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SENATE FILE 2318
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SF 2211)

Passed Senate, ^(p. 686) Date 3-15-00 Passed House, Date _____
Vote: Ayes 30 Nays 19 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the establishment of Iowa charter schools.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2318

1 Section 1. Section 232.71B, subsection 6, Code 1999, is
2 amended to read as follows:

3 6. FACILITY OR SCHOOL VISIT. The assessment may include a
4 visit to a facility providing care to the child named in the
5 report or to any public or private school subject to the
6 authority of the department of education where the child named
7 in the report is located. The administrator of a facility, or
8 a public or private school shall cooperate with the child
9 protection worker by providing confidential access to the
10 child named in the report for the purpose of interviewing the
11 child, and shall allow the child protection worker
12 confidential access to other children for the purpose of
13 conducting interviews in order to obtain relevant information.
14 The child protection worker may observe a child named in a
15 report in accordance with the provisions of section 232.68,
16 subsection 3, paragraph "b". A witness shall be present
17 during an observation of a child. Any child aged ten years of
18 age or older can terminate contact with the child protection
19 worker by stating or indicating the child's wish to
20 discontinue the contact. The immunity granted by section
21 232.73 applies to acts or omissions in good faith of
22 administrators and their facilities, charter schools, or
23 school districts for cooperating in an assessment and allowing
24 confidential access to a child.

25 Sec. 2. NEW SECTION. 256F.1 TITLE.

26 This chapter shall be known and may be cited as the "Iowa
27 Charter School Act".

28 Sec. 3. NEW SECTION. 256F.2 PURPOSES.

29 It is the purpose of this chapter to provide a means to
30 revitalize education and continually do all of the following:

31 1. Improve student learning.

32 2. Increase the choice of learning opportunities for
33 students.

34 3. Require the measurement of learning outcomes and create
35 innovative measurement tools.

- 1 4. Establish new forms of accountability for schools.
- 2 5. Make the school the unit for improvement.
- 3 6. Create new professional opportunities for teachers,
- 4 including the opportunity to be responsible for the learning
- 5 program at the school site.

6 Sec. 4. NEW SECTION. 256F.3 DEFINITIONS.

7 As used in this chapter unless the context otherwise
8 requires:

- 9 1. "Department" means the department of education.
- 10 2. "Director" means the director of the department of
- 11 education.
- 12 3. "Sponsor" means a governmental body seeking to sponsor
- 13 or receiving approval to sponsor a charter school under this
- 14 chapter.
- 15 4. "State board" means the state board of education.

16 Sec. 5. NEW SECTION. 256F.4 APPLICABILITY.

17 This chapter applies only to charter schools organized and
18 operated under this chapter.

19 Sec. 6. NEW SECTION. 256F.5 ORGANIZATION OF CHARTER
20 SCHOOL UNDER STATE LAW.

21 A charter school shall be organized and operated as a
22 nonprofit association, nonprofit corporation, partnership,
23 limited partnership, business corporation, or as any other
24 group of individuals however organized under state law.

25 Sec. 7. NEW SECTION. 256F.6 ORGANIZATION AND OPERATION
26 OF CHARTER SCHOOL.

27 1. A city, county, school district, community college, an
28 institution of higher learning under the control of the state
29 board of regents, or a state body which is designated or
30 created by law by the general assembly to organize and operate
31 or oversee the operation of a charter school, may sponsor one
32 or more charter schools by filing an affidavit with the state
33 board stating its intent to organize and operate or oversee
34 the operation of a charter school. The affidavit shall state
35 the terms and conditions under which the sponsor pledges to

1 organize and operate or oversee the operation of a charter
2 school. The state board shall approve or disapprove a
3 sponsor's proposed sponsorship within ninety days of receipt
4 of an affidavit. Failure to obtain approval by the state
5 board precludes a sponsor from organizing and operating or
6 overseeing the operation of the charter school that was the
7 subject of the affidavit. A sponsor designated or created by
8 the general assembly to sponsor one or more charter schools is
9 exempt from this subsection.

10 2. A school district shall not sponsor a charter school
11 located in another school district unless the districts enter
12 into a chapter 28E agreement for the operation of the charter
13 school. The state board shall not approve more than ten
14 charter schools. The state board shall establish an order of
15 priority for the approval of charter schools which shall
16 accord greatest priority to areas of the state with the
17 greatest need for educational and sponsor diversity.

18 3. A sponsor may authorize one or more teachers licensed
19 under chapter 272 to operate a charter school.

20 4. A sponsor approved by the state board to organize and
21 operate or oversee the operation of a charter school, or
22 designated or created by the general assembly to organize and
23 operate or oversee the operation of a charter school shall
24 conduct an election for members of the charter school's board
25 of directors in a timely manner after the charter school
26 begins operation. Staff members employed by the charter
27 school, including teachers providing instruction under a
28 contract with the charter school and all parents of children
29 enrolled in the charter school, may vote in the election.
30 Licensed teachers employed by the charter school, including
31 teachers providing instruction under a contract with the
32 charter school, shall constitute a majority of the members of
33 the board of directors. A provisional board of directors may
34 operate before the election of the charter school's board of
35 directors. The board of directors is a governmental body for

1 purposes of chapter 21 and 22.

2 5. The approval by the state board of a sponsor shall not
3 be conditioned upon the bargaining unit status of the
4 employees of the charter school.

5 Sec. 8. NEW SECTION. 256F.7 CONVERSION OF EXISTING
6 SCHOOLS.

7 The board of directors of a school district may convert one
8 of its existing schools to a charter school under this chapter
9 if sixty percent of the full-time teachers at the school sign
10 a petition seeking conversion. The conversion must occur at
11 the beginning of an academic year.

12 Sec. 9. NEW SECTION. 256F.8 CONTRACT.

13 A sponsor's authorization for a charter school shall be
14 memorialized in a written contract executed by the sponsor and
15 the board of directors of the charter school. Within ninety
16 days of receiving authorization of the state board, the
17 contract for a charter school shall be complete and in writing
18 and contain, at a minimum, the following:

19 1. A description of a program that carries out one or more
20 of the purposes enumerated in section 256F.2.

21 2. Specific outcomes students are to achieve and the
22 method of measurement that will be used.

23 3. Admission policies and procedures.

24 4. A description of the management and administration of
25 the charter school.

26 5. Requirements and procedures for program and financial
27 audits.

28 6. A plan describing methods for complying with sections
29 256F.10, 256F.14, 256F.16, and 256F.22.

30 7. Assurance of the assumption of liability by the charter
31 school.

32 8. Types and amounts of insurance coverage to be obtained
33 by the charter school.

34 9. The term of the contract, which may be up to three
35 years.

1 10. If the board of directors or the operators of the
2 charter school provide special instruction and services for
3 children requiring special education under chapter 256B, a
4 description of the financial parameters within which the
5 charter school will operate to provide the special instruction
6 and services to children requiring special education.

7 11. The qualifications to be required of the professional
8 licensed staff.

9 12. Assurance that the school will comply with the
10 requirements of section 256.7, subsection 21.

11 Sec. 10. NEW SECTION. 256F.9 PUBLIC STATUS -- EXEMPTION
12 FROM STATUTES AND RULES.

13 A charter school is a public school and is part of the
14 state's system of public education. However, except as
15 otherwise provided in this chapter, a charter school is exempt
16 from all statutes and rules applicable to a school or a school
17 district, although the charter school may elect to comply with
18 one or more provisions of statutes or rules.

19 Sec. 11. NEW SECTION. 256F.10 GENERAL OPERATING
20 REQUIREMENTS.

21 1. A charter school shall meet all applicable federal,
22 state, and local health and safety requirements.

23 2. A charter school shall be nonsectarian in its programs,
24 admission policies, employment practices, and all other
25 operations. A sponsor shall not organize or operate or
26 oversee the operation of a charter school or program that is
27 affiliated with a nonpublic sectarian school or a religious
28 institution.

29 3. A charter school shall not charge tuition.

30 4. A charter school is subject to and shall comply with
31 chapters 216 and 216A relating to civil and human rights.

32 5. Notwithstanding any provision to the contrary, a
33 charter school may, but shall not be required to, conform to
34 uniform state financial accounting and reporting standards and
35 processes, laws, and regulations governing school districts.

1 However, the sponsor of a charter school shall contract for an
2 annual financial audit by a certified public accountant in
3 accordance with generally accepted accounting principles. The
4 audit shall examine the validity and integrity of data
5 reported to the state for state school foundation aid purposes
6 and internal controls of the charter school.

7 6. A charter school is a school district for the purposes
8 of tort liability under chapter 670.

9 7. A charter school shall not be used as a method of
10 providing education or generating revenue for students
11 receiving competent private instruction pursuant to chapter
12 299A.

13 Sec. 12. NEW SECTION. 256F.11 ADMISSION REQUIREMENTS.

14 1. A charter school may limit admission to any of the
15 following:

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

17 b. Students who are eligible to participate in an
18 alternative options education program under section 280.19A.

19 2. A charter school shall enroll an eligible student who
20 submits a timely application, unless the number of
21 applications exceeds the capacity of a program, class, grade
22 level, or building. In that case, students shall be accepted
23 by lot.

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

27 4. A private school converting to charter school status
28 shall not give preference in admissions to prior students.

29 Sec. 13. NEW SECTION. 256F.12 EMPLOYMENT AND OTHER
30 OPERATING MATTERS.

31 1. A charter school shall employ or contract with
32 necessary teachers, as defined in section 272.1, who hold a
33 valid license with an endorsement for the type of service for
34 which the teacher is employed or who hold a license developed
35 and issued in accordance with section 272.2, subsection 13. A

1 charter school may employ necessary employees who are not
2 required to hold teaching licenses to perform duties other
3 than teaching and may contract for other services. A charter
4 school may discipline and discharge teachers and nonlicensed
5 employees in accordance with its own procedures. A person,
6 without holding a valid administrator's license, may perform
7 administrative, supervisory, or instructional leadership
8 duties for a charter school.

9 2. The board of directors of a charter school shall decide
10 matters related to the operation of the charter school,
11 including budgeting, curriculum, and operating procedures.

12 Sec. 14. NEW SECTION. 256F.13 STUDENTS WITH SPECIAL
13 EDUCATION NEEDS.

14 A charter school, as a public school, shall comply with
15 section 280.8 as though it were a school district. However,
16 the education of children requiring special education shall be
17 the financial responsibility of the school district of
18 residence.

19 Sec. 15. NEW SECTION. 256F.14 LENGTH OF SCHOOL YEAR.

20 A charter school shall provide instruction each year for at
21 least the number of days required by section 279.10,
22 subsection 1, unless the school provides instruction
23 throughout the year according to section 256.20 or section
24 279.10, subsection 3.

25 Sec. 16. NEW SECTION. 256F.15 REPORTS.

26 A charter school shall report at least annually to its
27 sponsor and the state board the information required by the
28 sponsor or the state board. The reports are public records
29 subject to chapter 22.

30 Sec. 17. NEW SECTION. 256F.16 TRANSPORTATION.

31 1. By July 1 of each year, a charter school shall notify
32 the school district in which the charter school is located and
33 the department if the charter school will provide
34 transportation for students enrolled at the charter school for
35 the fiscal year.

1 2. If a charter school elects to provide transportation
2 for students, the transportation shall be provided by the
3 charter school within the school district in which the charter
4 school is located. The state shall pay transportation aid to
5 the charter school according to section 285.1.

6 3. For students who reside outside the school district in
7 which the charter school is located, the charter school is not
8 required to provide or pay for transportation between the
9 student's residence and the boundary line of the school
10 district in which the charter school is located. A parent may
11 be reimbursed by the charter school for costs of
12 transportation from the student's residence to the boundary
13 line of the school district in which the charter school is
14 located if the student is from a family whose income is at or
15 below the poverty level, as defined by the most recently
16 revised poverty income guidelines published by the United
17 States department of health and human services. The
18 reimbursement shall be in the manner provided in section 285.3
19 for parental reimbursement for nonpublic school student
20 transportation.

21 4. At the time a student enrolls in a charter school, the
22 charter school shall provide the parent or guardian with
23 information regarding transportation.

24 5. If a charter school does not elect to provide
25 transportation, transportation for students enrolled at the
26 school shall be provided by the school district in which the
27 charter school is located, in the manner provided in section
28 285.1, subsection 15, for a student residing in the same
29 district in which a nonpublic school designated for attendance
30 is located. Transportation may be provided by the school
31 district in which the charter school is located for a student
32 residing in a different school district, in the same manner
33 provided for in section 285.1, subsection 16, for students
34 whose nonpublic school designated for attendance is located
35 outside the boundary line of the school district of the

1 student's residence.

2 Sec. 18. NEW SECTION. 256F.17 LEASED SPACE.

3 A charter school may lease space from a school district or
4 from a public, or private nonprofit, nonsectarian
5 organization. If a charter school is unable to lease
6 appropriate space from a school district or public or private
7 nonprofit, nonsectarian organization, the charter school may
8 lease space from another nonsectarian organization if the
9 department, in consultation with the department of management,
10 approves the lease. If the charter school is unable to lease
11 appropriate space from public or private nonsectarian
12 organizations, the charter school may lease space from a
13 sectarian organization if the leased space is constructed as a
14 school facility and the department, in consultation with the
15 department of management, approves the lease.

16 Sec. 19. NEW SECTION. 256F.18 AUTHORITY TO RAISE INITIAL
17 WORKING CAPITAL.

18 A sponsor may authorize a charter school to raise working
19 capital before the charter school has secured its space,
20 equipment, facilities, and personnel if the charter school
21 shows that such working capital is necessary for the charter
22 school to operate. A sponsor shall not authorize a charter
23 school to raise working capital prior to the sponsorship
24 receiving state board approval in accordance with section
25 256F.5.

26 Sec. 20. NEW SECTION. 256F.19 DISSEMINATE INFORMATION.

27 The department shall disseminate information to the public
28 on how to organize and operate a charter school and sponsors
29 and operators of charter schools shall disseminate information
30 on how to utilize the offerings of a charter school.
31 Particular groups to be targeted include low-income families
32 and communities and minority students.

33 Sec. 21. NEW SECTION. 256F.20 LEAVE TO TEACH IN A
34 CHARTER SCHOOL.

35 1. If a teacher employed by a school district makes a

1 written request for an extended leave of absence to teach at a
2 charter school, the school district shall grant the leave for
3 not more than five years. The school district may require
4 that the request for a leave be made up to ninety days before
5 the teacher would otherwise have to report for duty to the
6 school district. While on leave, the teacher shall retain the
7 teacher's seniority position and continue to receive benefits
8 received as an employee of the school district, except as
9 provided in subsection 2. The school district shall grant to
10 the teacher service credit for the teacher's teaching
11 experience at a charter school, provided the service at the
12 charter school is reasonably comparable to service in a school
13 district.

14 2. During a leave, the teacher may continue to aggregate
15 benefits and credits in the Iowa public employees' retirement
16 system if the teacher and the charter school or the state pay
17 the employee and employer contributions based upon the annual
18 salary of the teacher for the last full pay period before the
19 leave began. The Iowa public employees' retirement system may
20 impose reasonable requirements to efficiently administer this
21 section.

22 Sec. 22. NEW SECTION. 256F.21 TEACHER AND OTHER EMPLOYEE
23 RETIREMENT.

24 Teachers in a charter school shall be public school
25 employees for the purposes of chapter 97B.

26 Sec. 23. NEW SECTION. 256F.22 CAUSES FOR NONRENEWAL OR
27 TERMINATION.

28 1. The duration of a charter school contract with a
29 sponsor shall be for the term contained in the contract under
30 section 256F.8. At the end of the term the sponsor may renew
31 a contract or may deny renewal of a contract for any ground
32 listed in subsection 2. A sponsor may unilaterally terminate
33 a contract during the term of the contract for any ground
34 listed in subsection 2. At least sixty days before denying
35 renewal or terminating a contract, the sponsor shall notify

1 the board of directors of the charter school of the proposed
2 action in writing. The notice shall state the grounds for the
3 proposed action in reasonable detail and that the charter
4 school's board of directors may request in writing within
5 fourteen days of receiving notice of nonrenewal or termination
6 of the contract an informal hearing before the sponsor.
7 Failure by the board of directors to make a timely written
8 request for a hearing shall be treated as acquiescence to the
9 proposed action. Upon receiving a timely written request for
10 a hearing, the sponsor shall give reasonable notice to the
11 charter school's board of directors of the hearing date. The
12 sponsor shall conduct an informal hearing before taking final
13 action. The sponsor shall take final action to renew or to
14 deny renewal of a contract by the last day of classes in the
15 school year. The charter school's board of directors may
16 appeal the sponsor's decision to the state board.

17 2. A contract may be terminated or denied renewal upon any
18 of the following grounds:

19 a. Failure to meet the requirements for student
20 performance contained in the contract.

21 b. Failure to meet generally accepted standards of fiscal
22 management.

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

24 3. If a contract is terminated or denied renewal, the
25 charter school shall be dissolved according to the applicable
26 provisions of state law under which it was organized.

27 Sec. 24. NEW SECTION. 256F.23 STUDENT ENROLLMENT.

28 If a charter school contract is not renewed or is
29 terminated according to section 256F.22, a student who
30 attended the charter school, siblings of the student, or
31 another student who resides in the same place as the student
32 may enroll in the resident district or may submit an
33 application to a nonresident school district according to
34 section 282.18 at any time. Applications and notices required
35 by section 282.18 shall be processed and provided in a prompt

1 manner. The application and notice deadlines in section
2 282.18 do not apply under these circumstances.

3 Sec. 25. NEW SECTION. 256F.24 GENERAL AUTHORITY.

4 The board of directors of a charter school may sue and be
5 sued. The board of directors shall not levy taxes or issue
6 bonds.

7 Sec. 26. NEW SECTION. 256F.25 IMMUNITY.

8 The provisions of sections 280.21, 670.7, and 672.1 shall
9 apply to a charter school and its employees.

10 The board of directors of a charter school shall obtain at
11 least the amount of and types of insurance required by the
12 contract, according to section 256F.8.

13 Sec. 27. NEW SECTION. 256F.26 STATE SCHOOL FOUNDATION
14 AND OTHER AID FOR A CHARTER SCHOOL.

15 1. A student enrolled in a charter school shall be
16 counted, for state school foundation aid purposes, in the
17 student's school district of residence. A student's
18 residence, for purposes of this section, shall be as
19 established under section 282.1. The board of directors of
20 the school district of residence shall pay to the charter
21 school the district cost per pupil, or the charter school's
22 cost per pupil as determined by the department based upon
23 information supplied by the charter school, whichever is
24 lower, plus any moneys received for the student as a result of
25 non-English speaking weighting under section 280.4, subsection
26 3, for each school year. The school district of residence
27 shall also transmit the phase III moneys allocated to the
28 school district for the full-time equivalent attendance of the
29 student to the charter school.

30 2. If a parent or guardian of a child enrolled in a
31 charter school under this chapter moves to a different school
32 district during the course of either school district's
33 academic year, the child's first district of residence shall
34 be responsible for payment of the cost per pupil plus
35 weightings or special education costs to the charter school

1 for the balance of the school year in which the move took
2 place. The new school district of residence shall be
3 responsible for the payments during the succeeding years.

4 3. A charter school shall be considered a school district
5 for purposes of receiving state aid under chapters 256D, 256E,
6 294A, and 295.

7 Sec. 28. NEW SECTION. 256F.27 OTHER AID -- GRANTS --
8 REVENUE.

9 A charter school is eligible to receive federal and state
10 aid, grants, and revenue, and gifts and grants from private
11 sources as though it were a school district. Federal aid
12 received by the state must be paid to the charter school, if
13 it qualifies for the aid as though it were a school district.

14 Sec. 29. NEW SECTION. 256F.28 USE OF STATE MONEY.

15 Money received from the state by a charter school shall not
16 be used to purchase land or buildings. The charter school may
17 own land and buildings if obtained through nonstate sources.

18 EXPLANATION

19 This bill sets up provisions by which charter schools may
20 be established. The bill also establishes the purposes for
21 which the schools shall be established.

22 SPONSORSHIP: A governmental body is seeking to sponsor or
23 receiving authorization to sponsor a charter school.

24 OPERATION OF CHARTER SCHOOL: The school shall be organized
25 and operated as a nonprofit association, nonprofit
26 corporation, partnership, limited partnership, business
27 corporation, or as any other group of individuals however
28 organized under state law. Before a sponsor may organize and
29 operate a school, the sponsor must file an affidavit with the
30 state board stating its intent to organize a charter school
31 and receive state board approval.

32 CONVERSION OF EXISTING SCHOOLS: The board of directors of
33 a school district may convert one of its existing schools to a
34 charter school if 60 percent of the teachers at the school
35 sign a petition seeking conversion.

1 CONTRACT: The sponsor's authorization for a charter school
2 shall be in the form of a written contract signed by the
3 sponsor and the board of directors of the charter school. The
4 bill sets forth the items a contract must contain.

5 PUBLIC SCHOOL STATUS: A charter school is a public school
6 and is part of the state's system of public education but,
7 except as provided in the bill, is exempt from all statutes
8 and rules applicable to a school or a school district,
9 although it may elect to comply with one or more provisions of
10 statutes or rules. A charter school shall meet and abide by
11 all applicable state and local health and safety requirements,
12 length of school year Code provisions, civil and human rights
13 laws, and laws relating to suspension and expulsion of a
14 student, and is subject to an annual financial audit. A
15 charter school must be nonsectarian in its programs, admission
16 policies, employment practices, and all other operations.

17 TUITION-FREE: A charter school shall not charge tuition.

18 ADMISSION REQUIREMENTS: A charter school may limit
19 admission to students within an age group or grade level, and
20 to individuals eligible to participate in an alternative
21 options education program for dropouts or potential dropouts.

22 INSTRUCTIONAL STAFF: A charter school shall employ or
23 contract with necessary teachers who hold a valid license
24 issued by the board of educational examiners, though the
25 administrator of the school need not be licensed by the board.
26 The school may employ necessary employees who are not required
27 to hold teaching licenses to perform duties other than
28 teaching and may contract for other services. The school may
29 discipline and discharge teachers and nonlicensed employees in
30 accordance with its own procedures.

31 STUDENTS WITH SPECIAL EDUCATION NEEDS: The education of
32 students requiring special education shall be the financial
33 responsibility of the school district of residence. However,
34 a charter school must accept students requiring special
35 education.

1 **REPORTS:** A charter school must report at least annually to
2 its sponsor and the state board of education and the reports
3 are public records.

4 **TRANSPORTATION:** By July 1 of each year, a charter school
5 shall notify the district in which the school is located and
6 the department if it will provide transportation for students
7 enrolled at the school for the fiscal year. The state shall
8 pay transportation aid to the charter school as if it were a
9 regular public school, and shall reimburse charter school
10 parents and school districts for transportation costs in the
11 same manner as parents and school districts are reimbursed for
12 transportation costs. However, a parent may be reimbursed by
13 the charter school for costs of transportation from the
14 student's residence to the border of the district in which the
15 charter school is located if the student is from a family
16 whose income is at or below the poverty level.

17 **LEASED SPACE:** A charter school may lease space from a
18 school district or public or private nonprofit, nonsectarian
19 organization. If the school is unable to lease appropriate
20 space from public or private nonsectarian organizations, the
21 school may lease space from a sectarian organization if the
22 leased space is constructed as a school facility and the
23 department, in consultation with the department of management,
24 approves the lease.

25 **INITIAL COSTS:** A sponsor may authorize a charter school
26 before it has secured its space, equipment, facilities, and
27 personnel to raise working capital if necessary.

28 **LEAVE TO TEACH IN A CHARTER SCHOOL:** If a teacher employed
29 by a school district makes a written request for an extended
30 leave of absence to teach at a charter school, the school
31 district shall grant the leave for not more than five years.

32 **IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM:** Teachers in a
33 charter school shall be public school teachers for the
34 purposes of retirement system benefits under Code chapter 97B.
35 During a leave, the teacher shall retain the teacher's

1 seniority position and continue to receive benefits received
2 as an employee of the district, and may continue to aggregate
3 benefits and credits in the Iowa public employees' retirement
4 system. The Iowa public employees' retirement system may
5 impose reasonable requirements to efficiently administer this
6 provision.

7 CAUSES FOR NONRENEWAL OR TERMINATION: The bill provides
8 the conditions under which a contract may not be renewed or
9 may be terminated. The sponsor must provide adequate notice
10 stating the grounds for the proposed action in reasonable
11 detail. The charter school's board of directors may request
12 within 14 days of receiving notice of nonrenewal or
13 termination of the contract an informal hearing before the
14 sponsor. A contract may be terminated or denied renewal for
15 failure to meet the requirements for student performance
16 contained in the contract, failure to meet generally accepted
17 standards of fiscal management, or for violations of law or
18 other good cause shown.

19 OPEN ENROLLMENT OPTION UNDER DISSOLUTION: If a charter
20 school is dissolved, a student who attended the school,
21 siblings of the student, or another student who resides in the
22 same place as the student may enroll in the resident district
23 or may submit an open enrollment application to a nonresident
24 district and the open enrollment application and notice
25 deadlines do not apply.

26 GENERAL AUTHORITY: The board of directors of a charter
27 school may sue and be sued but cannot levy taxes or issue
28 bonds.

29 STATE SCHOOL FOUNDATION AID: A charter school shall be
30 considered a school district for purposes of receiving state
31 school foundation aid, non-English speaking weighting,
32 technology, early intervention, and phase III moneys.

33 OTHER AID, GRANTS, AND REVENUE: A charter school is
34 eligible to receive other state or federal educational aid,
35 grants, and revenue, and gifts and grants from private sources

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

4 USE OF STATE MONEYS TO PURCHASE LAND OR BUILDINGS: Money
5 received from the state shall 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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SENATE FILE 2318

S-5141

1 Amend Senate File 2318 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "DIVISION I

5 PILOT CHARTER SCHOOL PROGRAM

6 Section 1. NEW SECTION. 256F.1 FINDINGS AND
7 INTENT.

8 The general assembly finds that the restrictions
9 and requirements of state laws and regulations often
10 prevent public schools and school districts from
11 achieving effective education reform. To determine
12 whether allowing public schools or school districts to
13 operate under a charter can help a school or district
14 more effectively achieve the goal of education reform,
15 the general assembly finds that a pilot program should
16 be enacted allowing public schools and school
17 districts to specify their own duties,
18 responsibilities, and operations. To assist public
19 schools and school districts in meeting their student
20 achievement and education reform goals, the general
21 assembly finds that two charter school models are
22 necessary, both of which shall be publicly authorized
23 and publicly funded:

24 1. The state public charter school model.

25 2. The local public charter school model.

26 Sec. 2. NEW SECTION. 256F.2 PILOT PROGRAM --
27 DEFINITIONS.

28 1. Commencing with the school year beginning July
29 1, 2001, the state board of education shall initiate a
30 pilot program to test the effectiveness of charter
31 schools. The purpose of the pilot charter school
32 program is to encourage public schools and school
33 districts to determine creative ways to achieve the
34 educational outcomes that meet the needs of all
35 children to be successful. Under the program, the
36 state board may approve as pilot programs not more
37 than five state public charter school programs and not
38 more than five local public charter school programs,
39 unless the state board receives fewer applications
40 than the maximum for either model, in which case,
41 effective July 1, 2003, the state board may approve
42 the applications for either model until it reaches a
43 total of ten pilot programs. A school district
44 approved as a pilot program for a state public charter
45 school shall be counted as one program under this
46 section. The state board shall approve only those
47 applications that meet the qualifications specified in
48 section 256F.3 or 256F.21, as applicable, in
49 accordance with this chapter. To receive approval to
50 establish a pilot charter school, the board of

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1 directors of a school district shall submit an
2 application to the state board in accordance with
3 section 256F.3 or 256F.21, as applicable, in
4 accordance with this chapter. The state board shall
5 adopt rules in accordance with chapter 17A for the
6 implementation of this chapter. When considering
7 applications, state board approval shall be based on
8 whether the applications meet the following criteria,
9 in order of priority:

10 a. Meets all of the qualifications specified in
11 section 256F.3 or section 256F.21, as applicable.

12 b. Ensures geographical distribution of pilot
13 programs across the state.

14 c. Ensures distribution to small, medium, and
15 large school districts.

16 d. That no other pilot charter school program of
17 its type exists within the same school district.

18 2. The approval by the state board of an
19 application shall not be conditioned upon the
20 bargaining unit status of the employees of the charter
21 school.

22 3. A school board may, by majority vote, submit
23 the question of whether to operate the school district
24 as a state public charter school to the eligible
25 electors of the school district at any regular school
26 election or at a special election called specifically
27 for this purpose. The school board shall submit an
28 application to the state board for approval of the
29 state public charter school as a pilot program only if
30 a majority of the eligible electors voting in an
31 election called pursuant to this subsection vote in
32 favor of the question.

33 4. "Department" means the department of education,
34 for purposes of this chapter.

35 5. "Pilot charter school", for purposes of this
36 division, means a state public or local public charter
37 school operated as a pilot program, as indicated by
38 the context.

39 6. "Pilot charter school district" means a school
40 district operating under a contract with the state
41 board in accordance with this chapter.

42 7. "State board" means the state board of
43 education, for purposes of this chapter.

44 Sec. 3. NEW SECTION. 256F.3 GENERAL OPERATING
45 REQUIREMENTS.

46 1. Any pilot charter school that is approved to
47 operate shall operate under the provisions of its
48 contract and shall be subject to the following:

49 a. Shall meet all applicable federal, state, and
50 local health and safety requirements and laws

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1 prohibiting discrimination on the basis of race,
2 creed, color, sex, national origin, religion,
3 ancestry, or disability. A charter school shall be
4 subject to any court-ordered desegregation plan in
5 effect for the school district at the time the
6 school's charter application is approved.

7 b. Shall operate as a nonsectarian, nonreligious
8 public school.

9 c. Shall be free of tuition and application fees
10 to Iowa resident students between the ages of five and
11 twenty-one years.

12 d. Shall be subject to and shall comply with
13 chapters 216 and 216A relating to civil and human
14 rights.

15 e. Shall be considered a school district for
16 purposes of tort liability under chapter 670.

17 f. Shall not be used as a method of providing
18 education or generating revenue for students receiving
19 competent private instruction pursuant to chapter
20 299A.

21 g. Shall receive state moneys or be eligible to
22 receive state moneys as provided in chapters 256D,
23 256E, 257, 285, 294A, and 295, as if it did not
24 operate under a charter. A pilot charter school
25 district may levy taxes and issue bonds as provided in
26 chapters 73A, 75, 76, 257, 279, 295, 296, and 298, as
27 if it did not operate under a charter. The enrollment
28 of the pilot charter school shall be included in the
29 actual enrollment of the school district in which the
30 pilot charter school is located except as provided in
31 paragraph "h".

32 h. Shall operate within the same geographic
33 boundaries that existed prior to its becoming a pilot
34 charter school or district. The enrollment of the
35 pilot charter school or district shall be calculated
36 and submitted as provided in chapter 257 as if it did
37 not operate under a charter.

38 i. Shall provide special education services in
39 accordance with chapter 256B. However, the school
40 district of residence shall be responsible for the
41 difference between the state moneys received pursuant
42 to the weighting plan under section 256B.9, and the
43 pilot charter school's extraordinary costs of
44 instruction of children requiring special education.

45 j. Shall not discriminate in its student
46 admissions policies or practices on the basis of
47 intellectual or athletic ability, measures of
48 achievement or aptitude, status as a person with a
49 disability, or any other basis that would be illegal
50 if practiced by a school district. However, a pilot

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1 charter school may limit admission to students who are
2 within a particular range of age or grade level or on
3 any other basis that would be legal if initiated by a
4 school district. Enrollment priority shall be given
5 to the siblings of students enrolled in a pilot
6 charter school.

7 2. A pilot charter school shall enroll an eligible
8 student who submits a timely application, unless the
9 number of applications exceeds the capacity of a
10 program, class, grade level, or building. In this
11 case, students must be accepted by lot. A pilot
12 charter school shall be subject to section 282.18 as
13 if it did not operate under a charter, except as
14 provided in this chapter.

15 3. A pilot charter school is a public school and
16 is part of the state's system of public education.
17 Except as provided in this chapter, a pilot charter
18 school is exempt from all statutes and rules
19 applicable to a school, a school board, or a district,
20 although it may elect to comply with one or more
21 provisions of statute or administrative rule.

22 4. The state board and a pilot charter school may
23 freely negotiate which state statutes and
24 administrative rules apply to the pilot charter
25 school.

26 5. A bargaining unit formed by employees of a
27 pilot charter school shall be separate from a school
28 district bargaining unit, unless the entire school
29 district is approved as a pilot charter school.

30 6. A pilot charter school shall provide
31 instruction for at least the number of days required
32 by section 279.10, subsection 1, unless the school
33 provides instruction throughout the year according to
34 section 256.20 or section 279.10, subsection 3.

35 Sec. 4. NEW SECTION. 256F.4 CONTRACT.

36 1. An approved pilot charter school application
37 shall constitute an agreement, the terms of which
38 shall be the terms of a four-year renewable contract
39 between the pilot charter school or pilot charter
40 school district and the state board under division II,
41 and between the pilot charter school and the local
42 school district under division III. The contract
43 shall reflect all agreements regarding the operation
44 of the pilot charter school. The terms of the
45 contract may be revised at any time, with the approval
46 of the state board and the pilot charter school under
47 division II, or with the approval of the pilot charter
48 school and the school district under division III,
49 whether or not the stated provisions of the contract
50 are being fulfilled.

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1 2. The state board of education shall provide by
2 rule for the ongoing review of a pilot charter
3 school's compliance with a contract entered into in
4 accordance with this chapter. The department shall
5 visit a pilot charter school district at least once
6 annually to determine the status and progress toward
7 the goals of its contract.

8 Sec. 5. NEW SECTION. 256F.5 INSTRUCTIONAL AND
9 NONINSTRUCTIONAL STAFF.

10 1. Employees of a pilot charter school may, if
11 otherwise eligible, organize under chapter 20 and
12 comply with its provisions as if it did not operate
13 under a charter.

14 2. Practitioners employed by pilot charter schools
15 shall be licensed in accordance with chapter 272
16 except as follows:

17 a. Up to fifteen percent of the teachers employed
18 by pilot charter schools shall not be required to be
19 licensed under chapter 272.

20 b. A person may be employed as an administrator if
21 the person is pursuing a course of study leading to
22 the completion of all requirements for licensure as an
23 administrator.

24 3. Practitioners employed in a pilot charter
25 school shall be public school employees for purposes
26 of chapter 97B.

27 Sec. 6. NEW SECTION. 256F.6 PROCEDURES AFTER
28 REVOCATION -- STUDENT ENROLLMENT.

29 1. If the contract for a pilot charter school
30 district is revoked under section 256F.13, the state
31 board shall merge the territory of the school district
32 with one or more contiguous school districts at the
33 end of the school year. Division of assets and
34 liabilities of the school district shall be as
35 provided in sections 275.29 through 275.31. Until the
36 merger is completed, and subject to a decision by the
37 state board of education, the pilot charter school
38 district shall pay tuition for its resident students
39 to an accredited school district under section 282.24.
40 However, in lieu of merger and payment of tuition by a
41 pilot charter school district, the state board may
42 place the district under receivership for the
43 remainder of the school year or until the district
44 meets the accreditation requirements of section 256.11
45 or the terms of the contract entered into pursuant to
46 section 256F.4. The receivership shall be under the
47 direct supervision and authority of the director of
48 the department of education. The decision of whether
49 to merge the school district and require payment of
50 tuition for the district's students or to place the

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1 district under receivership shall be based upon a
2 determination by the state board of the best interests
3 of the students, parents, residents of the community,
4 teachers, administrators, and board members of the
5 district and the recommendations of the director of
6 the department of education. If the state board
7 revokes a contract, the revocation shall take effect
8 on the date established by the resolution of the state
9 board, which shall be no later than the end of the
10 school year in which the contract is revoked.

11 2. If a pilot charter school contract is revoked
12 in accordance with this chapter, a student who
13 attended the school, siblings of the student, or
14 another student who resides in the same place as the
15 student may enroll in the resident district or may
16 submit an application to a nonresident district
17 according to section 282.18 at any time. Applications
18 and notices required by section 282.18 shall be
19 processed and provided in a prompt manner. The
20 application and notice deadlines in section 282.18 do
21 not apply under these circumstances.

22 Sec. 7. NEW SECTION. 256F.7 REPORTS.

23 1. Notwithstanding section 256F.3, subsection 3,
24 not later than December 1, 2001, and annually
25 thereafter, the state board shall submit a
26 comprehensive report, with findings and
27 recommendations, to the senate and house standing
28 committees on education. The report shall evaluate
29 pilot charter school programs generally, including but
30 not limited to, an evaluation of whether the pilot
31 programs are fulfilling the purposes set forth in
32 section 256F.11, subsection 1, and if applicable,
33 section 256F.22. The report also shall contain, for
34 each pilot charter school, a copy of the pilot charter
35 school's mission statement, attendance statistics and
36 dropout rate, aggregate assessment test scores,
37 projections of financial stability, and number of and
38 comments on supervisory visits by the department of
39 education.

40 2. Notwithstanding section 256F.3, subsection 3, a
41 pilot charter school shall meet the reporting
42 requirements of section 256.7, subsection 21,
43 paragraph "c". The department shall disseminate the
44 information submitted by a pilot charter school in
45 accordance with this section to all school districts.

46 DIVISION II

47 THE STATE PUBLIC CHARTER SCHOOL MODEL

48 Sec. 8. NEW SECTION. 256F.11 APPLICATION --
49 DEFINITION.

50 1. An application for the approval of a pilot

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1 charter school shall include, but shall not be limited
2 to, a description of the following:

3 a. The method for admission to a pilot charter
4 school or schools within a pilot charter school
5 district.

6 b. The mission, purpose, innovation, and
7 specialized focus of the proposed pilot charter school
8 or schools within a pilot charter school district.

9 c. An explicit statement of the performance goals
10 and objectives, by which the school's student
11 achievement shall be judged, proposed by the school
12 board or school district attendance center submitting
13 the application to the school board, the measures to
14 be used to assess progress, the attendance center or
15 the school district's current baseline status with
16 respect to the goals, and the time frame for
17 accomplishing the goals.

18 d. Procedures for teacher evaluation and
19 professional development for teachers and
20 administrators.

21 e. The school or district governance and bylaws.

22 f. The financial plan for the operation of the
23 school or district.

24 g. The educational program, instructional
25 methodology, and services to be offered to students.

26 h. The number and qualifications of teachers and
27 administrators to be employed.

28 i. The organization of the school or schools
29 within the pilot charter school district in terms of
30 ages of students or grades to be taught along with an
31 estimate of the total enrollment of the school or
32 schools within the pilot school district.

33 j. The provision of school facilities and public
34 transportation.

35 k. A statement of equal educational opportunity
36 which shall state that the pilot charter school or
37 district shall be open to all students on a space-
38 available basis, and shall not discriminate on the
39 basis of race, color, national origin, creed, sex,
40 ethnicity, sexual orientation, mental or physical
41 disability, age, ancestry, athletic performance,
42 special need, or proficiency in the English language,
43 or academic achievement.

44 l. Assurance of the assumption of liability by the
45 pilot charter school or district.

46 m. The types and amounts of insurance coverage to
47 be obtained by the pilot charter school or district.

48 n. A plan of operation to be implemented if the
49 state public charter school revokes or fails to renew
50 its contract.

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1 2. If an attendance center located within a
2 district submits an application to a school district,
3 the board of directors of the school district shall
4 notify the applicant of its decision to deny or
5 approve the application within ninety days of
6 receiving the application. If the board denies the
7 application, or fails to notify the person of its
8 decision in a timely manner, the applicant may apply
9 to the state board. If the state board approves the
10 application, the state board shall notify the board of
11 directors of the school district in which the
12 attendance center is located, and the school board
13 shall become the authorizing body for the pilot
14 charter school, shall issue a contract with the pilot
15 charter school, and shall otherwise comply with the
16 provisions of the chapter. The decision of the state
17 board is final and is not subject to review by a court
18 or any other state agency.

19 3. A school district seeking approval for a pilot
20 charter school shall also submit with the application
21 evidence of broad-based support among parents,
22 teachers, and pupils within the school district for
23 the formation of a pilot charter school by way of a
24 petition, public opinion survey, or other similar,
25 reliable indicator of public opinion.

26 4. For purposes of this division, "pilot charter
27 school" means a state public charter school operated
28 as a pilot program, unless the context indicates
29 otherwise. "Attendance center", means a public school
30 building that houses elementary, middle, or secondary
31 school students. An attendance center shall not enter
32 into a charter school contract with a school district
33 under this division unless the attendance center is
34 located within the school district.

35 Sec. 9. NEW SECTION. 256F.12 ADDITIONAL
36 PROVISIONS REGARDING STATE PUBLIC PILOT CHARTER
37 SCHOOLS.

38 1. A school district receiving approval to become
39 a pilot charter school district or to establish a
40 pilot charter school under division I and this
41 division shall do the following:

42 a. Contract for an annual financial audit by a
43 certified public accountant in accordance with
44 generally accepted accounting principles. The audit
45 shall examine the validity and integrity of data
46 reported to the state for state school foundation aid
47 purposes and internal controls of the charter school
48 or district. Notwithstanding any provision to the
49 contrary, a pilot charter school or district may, but
50 shall not be required to, conform to uniform state

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1 financial accounting and reporting standards and
2 processes, laws, and regulations governing school
3 districts.

4 b. Operate within the geographical boundaries of
5 the school district approved to establish the pilot
6 charter school.

7 c. Be accountable to the state board for purposes
8 of ensuring compliance with the charter provisions.

9 2. A pilot charter school or a pilot charter
10 school district shall be liable for timely payment on
11 its bonded indebtedness and subject to the same bonded
12 indebtedness limitations as if it did not operate
13 under a charter.

14 3. A pilot charter school and a pilot charter
15 school district shall be accountable to the state
16 board for purposes of ensuring compliance with the
17 charter provisions.

18 Sec. 10. NEW SECTION. 256F.13 REVOCATION OF
19 CONTRACT.

20 1. A contract for the establishment of a state
21 public pilot charter school or district issued under
22 this division may be revoked either by the state board
23 in the case of a school or district, or, in the case
24 of a school only, the school board that established
25 the pilot charter school if the appropriate board
26 determines that one or more of the following occurred:

27 a. Failure of the pilot charter school or district
28 to abide by and meet the educational goals set forth
29 in the contract.

30 b. Failure of the pilot charter school or district
31 to comply with all applicable law.

32 c. Failure of the pilot charter school or district
33 to meet generally accepted public sector accounting
34 principles.

35 d. The existence of one or more other grounds for
36 revocation as specified in the contract.

37 2. If the state board decides to consider a
38 proposal to revoke a contract in accordance with this
39 section, the state board shall notify the school
40 district of the proposed action at least sixty days
41 prior to revoking a contract. If the school district
42 decides to consider a proposal to revoke a contract,
43 it shall notify the state board of the proposed action
44 at least sixty days prior to revoking the contract.
45 The notice shall state the grounds for the proposed
46 action in writing and in reasonable detail. If the
47 state board is initiating the action, the school
48 district may request in writing an informal hearing
49 before the state board within fourteen days of
50 receiving notice of revocation of the contract. Upon

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1 receiving a timely written request for a hearing, the
2 state board shall give reasonable notice to the school
3 board of the hearing date. The state board shall
4 conduct an informal hearing before taking final
5 action. The school board shall take final action to
6 revoke or approve continuation of a contract by the
7 last day of classes in the school year. If the final
8 action to revoke a contract under this section occurs
9 prior to the last day of classes in the school year, a
10 pilot charter school student may enroll in the
11 resident district or another district as provided in
12 section 256F.6.

13 3. The decision of the state board or the school
14 board to revoke a contract under this section is
15 solely within the discretion of the state board or the
16 school board, is final, and is not subject to review
17 by a court or any other state agency. A board
18 revoking a contract under this section is not liable
19 for that action to the pilot charter school, a student
20 enrolled in the pilot charter school or the student's
21 parent or guardian, or any other person.

DIVISION III

THE LOCAL PUBLIC CHARTER SCHOOL MODEL

22
23
24 Sec. 11. NEW SECTION. 256F.21 LOCAL PUBLIC PILOT
25 CHARTER SCHOOL -- AUTHORIZING AGENT.

26 1. The board of directors of a school district may
27 become the authorizing agent for a pilot charter
28 school if the board submits a copy of the contract
29 established between the board and the proposed local
30 operators of the proposed pilot charter school to the
31 state board. However, the local operators shall have
32 final authority over the content contained in the
33 application. The state board shall approve or deny
34 the establishment of a pilot charter school in
35 accordance with this division only on the basis of
36 whether the proposed pilot charter school contract and
37 location meets the requirements set forth section
38 256F.2, subsection 1.

39 2. "Authorizing agent" means the board of
40 directors of a school district.

41 3. "Pilot charter school", for purposes of this
42 division, means a local public charter school operated
43 as a pilot program, except as provided in section
44 256F.22, subsection 2, and unless the context
45 indicates otherwise.

46 Sec. 12. NEW SECTION. 256F.22 CONTRACT TO
47 ORGANIZE.

48 1. To obtain a contract to organize and operate a
49 pilot charter school in accordance with this division,
50 a person may apply to an authorizing body described in

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1 section 256F.21, subsection 2. The application shall
2 include all of the information described in section
3 256F.11, subsection 1, and all of the following
4 information:

5 a. Identification of the applicant for the
6 contract.

7 b. Subject to the resolution adopted by the
8 authorizing body under section 256F.24, subsection 2,
9 a list of the proposed members of the board of
10 directors of the pilot charter school and a
11 description of the qualifications and method for
12 appointment or election of members of the pilot
13 charter school board of directors.

14 c. The proposed articles of incorporation, which
15 shall include at least all of the following:

16 (1) The name of the proposed pilot charter school.

17 (2) The mission, purpose, and specialized focus of
18 the proposed pilot charter school. This language
19 shall provide that the pilot charter school is
20 incorporated pursuant to this section and that the
21 pilot charter school is a governmental entity.

22 (3) The name of the authorizing body.

23 (4) The proposed time when the articles of
24 incorporation will be effective.

25 (5) Other matters considered expedient to be in
26 the articles of incorporation.

27 (6) The composition of the pilot charter school
28 board.

29 d. Documentation meeting the application
30 requirements of the authorizing body, including at
31 least all of the following:

32 (1) A copy of curricula to be offered by the pilot
33 charter school. To the extent applicable, the
34 progress of the students in the pilot charter school
35 shall be reflected in the report filed with the state
36 board in accordance with section 256F.7.

37 (2) A description of how the applicant will
38 provide to the general public adequate notice that a
39 pilot charter school is being created and adequate
40 information on the admission policy, criteria, and
41 process.

42 e. Descriptions of staff responsibilities.

43 f. Identification of where the pilot charter
44 school will be located, which shall be within the
45 boundaries of the school district acting as the
46 authorizing body, including a description of and the
47 address for the proposed physical plant in which the
48 pilot charter school will be located. A pilot charter
49 school may be located in all or part of an existing
50 public school building. A pilot charter school shall

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1 not operate at a site other than the single site
2 requested for the configuration of grades that will
3 use the site, as specified in its application.

4 g. An agreement that the pilot charter school will
5 comply with the provisions of this division and,
6 subject to the provisions of this chapter, with all
7 other state and federal law applicable to school
8 districts.

9 2. Within ninety days of receiving an application
10 made in accordance with subsection 1, the board of
11 directors of the school district shall notify the
12 applicant of its decision to deny or approve the
13 application. If the board denies the application, or
14 fails to notify the person of its decision in a timely
15 manner, the applicant may apply to the state board.
16 If the state board approves the application, the state
17 board shall notify the board of directors of the
18 school district in which the pilot charter school is
19 located, and the school board shall become the
20 authorizing body for the pilot charter school, shall
21 issue a contract with the pilot charter school, and
22 shall otherwise comply with the provisions of the
23 charter. The decision of the state board is final and
24 is not subject to review by a court or any other state
25 agency.

26 3. The authorizing body shall oversee the pilot
27 charter school operating under a contract issued by
28 the authorizing body. The oversight shall be
29 sufficient to ensure that the authorizing body can
30 certify that the pilot charter school is in compliance
31 with applicable statute, administrative rules, and the
32 terms of the contract. However, control of
33 instruction at a pilot charter school shall be vested
34 in the board of directors of the pilot charter school
35 under the general supervision of that board.

36 4. If the state board finds that an authorizing
37 body is not engaging in appropriate continuing
38 oversight of a pilot charter school operating under a
39 contract with the authorizing body, the state board
40 may suspend the power of the authorizing body to issue
41 new contracts to organize and operate pilot charter
42 schools. A contract issued by the authorizing body
43 during the suspension is void. A contract issued by
44 the authorizing body before the suspension is not
45 affected by the suspension.

46 Sec. 13. NEW SECTION. 256F.23 ADDITIONAL
47 PROVISIONS REGARDING LOCAL PUBLIC PILOT CHARTER
48 SCHOOLS.

49 1. A pilot charter school established under this
50 division shall do the following:

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1 a. Operate within the geographical boundaries of
2 the school district approved to establish the pilot
3 charter school.

4 b. Be accountable to the local school board for
5 purposes of ensuring compliance with the charter
6 provisions.

7 2. An authorizing body is not required to issue a
8 contract to any person. Pilot charter school
9 contracts shall be issued on a competitive basis
10 taking into consideration the resources available for
11 the proposed pilot charter school, the population to
12 be served by the proposed pilot charter school, and
13 the educational goals to be achieved by the proposed
14 pilot charter school.

15 3. A pilot charter school is subject to the same
16 financial audits, audit procedures, and audit
17 requirements as a school district. The audit shall be
18 consistent with the requirements of sections 11.6,
19 11.14, 11.19, 256.9, subsection 19, and section
20 279.29, except to the extent deviations are necessary
21 because of the program at the school. The auditor of
22 state may conduct financial, program, or compliance
23 audits.

24 Sec. 14. NEW SECTION. 256F.24 BOARD OF
25 DIRECTORS.

26 1. A pilot charter school shall be organized and
27 administered under the direction of a board of
28 directors.

29 2. The authorizing body shall adopt a resolution
30 establishing the method of board selection, length of
31 term, and number of members of the board of directors
32 of each pilot charter school. The person who applies
33 to the authorizing body under section 256F.22,
34 subsection 1, shall hold an election for members of
35 the pilot charter school's board of directors in a
36 timely manner after the school is operating. Staff
37 members employed by the pilot charter school,
38 including teachers providing instruction under a
39 contract with a teaching cooperative and all parents
40 or guardians of children enrolled in the school, shall
41 be given the opportunity to participate in the
42 election. A provisional board may operate before the
43 election of the school's board of directors. Meetings
44 of the board of directors of a pilot charter school
45 are subject to the provisions of chapter 21.

46 3. The board of directors for the pilot charter
47 school shall adopt bylaws and shall organize the pilot
48 charter school as a nonprofit association, nonprofit
49 corporation, or business corporation.

50 Sec. 15. NEW SECTION. 256F.25 REVOCATION OF

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1 CONTRACT.

2 1. A contract issued under this division may be
3 revoked by the authorizing body if it determines that
4 one or more of the following occurred:

5 a. Failure of the pilot charter school to abide by
6 and meet the educational goals set forth in the
7 contract.

8 b. Failure of the pilot charter school to comply
9 with all applicable law.

10 c. Failure of the pilot charter school to meet
11 generally accepted public sector accounting
12 principles.

13 d. The existence of one or more other grounds for
14 revocation as specified in the contract.

15 2. If the authorizing body determines to revoke a
16 contract in accordance with this division, the
17 authorizing body shall notify the pilot charter school
18 of the proposed action at least sixty days prior to
19 revoking a contract. The notice shall state the
20 grounds for the proposed action in writing and in
21 reasonable detail. The pilot charter school may
22 request in writing an informal hearing before the
23 authorizing body within fourteen days of receiving
24 notice of revocation of the contract. Upon receiving
25 a timely written request for a hearing, the
26 authorizing body shall give reasonable notice to the
27 pilot charter school of the hearing date. The
28 authorizing body shall conduct an informal hearing
29 before taking final action. The authorizing body
30 shall take final action to revoke or approve
31 continuation of a contract by the last day of classes
32 in the school year. If the final action to revoke a
33 contract under this section occurs prior to the last
34 day of classes in the school year, a student attending
35 the school may enroll in the resident district or
36 another district as provided in section 256F.6.

37 3. The decision of the authorizing body to revoke
38 a contract under this section is subject to appeal
39 under section 290.1. An authorizing body revoking a
40 contract under this section is not liable for that
41 action to the pilot charter school, a student enrolled
42 in the pilot charter school or the student's parent or
43 guardian, or any other person.

44 Sec. 16. NEW SECTION. 256F.26 IMMUNITY.

45 The state board, members of the state board, the
46 authorizing body, members of the board of the
47 authorizing body in their official capacity, and
48 employees of an authorizing body are immune from civil
49 or criminal liability with respect to all activities
50 related to a charter school they approve or oversee.

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1 The board of directors of the pilot charter school
2 shall obtain at least the amount of and types of
3 insurance required by the contract, pursuant to
4 section 256F.11, subsection 1.

5 Sec. 17. NEW SECTION. 256F.27 EXEMPTION FROM
6 TAXATION.

7 A pilot charter school is exempt from all state
8 taxation on its earnings and property. Instruments of
9 conveyance to or from a pilot charter school are
10 exempt from all state taxation. A pilot charter
11 school shall not levy taxes for any purpose. However,
12 the operation of a pilot charter school and oversight
13 of a pilot charter school by a school district shall
14 not affect the ability of the school district to levy
15 taxes in accordance with any applicable statute.

16 Sec. 18. NEW SECTION. 256F.28 OTHER AID --
17 INTERESTS IN PROPERTY.

18 A pilot charter school may acquire by purchase,
19 gift, devise, lease, sublease, installment purchase
20 agreement, land contract, option, or by any other
21 means, hold and own in its own name buildings and
22 other property for school purposes and other
23 interests, including, but not limited to, interests in
24 property subject to mortgages, security interests, or
25 other liens, necessary or convenient to fulfill its
26 purposes. For the purposes of condemnation, a pilot
27 charter school may proceed under chapter 6B or any
28 other applicable statutes, but only with the express,
29 written permission of the authorizing body in each
30 instance of condemnation and only after just
31 compensation has been determined and paid.

32 Sec. 19. NEW SECTION. 256F.29 LEASED SPACE.

33 A pilot charter school may lease space from a board
34 eligible to be an authorizing body or other public or
35 private nonprofit, nonsectarian organization. If a
36 pilot charter school is unable to lease appropriate
37 space from an eligible board or other public or
38 private nonprofit, nonsectarian organization, the
39 school may lease space from another nonsectarian
40 organization if the department of education, in
41 consultation with the department of general services,
42 approves the lease. If the school is unable to lease
43 appropriate space from public or private nonsectarian
44 organizations, the school may lease space from a
45 sectarian organization if the leased space is
46 constructed as a school facility and the department of
47 education, in consultation with the department of
48 general services, approves the lease.

49 Sec. 20. NEW SECTION. 256F.30 AUTHORITY TO RAISE
50 INITIAL WORKING CAPITAL.

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1 The authorizing body may authorize a pilot charter
2 school before the applicant has secured its space,
3 equipment, facilities, and personnel, if the applicant
4 indicates the authority is necessary for it to raise
5 working capital. An authorizing body shall not
6 authorize a school before the state board has approved
7 the application.

8 Sec. 21. NEW SECTION. 256F.31 TRANSPORTATION.

9 A pilot charter school shall provide transportation
10 services to students enrolled in the pilot charter
11 school, as if it was a school district, in accordance
12 with section 285.1. The state shall pay
13 transportation aid to the pilot charter school under
14 chapter 285 as if it was a school district.

15 Sec. 22. NEW SECTION. 256D.32 DISSEMINATE
16 INFORMATION.

17 The authorizing body, the pilot charter school, and
18 the department shall disseminate information to the
19 public on how to form and operate a charter school and
20 how to utilize the offerings of a charter school.
21 Particular groups to be targeted include low-income
22 families and communities and minority students.

23 Sec. 23. NEW SECTION. 256D.33 LEAVE TO TEACH IN
24 A CHARTER SCHOOL.

25 Each school district shall be required to grant a
26 leave of absence to any teacher in the school district
27 requesting such leave in order to teach in a pilot
28 charter school. A teacher may request a leave of
29 absence for up to two years. While on leave, the
30 teacher shall retain the teacher's seniority. At the
31 end of the second year, the teacher may either return
32 to the teacher's former teaching position in the
33 school district or, if the teacher chooses, may
34 continue teaching at the pilot charter school and
35 resign from the school district position.

36 Sec. 24. NEW SECTION. 256D.34 STATE SCHOOL
37 FOUNDATION AID FOR A CHARTER SCHOOL.

38 1. Revenue from taxes levied by a school district
39 or bonds issued by a school district shall be used to
40 support the operation or facilities of a pilot charter
41 school overseen by a school district, but locally
42 operated, in the same manner as that revenue may be
43 used by the school district to support its operations
44 and facilities. This section shall not be construed
45 to authorize a school district to levy taxes or to
46 issue bonds for any purpose that is not otherwise
47 authorized under this chapter.

48 2. The authorizing body for a pilot charter school
49 is the fiscal agent for the pilot charter school. A
50 state school aid payment for a pilot charter school

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1 shall be paid in accordance with section 257.16 to the
2 fiscal agent, which shall then forward the payment to
3 the pilot charter school.

4 Sec. 25. EMERGENCY RULES. The state board of
5 education may adopt emergency rules under section
6 17A.4, subsection 2, and section 17A.5, subsection 2,
7 paragraph "b", to implement this Act and the rules
8 shall be effective immediately upon filing unless a
9 later date is specified in the rules. Any rules
10 adopted in accordance with this section shall also be
11 published as a notice of intended action as provided
12 in section 17A.4."

By NANCY BOETTGER
ELAINE SZYMONIAK

Adopted 3/15/00 (P 686)

S-5141 FILED MARCH 14, 2000

SENATE FILE 2318

S-5159

1 Amend the amendment, S-5141, to Senate File 2318 as
2 follows:

3 1. Page 14, line 49, by striking the words "with
4 respect to all activities" and inserting the
5 following: "for all reasonable actions taken in the
6 performance of their duties".

By JOE BOLKCOM

S-5159 FILED MARCH 15, 2000

ADOPTED *3-15-00 (P 686)*

H. 3/20/00 Amend/Do Pass w/H. 8408
H. 3/23/00 Unfinished Business Calendar

SENATE FILE 2318
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SF 2211)

(AS AMENDED AND PASSED BY THE SENATE MARCH 15, 2000)

ALL New Language by the Senate

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

A BILL FOR

- 1 An Act relating to the establishment of Iowa charter schools.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
- 3
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S.F. 2318

DIVISION I

PILOT CHARTER SCHOOL PROGRAM

Section 1. NEW SECTION. 256F.1 FINDINGS AND INTENT.

The general assembly finds that the restrictions and requirements of state laws and regulations often prevent public schools and school districts from achieving effective education reform. To determine whether allowing public schools or school districts to operate under a charter can help a school or district more effectively achieve the goal of education reform, the general assembly finds that a pilot program should be enacted allowing public schools and school districts to specify their own duties, responsibilities, and operations. To assist public schools and school districts in meeting their student achievement and education reform goals, the general assembly finds that two charter school models are necessary, both of which shall be publicly authorized and publicly funded:

1. The state public charter school model.

2. The local public charter school model.

Sec. 2. NEW SECTION. 256F.2 PILOT PROGRAM --

DEFINITIONS.

1. Commencing with the school year beginning July 1, 2001, the state board of education shall initiate a pilot program to test the effectiveness of charter schools. The purpose of the pilot charter school program is to encourage public schools and school districts to determine creative ways to achieve the educational outcomes that meet the needs of all children to be successful. Under the program, the state board may approve as pilot programs not more than five state public charter school programs and not more than five local public charter school programs, unless the state board receives fewer applications than the maximum for either model, in which case, effective July 1, 2003, the state board may approve the applications for either model until it reaches a total of ten pilot programs. A school district approved as a pilot program for a state

1 public charter school shall be counted as one program under
2 this section. The state board shall approve only those
3 applications that meet the qualifications specified in section
4 256F.3 or 256F.21, as applicable, in accordance with this
5 chapter. To receive approval to establish a pilot charter
6 school, the board of directors of a school district shall
7 submit an application to the state board in accordance with
8 section 256F.3 or 256F.21, as applicable, in accordance with
9 this chapter. The state board shall adopt rules in accordance
10 with chapter 17A for the implementation of this chapter. When
11 considering applications, state board approval shall be based
12 on whether the applications meet the following criteria, in
13 order of priority:

14 a. Meets all of the qualifications specified in section
15 256F.3 or section 256F.21, as applicable.

16 b. Ensures geographical distribution of pilot programs
17 across the state.

18 c. Ensures distribution to small, medium, and large school
19 districts.

20 d. That no other pilot charter school program of its type
21 exists within the same school district.

22 2. The approval by the state board of an application shall
23 not be conditioned upon the bargaining unit status of the
24 employees of the charter school.

25 3. A school board may, by majority vote, submit the
26 question of whether to operate the school district as a state
27 public charter school to the eligible electors of the school
28 district at any regular school election or at a special
29 election called specifically for this purpose. The school
30 board shall submit an application to the state board for
31 approval of the state public charter school as a pilot program
32 only if a majority of the eligible electors voting in an
33 election called pursuant to this subsection vote in favor of
34 the question.

35 4. "Department" means the department of education, for

1 purposes of this chapter.

2 5. "Pilot charter school", for purposes of this division,
3 means a state public or local public charter school operated
4 as a pilot program, as indicated by the context.

5 6. "Pilot charter school district" means a school district
6 operating under a contract with the state board in accordance
7 with this chapter.

8 7. "State board" means the state board of education, for
9 purposes of this chapter.

10 Sec. 3. NEW SECTION. 256F.3 GENERAL OPERATING
11 REQUIREMENTS.

12 1. Any pilot charter school that is approved to operate
13 shall operate under the provisions of its contract and shall
14 be subject to the following:

15 a. Shall meet all applicable federal, state, and local
16 health and safety requirements and laws prohibiting
17 discrimination on the basis of race, creed, color, sex,
18 national origin, religion, ancestry, or disability. A charter
19 school shall be subject to any court-ordered desegregation
20 plan in effect for the school district at the time the
21 school's charter application is approved.

22 b. Shall operate as a nonsectarian, nonreligious public
23 school.

24 c. Shall be free of tuition and application fees to Iowa
25 resident students between the ages of five and twenty-one
26 years.

27 d. Shall be subject to and shall comply with chapters 216
28 and 216A relating to civil and human rights.

29 e. Shall be considered a school district for purposes of
30 tort liability under chapter 670.

31 f. Shall not be used as a method of providing education or
32 generating revenue for students receiving competent private
33 instruction pursuant to chapter 299A.

34 g. Shall receive state moneys or be eligible to receive
35 state moneys as provided in chapters 256D, 256E, 257, 285,

1 294A, and 295, as if it did not operate under a charter. A
2 pilot charter school district may levy taxes and issue bonds
3 as provided in chapters 73A, 75, 76, 257, 279, 295, 296, and
4 298, as if it did not operate under a charter. The enrollment
5 of the pilot charter school shall be included in the actual
6 enrollment of the school district in which the pilot charter
7 school is located except as provided in paragraph "h".

8 h. Shall operate within the same geographic boundaries
9 that existed prior to its becoming a pilot charter school or
10 district. The enrollment of the pilot charter school or
11 district shall be calculated and submitted as provided in
12 chapter 257 as if it did not operate under a charter.

13 i. Shall provide special education services in accordance
14 with chapter 256B. However, the school district of residence
15 shall be responsible for the difference between the state
16 moneys received pursuant to the weighting plan under section
17 256B.9, and the pilot charter school's extraordinary costs of
18 instruction of children requiring special education.

19 j. Shall not discriminate in its student admissions
20 policies or practices on the basis of intellectual or athletic
21 ability, measures of achievement or aptitude, status as a
22 person with a disability, or any other basis that would be
23 illegal if practiced by a school district. However, a pilot
24 charter school may limit admission to students who are within
25 a particular range of age or grade level or on any other basis
26 that would be legal if initiated by a school district.
27 Enrollment priority shall be given to the siblings of students
28 enrolled in a pilot charter school.

29 2. A pilot charter school shall enroll an eligible student
30 who submits a timely application, unless the number of
31 applications exceeds the capacity of a program, class, grade
32 level, or building. In this case, students must be accepted
33 by lot. A pilot charter school shall be subject to section
34 282.18 as if it did not operate under a charter, except as
35 provided in this chapter.

1 3. A pilot charter school is a public school and is part
2 of the state's system of public education. Except as provided
3 in this chapter, a pilot charter school is exempt from all
4 statutes and rules applicable to a school, a school board, or
5 a district, although it may elect to comply with one or more
6 provisions of statute or administrative rule.

7 4. The state board and a pilot charter school may freely
8 negotiate which state statutes and administrative rules apply
9 to the pilot charter school.

10 5. A bargaining unit formed by employees of a pilot
11 charter school shall be separate from a school district
12 bargaining unit, unless the entire school district is approved
13 as a pilot charter school.

14 6. A pilot charter school shall provide instruction for at
15 least the number of days required by section 279.10,
16 subsection 1, unless the school provides instruction
17 throughout the year according to section 256.20 or section
18 279.10, subsection 3.

19 Sec. 4. NEW SECTION. 256F.4 CONTRACT.

20 1. An approved pilot charter school application shall
21 constitute an agreement, the terms of which shall be the terms
22 of a four-year renewable contract between the pilot charter
23 school or pilot charter school district and the state board
24 under division II, and between the pilot charter school and
25 the local school district under division III. The contract
26 shall reflect all agreements regarding the operation of the
27 pilot charter school. The terms of the contract may be
28 revised at any time, with the approval of the state board and
29 the pilot charter school under division II, or with the
30 approval of the pilot charter school and the school district
31 under division III, whether or not the stated provisions of
32 the contract are being fulfilled.

33 2. The state board of education shall provide by rule for
34 the ongoing review of a pilot charter school's compliance with
35 a contract entered into in accordance with this chapter. The

1 department shall visit a pilot charter school district at
2 least once annually to determine the status and progress
3 toward the goals of its contract.

4 Sec. 5. NEW SECTION. 256F.5 INSTRUCTIONAL AND
5 NONINSTRUCTIONAL STAFF.

6 1. Employees of a pilot charter school may, if otherwise
7 eligible, organize under chapter 20 and comply with its
8 provisions as if it did not operate under a charter.

9 2. Practitioners employed by pilot charter schools shall
10 be licensed in accordance with chapter 272 except as follows:

11 a. Up to fifteen percent of the teachers employed by pilot
12 charter schools shall not be required to be licensed under
13 chapter 272.

14 b. A person may be employed as an administrator if the
15 person is pursuing a course of study leading to the completion
16 of all requirements for licensure as an administrator.

17 3. Practitioners employed in a pilot charter school shall
18 be public school employees for purposes of chapter 97B.

19 Sec. 6. NEW SECTION. 256F.6 PROCEDURES AFTER REVOCATION
20 -- STUDENT ENROLLMENT.

21 1. If the contract for a pilot charter school district is
22 revoked under section 256F.13, the state board shall merge the
23 territory of the school district with one or more contiguous
24 school districts at the end of the school year. Division of
25 assets and liabilities of the school district shall be as
26 provided in sections 275.29 through 275.31. Until the merger
27 is completed, and subject to a decision by the state board of
28 education, the pilot charter school district shall pay tuition
29 for its resident students to an accredited school district
30 under section 282.24. However, in lieu of merger and payment
31 of tuition by a pilot charter school district, the state board
32 may place the district under receivership for the remainder of
33 the school year or until the district meets the accreditation
34 requirements of section 256.11 or the terms of the contract
35 entered into pursuant to section 256F.4. The receivership

1 shall be under the direct supervision and authority of the
2 director of the department of education. The decision of
3 whether to merge the school district and require payment of
4 tuition for the district's students or to place the district
5 under receivership shall be based upon a determination by the
6 state board of the best interests of the students, parents,
7 residents of the community, teachers, administrators, and
8 board members of the district and the recommendations of the
9 director of the department of education. If the state board
10 revokes a contract, the revocation shall take effect on the
11 date established by the resolution of the state board, which
12 shall be no later than the end of the school year in which the
13 contract is revoked.

14 2. If a pilot charter school contract is revoked in
15 accordance with this chapter, a student who attended the
16 school, siblings of the student, or another student who
17 resides in the same place as the student may enroll in the
18 resident district or may submit an application to a
19 nonresident district according to section 282.18 at any time.
20 Applications and notices required by section 282.18 shall be
21 processed and provided in a prompt manner. The application
22 and notice deadlines in section 282.18 do not apply under
23 these circumstances.

24 Sec. 7. NEW SECTION. 256F.7 REPORTS.

25 1. Notwithstanding section 256F.3, subsection 3, not later
26 than December 1, 2001, and annually thereafter, the state
27 board shall submit a comprehensive report, with findings and
28 recommendations, to the senate and house standing committees
29 on education. The report shall evaluate pilot charter school
30 programs generally, including but not limited to, an
31 evaluation of whether the pilot programs are fulfilling the
32 purposes set forth in section 256F.11, subsection 1, and if
33 applicable, section 256F.22. The report also shall contain,
34 for each pilot charter school, a copy of the pilot charter
35 school's mission statement, attendance statistics and dropout

1 rate, aggregate assessment test scores, projections of
2 financial stability, and number of and comments on supervisory
3 visits by the department of education.

4 2. Notwithstanding section 256F.3, subsection 3, a pilot
5 charter school shall meet the reporting requirements of
6 section 256.7, subsection 21, paragraph "c". The department
7 shall disseminate the information submitted by a pilot charter
8 school in accordance with this section to all school
9 districts.

10

DIVISION II

11

THE STATE PUBLIC CHARTER SCHOOL MODEL

12

Sec. 8. NEW SECTION. 256F.11 APPLICATION -- DEFINITION.

13

1. An application for the approval of a pilot charter
14 school shall include, but shall not be limited to, a
15 description of the following:

16

a. The method for admission to a pilot charter school or
17 schools within a pilot charter school district.

18

b. The mission, purpose, innovation, and specialized focus
19 of the proposed pilot charter school or schools within a pilot
20 charter school district.

21

c. An explicit statement of the performance goals and
22 objectives, by which the school's student achievement shall be
23 judged, proposed by the school board or school district
24 attendance center submitting the application to the school
25 board, the measures to be used to assess progress, the
26 attendance center or the school district's current baseline
27 status with respect to the goals, and the time frame for
28 accomplishing the goals.

29

d. Procedures for teacher evaluation and professional
30 development for teachers and administrators.

31

e. The school or district governance and bylaws.

32

f. The financial plan for the operation of the school or
33 district.

34

g. The educational program, instructional methodology, and
35 services to be offered to students.

1 h. The number and qualifications of teachers and
2 administrators to be employed.

3 i. The organization of the school or schools within the
4 pilot charter school district in terms of ages of students or
5 grades to be taught along with an estimate of the total
6 enrollment of the school or schools within the pilot school
7 district.

8 j. The provision of school facilities and public
9 transportation.

10 k. A statement of equal educational opportunity which
11 shall state that the pilot charter school or district shall be
12 open to all students on a space-available basis, and shall not
13 discriminate on the basis of race, color, national origin,
14 creed, sex, ethnicity, sexual orientation, mental or physical
15 disability, age, ancestry, athletic performance, special need,
16 or proficiency in the English language, or academic
17 achievement.

18 l. Assurance of the assumption of liability by the pilot
19 charter school or district.

20 m. The types and amounts of insurance coverage to be
21 obtained by the pilot charter school or district.

22 n. A plan of operation to be implemented if the state
23 public charter school revokes or fails to renew its contract.

24 2. If an attendance center located within a district
25 submits an application to a school district, the board of
26 directors of the school district shall notify the applicant of
27 its decision to deny or approve the application within ninety
28 days of receiving the application. If the board denies the
29 application, or fails to notify the person of its decision in
30 a timely manner, the applicant may apply to the state board.
31 If the state board approves the application, the state board
32 shall notify the board of directors of the school district in
33 which the attendance center is located, and the school board
34 shall become the authorizing body for the pilot charter
35 school, shall issue a contract with the pilot charter school,

1 and shall otherwise comply with the provisions of the chapter.
2 The decision of the state board is final and is not subject to
3 review by a court or any other state agency.

4 3. A school district seeking approval for a pilot charter
5 school shall also submit with the application evidence of
6 broad-based support among parents, teachers, and pupils within
7 the school district for the formation of a pilot charter
8 school by way of a petition, public opinion survey, or other
9 similar, reliable indicator of public opinion.

10 4. For purposes of this division, "pilot charter school"
11 means a state public charter school operated as a pilot
12 program, unless the context indicates otherwise. "Attendance
13 center", means a public school building that houses
14 elementary, middle, or secondary school students. An
15 attendance center shall not enter into a charter school
16 contract with a school district under this division unless the
17 attendance center is located within the school district.

18 Sec. 9. NEW SECTION. 256F.12 ADDITIONAL PROVISIONS
19 REGARDING STATE PUBLIC PILOT CHARTER SCHOOLS.

20 1. A school district receiving approval to become a pilot
21 charter school district or to establish a pilot charter school
22 under division I and this division shall do the following:

23 a. Contract for an annual financial audit by a certified
24 public accountant in accordance with generally accepted
25 accounting principles. The audit shall examine the validity
26 and integrity of data reported to the state for state school
27 foundation aid purposes and internal controls of the charter
28 school or district. Notwithstanding any provision to the
29 contrary, a pilot charter school or district may, but shall
30 not be required to, conform to uniform state financial
31 accounting and reporting standards and processes, laws, and
32 regulations governing school districts.

33 b. Operate within the geographical boundaries of the
34 school district approved to establish the pilot charter
35 school.

1 c. Be accountable to the state board for purposes of
2 ensuring compliance with the charter provisions.

3 2. A pilot charter school or a pilot charter school
4 district shall be liable for timely payment on its bonded
5 indebtedness and subject to the same bonded indebtedness
6 limitations as if it did not operate under a charter.

7 3. A pilot charter school and a pilot charter school
8 district shall be accountable to the state board for purposes
9 of ensuring compliance with the charter provisions.

10 Sec. 10. NEW SECTION. 256F.13 REVOCATION OF CONTRACT.

11 1. A contract for the establishment of a state public
12 pilot charter school or district issued under this division
13 may be revoked either by the state board in the case of a
14 school or district, or, in the case of a school only, the
15 school board that established the pilot charter school if the
16 appropriate board determines that one or more of the following
17 occurred:

18 a. Failure of the pilot charter school or district to
19 abide by and meet the educational goals set forth in the
20 contract.

21 b. Failure of the pilot charter school or district to
22 comply with all applicable law.

23 c. Failure of the pilot charter school or district to meet
24 generally accepted public sector accounting principles.

25 d. The existence of one or more other grounds for
26 revocation as specified in the contract.

27 2. If the state board decides to consider a proposal to
28 revoke a contract in accordance with this section, the state
29 board shall notify the school district of the proposed action
30 at least sixty days prior to revoking a contract. If the
31 school district decides to consider a proposal to revoke a
32 contract, it shall notify the state board of the proposed
33 action at least sixty days prior to revoking the contract.
34 The notice shall state the grounds for the proposed action in
35 writing and in reasonable detail. If the state board is

1 initiating the action, the school district may request in
2 writing an informal hearing before the state board within
3 fourteen days of receiving notice of revocation of the
4 contract. Upon receiving a timely written request for a
5 hearing, the state board shall give reasonable notice to the
6 school board of the hearing date. The state board shall
7 conduct an informal hearing before taking final action. The
8 school board shall take final action to revoke or approve
9 continuation of a contract by the last day of classes in the
10 school year. If the final action to revoke a contract under
11 this section occurs prior to the last day of classes in the
12 school year, a pilot charter school student may enroll in the
13 resident district or another district as provided in section
14 256F.6.

15 3. The decision of the state board or the school board to
16 revoke a contract under this section is solely within the
17 discretion of the state board or the school board, is final,
18 and is not subject to review by a court or any other state
19 agency. A board revoking a contract under this section is not
20 liable for that action to the pilot charter school, a student
21 enrolled in the pilot charter school or the student's parent
22 or guardian, or any other person.

23 DIVISION III

24 THE LOCAL PUBLIC CHARTER SCHOOL MODEL

25 Sec. 11. NEW SECTION. 256F.21 LOCAL PUBLIC PILOT CHARTER
26 SCHOOL -- AUTHORIZING AGENT.

27 1. The board of directors of a school district may become
28 the authorizing agent for a pilot charter school if the board
29 submits a copy of the contract established between the board
30 and the proposed local operators of the proposed pilot charter
31 school to the state board. However, the local operators shall
32 have final authority over the content contained in the
33 application. The state board shall approve or deny the
34 establishment of a pilot charter school in accordance with
35 this division only on the basis of whether the proposed pilot

1 charter school contract and location meets the requirements
2 set forth section 256F.2, subsection 1.

3 2. "Authorizing agent" means the board of directors of a
4 school district.

5 3. "Pilot charter school", for purposes of this division,
6 means a local public charter school operated as a pilot
7 program, except as provided in section 256F.22, subsection 2,
8 and unless the context indicates otherwise.

9 Sec. 12. NEW SECTION. 256F.22 CONTRACT TO ORGANIZE.

10 1. To obtain a contract to organize and operate a pilot
11 charter school in accordance with this division, a person may
12 apply to an authorizing body described in section 256F.21,
13 subsection 2. The application shall include all of the
14 information described in section 256F.11, subsection 1, and
15 all of the following information:

16 a. Identification of the applicant for the contract.

17 b. Subject to the resolution adopted by the authorizing
18 body under section 256F.24, subsection 2, a list of the
19 proposed members of the board of directors of the pilot
20 charter school and a description of the qualifications and
21 method for appointment or election of members of the pilot
22 charter school board of directors.

23 c. The proposed articles of incorporation, which shall
24 include at least all of the following:

25 (1) The name of the proposed pilot charter school.

26 (2) The mission, purpose, and specialized focus of the
27 proposed pilot charter school. This language shall provide
28 that the pilot charter school is incorporated pursuant to this
29 section and that the pilot charter school is a governmental
30 entity.

31 (3) The name of the authorizing body.

32 (4) The proposed time when the articles of incorporation
33 will be effective.

34 (5) Other matters considered expedient to be in the
35 articles of incorporation.

1 (6) The composition of the pilot charter school board.

2 d. Documentation meeting the application requirements of
3 the authorizing body, including at least all of the following:

4 (1) A copy of curricula to be offered by the pilot charter
5 school. To the extent applicable, the progress of the
6 students in the pilot charter school shall be reflected in the
7 report filed with the state board in accordance with section
8 256F.7.

9 (2) A description of how the applicant will provide to the
10 general public adequate notice that a pilot charter school is
11 being created and adequate information on the admission
12 policy, criteria, and process.

13 e. Descriptions of staff responsibilities.

14 f. Identification of where the pilot charter school will
15 be located, which shall be within the boundaries of the school
16 district acting as the authorizing body, including a
17 description of and the address for the proposed physical plant
18 in which the pilot charter school will be located. A pilot
19 charter school may be located in all or part of an existing
20 public school building. A pilot charter school shall not
21 operate at a site other than the single site requested for the
22 configuration of grades that will use the site, as specified
23 in its application.

24 g. An agreement that the pilot charter school will comply
25 with the provisions of this division and, subject to the
26 provisions of this chapter, with all other state and federal
27 law applicable to school districts.

28 2. Within ninety days of receiving an application made in
29 accordance with subsection 1, the board of directors of the
30 school district shall notify the applicant of its decision to
31 deny or approve the application. If the board denies the
32 application, or fails to notify the person of its decision in
33 a timely manner, the applicant may apply to the state board.

34 If the state board approves the application, the state board
35 shall notify the board of directors of the school district in

1 which the pilot charter school is located, and the school
2 board shall become the authorizing body for the pilot charter
3 school, shall issue a contract with the pilot charter school,
4 and shall otherwise comply with the provisions of the charter.
5 The decision of the state board is final and is not subject to
6 review by a court or any other state agency.

7 3. The authorizing body shall oversee the pilot charter
8 school operating under a contract issued by the authorizing
9 body. The oversight shall be sufficient to ensure that the
10 authorizing body can certify that the pilot charter school is
11 in compliance with applicable statute, administrative rules,
12 and the terms of the contract. However, control of
13 instruction at a pilot charter school shall be vested in the
14 board of directors of the pilot charter school under the
15 general supervision of that board.

16 4. If the state board finds that an authorizing body is
17 not engaging in appropriate continuing oversight of a pilot
18 charter school operating under a contract with the authorizing
19 body, the state board may suspend the power of the authorizing
20 body to issue new contracts to organize and operate pilot
21 charter schools. A contract issued by the authorizing body
22 during the suspension is void. A contract issued by the
23 authorizing body before the suspension is not affected by the
24 suspension.

25 Sec. 13. NEW SECTION. 256F.23 ADDITIONAL PROVISIONS
26 REGARDING LOCAL PUBLIC PILOT CHARTER SCHOOLS.

27 1. A pilot charter school established under this division
28 shall do the following:

29 a. Operate within the geographical boundaries of the
30 school district approved to establish the pilot charter
31 school.

32 b. Be accountable to the local school board for purposes
33 of ensuring compliance with the charter provisions.

34 2. An authorizing body is not required to issue a contract
35 to any person. Pilot charter school contracts shall be issued

1 on a competitive basis taking into consideration the resources
2 available for the proposed pilot charter school, the
3 population to be served by the proposed pilot charter school,
4 and the educational goals to be achieved by the proposed pilot
5 charter school.

6 3. A pilot charter school is subject to the same financial
7 audits, audit procedures, and audit requirements as a school
8 district. The audit shall be consistent with the requirements
9 of sections 11.6, 11.14, 11.19, 256.9, subsection 19, and
10 section 279.29, except to the extent deviations are necessary
11 because of the program at the school. The auditor of state
12 may conduct financial, program, or compliance audits.

13 Sec. 14. NEW SECTION. 256F.24 BOARD OF DIRECTORS.

14 1. A pilot charter school shall be organized and
15 administered under the direction of a board of directors.

16 2. The authorizing body shall adopt a resolution
17 establishing the method of board selection, length of term,
18 and number of members of the board of directors of each pilot
19 charter school. The person who applies to the authorizing
20 body under section 256F.22, subsection 1, shall hold an
21 election for members of the pilot charter school's board of
22 directors in a timely manner after the school is operating.
23 Staff members employed by the pilot charter school, including
24 teachers providing instruction under a contract with a
25 teaching cooperative and all parents or guardians of children
26 enrolled in the school, shall be given the opportunity to
27 participate in the election. A provisional board may operate
28 before the election of the school's board of directors.
29 Meetings of the board of directors of a pilot charter school
30 are subject to the provisions of chapter 21.

31 3. The board of directors for the pilot charter school
32 shall adopt bylaws and shall organize the pilot charter school
33 as a nonprofit association, nonprofit corporation, or business
34 corporation.

35 Sec. 15. NEW SECTION. 256F.25 REVOCATION OF CONTRACT.

1 1. A contract issued under this division may be revoked by
2 the authorizing body if it determines that one or more of the
3 following occurred:

4 a. Failure of the pilot charter school to abide by and
5 meet the educational goals set forth in the contract.

6 b. Failure of the pilot charter school to comply with all
7 applicable law.

8 c. Failure of the pilot charter school to meet generally
9 accepted public sector accounting principles.

10 d. The existence of one or more other grounds for
11 revocation as specified in the contract.

12 2. If the authorizing body determines to revoke a contract
13 in accordance with this division, the authorizing body shall
14 notify the pilot charter school of the proposed action at
15 least sixty days prior to revoking a contract. The notice
16 shall state the grounds for the proposed action in writing and
17 in reasonable detail. The pilot charter school may request in
18 writing an informal hearing before the authorizing body within
19 fourteen days of receiving notice of revocation of the
20 contract. Upon receiving a timely written request for a
21 hearing, the authorizing body shall give reasonable notice to
22 the pilot charter school of the hearing date. The authorizing
23 body shall conduct an informal hearing before taking final
24 action. The authorizing body shall take final action to
25 revoke or approve continuation of a contract by the last day
26 of classes in the school year. If the final action to revoke
27 a contract under this section occurs prior to the last day of
28 classes in the school year, a student attending the school may
29 enroll in the resident district or another district as
30 provided in section 256F.6.

31 3. The decision of the authorizing body to revoke a
32 contract under this section is subject to appeal under section
33 290.1. An authorizing body revoking a contract under this
34 section is not liable for that action to the pilot charter
35 school, a student enrolled in the pilot charter school or the

1 student's parent or guardian, or any other person.

2 Sec. 16. NEW SECTION. 256F.26 IMMUNITY.

3 The state board, members of the state board, the
4 authorizing body, members of the board of the authorizing body
5 in their official capacity, and employees of an authorizing
6 body are immune from civil or criminal liability for all
7 reasonable actions taken in the performance of their duties
8 related to a charter school they approve or oversee. The
9 board of directors of the pilot charter school shall obtain at
10 least the amount of and types of insurance required by the
11 contract, pursuant to section 256F.11, subsection 1.

12 Sec. 17. NEW SECTION. 256F.27 EXEMPTION FROM TAXATION.

13 A pilot charter school is exempt from all state taxation on
14 its earnings and property. Instruments of conveyance to or
15 from a pilot charter school are exempt from all state
16 taxation. A pilot charter school shall not levy taxes for any
17 purpose. However, the operation of a pilot charter school and
18 oversight of a pilot charter school by a school district shall
19 not affect the ability of the school district to levy taxes in
20 accordance with any applicable statute.

21 Sec. 18. NEW SECTION. 256F.28 OTHER AID -- INTERESTS IN
22 PROPERTY.

23 A pilot charter school may acquire by purchase, gift,
24 devise, lease, sublease, installment purchase agreement, land
25 contract, option, or by any other means, hold and own in its
26 own name buildings and other property for school purposes and
27 other interests, including, but not limited to, interests in
28 property subject to mortgages, security interests, or other
29 liens, necessary or convenient to fulfill its purposes. For
30 the purposes of condemnation, a pilot charter school may
31 proceed under chapter 6B or any other applicable statutes, but
32 only with the express, written permission of the authorizing
33 body in each instance of condemnation and only after just
34 compensation has been determined and paid.

35 Sec. 19. NEW SECTION. 256F.29 LEASED SPACE.

1 A pilot charter school may lease space from a board
2 eligible to be an authorizing body or other public or private
3 nonprofit, nonsectarian organization. If a pilot charter
4 school is unable to lease appropriate space from an eligible
5 board or other public or private nonprofit, nonsectarian
6 organization, the school may lease space from another
7 nonsectarian organization if the department of education, in
8 consultation with the department of general services, approves
9 the lease. If the school is unable to lease appropriate space
10 from public or private nonsectarian organizations, the school
11 may lease space from a sectarian organization if the leased
12 space is constructed as a school facility and the department
13 of education, in consultation with the department of general
14 services, approves the lease.

15 Sec. 20. NEW SECTION. 256F.30 AUTHORITY TO RAISE INITIAL
16 WORKING CAPITAL.

17 The authorizing body may authorize a pilot charter school
18 before the applicant has secured its space, equipment,
19 facilities, and personnel, if the applicant indicates the
20 authority is necessary for it to raise working capital. An
21 authorizing body shall not authorize a school before the state
22 board has approved the application.

23 Sec. 21. NEW SECTION. 256F.31 TRANSPORTATION.

24 A pilot charter school shall provide transportation
25 services to students enrolled in the pilot charter school, as
26 if it was a school district, in accordance with section 285.1.
27 The state shall pay transportation aid to the pilot charter
28 school under chapter 285 as if it was a school district.

29 Sec. 22. NEW SECTION. 256D.32 DISSEMINATE INFORMATION.

30 The authorizing body, the pilot charter school, and the
31 department shall disseminate information to the public on how
32 to form and operate a charter school and how to utilize the
33 offerings of a charter school. Particular groups to be
34 targeted include low-income families and communities and
35 minority students.

1 Sec. 23. NEW SECTION. 256D.33 LEAVE TO TEACH IN A
2 CHARTER SCHOOL.

3 Each school district shall be required to grant a leave of
4 absence to any teacher in the school district requesting such
5 leave in order to teach in a pilot charter school. A teacher
6 may request a leave of absence for up to two years. While on
7 leave, the teacher shall retain the teacher's seniority. At
8 the end of the second year, the teacher may either return to
9 the teacher's former teaching position in the school district
10 or, if the teacher chooses, may continue teaching at the pilot
11 charter school and resign from the school district position.

12 Sec. 24. NEW SECTION. 256D.34 STATE SCHOOL FOUNDATION
13 AID FOR A CHARTER SCHOOL.

14 1. Revenue from taxes levied by a school district or bonds
15 issued by a school district shall be used to support the
16 operation or facilities of a pilot charter school overseen by
17 a school district, but locally operated, in the same manner as
18 that revenue may be used by the school district to support its
19 operations and facilities. This section shall not be
20 construed to authorize a school district to levy taxes or to
21 issue bonds for any purpose that is not otherwise authorized
22 under this chapter.

23 2. The authorizing body for a pilot charter school is the
24 fiscal agent for the pilot charter school. A state school aid
25 payment for a pilot charter school shall be paid in accordance
26 with section 257.16 to the fiscal agent, which shall then
27 forward the payment to the pilot charter school.

28 Sec. 25. EMERGENCY RULES. The state board of education
29 may adopt emergency rules under section 17A.4, subsection 2,
30 and section 17A.5, subsection 2, paragraph "b", to implement
31 this Act and the rules shall be effective immediately upon
32 filing unless a later date is specified in the rules. Any
33 rules adopted in accordance with this section shall also be
34 published as a notice of intended action as provided in
35 section 17A.4.

SENATE FILE 2318

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1 Amend Senate File 2318, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

5 "PILOT CHARTER SCHOOL PROGRAM

6 Section 1. NEW SECTION. 256F.1 FINDINGS AND
7 INTENT.

8 The general assembly finds that the restrictions
9 and requirements of state laws and regulations often
10 prevent public schools from achieving effective
11 education reform. To determine whether allowing
12 public schools to operate under a charter can help a
13 public school more effectively achieve the goal of
14 education reform, the general assembly finds that a
15 pilot program should be enacted allowing public
16 schools to specify their own duties, responsibilities,
17 and operations. The ultimate goal of a charter school
18 shall be to improve student performance.

19 Sec. 2. NEW SECTION. 256F.2 DEFINITIONS.

20 1. "Department" means the department of education,
21 for purposes of this chapter.

22 2. "Pilot charter school", for purposes of this
23 division, means a state public school or a school
24 district operated as a pilot charter school program,
25 as indicated by the context which is operating under a
26 contract with the state board in accordance with this
27 chapter.

28 3. "State board" means the state board of
29 education, for purposes of this chapter.

30 Sec. 3. NEW SECTION. 256F.3 PILOT PROGRAM.

31 1. Commencing with the school year beginning July
32 1, 2001, the state board of education shall initiate a
33 pilot program to test the effectiveness of charter
34 schools. The purpose of the pilot charter school
35 program is to encourage public schools and school
36 districts to determine creative ways to achieve
37 improved educational outcomes. A school district
38 approved as a pilot program for a state public charter
39 school shall be counted as one program under this
40 section. To receive approval to establish a pilot
41 charter school, the board of directors of a school
42 district shall submit an application to the state
43 board in accordance with section 256F.5. The state
44 board shall approve only those applications that meet
45 the qualifications specified in section 256F.4. The
46 state board shall adopt rules in accordance with
47 chapter 17A for the implementation of this chapter.

48 2. When considering applications, state board
49 approval shall also be based on whether the
50 applications provide for geographical distribution of

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1 pilot programs across the state and ensures
2 distribution to small, medium, and large school
3 districts.

4 3. The approval by the state board of an
5 application shall not be conditioned upon the
6 bargaining unit status of the employees of the charter
7 school.

8 4. A school board may, by majority vote, submit
9 the question of whether to operate the entire school
10 district as a state public charter school to the
11 eligible electors of the school district at any
12 regular school election or at a special election
13 called specifically for this purpose. The school
14 board shall submit an application to the state board
15 for approval of the state public charter school as a
16 pilot program only if a majority of the eligible
17 electors voting in an election called pursuant to this
18 subsection vote in favor of the question.

19 5. If federal rules or regulations are adopted
20 relating to the distribution or utilization of funds
21 allocated to the state department of education
22 pursuant to this section which are inconsistent with
23 the provisions of this section, the state department
24 of education shall adopt rules to comply with the
25 requirements of the federal rules or regulations.

26 Sec. 4. NEW SECTION. 256F.4 GENERAL OPERATING
27 REQUIREMENTS.

28 1. A pilot charter school is a public school and
29 is part of the state's system of public education.
30 Although a pilot charter school may elect to comply
31 with one or more provisions of statute or
32 administrative rule, a pilot charter school is exempt
33 from all statutes and rules applicable to a school, a
34 school board, or a district, except the pilot charter
35 school shall do the following:

36 a. Meet all applicable federal, state, and local
37 health and safety requirements and laws prohibiting
38 discrimination on the basis of race, creed, color,
39 sex, national origin, religion, ancestry, or
40 disability. A charter school shall be subject to any
41 court-ordered desegregation plan in effect for the
42 school district at the time the school's charter
43 application is approved.

44 b. Operate as a nonsectarian, nonreligious public
45 school.

46 c. Be free of tuition and application fees to Iowa
47 resident students between the ages of five and twenty-
48 one years.

49 d. Be subject to and shall comply with chapters
50 216 and 216A relating to civil and human rights.

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1 e. Be considered a school district for purposes of
2 tort liability under chapter 670.

3 f. Receive state moneys or be eligible to receive
4 state moneys as provided in chapters 256D, 256E, 257,
5 285, 294A, and 295, as if it did not operate under a
6 charter. A pilot charter school district may levy
7 taxes and issue bonds as provided in chapters 73A, 75,
8 76, 257, 279, 295, 296, and 298, as if it did not

9 operate under a charter. The enrollment of the pilot
10 charter school shall be included in the actual
11 enrollment of the school district in which the pilot
12 charter school is located except as provided in
13 paragraph "g". A pilot charter school district shall
14 be liable for timely payment on its bonded
15 indebtedness and subject to the same bonded
16 indebtedness limitations as if it did not operate
17 under a charter.

18 g. Operate within the same geographic district
19 boundaries that existed prior to its becoming a pilot
20 charter school or district. The enrollment of the
21 pilot charter school or district shall be calculated
22 and submitted as provided in chapter 257 as if it did
23 not operate under a charter.

24 h. Provide special education services in
25 accordance with chapter 256B. However, the school
26 district of residence shall be responsible for the
27 difference between the state moneys received pursuant
28 to the weighting plan under section 256B.9, and the
29 pilot charter school's extraordinary costs of
30 instruction of children requiring special education.

31 i. Be subject to the same financial audits, audit
32 procedures, and audit requirements as a school
33 district. The audit shall be consistent with the
34 requirements of sections 11.6, 11.14, 11.19, 256.9,
35 subsection 19, and section 279.29, except to the
36 extent deviations are necessary because of the program
37 at the school. The department, the auditor of state,
38 or the legislative fiscal bureau may conduct
39 financial, program, or compliance audits.

40 3. A pilot charter school shall not discriminate
41 in its student admissions policies or practices on the
42 basis of intellectual or athletic ability, measures of
43 achievement or aptitude, status as a person with a
44 disability, or any other basis that would be illegal
45 if practiced by a school district. However, a pilot
46 charter school may limit admission to students who are
47 within a particular range of age or grade level or on
48 any other basis that would be legal if initiated by a
49 school district. Enrollment priority shall be given
50 to the siblings of students enrolled in a pilot

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1 charter school.

2 4. A pilot charter school shall enroll an eligible
3 student who submits a timely application, unless the
4 number of applications exceeds the capacity of a
5 program, class, grade level, or building. In this
6 case, students must be accepted by lot. A pilot
7 charter school shall be subject to section 282.18 as
8 if it did not operate under a charter, except as
9 provided in this chapter.

10 5. A bargaining unit formed by employees of a
11 pilot charter school shall be separate from a school
12 district bargaining unit, unless the entire school
13 district is approved as a pilot charter school.

14 6. A pilot charter school shall provide
15 instruction for at least the number of days required
16 by section 279.10, subsection 1, unless the school
17 provides instruction throughout the year according to
18 section 256.20 or section 279.10, subsection 3.

19 7. Notwithstanding section 256F.4, subsection 1, a
20 pilot charter school shall meet the requirements of
21 section 256.7, subsection 21.

22 Sec. 5. NEW SECTION. 256F.5 APPLICATION --
23 DEFINITION.

24 1. An application for the approval of a pilot
25 charter school shall include, but shall not be limited
26 to, a description of the following:

27 a. The method for admission to a pilot charter
28 school.

29 b. The mission, purpose, innovation, and
30 specialized focus of the pilot charter school.

31 c. Performance goals and objectives in addition to
32 those required under section 256.7, subsection 21, by
33 which the school's student achievement shall be
34 judged, the measures to be used to assess progress,
35 and the current baseline status with respect to the
36 goals.

37 d. Procedures for teacher evaluation and
38 professional development for teachers and
39 administrators.

40 e. The pilot charter school governance and bylaws.

41 f. The financial plan for the operation of the
42 school.

43 g. The educational program, instructional
44 methodology, and services to be offered to students.

45 h. The number and qualifications of teachers and
46 administrators to be employed.

47 i. The organization of the school in terms of ages
48 of students or grades to be taught along with an
49 estimate of the total enrollment of the school.

50 j. The provision of school facilities and public

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1 transportation.

2 k. A statement indicating how the pilot charter
3 school will meet the requirements of section 256F.4,
4 subsection 1, paragraph "a" and section 256F.4,
5 subsection 3.

6 l. Assurance of the assumption of liability by the
7 pilot charter school.

8 m. The types and amounts of insurance coverage to
9 be obtained by the pilot charter school.

10 n. A plan of operation to be implemented if the
11 state public charter school revokes or fails to renew
12 its contract.

13 2. If an attendance center located within a
14 district submits an application to a school district,
15 the board of directors of the school district shall
16 notify the applicant of its decision to deny or
17 approve the application within ninety days of
18 receiving the application. If the board denies the
19 application, or fails to notify the applicant of its
20 decision in a timely manner, the applicant may apply
21 to the state board. If the state board approves the
22 application, the state board shall notify the board of
23 directors of the school district in which the
24 attendance center is located, and the school board
25 shall become the authorizing body for the pilot
26 charter school, shall issue a contract with the pilot
27 charter school, and shall otherwise comply with the
28 provisions of the chapter. The decision of the state
29 board is final.

30 3. A school district seeking approval for a pilot
31 charter school shall also submit with the application
32 evidence of broad-based support among parents,
33 teachers, and pupils within the school district for
34 the formation of a pilot charter school by way of a
35 petition, public opinion survey, or other similar,
36 reliable indicator of public opinion.

37 4. The state board and a pilot charter school may
38 freely negotiate which state statutes and
39 administrative rules apply to the pilot charter
40 school.

41 Sec. 6. NEW SECTION. 256F.6 CONTRACT.

42 1. An approved pilot charter school application
43 shall constitute an agreement, the terms of which
44 shall be the terms of a four-year renewable contract
45 between the pilot charter school and the state board.
46 The contract shall reflect all agreements regarding
47 the operation of the pilot charter school. The terms
48 of the contract may be revised at any time with the
49 approval of both the state board and the pilot charter
50 school, whether or not the stated provisions of the

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1 contract are being fulfilled.

2 2. The state board of education shall provide by
3 rule for the ongoing review of a pilot charter
4 school's compliance with a contract entered into in
5 accordance with this chapter.

6 3. The department shall visit a pilot charter
7 school district at least once annually to determine
8 the status and progress toward the goals of its
9 contract.

10 Sec. 7. NEW SECTION. 256F.7 INSTRUCTIONAL AND
11 NONINSTRUCTIONAL STAFF.

12 1. Employees of a pilot charter school may, if
13 otherwise eligible, organize under chapter 20 and
14 comply with its provisions as if it did not operate
15 under a charter.

16 2. Practitioners employed by pilot charter schools
17 shall be licensed in accordance with chapter 272
18 except as follows:

19 a. Up to fifteen percent of the teachers employed
20 by pilot charter schools shall not be required to be
21 licensed under chapter 272.

22 b. A person may be employed as an administrator if
23 the person is pursuing a course of study leading to
24 the completion of all requirements for licensure as an
25 administrator.

26 3. Practitioners employed in a pilot charter
27 school shall be public school employees for purposes
28 of chapter 97B.

29 Sec. 8. NEW SECTION. 256F.8 PROCEDURES FOR
30 REVOCATION OR NONRENEWAL OF CONTRACT.

31 1. A contract for the establishment of a state
32 public pilot charter school may be revoked either by
33 the state board, in accordance with section 256F.6,
34 subsection 2, in the case of a school district, or, in
35 the case of a school only, the school board that
36 established the pilot charter school if the
37 appropriate board determines that one or more of the
38 following occurred:

39 a. Failure of the pilot charter school or district
40 to abide by and meet the educational goals set forth
41 in the contract.

42 b. Failure of the pilot charter school or district
43 to comply with all applicable law.

44 c. Failure of the pilot charter school or district
45 to meet generally accepted public sector accounting
46 principles.

47 d. The existence of one or more other grounds for
48 revocation as specified in the contract.

49 2. The decision by a school board to revoke or to
50 fail to take action to renew a pilot charter school

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1 contract is subject to appeal under section 290.1.
2 3. If the state board determines that a pilot
3 charter school district is in substantial violation of
4 the terms of the contract entered into in accordance
5 with section 256F.6, the state board shall assume
6 temporary oversight authority, operational authority,
7 or both oversight and operational authority, and
8 notify the pilot charter school district of its
9 intention to revoke the contract at least sixty days
10 prior to revoking a contract. The notice shall state
11 the grounds for the proposed action in writing and in
12 reasonable detail. The school district may request in
13 writing an informal hearing before the state board
14 within fourteen days of receiving notice of revocation
15 of the contract. Upon receiving a timely written
16 request for a hearing, the state board shall give
17 reasonable notice to the school board of the hearing
18 date. The state board shall conduct an informal
19 hearing before taking final action. The school board
20 shall take final action to revoke or approve
21 continuation of a contract by the last day of classes
22 in the school year. If the final action to revoke a
23 contract under this section occurs prior to the last
24 day of classes in the school year, a pilot charter
25 school student may enroll in the resident district or
26 another district as provided in section 256F.9,
27 subsection 2.

28 4. The decision of the state board to revoke a
29 contract under this section is solely within the
30 discretion of the state board and is final.

31 5. A board revoking a contract or a school board
32 which fails to renew a contract under this chapter is
33 not liable for that action to the pilot charter
34 school, a student enrolled in the pilot charter school
35 or the student's parent or guardian, or any other
36 person.

37 Sec. 9. NEW SECTION. 256F.9 PROCEDURES AFTER
38 REVOCAION -- STUDENT ENROLLMENT.

39 1. If the contract for a pilot charter school
40 district is revoked in accordance with section 256F.8,
41 the state board shall merge the territory of the
42 school district with one or more contiguous school
43 districts at the end of the school year. Division of
44 assets and liabilities of the school district shall be
45 as provided in sections 275.29 through 275.31. Until
46 the merger is completed, and subject to a decision by
47 the state board of education, the pilot charter school
48 district shall pay tuition for its resident students
49 to an accredited school district under section 282.24.
50 However, in lieu of merger and payment of tuition by a

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1 pilot charter school district, the state board may
2 place the district under receivership for the
3 remainder of the school year or until the district
4 meets the accreditation requirements of section 256.11
5 or the terms of the contract entered into pursuant to
6 section 256F.6. The receivership shall be under the
7 direct supervision and authority of the director of
8 the department of education. The decision of whether
9 to merge the school district and require payment of
10 tuition for the district's students or to place the
11 district under receivership shall be based upon a
12 determination by the state board of the best interests
13 of the students, parents, residents of the community,
14 teachers, administrators, and board members of the
15 district and the recommendations of the director of
16 the department of education. If the state board
17 revokes a contract, the revocation shall take effect
18 on the date established by the resolution of the state
19 board, which shall be no later than the end of the
20 school year in which the contract is revoked.

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

32 Sec. 10. NEW SECTION. 256F.10 REPORTS.

33 Notwithstanding section 256F.4, subsection 1, not
34 later than December 1, 2001, and annually thereafter,
35 the state board shall submit a comprehensive report,
36 with findings and recommendations, to the senate and
37 house standing committees on education. The report
38 shall evaluate pilot charter school programs
39 generally, including but not limited to, an evaluation
40 of whether the pilot programs are fulfilling the
41 purposes set forth in section 256F.5, subsection 1.
42 The report also shall contain, for each pilot charter
43 school, a copy of the pilot charter school's mission
44 statement, attendance statistics and dropout rate,
45 aggregate assessment test scores, projections of
46 financial stability, and number of and comments on
47 supervisory visits by the department of education.

48 Sec. 11. EMERGENCY RULES. The state board of
49 education may adopt emergency rules under section
50 17A.4, subsection 2, and section 17A.5, subsection 2,

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1 paragraph "b", to implement this Act and the rules
2 shall be effective immediately upon filing unless a
3 later date is specified in the rules. Any rules
4 adopted in accordance with this section shall also be
5 published as a notice of intended action as provided
6 in section 17A.4."

By COMMITTEE ON EDUCATION
GRUNDBERG of Polk, Chairperson

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