

House Bill 797 (AS PASSED HOUSE AND SENATE)

By: Representatives Jones of the 46th, Coleman of the 97th, and Lindsey of the 54th

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 20 of the Official Code of Georgia Annotated, relating to education, so as to
2 repeal an article relating to the Georgia Charter Schools Commission; to provide for
3 legislative findings and intent; to provide for definitions; to provide for the establishment of
4 the State Charter Schools Commission; to provide for its membership, duties, and powers;
5 to provide for requirements for state charter schools; to provide for information to parents;
6 to provide for an annual report; to provide for financial responsibility; to provide for funding
7 for state charter schools; to provide for rules and regulations; to revise provisions relating to
8 funding for state chartered special schools; to provide for related matters; to provide for
9 contingent effectiveness; to provide for automatic repeal under certain conditions; to repeal
10 conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

13 Title 20 of the Official Code of Georgia Annotated, relating to education, is amended by
14 repealing Article 31A of Chapter 2, relating to the Georgia Charter Schools Commission, and
15 enacting a new article to read as follows:

16 style="text-align:center">"ARTICLE 31A

17 20-2-2080.

18 (a) The General Assembly finds that:

19 (1) State charter schools can serve as a complement to the educational opportunities
20 provided by local boards of education in the state's system of public education; and

21 (2) State charter schools do not supplant public schools operated by local boards of
22 education but provide options to enhance public educational opportunities.

23 (b) It is the intent of the General Assembly that there be established a state-level
24 commission under the authority of the State Board of Education whose primary focus is the

25 development and support of state charter schools in order to better meet the growing and
 26 diverse needs of students in this state and to further ensure that state charter schools of the
 27 highest academic quality are approved and supported throughout the state in an efficient
 28 manner.

29 20-2-2081.

30 As used in this article, the term:

31 (1) 'Attendance zone' means all or a portion of a local school system, one or more local
 32 school systems or portions thereof, or all local school systems in this state.

33 (2) 'Commission' means the State Charter Schools Commission established pursuant to
 34 Code Section 20-2-2082.

35 (3) 'Department' means the state Department of Education.

36 (4) 'Governing board' means the governing board of the nonprofit organization which is
 37 the charter petitioner for a state charter school and which is the same as the governing
 38 board of the state charter school which is involved in school-level governance of the state
 39 charter school.

40 (5) 'State charter school' means a school authorized by the commission pursuant to this
 41 article whose creation is authorized as a special school pursuant to Article VIII, Section
 42 V, Paragraph VII of the Constitution. A state charter school shall be a public school.

43 The definitions set forth in Code Section 20-2-2062 shall be applicable to this article.

44 20-2-2082.

45 (a) The State Charter Schools Commission is established as a state-level authorizing entity
 46 working in collaboration with the Department of Education under the authority of the State
 47 Board of Education. Start-up funds necessary to establish and operate the commission may
 48 be received by the State Board of Education in addition to such other funds as may be
 49 appropriated by the General Assembly. The department shall assist in securing federal and
 50 other institutional grant funds to establish the commission.

51 (b) The commission shall be appointed by the State Board of Education and shall be
 52 composed of a total of seven members and made up of three appointees recommended by
 53 the Governor, two appointees recommended by the President of the Senate, and two
 54 appointees recommended by the Speaker of the House of Representatives. The Governor,
 55 the President of the Senate, and the Speaker of the House of Representatives shall each
 56 recommend a list of no fewer than two nominees for each appointment to the commission.
 57 The appointments shall be made as soon as feasible but no later than the first regular
 58 meeting of the State Board of Education in February, 2013. Each member shall serve a
 59 term of two years; provided, however, that, for the purpose of providing staggered terms,

60 of the initial appointments, three members shall be appointed to one-year terms and four
61 members shall be appointed to two-year terms as determined by the State Board of
62 Education. Thereafter, each appointee shall serve a two-year term unless the State Board
63 of Education, after review and upon recommendation by the initial recommending
64 authority, extends the appointment. If a vacancy occurs on the commission, it shall be
65 filled by the State Board of Education from a recommendation by the appropriate authority
66 according to the procedure set forth in this subsection. The members of the commission
67 shall annually vote to appoint a chairperson and a vice chairperson from among its
68 membership. Each member of the commission shall hold a bachelor's degree or higher, and
69 the commission should include a group of diverse individuals representative of Georgia's
70 school population, to the extent possible, with respect to race, sex, and geography who
71 have experience in finance, administration, law, and education.

72 (c) The commission is encouraged to convene its first meeting no later than March 1,
73 2013, and thereafter shall meet at least bimonthly at the call of the chairperson or upon the
74 request of four members of the commission. Four members of the commission shall
75 constitute a quorum.

76 (d) The commission shall determine the manner in which it reviews state charter school
77 petitions and may, in its discretion, use existing department personnel to conduct such
78 review.

79 (e) The members of the commission shall not be compensated for their services on the
80 commission but may be reimbursed for per diem and travel expenses in the same manner
81 as provided for in Code Section 45-7-21.

82 (f) No commission member shall solicit or accept any gift, favor, loan, contribution,
83 service, promise of future employment, or other thing of value based upon an
84 understanding that the gift, favor, loan, contribution, service, promise, or other thing of
85 value was given or offered for the purpose of influencing that commission member in the
86 discharge of his or her duties as a commission member.

87 20-2-2083.

88 (a) The commission shall have the power to:

89 (1) Approve or deny petitions for state charter schools and renew, nonrenew, or
90 terminate state charter school petitions in accordance with rules and regulations
91 established pursuant to this article. At its discretion, the commission may preliminarily
92 approve a petition for a state charter school before the petitioner has secured space,
93 equipment, or personnel, if the petitioner indicates such preliminary approval is necessary
94 for it to raise working capital. The State Board of Education shall review and may
95 overrule the approval or renewal of a state charter school by the commission within 60

96 days of such decision by the commission upon a majority vote of the members of the state
97 board; and

98 (2) Conduct facility and curriculum reviews of state charter schools.

99 (b) The commission shall have the following duties:

100 (1) Review petitions for state charter schools and assist in the establishment of state
101 charter schools throughout this state. The commission shall ensure that all charters for
102 state charter schools are consistent with state education goals;

103 (2) Develop, promote, and disseminate best practices for state charter schools in order
104 to ensure that high-quality schools are developed and encouraged. At a minimum, the
105 best practices shall encourage the development and replication of academically and
106 financially proven state charter school programs;

107 (3) Develop, promote, and require high standards of accountability for state charter
108 schools. The commission shall ensure that each state charter school participates in the
109 state's education accountability system. If a state charter school falls short of
110 performance measures included in the approved charter, the commission shall report such
111 shortcomings to the Department of Education;

112 (4) Monitor and annually review and evaluate the academic and financial performance,
113 including revenues and expenditures, of state charter schools and hold the schools
114 accountable for their performance pursuant to the charter and to the provisions of this
115 article. The commission shall also review the citizenship and immigration status of each
116 individual that works at a state charter school and aggregate the information by school
117 on an annual basis. The commission's duties to monitor the state charter school shall not
118 constitute the basis for a private cause of action;

119 (5) Direct state charter schools and persons seeking to establish state charter schools to
120 sources of private funding and support;

121 (6) Actively seek, with the assistance of the department, supplemental revenue from
122 federal grant funds, institutional grant funds, and philanthropic organizations. The
123 commission may receive and expend gifts, grants, and donations of any kind from any
124 public or private entity to carry out the purposes of this article;

125 (7) Review and recommend to the General Assembly any necessary revisions to statutory
126 requirements regarding standards and accountability for state charter schools;

127 (8) Act as liaison for state charter schools in cooperating with local boards of education
128 that may choose to allow state charter schools to utilize excess space within school
129 facilities;

130 (9) Encourage collaboration with municipalities, counties, consolidated governments,
131 universities or colleges of the board of regents, technical institutions of the Technical
132 College System of Georgia, and regional educational service agencies;

133 (10) Meet the needs of state charter schools and local school systems by uniformly
 134 administering high-quality state charter schools, thereby removing administrative burdens
 135 from the local school systems;

136 (11) Assist state charter schools in negotiating and contracting with local boards of
 137 education that choose to provide certain administrative or transportation services to the
 138 state charter schools on a contractual basis; and

139 (12) Provide for annual training, as determined by the commission, for members of state
 140 charter school governing boards. The training shall include, but not be limited to, best
 141 practices on school governance, the constitutional and statutory requirements relating to
 142 public records and meetings, and the requirements of applicable statutes and rules and
 143 regulations.

144 (c)(1) The commission shall establish rules and regulations requiring each state charter
 145 school to provide adequate notice of its enrollment procedures, including any provision
 146 for the use of a random selection process where all applicants have an equal chance of
 147 being admitted in the event that the number of applications to enroll in the school exceeds
 148 the capacity of the program, grade, or school.

149 (2) The commission shall provide adequate notice to local boards of education and to the
 150 public regarding meetings to be held by the commission. Such notice shall include the
 151 charter petitions to be discussed and acted upon. Such notice shall be provided in
 152 accordance with Chapter 14 of Title 50, relating to open and public meetings.

153 20-2-2084.

154 (a) Petitions submitted to the commission shall be subject to rules and regulations
 155 established pursuant to this article.

156 (b) The commission shall be authorized to approve a petition for a state charter school that
 157 meets the following requirements:

158 (1) Has a state-wide attendance zone; or

159 (2)(A) Has a defined attendance zone; and

160 (B) Demonstrates that it has special characteristics, such as a special population, a
 161 special curriculum, or some other feature or features which enhance educational
 162 opportunities, which may include the demonstration of a need to enroll students across
 163 multiple communities or an alternative delivery system; provided, however, that the
 164 petitioner shall demonstrate a reasonable justification for any proposed special
 165 curriculum that has a narrow or limited focus.

166 (c)(1) For petitions for state charter schools with a state-wide attendance zone, the
 167 petitioner shall submit such petition to the commission and concurrently to the local
 168 board of education in which the school is proposed to be located for information

169 purposes; provided, however, that this shall not apply to a proposed state charter school
170 which will solely provide virtual instruction.

171 (2) For petitions for state charter schools with a defined attendance zone, the petitioner
172 shall concurrently submit such petition to the commission, to the local board of education
173 in which the school is proposed to be located, and to each local school system from which
174 the proposed school plans to enroll students. The commission shall not act on a petition
175 unless the local board of education in which the school is proposed to be located denies
176 the petition; provided, however, that such local board shall approve or deny the petition
177 no later than 60 days after its submission, as required pursuant to subsection (b) of Code
178 Section 20-2-2064, unless the petitioner requested an extension. Failure to approve or
179 deny such petition by such local board, in violation of Code Section 20-2-2064, shall be
180 deemed a denial for purposes of this paragraph. A local board that has denied a petition
181 for a state charter school shall be permitted to present to the commission in writing or in
182 person the reasons for denial and the deficiencies in such petition resulting in such denial.

183 (3) The commission may take into consideration any support or opposition by the local
184 board of education or local boards of education on the start-up charter school petition
185 when it votes to approve or deny a corresponding state charter school petition.

186 (d) A state charter school shall:

187 (1) Seek highly qualified, properly trained teachers and other qualified personnel for
188 such schools; provided, however, that such schools shall give preference to hiring an
189 individual who is a citizen or national of the United States over another individual who
190 is not a citizen or national of the United States if the two individuals are equally qualified,
191 unless a teacher is a foreign exchange teacher; provided, however, that prior to hiring an
192 individual other than a citizen or national of the United States or a protected individual
193 as defined in 8 U.S.C. Section 1324b, the school shall receive approval by the
194 commission and demonstrate that qualified teachers and other personnel were sought but
195 not available in such area which warrants hiring an individual other than a citizen or
196 national of the United States or a protected individual as defined in 8 U.S.C. Section
197 1324b, unless a teacher is a foreign exchange teacher; provided, further, that the
198 commission and the state charter school shall not construe this paragraph in a manner in
199 violation of 8 U.S.C. Section 1324b or other provisions of law; and

200 (2) Give preference in contracting and purchasing of services and materials to businesses
201 incorporated under the laws of this state or qualified to do business within this state and
202 having a regularly maintained and established place of business within this state, so long
203 as such businesses are otherwise similarly situated and qualified as compared to a
204 business from out of state.

205 (e)(1) The members of the governing board for the state charter school shall meet the
 206 following qualifications:

207 (A) Must be a United States citizen;

208 (B) Must be a resident of Georgia; and

209 (C) Must not be an employee of the state charter school.

210 (2) No member of the governing board of the state charter school shall:

211 (A) Act in his or her official capacity in any matter where he or she, his or her
 212 immediate family member, or a business organization in which he or she has an interest
 213 has a material financial interest that would reasonably be expected to impair his or her
 214 objectivity or independence of judgment;

215 (B) Solicit or accept or knowingly allow his or her immediate family member or a
 216 business organization in which he or she has an interest to solicit or accept any gift,
 217 favor, loan, political contribution, service, promise of future employment, or other thing
 218 of value based upon an understanding that the gift, favor, loan, contribution, service,
 219 promise, or other thing of value was given or offered for the purpose of influencing that
 220 board member in the discharge of his or her duties as a board member;

221 (C) Use, or knowingly allow to be used, his or her position or any information not
 222 generally available to the members of the public which he or she receives or acquires
 223 in the course of and by reason of his or her position for the purpose of securing
 224 financial gain for himself or herself, his or her immediate family member, or any
 225 business organization with which he or she is associated; or

226 (D) Be an officer or serve on the board of directors of any organization that sells goods
 227 or services to that state charter school.

228 As used in this paragraph, the term 'immediate family member' means a spouse, child,
 229 sibling, or parent or the spouse of a child, sibling, or parent.

230 (f) The members of the governing board of each state charter school shall participate in
 231 annual training conducted by the commission pursuant to paragraph (12) of subsection (b)
 232 of Code Section 20-2-2083.

233 (g) An individual that works at a state charter school or an individual that has
 234 administrative oversight at a state charter school shall not serve on the board of directors
 235 of an organization that sells goods or services to such state charter school.

236 20-2-2085.

237 A petition may be submitted pursuant to this Code section by an existing charter school
 238 approved by a local board of education or the State Board of Education provided that the
 239 obligations of its charter with the local board of education or State Board of Education will
 240 expire prior to entering into a new charter with the commission. Upon the existing charter

241 school's request, a local board of education or the State Board of Education in the case of
 242 a state chartered special school may agree to rescind or waive the obligations of a current
 243 charter to allow a petition to be submitted by an existing charter school pursuant to this
 244 Code section. An existing charter school that is established as a state charter school
 245 pursuant to this Code section shall be allowed to continue the use of all facilities,
 246 equipment, and other assets it used prior to the expiration or rescission of its charter with
 247 a local board of education; provided, however, that the local board shall be authorized to
 248 charge or continue to charge a reasonable fee for use of the facilities.

249 20-2-2086.

250 The commission shall provide maximum access to information regarding state charter
 251 schools to all parents in this state. It shall maintain information systems, including, but not
 252 limited to, a user-friendly Internet website, that will provide information and data necessary
 253 for parents to make informed decisions. At a minimum, the commission shall provide
 254 parents with information on its accountability standards, links to state charter schools
 255 throughout this state, and public education programs concerning state charter schools.

256 20-2-2087.

257 Each year, the chairperson of the commission shall appear before the State Board of
 258 Education and submit a report regarding the academic performance and fiscal responsibility
 259 of all state charter schools approved under this article.

260 20-2-2088.

261 If a charter for a state charter school is not renewed or is terminated, the state charter
 262 school shall be responsible for all debts of such school. Neither the state, the State Board
 263 of Education, or the commission shall be liable for any debts of the school in the event the
 264 charter is not renewed or is terminated. The local school system may not assume the debt
 265 from any contract for services made between the governing body of the state charter school
 266 and a third party, except for a debt for which the local school system has agreed upon in
 267 writing to assume responsibility.

268 20-2-2089.

269 (a)(1) The earnings for a student in a state charter school shall be equal to the earnings
 270 for any other student with similar student characteristics in a state charter school,
 271 regardless of the local school system in which the student resides or the school system
 272 in which the state charter school is located, and, except as otherwise provided in

273 paragraph (2) of this subsection, the department shall pay to each state charter school
 274 through appropriation of state funds an amount equal to the sum of:

275 (A)(i) QBE formula earnings and QBE grants earned by the state charter school
 276 based on the school's enrollment, school profile, and student characteristics. For
 277 purposes of this subparagraph, the term 'QBE formula earnings' means funds earned
 278 for the Quality Basic Education Formula pursuant to Code Section 20-2-161,
 279 including the portion of such funds that are calculated in accordance with Code
 280 Section 20-2-164. QBE formula earnings shall include the salary portion of direct
 281 instructional costs, the adjustment for training and experience, the nonsalary portion
 282 of direct instructional costs, and earnings for psychologists and school social workers,
 283 school administration, facility maintenance and operation, media centers, additional
 284 days of instruction in accordance with Code Section 20-2-184.1, and staff
 285 development, as determined by the department.

286 (ii) A proportional share of earned state categorical grants, non-QBE state grants,
 287 transportation grants, school nutrition grants, and all other state grants, except state
 288 equalization grants, as determined by the department;

289 (B) The average amount of the total revenues less federal revenues less state revenues
 290 other than equalization grants per full-time equivalent for the lowest five school
 291 systems ranked by assessed valuation per weighted full-time equivalent count, as
 292 determined by the department; and

293 (C) The state-wide average total capital revenue per full-time equivalent, as determined
 294 by the department.

295 (2) In the event that a state charter school offers virtual instruction:

296 (A) The amount of funds received pursuant to subparagraph (B) of paragraph (1) of
 297 this subsection shall be equal to two-thirds of such calculated amount; provided,
 298 however, that this two-thirds amount may be increased by any amount up to the
 299 originally calculated amount in the discretion of the commission if relevant factors
 300 warrant such increase; and

301 (B) The commission may reduce the amount of funds received pursuant to
 302 subparagraph (C) of paragraph (1) of this subsection in proportion to the amount of
 303 virtual instruction provided and based on factors that affect the cost of providing
 304 instruction.

305 (3) For purposes of this subsection, the terms:

306 (A) 'Assessed valuation' is defined as 40 percent of the equalized adjusted property tax
 307 digest reduced by the amount calculated pursuant to subsection (g) of Code Section
 308 20-2-164.

309 (B) 'Assessed valuation per weighted full-time equivalent count' is defined as the
310 assessed valuation for the most recent year available divided by the weighted full-time
311 equivalent count for the year of the digest.

312 (b) The department may withhold up to 3 percent of the amount determined pursuant to
313 subsection (a) of this Code section for each state charter school for use in administering the
314 duties required pursuant to Code Section 20-2-2083; provided, however, that any amount
315 withheld pursuant to this subsection shall be spent solely on expenses incurred by the
316 commission in performing the duties required by this article.

317 (c) No deduction shall be made to any state funding which a local school system is
318 otherwise authorized to receive pursuant to this chapter as a direct result or consequence
319 of the enrollment in a state charter school of a specific student or students who reside in the
320 geographical area of the local school system.

321 (d) For purposes of funding students enrolled in a state charter school in the first year of
322 such school's operation or for the first year that an existing state charter school offers a new
323 grade level and prior to the initial student count, the commission shall calculate and the
324 department shall distribute the funding for the state charter school on the basis of its
325 projected enrollment according to an enrollment counting procedure or projection method
326 stipulated in the terms of the charter. No later than July 1 of each year, the commission
327 shall notify the department and the Office of Planning and Budget of the funding estimates
328 calculated pursuant to this subsection for any new state charter schools and for any new
329 grade levels offered by existing state charter schools. After the initial student count during
330 the first year of such state charter school's operation or newly offered grade level and in all
331 years of operation thereafter, each state charter school's student enrollment shall be based
332 on the actual enrollment in the current school year according to the most recent student
333 count. Nothing in this Code section shall be construed to require the department to conduct
334 more than two student counts per year.

335 (e) Funding for state charter schools pursuant to this Code section shall be subject to
336 appropriations by the General Assembly and such schools shall be treated consistently with
337 all other public schools in this state, pursuant to the respective statutory funding formulas
338 and grants.

339 20-2-2090.

340 The commission shall work in collaboration with the department on all matters related to
341 authorizing state charter schools and shall be assigned to the department for administrative
342 purposes only, as prescribed in Code Section 50-4-3. For administrative purposes,
343 including data reporting, student enrollment counting procedures, student achievement
344 reporting, funding allocations, and related purposes as defined by the State Board of

345 Education, each state charter school shall, consistent with department rules and regulations,
 346 be treated as a single local education agency.

347 20-2-2091.

348 The commission and the State Board of Education, as appropriate, shall adopt rules and
 349 regulations necessary to facilitate the implementation of this article. Except as otherwise
 350 provided in this article, any rules and regulations adopted by the State Board of Education
 351 pursuant to this article, to the extent practicable, shall be established in the same manner
 352 and subject to the same requirements as for state chartered special schools under Article
 353 31 of this chapter."

354 **SECTION 2A.**

355 Said title is further amended by revising subsection (d) of Code Section 20-2-2068.1, relating
 356 to funding for charter schools, as follows:

357 ~~"(d)(1) QBE formula earnings, applicable QBE grants, applicable non-QBE state grants,~~
 358 ~~and applicable federal grants that are earned by a state chartered special school shall be~~
 359 ~~distributed to the local board of the local school system in which the state chartered~~
 360 ~~special school is located which shall distribute the same amount to the state chartered~~
 361 ~~special school; provided, however, that a state chartered special school shall not be~~
 362 ~~included in the calculation and distribution of the local school system's equalization grant~~
 363 ~~unless the voters of the local school system have approved the use of revenue from local~~
 364 ~~tax levies and funds from local bonded indebtedness to support the state chartered special~~
 365 ~~school in accordance with subsection (e) of this Code section. If such approval has been~~
 366 ~~given, state equalization grant earnings shall be earned for the state chartered special~~
 367 ~~school and shall be distributed as provided in subsection (f) of this Code section.~~
 368 Effective July 1, 2012, except as otherwise provided in paragraph (2) of this subsection,
 369 the department shall pay to each state chartered special school through appropriation of
 370 state funds an amount equal to the sum of:

371 (A)(i) QBE formula earnings and QBE grants earned by the state chartered special
 372 school based on the school's enrollment, school profile, and student characteristics.
 373 For purposes of this subparagraph, the term 'QBE formula earnings' means funds
 374 earned for the Quality Basic Education Formula pursuant to Code Section 20-2-161,
 375 including the portion of such funds that are calculated in accordance with Code
 376 Section 20-2-164. QBE formula earnings shall include the salary portion of direct
 377 instructional costs, the adjustment for training and experience, the nonsalary portion
 378 of direct instructional costs, and earnings for psychologists and school social workers,
 379 school administration, facility maintenance and operation, media centers, additional

380 days of instruction in accordance with Code Section 20-2-184.1, and staff
 381 development, as determined by the department.

382 (ii) A proportional share of earned state categorical grants, non-QBE state grants,
 383 transportation grants, school nutrition grants, and all other state grants, except state
 384 equalization grants, as determined by the department;

385 (B) The average amount of the total revenues less federal revenues less state revenues
 386 other than equalization grants per full-time equivalent for the lowest five school
 387 systems ranked by assessed valuation per weighted full-time equivalent count, as
 388 determined by the department; and

389 (C) The state-wide average total capital revenue per full-time equivalent, as determined
 390 by the department.

391 (2) In the event that a state chartered special school offers virtual instruction:

392 (A) The amount of funds received pursuant to subparagraph (B) of paragraph (1) of
 393 this subsection shall be equal to two-thirds of such calculated amount; provided,
 394 however, that this two-thirds amount may be increased by any amount up to the
 395 originally calculated amount in the discretion of the department if relevant factors
 396 warrant such increase; and

397 (B) The department may reduce the amount of funds received pursuant to subparagraph
 398 (C) of paragraph (1) of this subsection in proportion to the amount of virtual instruction
 399 provided and based on factors that affect the cost of providing instruction.

400 (3) For purposes of this subsection, the terms:

401 (A) 'Assessed valuation' is defined as 40 percent of the equalized adjusted property tax
 402 digest reduced by the amount calculated pursuant to subsection (g) of Code Section
 403 20-2-164.

404 (B) 'Assessed valuation per weighted full-time equivalent count' is defined as the
 405 assessed valuation for the most recent year available divided by the weighted full-time
 406 equivalent count for the year of the digest.

407 (4) The department may withhold up to 3 percent of the amount determined pursuant to
 408 paragraphs (1) and (2) of this subsection for each state chartered special school for use
 409 in administering the duties required pursuant to this article with respect to state chartered
 410 special schools; provided, however, that any amount withheld pursuant to this subsection
 411 shall be spent solely on expenses incurred by the department in performing the duties
 412 required by this article with respect to state chartered special schools.

413 (5) No deduction shall be made to any state funding which a local school system is
 414 otherwise authorized to receive pursuant to this chapter as a direct result or consequence
 415 of the enrollment in a state chartered special school of a specific student or students who
 416 reside in the geographical area of the local school system.

417 (6) Funding for state chartered special schools pursuant to this subsection shall be subject
418 to appropriations by the General Assembly and such schools shall be treated consistently
419 with all other public schools in this state, pursuant to the respective statutory funding
420 formulas and grants.

421 (7) The local board shall not be responsible for the fiscal management, accounting, or
422 oversight of the state chartered special school. The state chartered special school shall
423 report enrolled students in a manner consistent with Code Section 20-2-160. Any data
424 required to be reported by the state chartered special school shall be submitted directly
425 by the school to the appropriate state agency. Where feasible, the state board shall treat
426 a state chartered special school no less favorably than other public schools within the
427 state with respect to the provision of funds for transportation and building programs."

428 **SECTION 3.**

429 (a)(1) Section 1 of this Act shall become effective on January 1, 2013, only if a
430 Constitutional amendment expressly authorizing the General Assembly to create state charter
431 schools as special schools is ratified at the November, 2012, general election.

432 (2) If such an amendment to the Constitution is not so ratified, then Section 1 of this Act
433 shall not become effective and shall stand repealed by operation of law on January 1, 2013.

434 (b) All other sections of this Act shall become effective on July 1, 2012.

435 **SECTION 4.**

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