian organization. If a charter school is unable to
30 lease appropriate space from an eligible school board or other
31 public or private nonprofit, nonsectarian organization, the
32 school may lease space from another nonsectarian organization
33 if the department, in consultation with the department of
34 management, approves the lease. If the school is unable to
35 lease appropriate space from public or private nonsectarian

1 organizations, the school may lease space from a sectarian
2 organization if the leased space is constructed as a school
3 facility and the department, in consultation with the
4 department of management, approves the lease.

5 Sec. 19. NEW SECTION. 256D.19 INITIAL COSTS.

6 A sponsor may authorize a charter school before the
7 applicant has secured its space, equipment, facilities, and
8 personnel if the applicant indicates the authority is
9 necessary for it to raise working capital. A sponsor may not
10 authorize a school before the state board of education has
11 approved the authorization.

12 Sec. 20. NEW SECTION. 256D.20 DISSEMINATE INFORMATION.

13 The sponsor, the operators, and the department shall
14 disseminate information to the public on how to form and
15 operate a charter school and how to utilize the offerings of a
16 charter school. Particular groups to be targeted include low-
17 income families and communities and students of color.

18 Sec. 21. NEW SECTION. 256D.21 LEAVE TO TEACH IN A
19 CHARTER SCHOOL.

20 If a teacher employed by a school district makes a written
21 request for an extended leave of absence to teach at a charter
22 school, the school district shall grant the leave for any
23 number of years requested by the teacher, and must extend the
24 leave at the teacher's request. The school district may
25 require that the request for a leave or extension of leave be
26 made up to ninety days before the teacher would otherwise have
27 to report for duty.

28 During a leave, the teacher may continue to aggregate
29 benefits and credits in the Iowa public employees' retirement
30 system by paying both the employer and employee contributions
31 based upon the annual salary of the teacher for the last full
32 pay period before the leave began. The Iowa public employees'
33 retirement system may impose reasonable requirements to
34 efficiently administer this section.

35 Sec. 22. NEW SECTION. 256D.22 COLLECTIVE BARGAINING.

1 Employees of the board of directors of a charter school
2 may, if otherwise eligible, organize under chapter 20 and
3 comply with its provisions. The board of directors of a
4 charter school is a public employer, for the purposes of
5 chapter 20, upon formation of one or more bargaining units at
6 the school. Bargaining units at the school shall be separate
7 from any other units within the sponsoring district, except
8 that bargaining units may remain part of the appropriate unit
9 within the sponsoring district if the employees of the school,
10 the board of directors of the school, the exclusive
11 representative of the appropriate unit in the sponsoring
12 district, and the school board of the sponsoring district
13 agree to include the employees in the appropriate unit of the
14 sponsoring district.

15 Sec. 23. NEW SECTION. 256D.23 TEACHER AND OTHER EMPLOYEE
16 RETIREMENT.

17 Teachers in a charter school shall be public school
18 teachers for the purposes of retirement under chapter 97B.

19 Sec. 24. NEW SECTION. 256D.24 CAUSES FOR NONRENEWAL OR
20 TERMINATION.

21 1. The duration of a charter school contract with a
22 sponsor shall be for the term contained in the contract
23 according to section 256D.7. The sponsor may or may not renew
24 a contract at the end of the term for any ground listed in
25 subsection 2. A sponsor may unilaterally terminate a contract
26 during the term of the contract for any ground listed in
27 subsection 2. At least sixty days before not renewing or
28 terminating a contract, the sponsor shall notify the board of
29 directors of the charter school of the proposed action in
30 writing. The notice shall state the grounds for the proposed
31 action in reasonable detail and that the charter school's
32 board of directors may request in writing an informal hearing
33 before the sponsor within fourteen days of receiving notice of
34 nonrenewal or termination of the contract. Failure by the
35 board of directors to make a timely written request for a

1 hearing shall be treated as acquiescence to the proposed
2 action. Upon receiving a timely written request for a
3 hearing, the sponsor shall give reasonable notice to the
4 charter school's board of directors of the hearing date. The
5 sponsor shall conduct an informal hearing before taking final
6 action. The sponsor shall take final action to renew or not
7 renew a contract by the last day of classes in the school
8 year. If the sponsor is a local school board, the charter
9 school's board of directors may appeal the sponsor's decision
10 to the state board.

11 2. A contract may be terminated or not renewed upon any of
12 the following grounds:

13 a. Failure to meet the requirements for student
14 performance contained in the contract.

15 b. Failure to meet generally accepted standards of fiscal
16 management.

17 c. For violations of law or other good cause shown.

18 3. If a contract is terminated or not renewed, the school
19 shall be dissolved according to the applicable provisions of
20 chapter 498 or 504A.

21 Sec. 25. NEW SECTION. 256D.25 STUDENT ENROLLMENT.

22 If a charter school contract is not renewed or is
23 terminated according to section 256D.24, a student who
24 attended the school, siblings of the student, or another
25 student who resides in the same place as the student may
26 enroll in the resident district or may submit an application
27 to a nonresident district according to section 282.18 at any
28 time. Applications and notices required by section 282.18
29 shall be processed and provided in a prompt manner. The
30 application and notice deadlines in section 282.18 do not
31 apply under these circumstances.

32 Sec. 26. NEW SECTION. 256D.26 GENERAL AUTHORITY.

33 The board of directors of a charter school may sue and be
34 sued. The board may not levy taxes or issue bonds.

35 Sec. 27. NEW SECTION. 256D.27 IMMUNITY.

1 The state board, members of the state board, a sponsor,
2 members of the board of a sponsor in their official capacity,
3 and employees of a sponsor are immune from civil or criminal
4 liability with respect to all activities related to a charter
5 school they approve or sponsor.

6 The board of directors of the charter school shall obtain
7 at least the amount of and types of insurance required by the
8 contract, according to section 256D.7.

9 Sec. 28. NEW SECTION. 256D.28 STATE SCHOOL FOUNDATION
10 AID FOR A CHARTER SCHOOL.

11 1. A student enrolled in a charter school shall be
12 counted, for state school foundation aid purposes, in the
13 student's district of residence. A student's residence, for
14 purposes of this section, shall be as established under
15 section 282.1. The board of directors of the district of
16 residence shall pay to the charter school the district cost
17 per pupil, or the charter school's cost per pupil as
18 determined by the department based upon information supplied
19 by the charter school, whichever is lowest, plus any moneys
20 received for the student as a result of non-English-speaking
21 weighting under section 280.4, subsection 3, for each school
22 year. The district of residence shall also transmit the phase
23 III moneys allocated to the district for the full-time
24 equivalent attendance of the student to the charter school.

25 2. If a parent or guardian of a child enrolled in a
26 charter school under this chapter moves to a different school
27 district during the course of either district's academic year,
28 the child's first district of residence shall be responsible
29 for payment of the cost per pupil plus weightings or special
30 education costs to the charter school for the balance of the
31 school year in which the move took place. The new district of
32 residence shall be responsible for the payments during the
33 succeeding years.

34 Sec. 29. NEW SECTION. 256D.29 AUTHORIZED EXPENDITURES.

35 A charter school is a public school for purposes of section

1 257.7.

2 Sec. 30. NEW SECTION. 256D.30 BUILDING LEASE AID.

3 When a charter school finds it economically advantageous to
4 rent or lease a building or land for any instructional purpose
5 and it determines that the total school foundation aid under
6 section 256D.28 is insufficient for this purpose, it may apply
7 to the school budget review committee for supplemental aid for
8 this purpose. The charter school is a public school for
9 purposes of section 257.31.

10 Sec. 31. NEW SECTION. 256D.31 OTHER AID -- GRANTS --
11 REVENUE.

12 1. A charter school is eligible to receive other aid,
13 grants, and revenue according to Title VII, subtitle 1, as
14 though it were a school district. However, it may not receive
15 aid, a grant, or revenue if a levy is required to obtain the
16 money. Federal aid received by the state must be paid to the
17 school, if it qualifies for the aid as though it were a school
18 district.

19 2. Except as provided in section 256D.32, a charter school
20 may receive money from any source for facilities needs. In
21 the year-end report to the state board of education, the
22 charter school shall report the total amount of funds received
23 from grants and other outside sources.

24 Sec. 32. NEW SECTION. 256D.32 USE OF STATE MONEY.

25 Money received from the state may not be used to purchase
26 land or buildings. The school may own land and buildings if
27 obtained through nonstate sources.

28 EXPLANATION

29 This bill sets up provisions by which charter schools may
30 be established. The bill also establishes the purposes for
31 which the schools shall be established.

32 Sponsorship: A school board, private college, community
33 college, or an institution of higher learning under the
34 control of the state board of regents may sponsor one or more
35 charter schools.

1 Operation of charter school: A sponsor may authorize one
2 or more teachers to operate a charter school subject to the
3 approval of the state board of education. The school shall be
4 organized and operated as a nonprofit cooperative association
5 or nonprofit corporation. Before a sponsor may form and
6 operate a school, the sponsor must file an affidavit with the
7 state board stating its intent to authorize a charter school
8 and receive state board approval.

9 Charter school board of directors: A sponsor approved by
10 the state board to organize and operate a charter school shall
11 hold an election for members of the charter school's board of
12 directors in a timely manner after the school is operating.
13 Any staff members employed at the school and all parents of
14 children enrolled in the school may vote in the election.

15 Collective bargaining: The granting or renewal of a
16 charter by a sponsoring entity shall not be conditioned upon
17 the bargaining unit status of the employees of the school.
18 Employees of the board of directors of a charter school may,
19 if otherwise eligible, organize under chapter 20 and comply
20 with its provisions. The board of directors of a charter
21 school is a public employer, for the purposes of chapter 20,
22 upon formation of one or more bargaining units at the school.

23 Conversion of existing schools: The board of directors of
24 a school district may convert one or more of its existing
25 schools to charter schools if 90 percent of the full-time
26 teachers employed to teach at the school sign a petition
27 seeking conversion.

28 Contract: The sponsor's authorization for a charter school
29 shall be in the form of a written contract signed by the
30 sponsor and the board of directors of the charter school. The
31 bill sets forth the items a contract must contain.

32 Public school status: A charter school is a public school
33 and is part of the state's system of public education but,
34 except as provided in the bill, is exempt from all statutes
35 and rules applicable to a school, a school board, or a school

1 district, although it may elect to comply with one or more
2 provisions of statutes or rules. For example, a charter
3 school shall meet and abide by all applicable state and local
4 health and safety requirements, length of school year Code
5 provisions, civil and human rights laws, and laws relating to
6 suspension and expulsion of a student, and is subject to the
7 same financial audits, audit procedures, and audit
8 requirements as a school district. A charter school must be
9 nonsectarian in its programs, admission policies, employment
10 practices, and all other operations. The school may not be
11 used for home schooling purposes.

12 Location within a school district: A charter school
13 sponsored by a school board may be located in any district,
14 unless the school board of the district of the proposed
15 location disapproves by written resolution. However, the
16 district can appeal to the state board.

17 Primary focus: To provide a comprehensive program of
18 instruction for at least one grade or age group from five
19 through 18 years of age. Instruction may be provided to
20 people younger than five years and older than 18 years of age.

21 Tuition-free: A charter school shall not charge tuition.

22 Admission requirements: A charter school may limit
23 admission to students within an age group or grade level,
24 individuals eligible to participate in an alternative options
25 education program for dropouts or potential dropouts, or
26 residents of a specific geographic area where the percentage
27 of the population of non-Caucasian people of that area is
28 greater than the percentage of the non-Caucasian population in
29 the congressional district in which the geographic area is
30 located, and as long as the school reflects the racial and
31 ethnic diversity of the specific area. A charter school shall
32 not limit admission to students on the basis of intellectual
33 ability, measures of achievement or aptitude, or athletic
34 ability.

35 Student performance achievement outcomes: A charter school

1 shall design its programs to at least meet any outcomes
2 adopted by the state board for public school students. In the
3 absence of state board requirements, the school shall meet the
4 outcomes contained in the contract with the sponsor.

5 Employment: A charter school shall employ or contract with
6 necessary teachers who hold a valid license with an
7 endorsement for the type of service for which the teacher is
8 employed. The school may employ necessary employees who are
9 not required to hold teaching licenses to perform duties other
10 than teaching and may contract for other services. The school
11 may discharge teachers and nonlicensed employees.

12 Students with special education needs: A charter school
13 shall comply with Code chapter 256B and administrative rules
14 relating to the education of students with special education
15 needs, and receive state special education aid, as though it
16 were a school district.

17 Reports: A charter school must report at least annually to
18 its sponsor and the state board of education and the reports
19 are public records.

20 Departmental review and comment prior to renewal: The
21 department of education shall review and comment on the
22 evaluation, by the chartering school district, of the
23 performance of a charter school before the charter school's
24 contract is renewed.

25 Transportation: By July 1 of each year, a charter school
26 shall notify the district in which the school is located and
27 the department if it will provide transportation for students
28 enrolled at the school for the fiscal year. The state shall
29 pay transportation aid to the charter school as if it were a
30 public school, and shall reimburse charter school parents and
31 school districts for transportation costs in the same manner
32 as parents and school districts are reimbursed for
33 transportation costs. However, a parent may be reimbursed by
34 the charter school for costs of transportation from the
35 student's residence to the border of the district in which the

1 charter school is located if the student is from a family
2 whose income is at or below the poverty level.

3 **Leased space:** A charter school may lease space from a
4 school board eligible to be a sponsor or other public or
5 private nonprofit, nonsectarian organization. If the school
6 is unable to lease appropriate space from public or private
7 nonsectarian organizations, the school may lease space from a
8 sectarian organization if the leased space is constructed as a
9 school facility and the department, in consultation with the
10 department of management, approves the lease.

11 **Initial costs:** A sponsor may authorize a charter school
12 before the applicant has secured its space, equipment,
13 facilities, and personnel if the applicant indicates the
14 authority is necessary for it to raise working capital.

15 **Leave to teach in a charter school:** If a teacher employed
16 by a school district makes a written request for an extended
17 leave of absence to teach at a charter school, the school
18 district shall grant the leave for any number of years
19 requested by the teacher, and must extend the leave at the
20 teacher's request.

21 **Iowa public employees' retirement system:** Teachers in a
22 charter school shall be public school teachers for the
23 purposes of retirement under Code chapter 97B. During a
24 leave, the teacher may continue to aggregate benefits and
25 credits in the Iowa public employees' retirement system by
26 paying both the employer and employee contributions based upon
27 the annual salary of the teacher for the last full pay period
28 before the leave began. The Iowa public employees' retirement
29 system may impose reasonable requirements to efficiently
30 administer this subdivision.

31 **Causes for nonrenewal or termination:** The bill provides
32 the conditions under which a contract may be terminated. The
33 sponsor must provide adequate notice stating the grounds for
34 the proposed action in reasonable detail. The charter
35 school's board of directors may request an informal hearing

1 before the sponsor within 14 days of receiving notice of
2 nonrenewal or termination of the contract. A contract may be
3 terminated or not renewed for failure to meet the requirements
4 for student performance contained in the contract, failure to
5 meet generally accepted standards of fiscal management, or for
6 violations of law or other good cause shown.

7 Open enrollment option under dissolution: If a charter
8 school is dissolved, a student who attended the school,
9 siblings of the student, or another student who resides in the
10 same place as the student may enroll in the resident district
11 or may submit an open enrollment application to a nonresident
12 district and the open enrollment application and notice
13 deadlines do not apply.

14 General authority: The board of directors of a charter
15 school may sue and be sued. The board may not levy taxes or
16 issue bonds.

17 State school foundation aid: A student enrolled in a
18 charter school shall be counted, for state school foundation
19 aid purposes, in the student's district of residence. The
20 board of directors of the district of residence shall pay to
21 the charter school the district cost per pupil, plus any
22 moneys received for the student as a result of non-English-
23 speaking weighting, for each school year. The district of
24 residence shall also transmit the phase III moneys allocated
25 to the district for the full-time equivalent attendance of the
26 student to the charter school. When a charter school finds it
27 economically advantageous to rent or lease a building or land
28 for any instructional purposes and it determines that the
29 total school foundation aid is insufficient for this purpose,
30 it may apply to the school budget review committee for
31 supplemental aid.

32 Other aid, grants, and revenue: A charter school is
33 eligible to receive other educational aid, grants, and revenue
34 as though it were a school district. However, it may not
35 receive aid, a grant, or revenue if a levy is required to

1 obtain the money. Federal aid received by the state must be
2 paid to the school, if it qualifies for the aid, as though it
3 were a school district.

4 Use of state moneys to purchase land or buildings: Money
5 received from the state may not be used to purchase land or
6 buildings. The school may own land and buildings if obtained
7 through nonstate sources.

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