HOUSE FILE 813
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 242)

(As Amended and Passed by the House March 25, 2021)

[= New Language by the House

* = Language Stricken by the House

A BILL FOR

An Act modifying and establishing charter school programs [and making appropriations].

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

Section 1. NEW SECTION. **256E.1 Establishment of charter schools — purpose.**

1. Charter schools shall be part of the state's program of public education.

2. A charter school may be established by either of the following methods:

a. A school board may create a founding group to apply to the state board for approval to establish and operate a charter school within and as a part of the school district by establishing a new attendance center, creating a new school within an existing attendance center, or by converting an existing attendance center to charter status.

b. A founding group may apply to the state board for approval to establish and operate a charter school within the boundaries of the state that operates as a new attendance center independently from a public school district.

3. The purpose of a charter school established pursuant to this chapter shall be to accomplish the following:

a. Improve student learning, well-being, and postsecondary success.

b. Increase learning opportunities for students in areas of need in this state, including but not limited to science, technology, engineering, and math (STEM), and science, technology, engineering, arts, and math (STEAM).

c. Increase opportunities for work-based learning, early literacy intervention, and serving at-risk populations.

d. Accelerating student learning to prevent learning loss during the COVID-19 pandemic and other significant disruptions to student learning.

e. Encourage the use of evidence-based practices in innovative environments.

f. Require the measurement and evaluation of program implementation and learning outcomes.

g. Establish models of success for Iowa schools.

h. Create new professional opportunities for teachers and

other educators.

i. Investigate and establish different organizational structures for schools to use to implement a multi-tiered system of supports for students.

j. Allow greater flexibility to meet the education needs of a diverse student population and changing workforce needs.

k. Allow for the flexible allocation of resources through implementation of specialized school budgets for the benefit of the schools served.

l. Allow greater flexibility for districts and schools to focus on closing gaps in student opportunity and achievement for all students from preschool through postsecondary preparation.

4. The state board of education shall be the only authorizer of charter schools under this chapter.

Sec. 2. NEW SECTION. **256E.2 Definitions.**

As used in this chapter, unless the context otherwise requires:

1. *"Attendance center"* means a school building that contains classrooms used for instructional purposes for elementary, middle, or secondary school students.

2. *"Charter school"* means a school established in accordance with this chapter.

3. *"Department"* means the department of education.

4. *"Education service provider"* means an education management organization, charter school management organization, or other person with whom a charter school contracts for educational program implementation or comprehensive management.

5. *"Founding group"* means a person, group of persons, or education service provider that develops and submits an application for a charter school to the state board under this chapter.

6. *"Governing board"* means the independent board of a charter school whose members are elected or selected pursuant

to the charter school [contract, subject to the requirements of section 256E.7, subsection 10].

7. *"School board"* means a board of directors regularly elected by the registered voters of an accredited public school district.

8. *"State board"* means the state board of education.

Sec. 3. NEW SECTION. **256E.3 Department — duty to monitor.**

The department shall monitor the effectiveness of charter schools and shall implement the applicable provisions of this chapter.

Sec. 4. NEW SECTION. **256E.4 School board-state board model.**

1. A school board may create a founding group to apply to the state board for approval to establish and operate a charter school within and as a part of the school district by establishing a new attendance center, creating a new school within an existing attendance center, or by converting an existing attendance center. The application shall demonstrate the founding group's academic and operational vision and plans for the proposed charter school, demonstrate the founding group's capacity to execute the vision and plans, and provide the state board a clear basis for assessing the founding group's plans and capacity.

2. The state board shall adopt rules to establish appropriate application timelines and deadlines for the submission of charter school applications under this section.

3. The instructions for completing an application shall include or otherwise inform applicants of all of the following:

a. The performance framework adopted by the state board for charter school oversight and evaluation requirements in accordance with sections 256E.9 and 256E.10.

b. The criteria the state board will use in evaluating applications.

c. The requirements concerning the format and content essential for applicants to demonstrate the capacities necessary to establish and operate a successful charter school.

4. An application submitted under this section shall also include all of the following items related to the proposed charter school:

a. An executive summary.

b. The mission and vision of the proposed charter school, including identification of the targeted student population and the community the charter school intends to serve.

c. The location of the proposed charter school or the proposed geographic area within the school district where the school is proposed to be located.

d. Identification of the grades to be served each school year during the duration of the charter school contract.

e. Minimum, planned, and maximum enrollment per grade for each school year during the duration of the charter school contract.

f. Evidence of need and community support for the proposed charter school.

g. Background information on the members of the founding group and background information on the governing board, administration, and management personnel of the proposed charter school, if available.

h. The charter school's proposed operations calendar and sample daily schedule.

i. A description of the academic program and identification of ways the program aligns with state academic standards.

j. A description of the charter school's instructional model, including the type of learning environment, class size and structure, curriculum overview, and teaching methods.

k. The charter school's plan for using internal and external assessments to measure and report student progress on the performance framework in accordance with section 256E.9.

l. Plans for identifying and serving students with disabilities, students who are limited English proficient, students who are academically failing or below grade level, and gifted students, including but not limited to compliance with

applicable laws and regulations.

m. A description of cocurricular and extracurricular programs and how the programs will be funded and delivered.

n. Plans and timelines for student recruitment, enrollment, and transfers, including enrollment preferences and procedures for conducting transparent admissions selections, including admissions lotteries.

o. The proposed code of student conduct, including applicable procedures and disciplinary sanctions for both general students and special education students.

p. A chart or description of the charter school's organizational structure and the duties and powers of each position or group, including the delineation of authority and reporting between the governing board, administration, staff, and any related bodies or external organizations that have a role in managing the charter school.

q. A staffing chart for the charter school's first year and a staffing plan for the duration of the charter school contract.

r. Plans for recruiting and developing school administrators, staff, and governing board members and the charter school's employment policies, including performance evaluation plans.

s. Proposed governing bylaws for the charter school.

t. Identification and explanation of any partnerships or contractual relationships with the founding group or any of the founding group or school board's members that are related to the charter school's operations or mission.

u. The charter school's plans for providing transportation services, food service, and all other operational or ancillary services.

v. Proposed opportunities and expectations for parent involvement.

w. A detailed school start-up plan and five-year plan, including all relevant assumptions used, identifying timelines

for charter school finances, budget, and insurance coverage, facility construction, preparation, and contingencies, and the identification of persons or positions responsible for each such item.

x. Evidence of anticipated fundraising contributions, if any.

y. Evidence of the founding group's success in serving student populations similar to that which is proposed in the application and if the founding group operates other charter schools, evidence of past performance of such other charter schools and evidence of the founding group's capacity for an additional charter school.

z. A description of the proposed charter school's staff performance evaluation measures and compensation structure, methods of contract oversight and dispute resolution, investment disclosures, and conflicts of interest.

aa. A proposed duration and outline of the charter school contract, including designation of roles, authority, and duties of the governing board and the charter school staff.

ab. The specific statutes and administrative rules with which the charter school does not intend to comply. The department shall provide technical assistance to the applicant concerning statutes and administrative rules that may be waived under the charter school contract in order to facilitate the goals of the charter school.

5. If the founding group proposes to establish a charter school by converting an existing attendance center of the school district, the state board shall not approve the application unless the founding group submits evidence that the attendance center's teachers and parents or guardians of students enrolled at the existing attendance center voted in favor of the conversion. A vote in favor of conversion under this subsection requires the support of a majority of the teachers employed at the school on the date of the vote and a majority of the parents or guardians voting whose children

are enrolled at the school, provided that a majority of the parents or guardians eligible to vote participate in the ballot process. The state board shall establish procedures by rule for voting under this subsection. A parent or guardian voting in accordance with this subsection must be a resident of this state.

6. In reviewing and evaluating charter school applications, the state board shall employ procedures, practices, and criteria consistent with nationally recognized principles and standards for reviewing charter school applications. Each application review shall include thorough evaluation of the written application, an in-person interview with the founding group, and an opportunity in a public forum for local residents to learn about and provide input on each application.

7. Following review of a charter school application and completion of the process required under subsection 6, the state board shall do all of the following:

a. Approve a charter school application only if the founding group has demonstrated competence in each element of the approval criteria and if the founding group is likely to open and operate a successful charter school.

b. Make application decisions on documented evidence collected through the application review process.

c. Adhere to the policies and criteria that are transparent, based on merit, and avoid conflicts of interest or any appearance thereof.

8. The state board shall approve a charter school application if the application satisfies the requirements of this chapter. The state board shall approve or deny a charter school application no later than seventy-five calendar days after the application is received. If the state board denies an application, the state board shall provide notice of denial to the founding group in writing within thirty days after the state board's action. The notice shall specify the exact reasons for denial and provide documentation supporting those

reasons. An approval decision may include, if appropriate, reasonable conditions that the founding group must meet before a charter school contract may be executed pursuant to section 256E.6. An approved charter application shall not serve as a charter school contract.

9. A decision of the state board relating to an application under this section is not appealable.

10. An unsuccessful applicant under this section may subsequently reapply to the state board.

Sec. 5. NEW SECTION. **256E.5 Founding group-state board model.**

1. A founding group may apply to the state board for approval to establish and operate a charter school within the boundaries of the state that operates as a new attendance center independently from a public school district. The application shall demonstrate the founding group's academic and operational vision and plans for the proposed charter school, demonstrate the founding group's capacity to execute the vision and plans, and provide the state board a clear basis for assessing the founding group's plans and capacity.

2. The state board shall adopt rules to establish appropriate application timelines and deadlines for the submission of charter school applications under this section.

3. The instructions for completing an application shall include or otherwise inform applicants of all of the following:

a. The performance framework adopted by the state board for charter school oversight and evaluation requirements in accordance with sections 256E.9 and 256E.10.

b. The criteria the state board will use in evaluating applications.

c. The requirements concerning the format and content essential for applicants to demonstrate the capacities necessary to establish and operate a successful charter school.

4. The applications submitted under this section shall also include all of the following items related to the proposed

charter school:

a. An executive summary.

b. The mission and vision of the proposed charter school, including identification of the targeted student population and the community the school intends to serve.

c. The location of the proposed charter school or the proposed geographic area within the state where the school is proposed to be located.

d. Identification of the grades to be served each school year during the duration of the charter school contract.

e. Minimum, planned, and maximum enrollment per grade for each school year during the duration of the charter school contract.

f. Evidence of need and community support for the proposed charter school.

g. Background information on the members of the founding group and background information on the governing board, administration, and management personnel of the proposed charter school, if available.

h. The charter school's proposed operations calendar and sample daily schedule.

i. A description of the academic program and identification of ways the program aligns with state academic standards.

j. A description of the charter school's instructional model, including the type of learning environment, class size and structure, curriculum overview, and teaching methods.

k. The charter school's plan for using internal and external assessments to measure and report student progress on the performance framework in accordance with section 256E.9.

l. Plans for identifying and serving students with disabilities, students who are limited English proficient, students who are academically failing or below grade level, and gifted students, including but not limited to compliance with applicable laws and regulations.

m. A description of cocurricular and extracurricular

programs and how the programs will be funded and delivered.

n. Plans and timelines for student recruitment, enrollment, and transfers, including enrollment preferences and procedures for conducting transparent admissions selections, including admissions lotteries.

o. The proposed code of student conduct, including applicable procedures and disciplinary sanctions for both general students and special education students.

p. A chart or description of the charter school's organizational structure and the duties and powers of each position or group, including the delineation of authority and reporting between the governing board, staff, and any related bodies or external organizations that have a role in managing the charter school.

q. A staffing chart for the charter school's first year and a staffing plan for the duration of the charter school contract.

r. Plans for recruiting and developing school administrators, staff, and governing board members and the charter school's employment policies, including performance evaluation plans.

s. Proposed governing bylaws for the charter school.

t. Identification and explanation of any partnerships or contractual relationships with an education service provider that are related to the charter school's operations or mission.

u. The charter school's plans for providing transportation services, food service, and all other operational or ancillary services.

v. Proposed opportunities and expectations for parent involvement.

w. A detailed school start-up plan and five-year plan, including all relevant assumptions used, identifying timelines for charter school finances, budget, and insurance coverage, facility construction, preparation, and contingencies, and the identification of persons or positions responsible for each

such item.

x. Evidence of anticipated fundraising contributions, if any.

y. If the application includes a proposal that the governing board contracts with an education service provider, evidence of the education service provider's success in serving student populations similar to that which is proposed in the application and if the education service provider operates other charter schools, evidence of past performance of such other charter schools and evidence of the education service provider's capacity for growth.

z. If the application includes a proposal that the governing board contracts with an education service provider, a description of the education service provider's staff performance evaluation measures and compensation structure, methods of contract oversight and dispute resolution, investment disclosures, and conflicts of interest.

aa. A proposed duration and outline of the charter school contract, including designation of roles, authority, and duties of the governing board and the charter school staff.

ab. The specific statutes and administrative rules with which the charter school does not intend to comply. The department shall provide technical assistance to the applicant concerning statutes and administrative rules that may be waived under the charter school contract in order to facilitate the goals of the charter school.

5. In reviewing and evaluating charter school applications, the state board shall employ procedures, practices, and criteria consistent with nationally recognized principles and standards for reviewing charter school applications. Each application review shall include thorough evaluation of the written application, an in-person interview with the applicant, and an opportunity in a public forum for local residents of the public school district within which the applicant proposes to locate the charter school to learn about and provide input on

each application.

6. Following review of a charter school application and completion of the process required under subsection 5, the state board shall do all of the following:

a. Approve a charter school application only if the applicant has demonstrated competence in each element of the state board's published approval criteria and the applicant is likely to open and operate a successful charter school.

b. Make application decisions on documented evidence collected through the application review process.

c. Adhere to the policies and criteria that are transparent, based on merit, and avoid conflicts of interest or any appearance thereof.

7. A charter school application under this section shall not be approved if the founding group has another pending application under this section.

8. The state board shall approve a charter school application if the application satisfies the requirements of this chapter. The state board shall approve or deny a charter school application no later than seventy-five calendar days after the application is received. If the state board denies an application, the state board shall provide notice of denial to the applicant in writing within thirty days after board action. The notice shall specify the exact reasons for denial and provide documentation supporting those reasons. An approval decision may include, if appropriate, reasonable conditions that the applicant must meet before a charter school contract may be executed pursuant to section 256E.6. An approved charter application shall not serve as a charter school contract.

9. An unsuccessful charter school applicant may subsequently reapply to the state board.

10. A decision of the state board relating to an application under this section is not appealable.

Sec. 6. NEW SECTION. **256E.6 Charter school contract.**

1. Within the later of thirty days following approval of a charter school application or upon the satisfaction of all reasonable conditions imposed on the applicant in the charter school approval, if any, an enforceable and renewable charter school contract shall be executed between the founding group and the state board setting forth the academic and operational performance expectations and measures by which the charter school will be evaluated pursuant to sections 256E.9 and 256E.10 and the other rights and duties of the parties.

2. An initial charter school contract shall be granted for a * term of [five] school budget years. The charter school contract shall include the beginning and ending dates of the charter school contract term. An approved charter school may delay its opening for a period of time not to exceed one school year in order to plan and prepare for the charter school's opening. If the charter school requires an opening delay of more than one school year, the charter school may request an extension from the state board.

3. Each charter school contract shall be signed by the president of the state board and the president or appropriate officer of the governing body of the founding group.

4. Within fifteen days of the execution of a charter school contract entered into by the state board, the state board shall notify the department and the department of management of the name of the charter school and any applicable education service provider, the proposed location of the charter school, and the charter school's first year projected enrollment.

5. A charter school approved under this chapter shall not commence operations without a valid charter school contract executed in accordance with this section and approved in an open session of the state board.

6. The contract may provide for requirements or conditions to govern and monitor the start-up progress of an approved charter school prior to the opening of the charter school including but not limited to conditions to ensure that the

charter school meets all building, health, safety, insurance, and other legal requirements.

7. A charter school contract may be amended to govern multiple charter schools operated by the same applicant and approved by the state board. However, each charter school that is part of a charter school contract shall be separate and distinct from any other charter school governed by the contract.

Sec. 7. NEW SECTION. **256E.7 General operating powers and duties.**

1. In order to fulfill the charter school's public purpose, a charter school established under this chapter shall be organized as a nonprofit education organization and shall have all the powers necessary for carrying out the terms of the charter school contract including but not limited to the following, as applicable:

a. Receive and expend funds for charter school purposes.

b. Secure appropriate insurance and enter into contracts and leases.

c. Contract with an education service provider for the management and operation of the charter school so long as the governing board retains oversight authority over the charter school.

d. Incur debt in anticipation of the receipt of public or private funds.

e. Pledge, assign, or encumber the charter school's assets to be used as collateral for loans or extensions of credit.

f. Solicit and accept gifts or grants for charter school purposes unless otherwise prohibited by law or by the terms of its charter school contract.

g. Acquire from public or private sources real property for use as a charter school or a facility directly related to the operations of the charter school.

h. Sue and be sued in the charter school's own name.

i. Operate an education program that may be offered by any

noncharter public school or school district.

2. A charter school established under this chapter is exempt from all state statutes and rules and any local rule, regulation, or policy, applicable to a noncharter school, except that the charter school shall do all of the following:

a. Meet all applicable federal, state, and local health and safety requirements and laws prohibiting discrimination on the basis of race, creed, color, sex, sexual orientation, gender identity, national origin, religion, ancestry, or disability. If approved under section 256E.4, the charter school shall be subject to any court-ordered desegregation in effect for the school district at the time the charter school application is approved, unless otherwise specifically provided for in the desegregation order.

b. Operate as a nonsectarian, nonreligious school.

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

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

e. Provide special education services in accordance with chapter 256B.

f. Be subject to the same financial audits, audit procedures, and audit requirements as a school district. The audit shall be consistent with the requirements of sections 11.6, 11.14, 11.19, and 279.29, and section 256.9, subsection 20, except to the extent deviations are necessary because of the program at the school. The department, the auditor of state, or the legislative services agency may conduct financial, program, or compliance audits.

g. Be subject to and comply with the requirements of section 256.7, subsection 21, and the educational standards of section 256.11, unless specifically waived by the state board during the application process.

h. Provide instruction for at least the number of days or hours required by section 279.10, subsection 1, unless

specifically waived by the state board as part of the application process.

i. Comply with the requirements of this chapter.

[2A. The governing board's meetings shall be conducted in a manner that is open to the public and the governing board shall be a governmental body for purposes of chapter 21.]

3. A charter school shall employ or contract with teachers as defined in section 272.1, who hold valid licenses with an endorsement for the type of instruction or service for which the teachers are employed or under contract.

4. A charter school shall not discriminate in its student admissions policies or practices on the basis of intellectual or athletic ability, measures of achievement or aptitude, or status as a person with a disability. However, a charter school may limit admission to students who are within a particular range of ages or grade levels or on any other basis that would be legal if initiated by a school district. Enrollment priority shall be given to the siblings of students enrolled in a charter school.

5. A charter school shall enroll an eligible student who submits a timely application unless the number of applications exceeds the capacity of a program, class, grade level, or building. In this case, students must be accepted by lot. Upon enrollment of an eligible student, the charter school shall notify the public school district of residence not later than March 1 of the preceding school year.

6. Each charter school governing board shall be required to adopt a conflict of interest policy and a code of ethics for all board members and employees.

7. Each charter school governing board shall adopt a policy regarding the hiring of family members to avoid nepotism in hiring and supervision. The policy shall include but is not limited to a disclosure to the governing board of potential nepotism in hiring and supervision. Any person subject to the policy with a conflict shall not be involved in the hiring

decision or supervision of a potential employee.

8. Individuals compensated by an education service provider are prohibited from serving as a voting member on the governing board of any charter school unless the state board waives such prohibition.

9. If the charter school is operated by an education service provider, the governing board of the charter school shall have access to all records of the education service provider that are necessary to evaluate any provision of the contract or evaluate the education service provider's performance under the contract.

[10. A majority of the membership of each charter school's governing board shall be residents of the geographic area served by the charter school. Each member of the governing board who is not a resident of the geographic area served by the charter school must be a resident of this state.

11. The governing board shall post the charter school's annual budget on the charter school's internet site for public viewing within ten days of approval of the budget. Each posted budget shall continue to be accessible for public viewing on the internet site for all subsequent budget years.]

Sec. 8. NEW SECTION. **256E.8 Funding.**

1. Each student enrolled in a charter school established under this chapter shall be counted, for state school foundation purposes, in the student's district of residence pursuant to section 257.6, subsection 1, paragraph "*a*", [subparagraph (9), including any applicable amounts under section 256B.9. For purposes of this section, residence means a residence under section 282.1..

2. *a.* The school district of residence shall pay to the charter school in which the student is enrolled in the manner required under section 282.18, and pursuant to the timeline in section 282.20, subsection 3, an amount equal to the sum of the state cost per pupil for the previous school year plus the teacher leadership supplement state cost per pupil for the

previous fiscal year as provided in section 257.9 plus any moneys received for the student as a result of the non-English speaking weighting under section 280.4, subsection 3, for the previous school year multiplied by the state cost per pupil for the previous year. If a student is an eligible pupil under section 261E.6, the charter school shall pay the tuition reimbursement amount to an eligible postsecondary institution as provided in section 261E.7.

b. For a student requiring special education, the school district of residence shall pay to the charter school the actual costs incurred in providing the appropriate special education.

c. For each student enrolled in the charter school who was not included in the actual enrollment of the district of residence under section 257.6, subsection 1, in the previous school year, the amount otherwise required to be paid under paragraph "*a*" or "*b*" shall instead be paid by the department to the charter school for the student's initial year of enrollment in the charter school.

d. There is appropriated annually from the general fund of the state to the department of education an amount necessary to pay all applicable amounts to charter schools under paragraph "*c*".]

[3. The charter school shall complete and provide to the students' school districts of residence all documentation necessary to seek Medicaid reimbursement for eligible services.]

4. If necessary, and pursuant to rules adopted by the state board, funding amounts required under this section for the first school year of a new charter school shall be based on enrollment estimates for the charter school included in the charter school contract. Initial amounts paid using estimated enrollments shall be reconciled during the subsequent payment based on actual enrollment of the charter school during the first school year.

*Sec. 9. NEW SECTION. **256E.9 Performance framework.**

1. The performance provisions within the charter school contract shall be based on a performance framework adopted by the state board that clearly sets forth the academic and operational performance indicators, measures, and metrics that will guide the evaluation of the charter school by the state board, without compromising individual student privacy. The performance framework shall include but is not limited to indicators, measures, and metrics for all of the following:

a. Student academic proficiency.

b. Student academic growth.

c. Achievement gaps in both proficiency and growth between specified populations or groups of students, including groups based on gender, race, poverty, special education status, limited English proficiency, and gifted status.

d. Attendance.

e. Enrollment attrition.

f. Postsecondary readiness for students in grades nine through twelve.

g. Goals specified in the charter school's mission.

h. Financial performance and sustainability.

i. Governing board performance and stewardship, including compliance with all applicable laws, regulations, and terms of the charter contract.

2. Annual performance targets shall be agreed upon between each charter school and the state board. Such performance targets shall be contained in the charter school contract and shall be designed to help each charter school meet applicable federal, state, and local standards. The performance targets contained in the charter school contract may be amended by mutual agreement after the charter school is operating and has collected initial achievement data for the charter school's students.

3. The state board is responsible for collecting, analyzing, and reporting all data from state assessments and other state data sources in accordance with the performance

framework. However, all efforts shall be made by all parties to the charter school contract to eliminate or reduce duplicative data reporting requirements.

4. Multiple charter schools operating under a single charter school contract shall be required to report their performance data as separate, individual schools, with each charter school held independently accountable for performance.

5. Each charter school established under this chapter shall be evaluated and graded by the department pursuant to the attendance center performance ranking system developed and adopted by the department.

Sec. 10. NEW SECTION. **256E.10 Oversight — corrective action — contract renewal — revocation.**

1. The state board shall monitor the performance and compliance of each charter school the state board approves, including collecting and analyzing data according to the charter school contract in order to meet the requirements of this chapter. Such oversight may include inquiries and investigation of the charter school so long as the activities are consistent with the intent of this chapter, adhere to the terms of the charter school contract, and do not unduly inhibit the autonomy granted to the charter school. Any performance report resulting from an inquiry or investigation under this section shall, upon conclusion of such action, be included in the annual report required under section 256E.12.

2. As part of the charter school contract, the charter school may be required to submit an annual report to assist the state board in evaluating the charter school's performance and compliance with the performance framework.

3. If a charter school's performance under the charter school contract or compliance with applicable laws or rules is unsatisfactory, the state board shall notify the charter school of the perceived problem and provide reasonable opportunity for the school to remedy the problem, unless the problem warrants revocation, in which case the revocation provisions of this

section apply.

4. The state board may take appropriate corrective actions or impose sanctions, other than revocation, in response to deficiencies in the charter school's performance or compliance with applicable laws and rules. Such actions or sanctions may include requiring the charter school to develop and execute a corrective action plan within a specified time period.

5. A charter school contract may be renewed for periods of time not to exceed an additional [five] years.

6. Annually, by June 30, the state board shall issue a charter school performance report and charter school contract renewal application guidance to each charter school whose charter school contract will expire during the following school budget year. The performance report shall summarize the charter school's performance record to date based on the data required by the charter school contract and by this chapter and shall identify concerns that may jeopardize renewal of the charter school contract if not remedied. The charter school shall have sixty days to respond to the performance report and submit any corrections or clarifications for the report.

7. The renewal application guidance shall, at a minimum, include the criteria that will be used when assessing charter school contract renewal decisions and provide an opportunity for the charter school to:

a. Present additional evidence, beyond the data contained in the performance report.

b. Describe improvements undertaken or planned for the charter school.

c. Describe the charter school's plans, including any proposed modifications, for the next charter school contract term.

8. No later than October 1, the governing board of a charter school seeking renewal shall submit a renewal application to the state board pursuant to the renewal application guidance. A renewal or denial shall be approved by resolution of the

state board within sixty days following the filing of the renewal application.

9. Unless eligible for expedited renewal under subsection 13, when reviewing a charter school contract renewal application, the state board shall do all of the following:

a. Use evidence of the school's performance over the term of the charter school contract in accordance with the applicable performance framework.

b. Ensure that data used in making renewal decisions is available to the charter school and the public.

c. Provide a report summarizing the evidence that served as a basis for the decision.

10. A charter school contract may be revoked at any time or not renewed if the state board determines that the charter school did any of the following:

a. Committed a material violation of any of the terms, conditions, standards, or procedures required under the charter school contract or this chapter.

b. Failed to meet or make sufficient progress toward the performance expectations set forth in the charter school contract.

c. Failed to meet generally accepted standards of fiscal management.

d. Violated a provision of law from which the charter school was not exempted.

11. The state board shall develop charter school contract revocation and nonrenewal standards and procedures that do all of the following:

a. Provide the charter school with a timely notice of the possibility of revocation or nonrenewal and of the reasons therefor.

b. Allow the charter school a reasonable period of time in which to prepare a response to any notice received.

c. Provide the charter school an opportunity to submit documents and give testimony challenging the decision to revoke

the charter school contract or the decision to not renew the contract.

d. Allow the charter school the opportunity to hire legal representation and to call witnesses.

e. Permit the audio or video recording of such proceedings described in paragraphs *"c"* and *"d"*.

f. Require a final decision to be conveyed in writing to the charter school.

12. A decision to revoke or to not renew a charter school contract shall be by resolution of the state board and shall clearly state the reasons for the revocation or nonrenewal.

13. If a charter school has been evaluated and graded to be in the exceptional category, or the highest rated category under a succeeding evaluation system, under the evaluation and grading required under section 256E.9, subsection 5, for the immediately preceding two school years, and the charter school is in compliance with the current charter school contract and all provisions of this chapter, the charter school's application renewal under subsection 8 shall be renewed for an additional period of time equal to the length of the original charter school contract or the most recent renewal of the contract, whichever is longer, unless the state board provides written notice to the charter school of the state board's rejection of the expedited renewal within sixty days of the filing of the application. The state board shall not reject an expedited renewal application unless the state board finds exceptional circumstances for the rejection or seeks material changes to the charter school contract.

Sec. 11. NEW SECTION. **256E.11 Procedures for charter school closure — student enrollment.**

1. Prior to any charter school closure decision, the state board shall develop a charter school closure protocol to ensure timely notice to parents and guardians, provide for the orderly transition of students and student records to new schools, and to provide proper disposition of school funds, property, and

assets in accordance with the requirements of this chapter. The protocol shall specify required actions and timelines and identify responsible parties for each such action.

2. In the event of a charter school closure, the assets of the charter school shall be used first to satisfy outstanding payroll obligations for employees of the school, then to creditors of the school, then to the public school district in which the charter school operated, if applicable, and then to the state general fund. If the assets of the charter school are insufficient to pay all obligations of the charter school, the prioritization of the distribution of assets shall be consistent with this subsection and otherwise determined by the district court.

Sec. 12. NEW SECTION. **256E.12 Reports.**

1. Each charter school shall prepare and file an annual report with the department. The department shall prescribe by rule the required contents of the report, but each such report shall include information regarding student achievement, including annual academic growth and proficiency, graduation rates, and financial performance and sustainability. The reports are public records and the examination, publication, and dissemination of the reports are governed by the provisions of chapter 22.

2. The state board shall prepare and file with the general assembly by December 1, annually, a comprehensive report with findings and recommendations relating to the charter school program in the state and whether the charter school program under this chapter is meeting the goals and purposes of the program. The report also shall contain, for each charter school, a copy of the charter school's mission statement, attendance statistics and dropout rate, aggregate assessment test scores, projections of financial stability, and the number and qualifications of teachers and administrators.

Sec. 13. Section 256F.3, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 8A. The state board shall not approve a new charter school under this chapter on or after July 1, 2021.

Sec. 14. NEW SECTION. **256F.12 Operation of existing charter schools.**

Charter schools established under this chapter prior to July 1, 2021, shall continue to operate under and be subject to the requirements of this chapter and shall not be subject to chapter 256E.

Sec. 15. Section 257.6, subsection 1, paragraph a, Code 2021, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (9) Resident pupils enrolled in a charter school under chapter 256E or 256F.

Sec. 16. Section 257.31, subsection 5, paragraph d, Code 2021, is amended to read as follows:

d. The closing of a nonpublic school, wholly or in part, or the opening or closing of a ~~pilot~~ charter school.

Sec. 17. Section 282.9, subsection 1, Code 2021, is amended to read as follows:

1. Notwithstanding sections ~~275.55A,~~ 256E.7, 256F.4, 275.55A, and 282.18, or any other provision to the contrary, prior to knowingly enrolling an individual who is required to register as a sex offender under chapter 692A, but who is otherwise eligible to enroll in a public school, the board of directors of a school district shall determine the educational placement of the individual. Upon receipt of notice that a student who is enrolled in the district is required to register as a sex offender under chapter 692A, the board shall determine the educational placement of the student. The tentative agenda for the meeting of the board of directors at which the board will consider such enrollment or educational placement shall specifically state that the board is considering the enrollment or educational placement of an individual who is required to register as a sex offender under chapter 692A. If the individual is denied enrollment in a school district under this section, the school district of residence shall provide the

individual with educational services in an alternative setting.

Sec. 18. Section 282.18, subsection 4, paragraph b, Code 2021, is amended to read as follows:

b. For purposes of this section, *"good cause"* means a change in a child's residence due to a change in family residence, a change in the state in which the family residence is located, a change in a child's parents' marital status, a guardianship or custody proceeding, placement in foster care, adoption, participation in a foreign exchange program, or participation in a substance abuse or mental health treatment program, a change in the status of a child's resident district such as removal of accreditation by the state board, surrender of accreditation, or permanent closure of a nonpublic school, revocation of a charter school contract as provided in section 256E.10 or 256F.8, the failure of negotiations for a whole grade sharing, reorganization, dissolution agreement or the rejection of a current whole grade sharing agreement, or reorganization plan. If the good cause relates to a change in status of a child's school district of residence, however, action by a parent or guardian must be taken to file the notification within forty-five days of the last board action or within thirty days of the certification of the election, whichever is applicable to the circumstances.