

Senate Bill 417

By: Senators Price of the 56th, Johnson of the 1st, Stephens of the 51st, Cable of the 27th, Beatty of the 47th and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to
2 elementary and secondary schools, so as to change provisions relating to allotment of funds
3 to charter schools; to require charter schools to provide transportation of students in certain
4 circumstances; to provide for administrative fees; to authorize contracts with the local board
5 for services; to provide for making goods and services available to charter schools at cost;
6 to provide for participation in bulk-purchasing programs; to create the State Charter School
7 Guaranteed Loan Program; to provide for eligibility; to provide for reversion of certain
8 funds, equipment, and property to the local board or state board in certain circumstances; to
9 provide for the terms for rental or purchase of property of the local board; to require
10 permission from the local board for disposal of such property by a charter school; to provide
11 for related matters; to repeal conflicting laws; and for other purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13 style="text-align:center">**SECTION 1.**

14 Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to elementary and
15 secondary schools, is amended in Code Section 20-2-2068, relating to charter schools,
16 amendment and termination of charters, allotment of funds, and annual reports, by striking
17 subsection (d) and inserting in lieu thereof the following:

18 "(d) A charter school shall be included in the allotment of funds to the local school system
19 in which the charter school is located under Article 6 of this chapter. The local board and
20 state board shall treat the charter school ~~no less favorably than other local schools located~~
21 ~~within the applicable local school system with respect to the provision of funds for~~
22 ~~instructional and administrative programs and, where feasible, transportation and building~~
23 ~~programs~~ in accordance with the provisions of Code Sections 20-2-2068.1 and
24 20-2-2068.2."

SECTION 2.

Said chapter is further amended by inserting new Code sections to be designated Code Sections 20-2-2068.1 and 20-2-2068.2 to read as follows:

"20-2-2068.1.

(a) Each charter school shall receive for each student enrolled an amount equal to 100 percent of federal and state funds for each student in the school district where the charter school is located and 90 percent of local funds for each student of such school district. For state chartered special schools, the state board may choose to retain no more than 5 percent of the state funds for each student enrolled in the charter school as payment for the charter school's portion of central administrative overhead costs incurred by the state board.

(b) For state chartered special schools, the state shall meet the financial obligations under subsection (a) of this Code section; provided, however, that the state shall not be obligated to pay an amount greater than the weighted per student state average as determined yearly by the state board; and provided, further, that this total amount shall not exceed \$25 million of total state obligation for any one fiscal year.

(c)(1) For local charter schools, a charter school shall be included in the allotment of funds to the local school system in which the charter school is located. All federal, state, and local funds shall be forwarded to the school from time to time in a manner specified in the charter.

(2) For state chartered special schools:

(A) The state board and the Department of Education shall have the joint responsibility to assess the funding needs of all state chartered special schools in the state and ensure that appropriate funds are included in the yearly budget presented by the department to the General Assembly;

(B) The first monthly payment of funds shall be sent directly from the department to each charter school on July 1 of each fiscal year. All other payments shall be sent directly to charter schools from time to time as specified in their charters; and

(C) All federal and state funds shall be sent directly to charter schools in a manner specified in their charters.

(d) Charter schools whose students or programs meet the eligibility criteria in law shall be entitled to their proportionate share of state categorical program funds provided by the General Assembly, including transportation funds. Any such funds shall be forwarded to the charter school in a manner specified in the charter.

(e) Each charter school shall provide transportation of charter school students within a reasonable distance of the charter school. For local charter schools, the governing body of a charter school may provide transportation through an agreement or contract with the local board, a private provider, or parents. The charter school and the local board or the state

1 board, as applicable, shall cooperate in making arrangements that ensure that transportation
2 is not a barrier to equal access for all students residing within a reasonable distance of the
3 charter school as determined in its charter, provided that 'a reasonable distance of the
4 charter school' shall be no greater than the largest busing area serviced by any school
5 within the school district in which the charter school is located.

6 (f) If the district in which the charter school is located is providing programs or services
7 to students funded by federal funds, any eligible students enrolled in charter schools in the
8 school district shall be provided federal funds for the same level of service provided
9 students in the schools operated by the local board.

10 (g) State chartered special schools may elect to contract with the local board for the school
11 district in which the charter school is located for any administrative and educational
12 services.

13 (h) If other goods and services from either the local board or the state are made available
14 to the charter school through the charter, those goods and services shall be provided to the
15 charter school at a rate no greater than the actual cost to the local board or state board. To
16 maximize the use of state funds, the local board and state board shall allow charter schools
17 to participate in their bulk-purchasing program, if applicable.

18 20-2-2068.2.

19 (a) There shall be created a State Charter School Guaranteed Loan Program to allow new
20 charter schools the opportunity to borrow money for facilities.

21 (b) A conversion charter school shall not be eligible to receive funds under this Code
22 section if it operates in facilities provided by the local board for a nominal fee or at no
23 charge.

24 (c) Prior to the release of funds earned under this Code section, the Department of
25 Education shall ensure that the governing board of the charter school and the local board
26 or state board enter into a written agreement that includes a provision for the reversion of
27 any unencumbered funds and all equipment and property purchased with public education
28 funds to the ownership of the local board or state board, as provided in subsection (d) of
29 this Code section, in the event that the charter school terminates operations.

30 (d) When a charter is terminated, any unencumbered funds and all equipment and property
31 purchased with public funds shall revert to the ownership of the local board or state board.
32 The reversion of all property secured with public funds is subject to the complete
33 satisfaction of all lawful liens or encumbrances.

34 (e) If a local board facility or property is available because it is surplus, marked for
35 disposal, or otherwise unused, it shall be provided for a charter school's purchase or rental
36 on the same basis as it is made available to other public schools in the district. A charter

1 school receiving property from the local board may not sell or dispose of such property
2 without written permission of the local board. For an existing public school converting to
3 charter status, no rental or leasing fee for the existing facility or for the property normally
4 inventoried to the conversion school may be charged by the local board to the parents and
5 teachers organizing the charter school."

6 **SECTION 3.**

7 All laws and parts of laws in conflict with this Act are repealed.