

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003

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SENATE BILL 359  
Education/Higher Education Committee Substitute Adopted 4/17/03  
House Committee Substitute Favorable 6/12/03

Short Title: LEAs Operate Charter Schs/Raise Cap.

(Public)

Sponsors:

Referred to:

March 11, 2003

A BILL TO BE ENTITLED

AN ACT AUTHORIZING LOCAL BOARDS OF EDUCATION TO APPLY FOR  
AND BE GRANTED A CHARTER TO OPERATE A CHARTER SCHOOL AND  
TO RAISE THE CAP ON CHARTER SCHOOLS TO ONE HUNDRED TEN  
SCHOOLS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 115C-238.29B(a) reads as rewritten:

"(a) Any person, group of persons, or nonprofit ~~corporation~~ corporation, including a local board of education, seeking to establish a charter school may apply to establish a charter school. If the ~~applicant~~ applicant, other than a local board of education, seeks to convert a public school to a charter school, the application shall include a statement signed by a majority of the teachers and instructional support personnel currently employed at the school indicating that they favor the conversion and evidence that a significant number of parents of children enrolled in the school favor conversion. If the applicant, who is the local board of education, seeks to convert a public school to a charter school, the application shall include input from the teachers and instructional support personnel currently employed at the school and evidence that a significant number of parents of children enrolled in the school favor conversion."

**SECTION 2.** G.S. 115C-238.29E reads as rewritten:

**"§ 115C-238.29E. Charter school operation.**

(a) A charter school that is approved by the State shall be a public school within the local school administrative unit in which it is located. It shall be accountable to the local board of education if it applied for and received preliminary approval from that local board for purposes of ensuring compliance with applicable laws and the provisions of its ~~charter~~ charter or if the local board of education was the applicant for the charter. All other charter schools shall be accountable to the State Board for ensuring compliance with applicable laws and the provisions of their charters, except that any of

1 these charter schools may agree to be accountable to the local board of the school  
2 administrative unit in which the charter school is located rather than to the State Board.

3 (b) A charter school shall be operated by a private nonprofit corporation that  
4 shall have received federal tax-exempt status no later than 24 months following final  
5 approval of the ~~application~~-application unless a local board of education applied for and  
6 was granted a charter for the conversion of an existing public school or for the creation  
7 of a new charter school. In such a case, a charter school shall be operated by the local  
8 board of education or by a board of directors appointed by the local board of education.

9 (c) A charter school shall operate under the written charter signed by the entity to  
10 which it is accountable under subsection (a) of this section and the applicant. A charter  
11 school is not required to enter into any other contract. The charter shall incorporate the  
12 information provided in the application, as modified during the charter approval  
13 process, and any terms and conditions imposed on the charter school by the State Board  
14 of Education. No other terms may be imposed on the charter school as a condition for  
15 receipt of local funds.

16 (d) The board of directors of the charter school shall decide matters related to the  
17 operation of the school, including budgeting, curriculum, and operating procedures.

18 (e) A charter school's specific location shall not be prescribed or limited by a  
19 local board or other authority except a zoning ~~authority~~-authority unless the local board  
20 of education applied for and was granted the charter for the conversion of a public  
21 school or the creation of a new charter school. The school may lease space from a local  
22 board of education or as is otherwise lawful in the local school administrative unit in  
23 which the charter school is located. If a charter school leases space from a sectarian  
24 organization, the charter school classes and students shall be physically separated from  
25 any parochial students, and there shall be no religious artifacts, symbols, iconography,  
26 or materials on display in the charter school's entrance, classrooms, or hallways.  
27 Furthermore, if a charter school leases space from a sectarian organization, the charter  
28 school shall not use the name of that organization in the name of the charter school.

29 At the request of the charter school, the local board of education of the local school  
30 administrative unit in which the charter school will be located shall lease any available  
31 building or land to the charter school unless the board demonstrates that the lease is not  
32 economically or practically feasible or that the local board does not have adequate  
33 classroom space to meet its enrollment needs. Notwithstanding any other law, a local  
34 board of education may provide a school facility to a charter school free of charge;  
35 however, the charter school is responsible for the maintenance of and insurance for the  
36 school facility.

37 (f) Except as provided in this Part and pursuant to the provisions of its charter, a  
38 charter school is exempt from statutes and rules applicable to a local board of education  
39 or local school administrative unit."

40 **SECTION 3.** G.S. 115C-238.29D(b) reads as rewritten:

41 "(b) The State Board shall authorize no more than five charter schools per year in  
42 one local school administrative unit. The State Board shall authorize no more than ~~400~~  
43 110 charter schools statewide. If more than five charter schools in one local school  
44 administrative unit or more than ~~400~~-110 schools statewide meet the standards for final

1 approval, the State Board shall give priority to applications that are most likely to  
2 further State education policies and to strengthen the educational program offered in the  
3 local school administrative units in which they are located. This subsection shall not  
4 apply to any charter school if the applicant for that charter school was the local board of  
5 education."

6 **SECTION 4.** This act is effective when it becomes law.