

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 955
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Short Title: Charter Sch. Educ. Opportunity Act.

(Public)

Sponsors: Representative Wood.

Referred to: Education.

April 12, 1995

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE EDUCATIONAL OPPORTUNITY BY AUTHORIZING THE
3 CREATION AND FUNDING OF CHARTER SCHOOLS, WHICH ARE
4 DEREGULATED SCHOOLS UNDER PUBLIC CONTROL.

5 The General Assembly of North Carolina enacts:

6 Section 1. Article 16 of Chapter 115C of the General Statutes is amended by
7 adding a new Part to read:

8 **"PART 6A. CHARTER SCHOOLS.**

9 **"§ 115C-238.29A. Intent.**

10 (a) It is the intent of the General Assembly to provide opportunities for teachers,
11 parents, pupils, and community members to establish and maintain schools that operate
12 independently from existing local school administrative units, as a method to accomplish
13 the following:

14 (1) Improve pupil learning.

15 (2) Increase educational opportunity for all pupils.

16 (3) Encourage innovation and creativity in the classroom.

17 (4) Create new professional opportunities for teachers, including the
18 opportunity to be responsible for the learning program at the school site
19 as instructional leaders.

- 1 (5) Provide parents and pupils with expanded choices in the types of
2 educational opportunities that are available within the public school
3 system.
- 4 (6) Hold charter schools established under this Part accountable for meeting
5 measurable levels of pupil academic achievement and provide the
6 schools with a method to change from rule-based to performance- and
7 market-based accountability systems.
- 8 (7) Provide a mechanism for fiscal accountability to parents in order to
9 increase the percentage of money spent for direct instructional purposes
10 in the classroom.

11 **"§ 115C-238.29B. Establishment of charter schools.**

12 (a) The following public agencies are authorized to grant operating charters to
13 501(c)(3) nonprofit corporations for the purpose of operating elementary and secondary
14 schools pursuant to this Part: the State Board of Education, a local board of education, a
15 board of county commissioners, the board of trustees of a community college that serves
16 the local school administrative unit in which the charter school will be located, a board of
17 trustees of a constituent institution of The University of North Carolina, or a town or city
18 council. The State Board of Education has final approval of all charter schools.

19 (b) A charter petition shall include the following:

- 20 (1) A description of the education program of the school, whom the school
21 will educate, and its instructional philosophy.
- 22 (2) The measurable pupil academic achievement levels to be used by the
23 charter school.
- 24 (3) The governance structure of the school, including, but not limited to, the
25 process to be followed by the school to ensure parent involvement.
- 26 (4) The qualifications to be met by individuals to be employed by the
27 school.
- 28 (5) Admissions requirements and selection process. Educational
29 opportunity requires that oversubscription to a charter school be
30 resolved by lottery and admission requirements be limited to rejecting
31 applicants with prior criminal conduct. If a different selection process is
32 used or if additional admission requirements are used, the petition shall
33 include the means by which racial balance as reflected in the local
34 school administrative unit where the charter school will be located will
35 be achieved.
- 36 (6) The procedures that the school will follow to ensure the health and
37 safety of pupils and staff. These procedures shall include the
38 requirement that each employee of the school furnish the school with a
39 criminal record summary.
- 40 (7) The manner in which an annual audit of financial and programmatic
41 operations of the school are to be conducted.
- 42 (8) A description of whether the school will operate independently of the
43 local board of education or whether it agrees to be subject to some

1 supervision and control of its administrative operations by the local
2 board of education. In the event the charter school elects to operate
3 independently of the local board of education, the application must
4 specify which employee benefits will be offered to its employees and
5 how the benefits will be funded.

6 (9) The procedures by which pupils can be suspended or expelled.

7 (c) In addition to other requirements imposed under this Part, a charter school
8 shall be nonsectarian in its programs, admission policies, employment practices and all
9 other operations, shall not charge tuition, and shall not discriminate against any pupil on
10 the basis of ethnicity, national origin, gender, or disability. Admission to a charter school
11 shall not be determined by residence except that the pupil's parent or legal guardian shall
12 be a legal resident of North Carolina.

13 (d) The public entity considering a charter petition may require that the petitioner
14 provide information regarding the proposed operation and potential effects of the school,
15 including, but not limited to, the facilities to be utilized by the school, the manner in
16 which administrative services of the school are to be provided, and provisions for
17 insurance against civil claims.

18 (e) Upon approval of the petition by a granting agency, the petitioner or petitioners
19 shall provide written notice of that approval, including a copy of the petition, to the State
20 Board of Education. The State Board of Education shall grant final approval of the
21 petition if it finds that the petition meets the requirements set out in this Part or adopted
22 by the State Board of Education and that granting the petition would achieve one or more
23 of the purposes set out in G.S. 115C-238.29A.

24 (f) A local school administrative unit may convert part of an existing school or all
25 of an existing school to a charter school under the following conditions:

26 (1) Fifty-five percent (55%) of the certificated personnel to be employed in
27 that charter school vote for the conversion.

28 (2) Provisions are made for parents who do not wish for their child to attend
29 a charter school.

30 (3) The charter petition contains all of the requirements set forth in
31 subsections (b) and (c) of this section.

32 (4) Fifty-five percent (55%) of the parents of children attending the existing
33 school vote for the conversion.

34 (5) The local school administrative unit holds a public hearing at the school
35 that is the subject of the proposed conversion. The purpose of the
36 hearing shall be to receive public input regarding the proposed
37 conversion.

38 (g) A charter may be granted for a period not to exceed five years. A charter may
39 be granted one or more subsequent renewals not to exceed five years each by the original
40 granting authority. A material revision of the provisions of a charter petition may be
41 made only with the approval of the authority that granted the charter.

42 (h) A charter may be revoked by the granting authority if it finds that the charter
43 school did any of the following:

1 (1) Committed a material violation of any of the conditions, standards, or
2 procedures set forth in the charter petition.

3 (2) Failed to meet or pursue any of the pupil outcomes identified in the
4 charter petition.

5 (3) Failed to meet generally accepted accounting standards of fiscal
6 management.

7 (4) Violated any provision of law.

8 **"§ 115C-238.29C. Charter school operation and funding.**

9 (a) A charter school shall comply with all of the provisions set forth in its charter
10 petition, but is otherwise exempt from the laws governing local school administrative
11 units except as specified in subsection (b) of this section.

12 (b) In the event a charter school, in its application, elects total independence from
13 the local board of education, its employees shall not be deemed to be employees of the
14 local school administrative unit in which the charter school is located and shall not be
15 entitled to any State-funded employee benefits, including membership in the North
16 Carolina Teachers' and State Employees' Retirement System or the Teachers' and State
17 Employees' Comprehensive Major Medical Plan. In the event a charter school, in its
18 application, agrees to be subject to some supervision and control of its administrative
19 operations by the local board of education, the employees of the charter school will be
20 deemed employees of the local school administrative unit in which the charter school is
21 located for purposes of providing certain State-funded employee benefits, including
22 membership in the Teachers' and State Employees' Retirement System and the Teachers'
23 and State Employees' Comprehensive Major Medical Plan. The Board of Trustees of the
24 Teachers' and State Employees' Retirement System, in consultation with the State Board
25 of Education, shall determine the degree of supervision and control necessary to qualify
26 the employees of the applicant for membership in the Retirement System. In no event
27 shall anything contained in this Part require the North Carolina Teachers' and State
28 Employees' Retirement System to accept employees of a private employer as members or
29 participants of the System.

30 (c) The State Board of Education shall make all of the following allocations to
31 each charter school for each fiscal year:

32 (1) An amount for each unit of average daily membership as if the charter
33 school were a local school administrative unit.

34 (2) For each pupil enrolled in the charter school who is entitled to special
35 education services, the State and federal funds for special education
36 services for that pupil that would have been apportioned for that pupil to
37 the local school administrative unit from which the charter petition was
38 submitted.

39 County commissioners may allocate a pupil's fair share of local supplement spending to
40 the charter school in which that pupil is enrolled."

41 Sec. 2. This act is effective upon ratification.