



## KEY TOPICS COVERED IN **HB24-1363** CHARTER SCHOOL ACCOUNTABILITY

### TRANSPARENCY

- Requires charter schools to disclose the sources of their revenue - Charter schools need to be transparent about the sources of their revenue that come from private sources. Current law doesn't require disclosure of this information.
- Requires charter schools to report all expenditures - Charter schools need to be transparent about how they spend public tax dollars. Current law doesn't require easy access to this information, with sufficient detail including expenditures on marketing and education management organizations.
- Requires charter schools to report annually on attrition rates of staff and students - The public should have access to information about the extent to which student enrollment changes, and to staff turnover at charter schools.
- Requires public disclosure in easy-to-understand language regarding the waivers charter schools have - Simply listing the citation of law that is being waived does not provide information for parents that is easily understandable.
- Requires that district accountability committees review applications for charter *renewals*, as well as new applications - Current law is unclear whether DACs must review renewal applications, so some districts do and others don't. The law needs to be clear. The input from DACs gives community input that boards of education need when considering charter applications.

### WAIVERS:

- Eliminates automatic waivers - Waivers are a way for charter schools to avoid following laws that other public schools must follow. If they have this privilege, they should justify the need for waiving those laws, not get them automatically. In particular, many of the automatic waivers address teacher licensure and employment, which causes many charters to have high turnover, resulting in instability for students.

### EDUCATOR EFFECTIVENESS

- Requires charter schools to report on educator effectiveness - District-run schools must abide by the educator effectiveness law, and charter schools should be subject to the same transparency and accountability.

### STUDENTS WITH SPECIAL NEEDS

- Allows school districts to retain the funds for all administrative costs incurred by the district that are not otherwise reimbursed for Special Education services, and repeals the 5% cap - Many costs to districts for administration are not required by current law. Although charter schools can "buy back" special education services from districts, districts still pay for many special education services that they don't get reimbursed for.

## DECLINING ENROLLMENT

- Empower school boards to revoke or non-renew charters in districts with declining enrollment - Given that a portion of school funding is transferred to charter schools, districts with declining enrollment should be able to close charter schools. When districts face difficult school closure decisions due to declining enrollment, charter schools with low and/or declining enrollment should be subject to closure decisions just as district schools are.
- Allow declining enrollment districts to put a moratorium on approving new charters. Districts with declining enrollment should not be required to expend resources considering new charter proposals when declining student population doesn't support the need for additional schools. School districts need to be able to manage the location of their schools in order to ensure that the needed education programming is available throughout the district. Some districts have a saturation of charter schools in certain areas with the same programming but none in other areas.
- Require charter schools to list their expected minimum enrollment and allow their non-renewal if they do not maintain it - Charter schools need to maintain the student enrollment that was included in their application, in order to be able to support the budget that the district approved.

## APPEALS TO STATE BOARD OF EDUCATION

- Allows only one appeal of a local board's decision to deny a charter - Locally elected school boards have the Constitutional right to "local control," and it shouldn't be overridden in regard to which schools are within their boundaries. While it is reasonable for the State Board of Education to review the situations regarding proposed charter schools, in case the local board overlooked certain issues, ultimately school boards should be able to determine what is best for their district.
- Allows an appeal of a local board's decision to approve a charter application - Citizens should have the right to appeal a school board's decision to approve a proposed charter school, just as they have the right to appeal a denial.

## CONFLICTS OF INTEREST

- Prohibits members of charter school governing boards or education management providers to have a fiduciary conflict of interest - Currently there is no prohibition against board members, directors, or managers of charter schools and EMOs having fiduciary conflicts of interests, such as directly benefiting financially from their contracts with charters. This allows charter school leaders and EMOs to profit from the public money they receive, which is unethical and should not be allowed.

## USE OF DISTRICT BUILDINGS

- Removes the first right of refusal for charter schools to prioritize the use of vacant district buildings - School buildings are the property of school districts, paid for by public tax dollars. School boards have the fiduciary responsibility to protect these assets.
- Removes the allowance for charter schools to use vacant buildings rent-free - Allowing charter schools to have empty buildings rent-free can be a problem for districts' budgets, especially when budgets are strained from cuts in state funding. Districts might be able to get more revenue by disposing of empty buildings. Charter schools already get state and federal funding for capital purposes.