

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By

1 AMEND Senate Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 727, Pages 18  
2 to 27, Section 160.400, Lines 1 to 301, by deleting all of the said lines and inserting in lieu thereof  
3 the following:

4  
5 "160.400. 1. A charter school is ~~[an independent]~~ a semi-autonomous public school.

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

8 (1) ~~In a metropolitan school district;~~

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

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

13 (4) ~~In a school district that has been classified as provisionally accredited by the state board~~  
14 ~~of education and has received scores on its annual performance report consistent with a~~  
15 ~~classification of provisionally accredited or unaccredited for three consecutive school years~~  
16 ~~beginning with the 2012-13 accreditation year under the following conditions:~~

17 (a) ~~The eligibility for charter schools of any school district whose provisional accreditation~~  
18 ~~is based in whole or in part on financial stress as defined in sections 161.520 to 161.529, or on~~  
19 ~~financial hardship as defined by rule of the state board of education, shall be decided by a vote of~~  
20 ~~the state board of education during the third consecutive school year after the designation of~~  
21 ~~provisional accreditation; and~~

22 (b) ~~The sponsor is limited to the local school board or a sponsor who has met the standards~~  
23 ~~of accountability and performance as determined by the department based on sections 160.400 to~~  
24 ~~160.425 and section 167.349 and properly promulgated rules of the department; or~~

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

33 3. ~~Except as further provided in subsection 4 of this section, the following entities are~~  
34 ~~eligible to sponsor charter schools:~~

35 (1) ~~The school board of the district in any district which is sponsoring a charter school as of~~  
36 ~~August 27, 2012, as permitted under subdivision (1) or (2) of subsection 2 of this section, the special~~

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

1 administrative board of a metropolitan school district during any time in which powers granted to  
 2 the district's board of education are vested in a special administrative board, or if the state board of  
 3 education appoints a special administrative board to retain the authority granted to the board of  
 4 education of an urban school district containing most or all of a city with a population greater than  
 5 three hundred fifty thousand inhabitants, the special administrative board of such school district;

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

8 (3) ~~A community college, the service area of which encompasses some portion of the  
 9 district;~~

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

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

15 (6) ~~The Missouri charter public school commission created in section 160.425.~~

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

19 (1) ~~As a district transitions from unaccredited to provisionally accredited, the district shall  
 20 continue to fall under the requirements for an unaccredited district until it achieves three  
 21 consecutive full school years of provisional accreditation;~~

22 (2) ~~As a district transitions from provisionally accredited to full accreditation, the district  
 23 shall continue to fall under the requirements for a provisionally accredited district until it achieves  
 24 three consecutive full school years of full accreditation;~~

25 (3) ~~In any school district classified as unaccredited or provisionally accredited where a  
 26 charter school is operating and is sponsored by an entity other than the local school board, when the  
 27 school district becomes classified as accredited without provisions, a charter school may continue to  
 28 be sponsored by the entity sponsoring it prior to the classification of accredited without provisions  
 29 and shall not be limited to the local school board as a sponsor.~~

30  
 31 A charter school operating in a school district identified in subdivision (1) or (2) of subsection 2 of  
 32 this section may be sponsored by any of the entities identified in subsection 3 of this section,  
 33 irrespective of the accreditation classification of the district in which it is located. A charter school  
 34 in a district described in this subsection whose charter provides for the addition of grade levels in  
 35 subsequent years may continue to add levels until the planned expansion is complete to the extent of  
 36 grade levels in comparable schools of the district in which the charter school is operated.

37 5. ~~The mayor of a city not within a county may request a sponsor under subdivision (2), (3),  
 38 (4), (5), or (6) of subsection 3 of this section to consider sponsoring a "workplace charter school",  
 39 which is defined for purposes of sections 160.400 to 160.425 as a charter school with the ability to  
 40 target prospective students whose parent or parents are employed in a business district, as defined in  
 41 the charter, which is located in the city] Charter schools may be operated in any school district  
 42 sponsored only by the school board of the district or by a special administrative board for the  
 43 district. This section shall not be construed to affect a charter contract that is in effect on the  
 44 effective date of this section until the expiration of such contract.~~

45 [6.] 3. No sponsor shall receive from an applicant for a charter school any fee of any type  
 46 for the consideration of a charter, nor may a sponsor condition its consideration of a charter on the  
 47 promise of future payment of any kind.

48 [7.] 4. The charter school shall be organized as a Missouri nonprofit corporation  
 49 incorporated pursuant to chapter 355. The charter provided for herein shall constitute a contract

1 between the sponsor and the charter school.

2 ~~[8. As a nonprofit corporation incorporated pursuant to chapter 355, the charter school shall~~  
 3 ~~select] 5. The method for election of officers [pursuant to section 355.326 based on the class of~~  
 4 ~~corporation selected] of the charter school shall be mutually agreed to by the charter school and~~  
 5 ~~sponsoring school board and shall comply with the provisions of chapter 355. Meetings of the~~  
 6 ~~governing board of the charter school shall be subject to the provisions of sections 610.010 to~~  
 7 ~~610.030.~~

8 [9.] 6. A sponsor of a charter school, its agents and employees are not liable for any acts or  
 9 omissions of a charter school that it sponsors, including acts or omissions relating to the charter  
 10 submitted by the charter school, the operation of the charter school and the performance of the  
 11 charter school.

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

20 11. The expenses associated with sponsorship of charter schools shall be defrayed by the  
 21 department of elementary and secondary education retaining one and five-tenths percent of the  
 22 amount of state and local funding allocated to the charter school under section 160.415, not to  
 23 exceed one hundred twenty-five thousand dollars, adjusted for inflation.]

24 7. The department of elementary and secondary education shall [remit the retained funds for  
 25 each charter school to the school's sponsor, provided the sponsor remains in good standing by  
 26 fulfilling its sponsorship obligations under sections 160.400 to 160.425 and 167.349 with regard to  
 27 each charter school it sponsors, including appropriate demonstration of the following:

28 (1) Expends no less than ninety percent of its charter school sponsorship funds in support of  
 29 its charter school sponsorship program, or as a direct investment in the sponsored schools;] monitor  
 30 each school board's sponsorship and ensure that the school board:

31 [(2)] (1) Maintains a comprehensive application process that follows fair procedures and  
 32 rigorous criteria and grants charters only to those developers who demonstrate strong capacity for  
 33 establishing and operating a quality charter school;

34 [(3)] (2) Negotiates contracts with charter schools that clearly articulate the rights and  
 35 responsibilities of each party regarding school autonomy, expected outcomes, measures for  
 36 evaluating success or failure, performance consequences [based on the annual performance report],  
 37 and other material terms;

38 [(4)] (3) Conducts contract oversight that evaluates performance, monitors compliance,  
 39 informs intervention and renewal decisions, and ensures autonomy provided under applicable law;  
 40 and

41 [(5)] (4) Designs and implements a transparent and rigorous process that uses  
 42 comprehensive data to make merit-based renewal decisions.

43 ~~[12. Sponsors receiving funds under subsection 11 of this section shall be required to submit~~  
 44 ~~annual reports to the joint committee on education demonstrating they are in compliance with~~  
 45 ~~subsection 17 of this section.~~

46 13. No university, college or community college shall grant a charter to a nonprofit  
 47 corporation if an employee of the university, college or community college is a member of the  
 48 corporation's board of directors.

49 14.] 8. No sponsor shall grant a charter under sections 160.400 to 160.425 and 167.349

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

6 ~~[15.]~~ 9. No member of the governing board of a charter school shall hold any office or  
 7 employment from the board or the charter school while serving as a member, nor shall the member  
 8 have any substantial interest, as defined in section 105.450, in any entity employed by or contracting  
 9 with the board. No board member shall be an employee of a company that provides substantial  
 10 services to the charter school. All members of the governing board of the charter school shall be  
 11 considered decision-making public servants as defined in section 105.450 for the purposes of the  
 12 financial disclosure requirements contained in sections 105.483, 105.485, 105.487, and 105.489.

13 ~~[16.]~~ 10. A sponsor shall develop the policies and procedures for:

14 (1) The review of a charter school proposal including an application that provides sufficient  
 15 information for rigorous evaluation of the proposed charter and provides clear documentation that  
 16 the education program and academic program are aligned with the state standards and grade-level  
 17 expectations, and provides clear documentation of effective governance and management structures,  
 18 and a sustainable operational plan;

19 (2) The granting of a charter;

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

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

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

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

30  
 31 The department shall provide guidance to sponsors in developing such policies and procedures.

32 ~~[17.]~~ 11. (1) A sponsor shall provide timely submission to the state board of education of all  
 33 data necessary to demonstrate that the sponsor is in material compliance with all requirements of  
 34 sections 160.400 to 160.425 and section 167.349. The state board of education shall ensure each  
 35 sponsor is in compliance with all requirements under sections 160.400 to 160.425 and 167.349 for  
 36 each charter school sponsored by any sponsor. The state board shall notify each sponsor of the  
 37 standards for sponsorship of charter schools, delineating both what is mandated by statute and what  
 38 best practices dictate. The state board shall evaluate sponsors to determine compliance with these  
 39 standards every three years. The evaluation shall include a sponsor's policies and procedures in the  
 40 areas of charter application approval; required charter agreement terms and content; sponsor  
 41 performance evaluation and compliance monitoring; and charter renewal, intervention, and  
 42 revocation decisions. Nothing shall preclude the department from undertaking an evaluation at any  
 43 time for cause.

44 (2) If the department determines that a sponsor is in material noncompliance with its  
 45 sponsorship duties, the sponsor shall be notified and given reasonable time for remediation. If

1 remediation does not address the compliance issues identified by the department, the commissioner  
 2 of education shall conduct a public hearing and thereafter provide notice to the charter sponsor of  
 3 corrective action that will be recommended to the state board of education. Corrective action by the  
 4 department may include ~~[withholding the sponsor's funding and]~~ suspending the sponsor's authority  
 5 to sponsor a charter school that it currently sponsors or to sponsor any additional school until the  
 6 sponsor is reauthorized by the state board of education ~~[under section 160.403]~~.

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

12 (4) If the state board removes the authority to sponsor a currently operating charter school  
 13 under any provision of law, the ~~[Missouri charter public school commission]~~ state board shall  
 14 become the sponsor of the school for the remainder of the term of the charter contract, and the state  
 15 board shall not be authorized to renew the contract.

16 ~~[48:]~~ 12. If a sponsor notifies a charter school of closure ~~[under subsection 8 of section~~  
 17 ~~160.405]~~, the department of elementary and secondary education shall exercise its financial  
 18 withholding authority under subsection ~~[42]~~ 9 of section 160.415 to assure all obligations of the  
 19 charter school shall be met. The state ~~[, charter sponsor, or resident]~~ and the sponsoring district shall  
 20 not be liable for any outstanding liability or obligations of the charter school.

21 160.403. ~~[4.]~~ The department of elementary and secondary education shall ~~[establish an~~  
 22 ~~annual application and approval process for all entities eligible to sponsor charters as set forth in~~  
 23 ~~section 160.400 which are not sponsoring a charter school as of August 28, 2012, except that the~~  
 24 ~~Missouri charter public school commission shall not be required to undergo the application and~~  
 25 ~~approval process. No later than November 1, 2012, the department shall make available information~~  
 26 ~~and guidelines for all eligible sponsors concerning the opportunity to apply for sponsoring authority~~  
 27 ~~under this section.~~

28 ~~2.~~ The application process for sponsorship shall require each interested eligible sponsor,  
 29 except for the ~~Missouri charter public school commission,~~ to submit an application by February first  
 30 that includes the following:

31 (1) ~~Written notification of intent to serve as a charter school sponsor in accordance with~~  
 32 ~~sections 160.400 to 160.425 and section 167.349;~~

33 (2) ~~Evidence of the applicant sponsor's budget and personnel capacity;~~

34 (3) ~~An outline of the request for proposal that the applicant sponsor would, if approved as a~~  
 35 ~~charter sponsor, issue to solicit charter school applicants consistent with sections 160.400 to 160.425~~  
 36 ~~and section 167.349;~~

37 (4) ~~The performance contract that the applicant sponsor would, if approved as a charter~~  
 38 ~~sponsor, use to evaluate the charter schools it sponsors; and~~

39 (5) ~~The applicant sponsor's renewal, revocation, and nonrenewal processes consistent with~~  
 40 ~~section 160.405.~~

41 3. By April first of each year, the department shall decide whether to grant or deny a  
 42 sponsoring authority to a sponsor applicant. ~~This decision shall be made based on the applicant~~

1 sponsor's compliance with sections 160.400 to 160.425 and section 167.349 and properly  
2 promulgated rules of the department.

3 4. ~~Within thirty days of the department's decision, the department shall execute a renewable~~  
4 ~~sponsoring contract with each entity it has approved as a sponsor. The term of each authorizing~~  
5 ~~contract shall be six years and renewable] exercise sponsorship oversight and monitoring to ensure~~  
6 ~~that local school districts sponsor only charter schools that meet the criteria specified in sections~~  
7 ~~160.400 to 160.425 and do so by way of a procedure that complies with the process outlined in~~  
8 ~~sections 160.400 to 160.425.~~

9 160.405. 1. (1) A person, group or organization seeking to establish a charter school shall  
10 submit the proposed charter, as provided in this section, to ~~[a sponsor. If the sponsor is not a school~~  
11 ~~board, the applicant shall give a copy of its application to the school board of the district in which~~  
12 ~~the charter school is to be located and to the state board of education, within five business days of~~  
13 ~~the date the application is filed with the proposed sponsor. The school board may file objections~~  
14 ~~with the proposed sponsor, and, if a charter is granted, the school board may file objections with the~~  
15 ~~state board of education] the local school board or the special administrative board in the case that~~  
16 ~~the state board has established a special administrative board for the district. The charter shall~~  
17 ~~include a [legally binding performance] contract that describes the obligations and responsibilities~~  
18 ~~of the school [and the sponsor as outlined in sections 160.400 to 160.425 and section 167.349 and~~  
19 ~~shall address the following] to provide students with a free, accessible, nonsectarian, quality~~  
20 ~~education that is delivered subject to the same basic safeguards and standards as other district~~  
21 ~~schools, including compliance with:~~

22 ~~(1) A mission and vision statement for the charter school;~~

23 ~~(2) A description of the charter school's organizational structure and bylaws of the~~  
24 ~~governing body, which will be responsible for the policy, financial management, and operational~~  
25 ~~decisions of the charter school, including the nature and extent of parental, professional educator,~~  
26 ~~and community involvement in the governance and operation of the charter school;~~

27 ~~(3) A financial plan for the first three years of operation of the charter school including~~  
28 ~~provisions for annual audits;~~

29 ~~(4) A description of the charter school's policy for securing personnel services, its personnel~~  
30 ~~policies, personnel qualifications, and professional development plan;~~

31 ~~(5) A description of the grades or ages of students being served;~~

32 ~~(6) The school's calendar of operation, which shall include at least the equivalent of a full~~  
33 ~~school term as defined in section 160.011;~~

34 ~~(7) A description of the charter school's pupil performance standards and academic program~~  
35 ~~performance standards, which shall meet the requirements of subdivision (6) of subsection 4 of this~~  
36 ~~section. The charter school program shall be designed to enable each pupil to achieve such~~  
37 ~~standards and shall contain a complete set of indicators, measures, metrics, and targets for~~  
38 ~~academic program performance, including specific goals on graduation rates and standardized test~~  
39 ~~performance and academic growth;~~

40 ~~(8) A description of the charter school's educational program and curriculum;~~

41 ~~(9) The term of the charter, which shall be five years and may be renewed;~~

42 ~~(10) Procedures, consistent with the Missouri financial accounting manual, for monitoring~~  
43 ~~the financial accountability of the charter, which shall meet the requirements of subdivision (4) of~~  
44 ~~subsection 4 of this section;~~

45 ~~(11) Preopening requirements for applications that require that charter schools meet all~~  
46 ~~health, safety, and other legal requirements prior to opening;~~

47 ~~(12) A description of the charter school's policies on student discipline and student~~  
48 ~~admission, which shall include a statement, where applicable, of the validity of attendance of~~  
49 ~~students who do not reside in the district but who may be eligible to attend under the terms of~~

1 judicial settlements and procedures that ensure admission of students with disabilities in a  
2 nondiscriminatory manner;

3 (13) A description of the charter school's grievance procedure for parents or guardians;

4 (14) A description of the agreement and time frame for implementation between the charter  
5 school and the sponsor as to when a sponsor shall intervene in a charter school, when a sponsor  
6 shall revoke a charter for failure to comply with subsection 8 of this section, and when a sponsor  
7 will not renew a charter under subsection 9 of this section;

8 (15) Procedures to be implemented if the charter school should close, as provided in  
9 subdivision (6) of subsection 16 of section 160.400 including:

10 (a) Orderly transition of student records to new schools and archival of student records;

11 (b) Archival of business operation and transfer or repository of personnel records;

12 (c) Submission of final financial reports;

13 (d) Resolution of any remaining financial obligations;

14 (e) Disposition of the charter school's assets upon closure; and

15 (f) A notification plan to inform parents or guardians of students, the local school district,  
16 the retirement system in which the charter school's employees participate, and the state board of  
17 education within thirty days of the decision to close;

18 (16) A description of the special education and related services that shall be available to meet  
19 the needs of students with disabilities; and

20 (17) For all new or revised charters, procedures to be used upon closure of the charter school  
21 requiring that unobligated assets of the charter school be returned to the department of elementary  
22 and secondary education for their disposition, which upon receipt of such assets shall return them to  
23 the local school district in which the school was located, the state, or any other entity to which they  
24 would belong.

25  
26 Charter schools operating on August 27, 2012, shall have until August 28, 2015, to meet the  
27 requirements of this subsection.]

28 (a) Open meetings and public record laws;

29 (b) Prohibitions against for-profit operation or profiteering as enforced by conflict of  
30 interest, financial disclosure, and auditing requirements;

31 (c) The same civil rights including, but not limited to, constitutional rights and federal and  
32 state laws relating to employment, health, labor, safety, staff qualification, certification  
33 requirements, and protections for students with disabilities as other district schools; and

34 (d) The same standards of accreditation, accountability, and academic assessment and  
35 performance as other district schools.

36 (2) The term of the charter shall not exceed five years.

37 2. Proposed charters shall be subject to the following requirements:

38 (1) A charter shall be submitted to the sponsor, and follow the sponsor's policies and  
39 procedures for review and granting of a charter approval[, and be approved by the state board of  
40 education by January thirty first prior to the school year of the proposed opening date of the charter  
41 school];

42 (2) A charter may be approved [when the sponsor determines that the requirements of this  
43 section are met, determines that the applicant is sufficiently qualified to operate a charter school,  
44 and that the proposed charter is consistent with the sponsor's charter sponsorship goals and capacity.  
45 The sponsor's decision of approval or denial shall be made within ninety days of the filing of the  
46 proposed charter] only if the sponsor determines the charter is both necessary to meet the needs of  
47 students in the district and will meet those needs in a manner that improves the local public school

1 system;

2 (3) Charter schools may be authorized or expanded only after a district has assessed the  
 3 impact of the proposed charter school on local public school resources, programs, and services  
 4 including, but not limited to, the district's operating and capital expenses, appropriate facility  
 5 availability, the likelihood that the charter will prompt cutbacks or closures in local public schools,  
 6 and consideration of whether other improvements in either educational program or school  
 7 management, which may include reduced class sizes and community or magnet schools, would  
 8 better serve the district's needs. The district shall also consider the impact of the charter on the  
 9 racial, ethnic, and socioeconomic composition of schools and neighborhoods and on equitable  
 10 access to quality services for all district students including, but not limited to, students with special  
 11 needs and English-language learners. The impact analysis shall be independent, developed with  
 12 community input, and be written and publicly available. If the charter is denied, the proposed  
 13 sponsor shall notify the applicant in writing as to the reasons for its denial and forward a copy to the  
 14 state board of education within five business days following the denial;

15 (4) If a proposed charter is denied by a sponsor, the proposed charter may be submitted to  
 16 the state board of education, along with the sponsor's written reasons for its denial. ~~If the state~~  
 17 ~~board determines that the applicant meets the requirements of this section, that the applicant is~~  
 18 ~~sufficiently qualified to operate the charter school, and that granting a charter to the applicant would~~  
 19 ~~be likely to provide educational benefit to the children of the district, the state board may grant a~~  
 20 ~~charter and act as sponsor of the charter school. The state board shall review the proposed charter~~  
 21 ~~and make a determination of whether to deny or grant the proposed charter within sixty days of~~  
 22 ~~receipt of the proposed charter, provided that any charter to be considered by the state board of~~  
 23 ~~education under this subdivision shall be submitted no later than March first prior to the school year~~  
 24 ~~in which the charter school intends to begin operations. The state board of education shall notify the~~  
 25 ~~applicant in writing as the reasons for its denial, if applicable; and~~

26 (5) ~~The sponsor of a charter school shall give priority to charter school applicants that~~  
 27 ~~propose a school oriented to high-risk students and to the reentry of dropouts into the school system.~~  
 28 ~~If a sponsor grants three or more charters, at least one-third of the charters granted by the sponsor~~  
 29 ~~shall be to schools that actively recruit dropouts or high-risk students as their student body and~~  
 30 ~~address the needs of dropouts or high-risk students through their proposed mission, curriculum,~~  
 31 ~~teaching methods, and services. For purposes of this subsection, a "high-risk" student is one who is~~  
 32 ~~at least one year behind in satisfactory completion of course work or obtaining high school credits~~  
 33 ~~for graduation, has dropped out of school, is at risk of dropping out of school, needs drug and~~  
 34 ~~alcohol treatment, has severe behavioral problems, has been suspended from school three or more~~  
 35 ~~times, has a history of severe truancy, is a pregnant or parenting teen, has been referred for~~  
 36 ~~enrollment by the judicial system, is exiting incarceration, is a refugee, is homeless or has been~~  
 37 ~~homeless sometime within the preceding six months, has been referred by an area school district for~~  
 38 ~~enrollment in an alternative program, or qualifies as high risk under department of elementary and~~  
 39 ~~secondary education guidelines. Dropout shall be defined through the guidelines of the school core~~  
 40 ~~data report. The provisions of this subsection do not apply to charters sponsored by the state board~~  
 41 ~~of education.] The state board of education may consider appeals of approvals or denials of charters~~  
 42 only on the grounds that the sponsor's process for approving a charter was not properly followed or  
 43 that the approval or denial of a charter was arbitrary or illegal. If the state board of education  
 44 determines, following a hearing on the appeal, that the sponsor's process for approving the charter  
 45 was not properly followed or that the approval or denial of a charter was arbitrary or illegal, the state  
 46 board may remand the application to the sponsor with specific instructions for correction of the  
 47 sponsor's review under the sponsor's approval process.

48 3. If a charter is approved by a sponsor, the charter application shall be submitted to the  
 49 state board of education, along with a statement of finding by the sponsor that the application meets



1 the requirements of sections 160.400 to 160.425 and section 167.349 and a monitoring plan under  
2 which the charter sponsor shall monitor and evaluate the [academic performance, including annual  
3 performance reports, of students enrolled in the charter school. The state board of education shall  
4 approve or deny a charter application within sixty days of receipt of the application. The state board  
5 of education may deny a charter on grounds that the application fails to meet the requirements of  
6 sections 160.400 to 160.425 and section 167.349 or that a charter sponsor previously failed to meet  
7 the statutory responsibilities of a charter sponsor. Any denial of a charter application made by the  
8 state board of education shall be in writing and shall identify the specific failures of the application  
9 to meet the requirements of sections 160.400 to 160.425 and section 167.349, and the written denial  
10 shall be provided within ten business days to the sponsor] charter school.

11 4. [A charter school shall, as provided in its charter:

12 (1) ~~Be nonsectarian in its programs, admission policies, employment practices, and all other~~  
13 ~~operations;~~

14 (2) ~~Comply with laws and regulations of the state, county, or city relating to health, safety,~~  
15 ~~and state minimum educational standards, as specified by the state board of education, including the~~  
16 ~~requirements relating to student discipline under sections 160.261, 167.161, 167.164, and 167.171,~~  
17 ~~notification of criminal conduct to law enforcement authorities under sections 167.115 to 167.117,~~  
18 ~~academic assessment under section 160.518, transmittal of school records under section 167.020, the~~  
19 ~~minimum amount of school time required under section 171.031, and the employee criminal history~~  
20 ~~background check and the family care safety registry check under section 168.133;~~

21 (3) ~~Except as provided in sections 160.400 to 160.425 and as specifically provided in other~~  
22 ~~sections, be exempt from all laws and rules relating to schools, governing boards and school~~  
23 ~~districts;~~

24 (4) ~~Be financially accountable, use practices consistent with the Missouri financial~~  
25 ~~accounting manual, provide for an annual audit by a certified public accountant, publish audit~~  
26 ~~reports and annual financial reports as provided in chapter 165, provided that the annual financial~~  
27 ~~report may be published on the department of elementary and secondary education's internet website~~  
28 ~~in addition to other publishing requirements, and provide liability insurance to indemnify the school,~~  
29 ~~its board, staff and teachers against tort claims. A charter school that receives local educational~~  
30 ~~agency status under subsection 6 of this section shall meet the requirements imposed by the~~  
31 ~~Elementary and Secondary Education Act for audits of such agencies and comply with all federal~~  
32 ~~audit requirements for charters with local educational agency status. For purposes of an audit by~~  
33 ~~petition under section 29.230, a charter school shall be treated as a political subdivision on the same~~  
34 ~~terms and conditions as the school district in which it is located. For the purposes of securing such~~  
35 ~~insurance, a charter school shall be eligible for the Missouri public entity risk management fund~~  
36 ~~pursuant to section 537.700. A charter school that incurs debt shall include a repayment plan in its~~  
37 ~~financial plan;~~

38 (5) ~~Provide a comprehensive program of instruction for at least one grade or age group from~~  
39 ~~early childhood through grade twelve, as specified in its charter;~~

40 (6) (a) ~~Design a method to measure pupil progress toward the pupil academic standards~~  
41 ~~adopted by the state board of education pursuant to section 160.514, establish baseline student~~  
42 ~~performance in accordance with the performance contract during the first year of operation, collect~~  
43 ~~student performance data as defined by the annual performance report throughout the duration of the~~  
44 ~~charter to annually monitor student academic performance, and to the extent applicable based upon~~  
45 ~~grade levels offered by the charter school, participate in the statewide system of assessments,~~  
46 ~~comprised of the essential skills tests and the nationally standardized norm-referenced achievement~~  
47 ~~tests, as designated by the state board pursuant to section 160.518, complete and distribute an annual~~  
48 ~~report card as prescribed in section 160.522, which shall also include a statement that background~~  
49 ~~checks have been completed on the charter school's board members, and report to its sponsor, the~~

1 local school district, and the state board of education as to its teaching methods and any educational  
 2 innovations and the results thereof. ~~No~~ Each charter school shall be considered in the Missouri  
 3 school improvement program review of the district in which it is located [for the resource or process  
 4 standards of the program.

5 (b) ~~For proposed high-risk or alternative charter schools, sponsors shall approve~~  
 6 ~~performance measures based on mission, curriculum, teaching methods, and services. Sponsors~~  
 7 ~~shall also approve comprehensive academic and behavioral measures to determine whether students~~  
 8 ~~are meeting performance standards on a different time frame as specified in that school's charter.~~  
 9 ~~Student performance shall be assessed comprehensively to determine whether a high-risk or~~  
 10 ~~alternative charter school has documented adequate student progress. Student performance shall be~~  
 11 ~~based on sponsor-approved comprehensive measures as well as standardized public school~~  
 12 ~~measures. Annual presentation of charter school report card data to the department of elementary~~  
 13 ~~and secondary education, the state board, and the public shall include comprehensive measures of~~  
 14 ~~student progress.~~

15 (c) ~~Nothing in this subdivision shall be construed as permitting a charter school to be held to~~  
 16 ~~lower performance standards than other public schools within a district; however, the charter of a~~  
 17 ~~charter school may permit students to meet performance standards on a different time frame as~~  
 18 ~~specified in its charter. The performance standards for alternative and special purpose charter~~  
 19 ~~schools that target high-risk students as defined in subdivision (5) of subsection 2 of this section~~  
 20 ~~shall be based on measures defined in the school's performance contract with its sponsors;~~

21 (7) ~~Comply with all applicable federal and state laws and regulations regarding students~~  
 22 ~~with disabilities, including sections 162.670 to 162.710, the Individuals with Disabilities Education~~  
 23 ~~Act (20 U.S.C. Section 1400) and Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section~~  
 24 ~~794) or successor legislation;~~

25 (8) ~~Provide along with any request for review by the state board of education the following:~~

26 (a) ~~Documentation that the applicant has provided a copy of the application to the school~~  
 27 ~~board of the district in which the charter school is to be located, except in those circumstances~~  
 28 ~~where the school district is the sponsor of the charter school; and~~

29 (b) ~~A statement outlining the reasons for approval or denial by the sponsor, specifically~~  
 30 ~~addressing the requirements of sections 160.400 to 160.425 and 167.349.~~

31 5. (1) ~~Proposed or existing high-risk or alternative charter schools may include alternative~~  
 32 ~~arrangements for students to obtain credit for satisfying graduation requirements in the school's~~  
 33 ~~charter application and charter. Alternative arrangements may include, but not be limited to, credit~~  
 34 ~~for off-campus instruction, embedded credit, work experience through an internship arranged~~  
 35 ~~through the school, and independent studies. When the state board of education approves the~~  
 36 ~~charter, any such alternative arrangements shall be approved at such time.~~

37 (2) ~~The department of elementary and secondary education shall conduct a study of any~~  
 38 ~~charter school granted alternative arrangements for students to obtain credit under this subsection~~  
 39 ~~after three years of operation to assess student performance, graduation rates, educational outcomes,~~  
 40 ~~and entry into the workforce or higher education].~~

41 [6:] 5. The charter of a charter school may be amended [at the request] by mutual agreement  
 42 of the governing body of the charter school and [on the approval of] the sponsor. The sponsor and  
 43 the governing board and staff of the charter school shall jointly review the school's performance,  
 44 management, and operations [during the first year of operation and then every other year after the  
 45 most recent review or at any point where the operation or management of the charter school is  
 46 changed or transferred to another entity, either public or private. The governing board of a charter  
 47 school may amend the charter, if the sponsor approves such amendment, or the sponsor and the  
 48 governing board may reach an agreement in writing to reflect the charter school's decision to  
 49 become a local educational agency. In such case the sponsor shall give the department of

1 elementary and secondary education written notice no later than March first of any year, with the  
 2 agreement to become effective July first. The department may waive the March first notice date in  
 3 its discretion. The department shall identify and furnish a list of its regulations that pertain to local  
 4 educational agencies to such schools within thirty days of receiving such notice] as provided in the  
 5 contract.

6 [7. Sponsors shall annually review the charter school's compliance with statutory standards  
 7 including:

8 (1) Participation in the statewide system of assessments, as designated by the state board of  
 9 education under section 160.518;

10 (2) Assurances for the completion and distribution of an annual report card as prescribed in  
 11 section 160.522;

12 (3) The collection of baseline data during the first three years of operation to determine the  
 13 longitudinal success of the charter school;

14 (4) A method to measure pupil progress toward the pupil academic standards adopted by the  
 15 state board of education under section 160.514; and

16 (5) Publication of each charter school's annual performance report.

17 8. (1) (a) A sponsor's policies shall give schools clear, adequate, evidence-based, and  
 18 timely notice of contract violations or performance deficiencies and mandate intervention based  
 19 upon findings of the state board of education of the following:

20 a. The charter school provides a high school program which fails to maintain a graduation  
 21 rate of at least seventy percent in three of the last four school years unless the school has dropout  
 22 recovery as its mission;

23 b. The charter school's annual performance report results are below the district's annual  
 24 performance report results based on the performance standards that are applicable to the grade level  
 25 configuration of both the charter school and the district in which the charter school is located in  
 26 three of the last four school years; and

27 c. The charter school is identified as a persistently lowest achieving school by the  
 28 department of elementary and secondary education.

29 (b) 6. (1) A sponsor shall have a policy to revoke a charter during the charter term if there  
 30 is

31 [a.] clear evidence of underperformance [as demonstrated in the charter school's annual  
 32 performance report in three of the last four school years;] or

33 [b.] a violation of the law or the public trust that imperils students or public funds.

34 [c.] (2) A sponsor shall revoke a charter or take other appropriate remedial action[, which  
 35 may include placing the charter school on probationary status for no more than twenty-four months,  
 36 provided that no more than one designation of probationary status shall be allowed for the duration  
 37 of the charter contract, at any time if the charter school commits a serious breach of one or more  
 38 provisions of its charter or on any of the following grounds: failure to meet the performance  
 39 contract as set forth in its charter, failure to meet generally accepted standards of fiscal management,  
 40 failure to provide information necessary to confirm compliance with all provisions of the charter  
 41 and sections 160.400 to 160.425 and 167.349 within forty-five days following receipt of written  
 42 notice requesting such information, or violation of law.

43 (2) The sponsor may place the charter school on probationary status to allow the  
 44 implementation of a remedial plan, which may require a change of methodology, a change in  
 45 leadership, or both, after which, if such plan is unsuccessful, the charter may be revoked.

46 (3) At least sixty days before acting to revoke a charter, the sponsor shall notify the  
 47 governing board of the charter school of the proposed action in writing. The notice shall state the  
 48 grounds for the proposed action. The school's governing board may request in writing a hearing  
 49 before the sponsor within two weeks of receiving the notice.

1           (4) ~~The sponsor of a charter school shall establish procedures to conduct administrative~~  
 2 ~~hearings upon determination by the sponsor that grounds exist to revoke a charter. Final decisions~~  
 3 ~~of a sponsor from hearings conducted pursuant to this subsection are subject to an appeal to the state~~  
 4 ~~board of education, which shall determine whether the charter shall be revoked.~~

5           (5) ~~A termination shall be effective only at the conclusion of the school year, unless the~~  
 6 ~~sponsor determines that continued operation of the school presents a clear and immediate threat to~~  
 7 ~~the health and safety of the children.~~

8           (6) ~~A charter sponsor shall make available the school accountability report card information~~  
 9 ~~as provided under section 160.522 and the results of the academic monitoring required under~~  
 10 ~~subsection 3 of this section] as provided in the contract.~~

11           [9:] 7. [(1)] A sponsor shall [take all reasonable steps necessary to] confirm that each  
 12 charter school sponsored by such sponsor is in material compliance and remains in material  
 13 compliance with all material provisions of the charter and sections 160.400 to 160.425 and 167.349.  
 14 Every charter school shall provide all information necessary to confirm ongoing compliance with all  
 15 provisions of its charter and sections 160.400 to 160.425 and 167.349 in a timely manner to its  
 16 sponsor.

17           [(2) The sponsor's renewal process of the charter school shall be based on the thorough  
 18 analysis of a comprehensive body of objective evidence and consider if:

19           (a) ~~The charter school has maintained results on its annual performance report that meet or~~  
 20 ~~exceed the district in which the charter school is located based on the performance standards that are~~  
 21 ~~applicable to the grade-level configuration of both the charter school and the district in which the~~  
 22 ~~charter school is located in three of the last four school years;~~

23           (b) ~~The charter school is organizationally and fiscally viable determining at a minimum that~~  
 24 ~~the school does not have:~~

25           a. ~~A negative balance in its operating funds;~~

26           b. ~~A combined balance of less than three percent of the amount expended for such funds~~  
 27 ~~during the previous fiscal year; or~~

28           c. ~~Expenditures that exceed receipts for the most recently completed fiscal year;~~

29           (c) ~~The charter is in compliance with its legally binding performance contract and sections~~  
 30 ~~160.400 to 160.425 and section 167.349; and~~

31           (d) ~~The charter school has an annual performance report consistent with a classification of~~  
 32 ~~accredited for three of the last four years and is fiscally viable as described in paragraph (b) of this~~  
 33 ~~subdivision. If such is the case, the charter school may have an expedited renewal process as~~  
 34 ~~defined by rule of the department of elementary and secondary education.~~

35           (3) (a) ~~Beginning August first during the year in which a charter is considered for renewal,~~  
 36 ~~a charter school sponsor shall demonstrate to the state board of education that the charter school is~~  
 37 ~~in compliance with federal and state law as provided in sections 160.400 to 160.425 and section~~  
 38 ~~167.349 and the school's performance contract including but not limited to those requirements~~  
 39 ~~specific to academic performance.~~

40           (b) ~~Along with data reflecting the academic performance standards indicated in paragraph~~  
 41 ~~(a) of this subdivision, the sponsor shall submit a revised charter application to the state board of~~  
 42 ~~education for review.~~

43           (c) ~~Using the data requested and the revised charter application under paragraphs (a) and (b)~~  
 44 ~~of this subdivision, the state board of education shall determine if compliance with all standards~~  
 45 ~~enumerated in this subdivision has been achieved. The state board of education at its next regularly~~  
 46 ~~scheduled meeting shall vote on the revised charter application.~~

47           (d) ~~If a charter school sponsor demonstrates the objectives identified in this subdivision, the~~  
 48 ~~state board of education shall renew the school's charter.~~

49           10.] 8. A school district may enter into a lease with a charter school for physical facilities.

1           ~~[41.]~~ 9. A governing board or a school district employee who has control over personnel  
2 actions shall not take unlawful reprisal against another employee at the school district because the  
3 employee is directly or indirectly involved in an application to establish a charter school. A  
4 governing board or a school district employee shall not take unlawful reprisal against an educational  
5 program of the school or the school district because an application to establish a charter school  
6 proposes the conversion of all or a portion of the educational program to a charter school. As used  
7 in this subsection, "unlawful reprisal" means an action that is taken by a governing board or a school  
8 district employee as a direct result of a lawful application to establish a charter school and that is  
9 adverse to another employee or an educational program.

10           ~~[42.]~~ 10. Charter school board members shall be subject to the same liability for acts while  
11 in office as if they were regularly and duly elected members of school boards in any other public  
12 school district in this state. The governing board of a charter school may participate, to the same  
13 extent as a school board, in the Missouri public entity risk management fund in the manner provided  
14 under sections 537.700 to 537.756.

15           ~~[43.]~~ 11. Any entity, either public or private, operating, administering, or otherwise  
16 managing a charter school shall be considered a quasi-public governmental body and subject to the  
17 provisions of sections 610.010 to 610.035.

18           ~~[44.]~~ 12. The chief financial officer of a charter school shall maintain:

19           (1) A surety bond in an amount determined by the sponsor to be adequate based on the cash  
20 flow of the school; or

21           (2) An insurance policy issued by an insurance company licensed to do business in Missouri on all  
22 employees in the amount of five hundred thousand dollars or more that provides coverage in the  
23 event of employee theft.

24           ~~[15. The department of elementary and secondary education shall calculate an annual  
25 performance report for each charter school and shall publish it in the same manner as annual  
26 performance reports are calculated and published for districts and attendance centers.~~

27           ~~16. The joint committee on education shall create a committee to investigate facility access  
28 and affordability for charter schools. The committee shall be comprised of equal numbers of the  
29 charter school sector and the public school sector and shall report its findings to the general  
30 assembly by December 31, 2016.]~~

31           160.410. 1. A charter school shall enroll[;

32           ~~(1)]~~ all pupils ~~[resident]~~ residing in the district in which it operates[;

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

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

38           ~~(4) In the case of a charter school whose mission includes student drop-out prevention or  
39 recovery, any nonresident pupil from the same or an adjacent county who resides in a residential  
40 care facility, a transitional living group home, or an independent living program whose last school of  
41 enrollment is in the school district where the charter school is established, who submits a timely  
42 application; and~~

43           ~~(5) In the case of a workplace charter school, any student eligible to attend under  
44 subdivision (1) or (2) of this subsection whose parent is employed in the business district, who  
45 submits a timely application, unless the number of applications exceeds the capacity of a program,  
46 class, grade level or building. The configuration of a business district shall be set forth in the  
47 charter and shall not be construed to create an undue advantage for a single employer or small  
48 number of employers] as provided in the contract and subject to other requirements of law  
49 applicable to enrollment of students in the district; provided that, a charter school operating under a~~

1 contract in effect on the effective date of this section may enroll pupils as provided in the charter  
2 and such contract until the expiration of such contract.

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

6 ~~(1) A charter school may establish a geographical area around the school whose residents~~  
7 ~~will receive a preference for enrolling in the school, provided that such preferences do not result in~~  
8 ~~the establishment of racially or socioeconomically isolated schools and provided such preferences~~  
9 ~~conform to policies and guidelines established by the state board of education;~~

10 ~~(2) A charter school may also give a preference for admission of children whose siblings~~  
11 ~~attend the school or whose parents are employed at the school or in the case of a workplace charter~~  
12 ~~school, a child whose parent is employed in the business district or at the business site of such~~  
13 ~~school;~~

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

17 ~~(4) A charter school may also give a preference for admission to students who will be~~  
18 ~~eligible for the free and reduced-price lunch program in the upcoming school year].~~

19 3. A charter school shall not limit admission based on race, ethnicity, national origin,  
20 disability, income level, [~~except as allowed under subdivision (4) of subsection 2 of this section,]~~  
21 proficiency in the English language, or athletic ability, but may limit admission to pupils within a  
22 given age group or grade level. Charter schools may limit admission based on gender only when the  
23 school is a single-gender school. [~~Students of a charter school who have been enrolled for a full~~  
24 ~~academic year shall be counted in the performance of the charter school on the statewide~~  
25 ~~assessments in that calendar year, unless otherwise exempted as English language learners. For~~  
26 ~~purposes of this subsection, "full academic year" means the last Wednesday in September through~~  
27 ~~the administration of the Missouri assessment program test without transferring out of the school~~  
28 ~~and re-enrolling.]~~

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

32 (1) The school's charter;

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

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

35 ~~(4) If a charter school is operated by a management company, a copy of the written contract~~  
36 ~~between the governing board of the charter school and the educational management organization or~~  
37 ~~the charter management organization for services. The charter school may charge reasonable fees,~~  
38 ~~not to exceed the rate specified in section 610.026 for furnishing copies of documents under this~~  
39 ~~subsection].~~

40 5. When a student attending a charter school who is a resident of the school district in which  
41 the charter school is located moves out of the boundaries of such school district, the student may  
42 complete the current semester and shall be considered a resident student. The student's parent or  
43 legal guardian shall be responsible for the student's transportation to and from the charter school.

44 6. If a change in school district boundary lines occurs under section 162.223, 162.431,  
45 162.441, or 162.451, or by action of the state board of education under section 162.081, including  
46 attachment of a school district's territory to another district or dissolution, such that a student  
47 attending a charter school prior to such change no longer resides in a school district in which the  
48 charter school is located, then the student may complete the current academic year at the charter  
49 school. The student shall be considered a resident student. The student's parent or legal guardian

1 shall be responsible for the student's transportation to and from the charter school.

2 7. The provisions of sections 167.018 and 167.019 concerning foster children's educational  
3 rights are applicable to charter schools."; and

4  
5 Further amend said bill, Pages 27-37, Section 160.415, Lines 1-295, by deleting all of the said lines  
6 and inserting in lieu thereof the following;

7  
8 "160.415. 1. For the purposes of calculation and distribution of state school aid under  
9 section 163.031, pupils enrolled in a charter school shall be included in the pupil enrollment of the  
10 school district within which each pupil resides. Each charter school shall report the eligibility for  
11 free and reduced price lunch, special education, or limited English proficiency status, as well as  
12 eligibility for categorical aid, of pupils resident in a school district who are enrolled in the charter  
13 school to the school district in which those pupils reside. The charter school shall report the average  
14 daily attendance data, free and reduced price lunch count, special education pupil count, and limited  
15 English proficiency pupil count to the state department of elementary and secondary education.  
16 Each charter school shall promptly notify the state department of elementary and secondary  
17 education and the pupil's school district when a pupil discontinues enrollment at a charter school.

18 2. ~~[Except as provided in subsections 3 and 4 of this section, the]~~ Aid payments for charter  
19 schools shall be as described in this subsection.

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

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

28 (3) If the department overpays or underpays the amount due to the charter school, such  
29 overpayment or underpayment shall be repaid by the charter school or credited to the charter school  
30 in twelve equal payments in the next fiscal year.

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

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

37 3. ~~[A workplace charter school shall receive payment for each eligible pupil as provided  
38 under subsection 2 of this section, except that if the pupil is not a resident of the district and is  
39 participating in a voluntary interdistrict transfer program, the payment for such pupils shall be the  
40 same as provided under section 162.1060.~~

41 4. ~~A charter school that has declared itself as a local educational agency shall receive from  
42 the department of elementary and secondary education an annual amount equal to the product of the  
43 charter school's weighted average daily attendance and the state adequacy target, multiplied by the  
44 dollar value modifier for the district, plus local tax revenues per weighted average daily attendance  
45 from the incidental and teachers funds in excess of the performance levy as defined in section  
46 163.011 plus all other state aid attributable to such pupils. If a charter school declares itself as a  
47 local educational agency, the department of elementary and secondary education shall, upon notice  
48 of the declaration, reduce the payment made to the school district by the amount specified in this  
49 subsection and pay directly to the charter school the annual amount reduced from the school~~

1 district's payment.

2 ~~5. If a school district fails to make timely payments of any amount for which it is the~~  
 3 ~~disbursal agent, the state department of elementary and secondary education shall authorize payment~~  
 4 ~~to the charter school of the amount due pursuant to subsection 2 of this section and shall deduct the~~  
 5 ~~same amount from the next state school aid apportionment to the owing school district. If a charter~~  
 6 ~~school is paid more or less than the amounts due pursuant to this section, the amount of~~  
 7 ~~overpayment or underpayment shall be adjusted equally in the next twelve payments by the school~~  
 8 ~~district or the department of elementary and secondary education, as appropriate.] Any dispute~~  
 9 ~~between the school district and a charter school as to the amount owing to the charter school shall be~~  
 10 ~~resolved [by the department of elementary and secondary education, and the department's decision~~  
 11 ~~shall be the final administrative action for the purposes of review pursuant to chapter 536. During~~  
 12 ~~the period of dispute, the department of elementary and secondary education shall make every~~  
 13 ~~administrative and statutory effort to allow the continued education of students in their current~~  
 14 ~~charter school setting] as provided in the contract.~~

15 ~~[6.] 4. The charter school and a local school board may agree by contract for services to be~~  
 16 ~~provided by the school district to the charter school. The charter school may contract with any other~~  
 17 ~~entity for services. Such services may include, but are not limited to, food service, custodial service,~~  
 18 ~~maintenance, management assistance, curriculum assistance, media services, and libraries; provided~~  
 19 ~~that, no charter school shall be operated by a management company or any entity other than the~~  
 20 ~~charter school board and its chief administrative officer, and shall be subject to negotiation between~~  
 21 ~~the charter school and the local school board or other entity. Documented actual costs of such~~  
 22 ~~services shall be paid for by the charter school.~~

23 ~~[7. In the case of a proposed charter school that intends to contract with an education service~~  
 24 ~~provider for substantial educational services or management services, the request for proposals shall~~  
 25 ~~additionally require the charter school applicant to:~~

26 ~~(1) Provide evidence of the education service provider's success in serving student~~  
 27 ~~populations similar to the targeted population, including demonstrated academic achievement as~~  
 28 ~~well as successful management of nonacademic school functions, if applicable;~~

29 ~~(2) Provide a term sheet setting forth the proposed duration of the service contract; roles and~~  
 30 ~~responsibilities of the governing board, the school staff, and the service provider; scope of services~~  
 31 ~~and resources to be provided by the service provider; performance evaluation measures and time~~  
 32 ~~lines; compensation structure, including clear identification of all fees to be paid to the service~~  
 33 ~~provider; methods of contract oversight and enforcement; investment disclosure; and conditions for~~  
 34 ~~renewal and termination of the contract;~~

35 ~~(3) Disclose any known conflicts of interest between the school governing board and~~  
 36 ~~proposed service provider or any affiliated business entities;~~

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

39 ~~(5) Ensure that the legal counsel for the charter school shall report directly to the charter~~  
 40 ~~school's governing board; and~~

41 ~~(6) Provide a process to ensure that the expenditures that the education service provider~~  
 42 ~~intends to bill to the charter school shall receive prior approval of the governing board or its~~  
 43 ~~designee.~~

44 ~~8.] 5. A charter school may enter into contracts with community partnerships and state~~  
 45 ~~agencies acting in collaboration with such partnerships that provide services to students and their~~  
 46 ~~families linked to the school.~~

47 ~~[9.] 6. A charter school shall be eligible for transportation state aid pursuant to section~~  
 48 ~~163.161 and shall be free to contract with the local district, or any other entity, for the provision of~~  
 49 ~~transportation to the students of the charter school.~~



1           ~~[40:]~~ 7. (1) The proportionate share of state and federal resources generated by students  
2 with disabilities or staff serving them shall be paid in full to charter schools enrolling those students  
3 by their school district where such enrollment is through a contract for services described in this  
4 section. The proportionate share of money generated under other federal or state categorical aid  
5 programs shall be directed to charter schools serving such students eligible for that aid.

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

9           ~~[41:]~~ 8. A charter school shall not charge tuition or impose fees that a school district is  
10 prohibited from charging or imposing, except that a charter school may receive tuition payments  
11 from districts in the same or an adjoining county for nonresident students who transfer to an  
12 approved charter school, as defined in section 167.895, from an unaccredited district.

13           ~~[42:]~~ 9. A charter school is authorized to incur debt in anticipation of receipt of funds. A  
14 charter school may also borrow to finance facilities and other capital items. A school district may  
15 incur bonded indebtedness or take other measures to provide for physical facilities and other capital  
16 items for charter schools that it sponsors or contracts with. Except as otherwise specifically  
17 provided in sections 160.400 to 160.425, upon the dissolution of a charter school, any liabilities of  
18 the corporation will be satisfied through the procedures of chapter 355. A charter school shall  
19 satisfy all its financial obligations within twelve months of notice from the sponsor of the charter  
20 school's closure ~~[under subsection 8 of section 160.405]~~. After satisfaction of all its financial  
21 obligations, a charter school shall return any remaining state and federal funds to the department of  
22 elementary and secondary education for disposition ~~[as stated in subdivision (17) of subsection 1 of~~  
23 ~~section 160.405]~~. The department of elementary and secondary education may withhold funding at  
24 a level the department determines to be adequate during a school's last year of operation until the  
25 department determines that school records, liabilities, and reporting requirements, including a full  
26 audit, are satisfied.

27           ~~[43:]~~ 10. Charter schools shall not have the power to acquire property by eminent domain.

28           ~~[44:]~~ 11. The governing board of a charter school is authorized to accept grants, gifts or  
29 donations of any kind and to expend or use such grants, gifts or donations. A grant, gift or donation  
30 shall not be accepted by the governing board if it is subject to any condition contrary to law  
31 applicable to the charter school or other public schools, or contrary to the terms of the charter.

32           ~~[45:]~~ 12. In addition to any state aid remitted to charter schools under this section, the  
33 department of elementary and secondary education shall remit to any charter school an amount  
34 equal to the weighted average daily attendance of the charter school multiplied by the difference of:

35           (1) The amount of state aid and local aid per weighted average daily attendance received by  
36 the school district in which the charter school is located, not including any funds remitted to charter  
37 schools in the district. For the purposes of this subdivision, the weighted average daily attendance  
38 of the school district shall not include the weighted average daily attendance of the charter schools  
39 located in the district; and

40           (2) The amount of state aid and local aid per weighted average daily attendance of the  
41 charter school received by the charter school.

42           ~~[46:]~~ 13. Charter schools may adjust weighted average daily attendance pursuant to section  
43 163.036.

44           ~~[47:]~~ 14. When calculating the amounts in subdivisions (1) and (2) of subsection ~~[45:]~~ 12 of  
45 this section, the department shall utilize the most current data to which the department has access.

46           ~~[48:]~~ 15. For the purposes of subsection ~~[45:]~~ 12 of this section:

47           (1) The definitions contained in section 163.011, shall apply;

48           (2) The term "local aid" shall mean all local and county revenue received, including, but not  
49 limited to, the following:

- 1 (a) Property taxes and delinquent taxes;  
 2 (b) Merchants' and manufacturers' tax revenues;  
 3 (c) Financial institutions' tax revenues;  
 4 (d) City sales tax revenue, including city sales tax collected in any city not within a county;  
 5 (e) Payments in lieu of taxes; and  
 6 (f) Revenues from state-assessed railroad and utilities tax;  
 7 (3) The term local aid shall not be construed to include:  
 8 (a) Charitable contributions, gifts, and grants made to school districts;  
 9 (b) Interest earnings of school districts and student fees paid to school districts;  
 10 (c) Debt service authorized by a public vote for the purpose of making payments on a bond  
 11 issuance of a school district;  
 12 (d) Proposition C revenues received for school purposes from the school district trust fund  
 13 under section 163.087; or  
 14 (e) Any other funding solely intended for a particular school district or their respective  
 15 employees, schools, foundations, or organizations;  
 16 (4) The term "state aid" shall mean any revenues received pursuant to this section and  
 17 sections 163.043 and 163.087.

18 ~~[19. Notwithstanding any other provision of law to the contrary, subsections 15 to 18 of this~~  
 19 ~~section shall be applicable to charter schools operated only:~~

- 20 ~~(1) In a metropolitan school district;~~  
 21 ~~(2) In an urban school district containing most or all of a city with more than four hundred~~  
 22 ~~thousand inhabitants and located in more than one county;~~  
 23 ~~(3) In a school district that has been classified as unaccredited by the state board of~~  
 24 ~~education;~~  
 25 ~~(4) In a school district that has been classified as provisionally accredited by the state board~~  
 26 ~~of education and has received scores on its annual performance report consistent with a~~  
 27 ~~classification of provisionally accredited or unaccredited for three consecutive school years~~  
 28 ~~beginning with the 2012-13 accreditation year under the conditions described in paragraphs (a) and~~  
 29 ~~(b) of subdivision (4) of subsection 2 of section 160.400; or~~  
 30 ~~(5) In a school district that has been accredited without provisions, sponsored only by the~~  
 31 ~~local school board under the conditions described in subdivision (5) of subsection 2 of section~~  
 32 ~~160.400.~~

33 ~~20.]~~ 16. (1) The members of the governing board of a charter school shall be residents of  
 34 the state of Missouri.

35 (2) Any current member of a governing board of a charter school who does not meet the  
 36 requirements in subdivision (1) of this subsection may complete their term. Such individual shall  
 37 not be renominated as a member of the governing board on which he or she sits.

38 ~~[21.]~~ 17. Any charter school management company operating a charter school in the state  
 39 shall be a nonprofit corporation incorporated pursuant to chapter 355.

40 ~~[22.]~~ 18. Beginning July 1, 2023, the provisions of section 160.995 shall be applicable to  
 41 charter schools.

42 ~~[23.]~~ 19. Each charter school shall publish its annual performance report on the school's  
 43 website in a downloadable format.

44 160.417. 1. By October 1, 2012, and by each October first thereafter, the sponsor of each  
 45 charter school shall review the information submitted on the report required by section 162.821 to  
 46 identify charter schools experiencing financial stress. ~~[The department of elementary and secondary~~  
 47 ~~education shall be authorized to obtain such additional information from a charter school as may be~~  
 48 ~~necessary to determine the financial condition of the charter school. Annually, a listing of charter~~  
 49 ~~schools identified as experiencing financial stress according to the provisions of this section shall be~~

1 provided to the governor, speaker of the house of representatives, and president pro tempore of the  
2 senate by the department of elementary and secondary education.

3 2. For the purposes of this section, a charter school shall be identified as experiencing  
4 financial stress if it:

5 (1) At the end of its most recently completed fiscal year:

6 (a) Has a negative balance in its operating funds; or

7 (b) Has a combined balance of less than three percent of the amount expended from such  
8 funds during the previous fiscal year;

9 (2) For the most recently completed fiscal year expenditures, exceeded receipts for any of  
10 its funds because of recurring costs; or

11 (3) Due to insufficient fund balances or reserves, incurred debt after January thirty first and  
12 before July first during the most recently completed fiscal year in order to meet expenditures of the  
13 charter school.

14 3.] 2. The sponsor shall promptly notify [by November first] the governing board of the  
15 charter school identified as experiencing financial stress. Upon receiving the notification, the  
16 [governing board shall develop, or cause to have developed, and shall approve a budget and  
17 education plan on forms provided by the sponsor. The budget and education plan shall be submitted  
18 to the sponsor, signed by the officers of the charter school, within forty five calendar days of  
19 notification that the charter school has been identified as experiencing financial stress. Minimally,  
20 the budget and education plan] charter school and sponsor shall mutually agree to a revised budget  
21 and education plan that shall:

22 (1) Give competent assurances that adequate educational services to students of the charter  
23 school shall continue uninterrupted for the remainder of the current school year and that the charter  
24 school can provide the minimum amount of school time required by section 171.031;

25 (2) Outline a procedure to be followed by the charter school to report to charter school  
26 patrons about the financial condition of the charter school; and

27 (3) Detail the expenditure reduction measures, revenue increases, or other actions to be  
28 taken by the charter school to address its condition of financial stress.

29 [4. Upon receipt and following review of any budget and education plan, the sponsor may  
30 make suggestions to improve the plan. Nothing in sections 160.400 to 160.425 or section 167.349  
31 shall exempt a charter school from submitting a budget and education plan to the sponsor according  
32 to the provisions of this section following each such notification that a charter school has been  
33 identified as experiencing financial stress, except that the sponsor may permit a charter school's  
34 governing board to make amendments to or update a budget and education plan previously  
35 submitted to the sponsor.

36 5. The department may withhold any payment of financial aid otherwise due to the charter  
37 school until such time as the sponsor and the charter school have fully complied with this section.]

38 160.420. 1. Any school district in which charter schools may be established under sections  
39 160.400 to 160.425 shall establish a uniform policy which provides that if a charter school offers to  
40 retain the services of an employee of a school district, and the employee accepts a position at the  
41 charter school, an employee at the employee's option may remain an employee of the district and the  
42 charter school shall pay to the district the district's full costs of salary and benefits provided to the  
43 employee. The district's policy shall provide that any teacher who accepts a position at a charter  
44 school and opts to remain an employee of the district retains such teacher's permanent teacher status  
45 and retains such teacher's seniority rights in the district for three years. The school district shall not  
46 be liable for any such employee's acts while an employee of the charter school.

47 2. A charter school [may] shall employ [noncertificated] certificated instructional  
48 personnel]; provided that no more than twenty percent of the full-time equivalent instructional staff  
49 positions at the school are filled by noncertificated personnel. All noncertificated instructional

1 personnel shall be supervised by certificated instructional personnel. A charter school that has a  
 2 foreign language immersion experience as its chief educational mission, as stated in its charter, shall  
 3 not be subject to the twenty percent requirement of this subsection but shall ensure that any teachers  
 4 whose duties include instruction given in a foreign language have current valid credentials in the  
 5 country in which such teacher received his or her training and shall remain subject to the remaining  
 6 requirements of this subsection. The charter school shall ensure that all instructional employees of  
 7 the charter school have experience, training and skills appropriate to the instructional duties of the  
 8 employee, and the charter school shall ensure that a criminal background check and family care  
 9 safety registry check are conducted for each employee of the charter school prior to the hiring of the  
 10 employee under the requirements of section 168.133. The charter school may not employ  
 11 instructional personnel whose certificate of license to teach has been revoked or is currently  
 12 suspended by the state board of education. Appropriate experience, training and skills of  
 13 noncertificated instructional personnel shall be determined considering:

14 (1) Teaching certificates issued by another state or states;  
 15 (2) Certification by the National Board for Professional Teaching Standards;  
 16 (3) College degrees in the appropriate field;  
 17 (4) Evidence of technical training and competence when such is appropriate; and  
 18 (5) The level of supervision and coordination with certificated instructional staff] under the  
 19 same requirements applicable to instructional personnel of the district; provided that, this subsection  
 20 shall not apply to noncertificated personnel employed by a charter school under a contract in effect  
 21 on the effective date of this section.

22 3. Personnel employed by the charter school shall participate in the retirement system of the  
 23 school district in which the charter school is located, subject to the same terms, conditions,  
 24 requirements and other provisions applicable to personnel employed by the school district. For  
 25 purposes of participating in the retirement system, the charter school shall be considered to be a  
 26 public school within the school district, and personnel employed by the charter school shall be  
 27 public school employees. In the event of a lapse of the school district's corporate organization as  
 28 described in subsections 1 and 4 of section 162.081, personnel employed by the charter school shall  
 29 continue to participate in the retirement system and shall do so on the same terms, conditions,  
 30 requirements and other provisions as they participated prior to the lapse.

31 160.425. 1. The "Missouri Charter Public School Commission" is hereby created with the  
 32 authority to sponsor high quality charter schools throughout the state of Missouri.

33 2. The commission shall consist of nine members appointed by the governor, by and with  
 34 the advice and consent of the senate. No more than five of the members shall be of the same  
 35 political party. No more than two members shall be from the same congressional district. The term  
 36 of office of each member shall be four years, except those of the members first appointed, of which  
 37 three shall be appointed for a term of one year, two for a term of two years, two for a term of three  
 38 years, and two for a term of four years. At the expiration of the term of each member, the governor,  
 39 by and with the advice and consent of the senate, shall appoint a successor.

40 3. The appointees to the commission shall be selected as follows:

41 (1) One member selected by the governor from a slate of three recommended by the  
 42 commissioner of education;

43 (2) One member selected by the governor from a slate of three recommended by the  
 44 commissioner of higher education;

45 (3) One member selected by the governor from a slate of three recommended by the  
 46 president pro tempore of the senate;

47 (4) One member selected by the governor from a slate of three recommended by the speaker  
 48 of the house of representatives; and

49 (5) Five additional members appointed by the governor, one of whom shall be selected from

1 a slate of three nominees recommended by the Missouri School Boards Association.

2 4. Members appointed to the commission shall collectively possess strong experience and  
3 expertise in governance, management and finance, school leadership, assessment, curriculum and  
4 instruction, and education law. All members of the commission shall have demonstrated  
5 understanding of and commitment to charter schooling as a strategy for strengthening public  
6 education.

7 5. The commission shall annually elect a chairperson and vice chairperson, who shall act as  
8 chairperson in his or her absence. The commission shall meet at the call of the chairperson. The  
9 chairperson may call meetings at such times as he or she deems advisable and shall call a meeting  
10 when requested to do so by three or more members of the commission. Members of the commission  
11 are not eligible to receive compensation.

12 6. The commission may approve proposed charters for its sponsorship under sections  
13 160.400 to 160.425 and shall:

14 (1) Comply with all of the requirements applicable to sponsors under sections 160.400 to  
15 160.425;

16 (2) Exercise sponsorship over charters approved by the commission under sections 160.400  
17 to 160.425~~], including receipt of sponsorship funding under subsection 11 of section 160.400].~~  
18 Sponsorship funding due to the commission shall be deposited to the credit of the charter public  
19 school commission revolving fund created pursuant to this section.

20 7. Charter schools sponsored by the commission shall comply with all of the requirements  
21 applicable to charter schools under sections 160.400 to 160.425.

22 8. The commission shall conduct its business in accordance with chapter 610.

23 9. The department of elementary and secondary education shall provide start-up funding for  
24 the commission to operate. The commission shall reimburse the department's costs from any funds  
25 it receives as sponsor under section 160.400.

26 10. The commission is authorized to receive and expend gifts, grants, and donations of any  
27 kind from any public or private entity to carry out the purposes of sections 160.400 to 160.425,  
28 subject to the terms and conditions under which they are given, provided that all such terms and  
29 conditions are permissible under law.

30 11. There is hereby created in the state treasury the "Charter Public School Commission  
31 Revolving Fund", which shall consist of moneys collected under this section. The state treasurer  
32 shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer  
33 may approve disbursements. Notwithstanding the provisions of section 33.080 to the contrary, any  
34 moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general  
35 revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds  
36 are invested. Subject to appropriation, moneys in the fund shall be used solely for the  
37 administration of this section.

38 12. The commission shall not approve any charter for sponsorship on or after the effective  
39 date of this section.

40 13. The commission shall not renew any charter contract on or after the effective date of this  
41 section.

42 14. The commission shall be abolished as of thirty days following the date of the expiration  
43 of the last existing charter contract effective on the effective date of this section for charter schools  
44 sponsored by the commission on the effective date of this section."; and

45  
46 Further amend said bill, Page 165, Section 1, Line 34, by inserting after all of the said section and  
47 line the following:  
48

1           ~~"[160.408. 1. For purposes of this section, "high-quality charter school" means a charter~~  
2 ~~school operating in the state of Missouri that meets the following requirements:~~

3           ~~(1) Receives eighty-five percent or more of the total points on the annual performance~~  
4 ~~report for three out of the last four school years by comparing points earned to the points possible on~~  
5 ~~the annual performance report for three of the last four school years;~~

6           ~~(2) Maintains a graduation rate of at least eighty percent for three of the last four school~~  
7 ~~years, if the charter school provides a high school program;~~

8           ~~(3) Is in material compliance with its legally binding performance contract and sections~~  
9 ~~160.400 to 160.425 and section 167.349; and~~

10           ~~(4) Is organizationally and fiscally viable as described in paragraph (b) of subdivision (2) of~~  
11 ~~subsection 9 of section 160.405.~~

12           ~~2. Notwithstanding any other provision of law, high-quality charter schools shall be~~  
13 ~~provided expedited opportunities to replicate and expand into unaccredited districts, a metropolitan~~  
14 ~~district, or an urban school district containing most or all of a home rule city with more than four~~  
15 ~~hundred thousand inhabitants and located in more than one county. Such replication and expansion~~  
16 ~~shall be subject to the following:~~

17           ~~(1) The school seeking to replicate or expand shall submit its proposed charter to a proposed~~  
18 ~~sponsor. The charter shall include a legally binding performance contract that meets the~~  
19 ~~requirements of sections 160.400 to 160.425 and section 167.349;~~

20           ~~(2) The sponsor's decision to approve or deny shall be made within sixty days of the filing~~  
21 ~~of the proposed charter with the proposed sponsor;~~

22           ~~(3) If a charter is approved by a sponsor, the charter application shall be filed with the state~~  
23 ~~board of education with a statement of finding from the sponsor that the application meets the~~  
24 ~~requirements of sections 160.400 to 160.425 and section 167.349 and a monitoring plan under~~  
25 ~~which the sponsor shall evaluate the academic performance of students enrolled in the charter~~  
26 ~~school. Such filing shall be made by January thirty-first prior to the school year in which the charter~~  
27 ~~school intends to begin operations.~~

28           ~~3. The term of the charter for schools operating under this section shall be five years, and~~  
29 ~~the charter may be renewed for terms of up to ten years. Renewal shall be subject to the provisions~~  
30 ~~of paragraphs (a) to (d) of subdivision (3) of subsection 9 of section 160.405.]"~~; and

31  
32 Further amend said bill by amending the title, enacting clause, and intersectional references  
33 accordingly.