

SENATE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 525

AN ACT

To repeal sections 160.400, 160.410, and 160.415, RSMo, and to enact in lieu thereof three new sections relating to recovery programs for high school students.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

1 Section A. Sections 160.400, 160.410, and 160.415, RSMo,
2 are repealed and three new sections enacted in lieu thereof, to
3 be known as sections 160.400, 160.410, and 160.415, to read as
4 follows:

5 160.400. 1. A charter school is an independent public
6 school.

7 2. Except as further provided in subsection 4 of this
8 section, charter schools may be operated only:

9 (1) In a metropolitan school district;

10 (2) In an urban school district containing most or all of a
11 city with a population greater than three hundred fifty thousand
12 inhabitants;

13 (3) In a school district that has been classified as
14 unaccredited by the state board of education;

15 (4) In a school district that has been classified as
16 provisionally accredited by the state board of education and has
17 received scores on its annual performance report consistent with

1 a classification of provisionally accredited or unaccredited for
2 three consecutive school years beginning with the 2012-13
3 accreditation year under the following conditions:

4 (a) The eligibility for charter schools of any school
5 district whose provisional accreditation is based in whole or in
6 part on financial stress as defined in sections 161.520 to
7 161.529, or on financial hardship as defined by rule of the state
8 board of education, shall be decided by a vote of the state board
9 of education during the third consecutive school year after the
10 designation of provisional accreditation; and

11 (b) The sponsor is limited to the local school board or a
12 sponsor who has met the standards of accountability and
13 performance as determined by the department based on sections
14 160.400 to 160.425 and section 167.349 and properly promulgated
15 rules of the department; or

16 (5) In a school district that has been accredited without
17 provisions, sponsored only by the local school board; provided
18 that no board with a current year enrollment of one thousand five
19 hundred fifty students or greater shall permit more than
20 thirty-five percent of its student enrollment to enroll in
21 charter schools sponsored by the local board under the authority
22 of this subdivision, except that this restriction shall not apply
23 to any school district that subsequently becomes eligible under
24 subdivision (3) or (4) of this subsection or to any district
25 accredited without provisions that sponsors charter schools prior
26 to having a current year student enrollment of one thousand five
27 hundred fifty students or greater.

28 3. Except as further provided in subsection 4 of this

1 section, the following entities are eligible to sponsor charter
2 schools:

3 (1) The school board of the district in any district which
4 is sponsoring a charter school as of August 27, 2012, as
5 permitted under subdivision (1) or (2) of subsection 2 of this
6 section, the special administrative board of a metropolitan
7 school district during any time in which powers granted to the
8 district's board of education are vested in a special
9 administrative board, or if the state board of education appoints
10 a special administrative board to retain the authority granted to
11 the board of education of an urban school district containing
12 most or all of a city with a population greater than three
13 hundred fifty thousand inhabitants, the special administrative
14 board of such school district;

15 (2) A public four-year college or university with an
16 approved teacher education program that meets regional or
17 national standards of accreditation;

18 (3) A community college, the service area of which
19 encompasses some portion of the district;

20 (4) Any private four-year college or university with an
21 enrollment of at least one thousand students, with its primary
22 campus in Missouri, and with an approved teacher preparation
23 program;

24 (5) Any two-year private vocational or technical school
25 designated as a 501(c)(3) nonprofit organization under the
26 Internal Revenue Code of 1986, as amended, and accredited by the
27 Higher Learning Commission, with its primary campus in Missouri;

28 (6) The Missouri charter public school commission created

1 in section 160.425.

2 4. Changes in a school district's accreditation status that
3 affect charter schools shall be addressed as follows, except for
4 the districts described in subdivisions (1) and (2) of subsection
5 2 of this section:

6 (1) As a district transitions from unaccredited to
7 provisionally accredited, the district shall continue to fall
8 under the requirements for an unaccredited district until it
9 achieves three consecutive full school years of provisional
10 accreditation;

11 (2) As a district transitions from provisionally accredited
12 to full accreditation, the district shall continue to fall under
13 the requirements for a provisionally accredited district until it
14 achieves three consecutive full school years of full
15 accreditation;

16 (3) In any school district classified as unaccredited or
17 provisionally accredited where a charter school is operating and
18 is sponsored by an entity other than the local school board, when
19 the school district becomes classified as accredited without
20 provisions, a charter school may continue to be sponsored by the
21 entity sponsoring it prior to the classification of accredited
22 without provisions and shall not be limited to the local school
23 board as a sponsor.

24
25 A charter school operating in a school district identified in
26 subdivision (1) or (2) of subsection 2 of this section may be
27 sponsored by any of the entities identified in subsection 3 of
28 this section, irrespective of the accreditation classification of

1 the district in which it is located. A charter school in a
2 district described in this subsection whose charter provides for
3 the addition of grade levels in subsequent years may continue to
4 add levels until the planned expansion is complete to the extent
5 of grade levels in comparable schools of the district in which
6 the charter school is operated.

7 5. For purposes of sections 160.400 to 160.425 the
8 following terms shall mean:

9 (1) "Recovery charter high school", a charter school
10 providing instruction on site in a grade or grades not lower than
11 the ninth nor higher than the twelfth grade;

12 (2) "Substance dependency", a state in which a person
13 functions normally in the presence of a drug following repeated
14 drug exposure, and suffers psychological reactions such as
15 withdrawal syndrome when the drug is removed;

16 (3) "Substance use disorder", shall have the same meaning
17 as in section 478.001.

18 6. A recovery charter high school may be operated in an
19 urban school district containing most or all of a home rule city
20 with more than four hundred thousand inhabitants and located in
21 more than one county whose mission and vision statement provides
22 for the following:

23 (1) To educate all available and eligible students who are
24 in recovery from substance use disorder or substance dependency,
25 or such a condition along with co-occurring disorders such as
26 anxiety, depression, and attention deficit hyperactivity
27 disorder;

28 (2) To meet state requirements for awarding a high school

1 diploma; and

2 (3) To support students in working a strong program of
3 recovery.

4 7. The mayor of a city not within a county may request a
5 sponsor under subdivision (2), (3), (4), (5), or (6) of
6 subsection 3 of this section to consider sponsoring a "workplace
7 charter school", which is defined for purposes of sections
8 160.400 to 160.425 as a charter school with the ability to target
9 prospective students whose parent or parents are employed in a
10 business district, as defined in the charter, which is located in
11 the city.

12 [6.] 8. No sponsor shall receive from an applicant for a
13 charter school any fee of any type for the consideration of a
14 charter, nor may a sponsor condition its consideration of a
15 charter on the promise of future payment of any kind.

16 [7.] 9. The charter school shall be organized as a Missouri
17 nonprofit corporation incorporated pursuant to chapter 355. The
18 charter provided for herein shall constitute a contract between
19 the sponsor and the charter school.

20 [8.] 10. As a nonprofit corporation incorporated pursuant
21 to chapter 355, the charter school shall select the method for
22 election of officers pursuant to section 355.326 based on the
23 class of corporation selected. Meetings of the governing board
24 of the charter school shall be subject to the provisions of
25 sections 610.010 to 610.030.

26 [9.] 11. A sponsor of a charter school, its agents and
27 employees are not liable for any acts or omissions of a charter
28 school that it sponsors, including acts or omissions relating to

1 the charter submitted by the charter school, the operation of the
2 charter school and the performance of the charter school.

3 [10.] 12. A charter school may affiliate with a four-year
4 college or university, including a private college or university,
5 or a community college as otherwise specified in subsection 3 of
6 this section when its charter is granted by a sponsor other than
7 such college, university or community college. Affiliation
8 status recognizes a relationship between the charter school and
9 the college or university for purposes of teacher training and
10 staff development, curriculum and assessment development, use of
11 physical facilities owned by or rented on behalf of the college
12 or university, and other similar purposes. A university, college
13 or community college may not charge or accept a fee for
14 affiliation status.

15 [11.] 13. The expenses associated with sponsorship of
16 charter schools shall be defrayed by the department of elementary
17 and secondary education retaining one and five-tenths percent of
18 the amount of state and local funding allocated to the charter
19 school under section 160.415, not to exceed one hundred
20 twenty-five thousand dollars, adjusted for inflation. The
21 department of elementary and secondary education shall remit the
22 retained funds for each charter school to the school's sponsor,
23 provided the sponsor remains in good standing by fulfilling its
24 sponsorship obligations under sections 160.400 to 160.425 and
25 167.349 with regard to each charter school it sponsors, including
26 appropriate demonstration of the following:

27 (1) Expends no less than ninety percent of its charter
28 school sponsorship funds in support of its charter school

1 sponsorship program, or as a direct investment in the sponsored
2 schools;

3 (2) Maintains a comprehensive application process that
4 follows fair procedures and rigorous criteria and grants charters
5 only to those developers who demonstrate strong capacity for
6 establishing and operating a quality charter school;

7 (3) Negotiates contracts with charter schools that clearly
8 articulate the rights and responsibilities of each party
9 regarding school autonomy, expected outcomes, measures for
10 evaluating success or failure, performance consequences based on
11 the annual performance report, and other material terms;

12 (4) Conducts contract oversight that evaluates performance,
13 monitors compliance, informs intervention and renewal decisions,
14 and ensures autonomy provided under applicable law; and

15 (5) Designs and implements a transparent and rigorous
16 process that uses comprehensive data to make merit-based renewal
17 decisions.

18 [12.] 14. Sponsors receiving funds under subsection [11] 13
19 of this section shall be required to submit annual reports to the
20 joint committee on education demonstrating they are in compliance
21 with subsection [17] 19 of this section.

22 [13.] 15. No university, college or community college shall
23 grant a charter to a nonprofit corporation if an employee of the
24 university, college or community college is a member of the
25 corporation's board of directors.

26 [14.] 16. No sponsor shall grant a charter under sections
27 160.400 to 160.425 and 167.349 without ensuring that a criminal
28 background check and family care safety registry check are

1 conducted for all members of the governing board of the charter
2 schools or the incorporators of the charter school if initial
3 directors are not named in the articles of incorporation, nor
4 shall a sponsor renew a charter without ensuring a criminal
5 background check and family care safety registry check are
6 conducted for each member of the governing board of the charter
7 school.

8 [15.] 17. No member of the governing board of a charter
9 school shall hold any office or employment from the board or the
10 charter school while serving as a member, nor shall the member
11 have any substantial interest, as defined in section 105.450, in
12 any entity employed by or contracting with the board. No board
13 member shall be an employee of a company that provides
14 substantial services to the charter school. All members of the
15 governing board of the charter school shall be considered
16 decision-making public servants as defined in section 105.450 for
17 the purposes of the financial disclosure requirements contained
18 in sections 105.483, 105.485, 105.487, and 105.489.

19 [16.] 18. A sponsor shall develop the policies and
20 procedures for:

21 (1) The review of a charter school proposal including an
22 application that provides sufficient information for rigorous
23 evaluation of the proposed charter and provides clear
24 documentation that the education program and academic program are
25 aligned with the state standards and grade-level expectations,
26 and provides clear documentation of effective governance and
27 management structures, and a sustainable operational plan;

28 (2) The granting of a charter;

1 (3) The performance contract that the sponsor will use to
2 evaluate the performance of charter schools. Charter schools
3 shall meet current state academic performance standards as well
4 as other standards agreed upon by the sponsor and the charter
5 school in the performance contract;

6 (4) The sponsor's intervention, renewal, and revocation
7 policies, including the conditions under which the charter
8 sponsor may intervene in the operation of the charter school,
9 along with actions and consequences that may ensue, and the
10 conditions for renewal of the charter at the end of the term,
11 consistent with subsections 8 and 9 of section 160.405;

12 (5) Additional criteria that the sponsor will use for
13 ongoing oversight of the charter; and

14 (6) Procedures to be implemented if a charter school should
15 close, consistent with the provisions of subdivision (15) of
16 subsection 1 of section 160.405.

17
18 The department shall provide guidance to sponsors in developing
19 such policies and procedures.

20 [17.] 19. (1) A sponsor shall provide timely submission to
21 the state board of education of all data necessary to demonstrate
22 that the sponsor is in material compliance with all requirements
23 of sections 160.400 to 160.425 and section 167.349. The state
24 board of education shall ensure each sponsor is in compliance
25 with all requirements under sections 160.400 to 160.425 and
26 167.349 for each charter school sponsored by any sponsor. The
27 state board shall notify each sponsor of the standards for
28 sponsorship of charter schools, delineating both what is mandated

1 by statute and what best practices dictate. The state board
2 shall evaluate sponsors to determine compliance with these
3 standards every three years. The evaluation shall include a
4 sponsor's policies and procedures in the areas of charter
5 application approval; required charter agreement terms and
6 content; sponsor performance evaluation and compliance
7 monitoring; and charter renewal, intervention, and revocation
8 decisions. Nothing shall preclude the department from
9 undertaking an evaluation at any time for cause.

10 (2) If the department determines that a sponsor is in
11 material noncompliance with its sponsorship duties, the sponsor
12 shall be notified and given reasonable time for remediation. If
13 remediation does not address the compliance issues identified by
14 the department, the commissioner of education shall conduct a
15 public hearing and thereafter provide notice to the charter
16 sponsor of corrective action that will be recommended to the
17 state board of education. Corrective action by the department
18 may include withholding the sponsor's funding and suspending the
19 sponsor's authority to sponsor a school that it currently
20 sponsors or to sponsor any additional school until the sponsor is
21 reauthorized by the state board of education under section
22 160.403.

23 (3) The charter sponsor may, within thirty days of receipt
24 of the notice of the commissioner's recommendation, provide a
25 written statement and other documentation to show cause as to why
26 that action should not be taken. Final determination of
27 corrective action shall be determined by the state board of
28 education based upon a review of the documentation submitted to

1 the department and the charter sponsor.

2 (4) If the state board removes the authority to sponsor a
3 currently operating charter school under any provision of law,
4 the Missouri charter public school commission shall become the
5 sponsor of the school.

6 [18.] 20. If a sponsor notifies a charter school of closure
7 under subsection 8 of section 160.405, the department of
8 elementary and secondary education shall exercise its financial
9 withholding authority under subsection 12 of section 160.415 to
10 assure all obligations of the charter school shall be met. The
11 state, charter sponsor, or resident district shall not be liable
12 for any outstanding liability or obligations of the charter
13 school.

14 160.410. 1. A charter school shall enroll:

15 (1) All pupils resident in the district in which it
16 operates;

17 (2) Nonresident pupils eligible to attend a district's
18 school under an urban voluntary transfer program;

19 (3) Nonresident pupils who transfer from an unaccredited
20 district under section 167.895, provided that the charter school
21 is an approved charter school, as defined in section 167.895, and
22 subject to all other provisions of section 167.895;

23 (4) In the case of a charter school whose mission includes
24 student drop-out prevention or recovery, any nonresident pupil
25 from the same or an adjacent county who resides in a residential
26 care facility, a transitional living group home, or an
27 independent living program whose last school of enrollment is in
28 the school district where the charter school is established, who

1 submits a timely application; [and]

2 (5) In the case of a workplace charter school, any student
3 eligible to attend under subdivision (1) or (2) of this
4 subsection whose parent is employed in the business district, who
5 submits a timely application, unless the number of applications
6 exceeds the capacity of a program, class, grade level or
7 building. The configuration of a business district shall be set
8 forth in the charter and shall not be construed to create an
9 undue advantage for a single employer or small number of
10 employers; and

11 (6) In the case of a recovery charter high school, any
12 pupil who is eligible to attend under subdivision (1), (2), or
13 (3) of this subsection, and any nonresident pupil, who is in
14 recovery from substance use disorder or substance dependency, or
15 such a condition along with co-occurring disorders such as
16 anxiety, depression, and attention deficit hyperactivity
17 disorder.

18 (a) A recovery charter high school may enroll students
19 residing in another state, provided such student is in recovery
20 from substance use disorder or substance dependency, or such a
21 condition along with co-occurring disorders such as anxiety,
22 depression, and attention deficit hyperactivity disorder.

23 (b) The department of elementary and secondary education
24 may enter into agreements with states to develop a reciprocity
25 agreement for students seeking to attend a recovery charter high
26 school in the state of Missouri. An out-of-state school district
27 from a state subject to a reciprocity agreement having one or
28 more resident pupils attending a recovery charter high school in

1 the state of Missouri shall pay to the recovery charter high
2 school an annual amount equal to one hundred five percent of the
3 previous school year's per pupil expenditure in the state of
4 Missouri. If an out-of-state student resides in a state that is
5 not subject to a reciprocity agreement, such student shall pay to
6 the recovery charter high school an amount equal to one hundred
7 five percent of the previous school year's per pupil expenditure
8 in the state of Missouri. Such student shall not be included in
9 the count of average daily attendance.

10 2. If capacity is insufficient to enroll all pupils who
11 submit a timely application, the charter school shall have an
12 admissions process that assures all applicants of an equal chance
13 of gaining admission and does not discriminate based on parents'
14 ability to pay fees or tuition except that:

15 (1) A charter school may establish a geographical area
16 around the school whose residents will receive a preference for
17 enrolling in the school, provided that such preferences do not
18 result in the establishment of racially or socioeconomically
19 isolated schools and provided such preferences conform to
20 policies and guidelines established by the state board of
21 education;

22 (2) A charter school may also give a preference for
23 admission of children whose siblings attend the school or whose
24 parents are employed at the school or in the case of a workplace
25 charter school, a child whose parent is employed in the business
26 district or at the business site of such school. A recovery
27 charter high school may give preference to such students provided
28 such student is in recovery from substance use disorder or

1 substance dependency, or such a condition along with co-occurring
2 disorders such as anxiety, depression, and attention deficit
3 hyper activity;

4 (3) Charter schools may also give a preference for
5 admission to high-risk students, as defined in subdivision (5) of
6 subsection 2 of section 160.405, when the school targets these
7 students through its proposed mission, curriculum, teaching
8 methods, and services;

9 (4) A charter school may also give a preference for
10 admission to students who will be eligible for the free and
11 reduced price lunch program in the upcoming school year.

12 3. A charter school shall not limit admission based on
13 race, ethnicity, national origin, disability, income level,
14 except as allowed under subdivision (4) of subsection 2 of this
15 section, proficiency in the English language or athletic ability,
16 but may limit admission to pupils within a given age group or
17 grade level. A recovery charter high school shall limit
18 admission to pupils who are in recovery from substance use
19 disorder or substance dependency, or such a condition along with
20 co-occurring disorders such as anxiety, depression, and attention
21 deficit hyperactivity disorder. Charter schools may limit
22 admission based on gender only when the school is a single-gender
23 school. Students of a charter school who have been enrolled for
24 a full academic year shall be counted in the performance of the
25 charter school on the statewide assessments in that calendar
26 year, unless otherwise exempted as English language learners.
27 For purposes of this subsection, "full academic year" means the
28 last Wednesday in September through the administration of the

1 Missouri assessment program test without transferring out of the
2 school and re-enrolling.

3 4. A charter school shall make available for public
4 inspection, and provide upon request, to the parent, guardian, or
5 other custodian of any school-age pupil resident in the district
6 in which the school is located the following information:

7 (1) The school's charter;

8 (2) The school's most recent annual report card published
9 according to section 160.522;

10 (3) The results of background checks on the charter
11 school's board members; and

12 (4) If a charter school is operated by a management
13 company, a copy of the written contract between the governing
14 board of the charter school and the educational management
15 organization or the charter management organization for services.
16 The charter school may charge reasonable fees, not to exceed the
17 rate specified in section 610.026 for furnishing copies of
18 documents under this subsection.

19 5. When a student attending a charter school who is a
20 resident of the school district in which the charter school is
21 located moves out of the boundaries of such school district, the
22 student may complete the current semester and shall be considered
23 a resident student. The student's parent or legal guardian shall
24 be responsible for the student's transportation to and from the
25 charter school.

26 6. If a change in school district boundary lines occurs
27 under section 162.223, 162.431, 162.441, or 162.451, or by action
28 of the state board of education under section 162.081, including

1 attachment of a school district's territory to another district
2 or dissolution, such that a student attending a charter school
3 prior to such change no longer resides in a school district in
4 which the charter school is located, then the student may
5 complete the current academic year at the charter school. The
6 student shall be considered a resident student. The student's
7 parent or legal guardian shall be responsible for the student's
8 transportation to and from the charter school.

9 7. The provisions of sections 167.018 and 167.019
10 concerning foster children's educational rights are applicable to
11 charter schools.

12 160.415. 1. For the purposes of calculation and
13 distribution of state school aid under section 163.031, pupils
14 enrolled in a charter school shall be included in the pupil
15 enrollment of the school district within which each pupil
16 resides. Each charter school shall report the names, addresses,
17 and eligibility for free and reduced price lunch, special
18 education, or limited English proficiency status, as well as
19 eligibility for categorical aid, of pupils resident in a school
20 district who are enrolled in the charter school to the school
21 district in which those pupils reside. The charter school shall
22 report the average daily attendance data, free and reduced price
23 lunch count, special education pupil count, and limited English
24 proficiency pupil count to the state department of elementary and
25 secondary education. Each charter school shall promptly notify
26 the state department of elementary and secondary education and
27 the pupil's school district when a student discontinues
28 enrollment at a charter school.

1 2. Except as provided in subsections 3 and 4 of this
2 section, the aid payments for charter schools shall be as
3 described in this subsection.

4 (1) A school district having one or more resident pupils
5 attending a charter school shall pay to the charter school an
6 annual amount equal to the product of the charter school's
7 weighted average daily attendance and the state adequacy target,
8 multiplied by the dollar value modifier for the district, plus
9 local tax revenues per weighted average daily attendance from the
10 incidental and teachers' funds in excess of the performance levy
11 as defined in section 163.011 plus all other state aid
12 attributable to such pupils.

13 (2) The district of residence of a pupil attending a
14 charter school shall also pay to the charter school any other
15 federal or state aid that the district receives on account of
16 such child.

17 (3) If the department overpays or underpays the amount due
18 to the charter school, such overpayment or underpayment shall be
19 repaid by the public charter school or credited to the public
20 charter school in twelve equal payments in the next fiscal year.

21 (4) The amounts provided pursuant to this subsection shall
22 be prorated for partial year enrollment for a pupil.

23 (5) A school district shall pay the amounts due pursuant to
24 this subsection as the disbursal agent and no later than twenty
25 days following the receipt of any such funds. The department of
26 elementary and secondary education shall pay the amounts due when
27 it acts as the disbursal agent within five days of the required
28 due date.

1 (6) If a recovery charter high school that has not declared
2 itself as a local educational agency has one or more nonresident
3 pupils, the nonresident pupils shall not be counted for purposes
4 of determining the amount of aid described in subdivisions (1)
5 and (2) of this subsection. Each school district that has one or
6 more of its resident pupils attending such a charter school shall
7 pay to the charter school, for each such pupil, one hundred
8 percent of its average per-pupil expenditure, excluding interest
9 payments and grants.

10 3. A workplace charter school shall receive payment for
11 each eligible pupil as provided under subsection 2 of this
12 section, except that if the student is not a resident of the
13 district and is participating in a voluntary interdistrict
14 transfer program, the payment for such pupils shall be the same
15 as provided under section 162.1060.

16 4. (1) A charter school that has declared itself as a
17 local educational agency shall receive from the department of
18 elementary and secondary education an annual amount equal to the
19 product of the charter school's weighted average daily attendance
20 and the state adequacy target, multiplied by the dollar value
21 modifier for the district, plus local tax revenues per weighted
22 average daily attendance from the incidental and teachers funds
23 in excess of the performance levy as defined in section 163.011
24 plus all other state aid attributable to such pupils. If a
25 charter school declares itself as a local educational agency, the
26 department of elementary and secondary education shall, upon
27 notice of the declaration, reduce the payment made to the school
28 district by the amount specified in this subsection and pay

1 directly to the charter school the annual amount reduced from the
2 school district's payment.

3 (2) (a) If a recovery charter high school that has
4 declared itself as a local educational agency has one or more
5 nonresident pupils, the charter school shall receive from the
6 department of elementary and secondary education an annual amount
7 equal to the amount described in subdivision (1) of this
8 subsection; except that, the nonresident pupils shall not be
9 counted for purposes of determining the amount of aid as
10 described in subdivision (1) of this subsection. Each school
11 district that has one or more of its resident pupils attending
12 such a charter school as nonresident pupils shall pay to the
13 charter school, for each such pupil, one hundred percent of its
14 average per-pupil expenditure, excluding interest payments and
15 grants.

16 (b) Upon notice of the charter school's declaration of
17 local educational agency status, the department of elementary and
18 secondary education shall reduce the payment made to the school
19 district in which the charter school is located from any source
20 by the amount specified in subdivision (1) of this subsection,
21 calculated as described in paragraph (a) of this subdivision, and
22 pay directly to the charter school the annual amount reduced from
23 the school district's payment.

24 5. If a school district fails to make timely payments of
25 any amount for which it is the disbursal agent, the state
26 department of elementary and secondary education shall authorize
27 payment to the charter school of the amount due pursuant to
28 subsection 2 of this section and shall deduct the same amount

1 from the next state school aid apportionment to the owing school
2 district. If a charter school is paid more or less than the
3 amounts due pursuant to this section, the amount of overpayment
4 or underpayment shall be adjusted equally in the next twelve
5 payments by the school district or the department of elementary
6 and secondary education, as appropriate. Any dispute between the
7 school district and a charter school as to the amount owing to
8 the charter school shall be resolved by the department of
9 elementary and secondary education, and the department's decision
10 shall be the final administrative action for the purposes of
11 review pursuant to chapter 536. During the period of dispute,
12 the department of elementary and secondary education shall make
13 every administrative and statutory effort to allow the continued
14 education of children in their current public charter school
15 setting.

16 6. The charter school, including a recovery charter high
17 school, and a local school board may agree by contract for
18 services to be provided by the school district to the charter
19 school. The charter school may contract with any other entity
20 for services. Such services may include but are not limited to
21 food service, custodial service, maintenance, management
22 assistance, curriculum assistance, media services and libraries
23 and shall be subject to negotiation between the charter school
24 and the local school board or other entity. Documented actual
25 costs of such services shall be paid for by the charter school.

26 7. In the case of a proposed charter school that intends to
27 contract with an education service provider for substantial
28 educational services or management services, the request for

1 proposals shall additionally require the charter school applicant
2 to:

3 (1) Provide evidence of the education service provider's
4 success in serving student populations similar to the targeted
5 population, including demonstrated academic achievement as well
6 as successful management of nonacademic school functions, if
7 applicable. In the case of a recovery charter high school, such
8 applicant need only provide evidence of the education service
9 provider's history of providing such educational services;

10 (2) Provide a term sheet setting forth the proposed
11 duration of the service contract; roles and responsibilities of
12 the governing board, the school staff, and the service provider;
13 scope of services and resources to be provided by the service
14 provider; performance evaluation measures and time lines;
15 compensation structure, including clear identification of all
16 fees to be paid to the service provider; methods of contract
17 oversight and enforcement; investment disclosure; and conditions
18 for renewal and termination of the contract;

19 (3) Disclose any known conflicts of interest between the
20 school governing board and proposed service provider or any
21 affiliated business entities;

22 (4) Disclose and explain any termination or nonrenewal of
23 contracts for equivalent services for any other charter school in
24 the United States within the past five years;

25 (5) Ensure that the legal counsel for the charter school
26 shall report directly to the charter school's governing board;
27 and

28 (6) Provide a process to ensure that the expenditures that

1 the education service provider intends to bill to the charter
2 school shall receive prior approval of the governing board or its
3 designee.

4 8. A charter school may enter into contracts with community
5 partnerships and state agencies acting in collaboration with such
6 partnerships that provide services to children and their families
7 linked to the school.

8 9. A charter school shall be eligible for transportation
9 state aid pursuant to section 163.161 and shall be free to
10 contract with the local district, or any other entity, for the
11 provision of transportation to the students of the charter
12 school.

13 10. (1) The proportionate share of state and federal
14 resources generated by students with disabilities or staff
15 serving them shall be paid in full to charter schools enrolling
16 those students by their school district where such enrollment is
17 through a contract for services described in this section. The
18 proportionate share of money generated under other federal or
19 state categorical aid programs shall be directed to charter
20 schools serving such students eligible for that aid.

21 (2) A charter school shall provide the special services
22 provided pursuant to section 162.705 and may provide the special
23 services pursuant to a contract with a school district or any
24 provider of such services.

25 11. A charter school may not charge tuition or impose fees
26 that a school district is prohibited from charging or imposing,
27 except that a charter school may receive:

28 (1) Tuition payments from districts in the same or an

1 adjoining county for nonresident students who transfer to an
2 approved charter school, as defined in section 167.895, from an
3 unaccredited district; and

4 (2) Payments from school districts as described in this
5 section.

6 12. A charter school is authorized to incur debt in
7 anticipation of receipt of funds. A charter school may also
8 borrow to finance facilities and other capital items. A school
9 district may incur bonded indebtedness or take other measures to
10 provide for physical facilities and other capital items for
11 charter schools that it sponsors or contracts with. Except as
12 otherwise specifically provided in sections 160.400 to 160.425,
13 upon the dissolution of a charter school, any liabilities of the
14 corporation will be satisfied through the procedures of chapter
15 355. A charter school shall satisfy all its financial
16 obligations within twelve months of notice from the sponsor of
17 the charter school's closure under subsection 8 of section
18 160.405. After satisfaction of all its financial obligations, a
19 charter school shall return any remaining state and federal funds
20 to the department of elementary and secondary education for
21 disposition as stated in subdivision (17) of subsection 1 of
22 section 160.405. The department of elementary and secondary
23 education may withhold funding at a level the department
24 determines to be adequate during a school's last year of
25 operation until the department determines that school records,
26 liabilities, and reporting requirements, including a full audit,
27 are satisfied.

28 13. Charter schools shall not have the power to acquire

1 property by eminent domain.

2 14. The governing body of a charter school is authorized to
3 accept grants, gifts or donations of any kind and to expend or
4 use such grants, gifts or donations. A grant, gift or donation
5 may not be accepted by the governing body if it is subject to any
6 condition contrary to law applicable to the charter school or
7 other public schools, or contrary to the terms of the charter.

8 15. Notwithstanding any other provision of this section, if
9 the provisions of any other section specify a tuition amount to
10 be paid by the resident district for a nonresident pupil
11 attending a recovery charter high school, the provisions of such
12 section specifying the tuition amount shall govern, and the
13 provisions of this section shall not apply to such pupil.