

House Bill 787 (COMMITTEE SUBSTITUTE)

By: Representatives Hilton of the 95th, Jones of the 47th, Nix of the 69th, Dickey of the 140th, and Stovall of the 74th

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 revise certain provisions relative to charter schools; to provide that state charter schools may
3 receive services from regional educational service agencies; to revise funding for state
4 chartered special schools and state charter schools; to provide for initial funding for charter
5 schools with projected student growth exceeding 2 percent; to provide for initial funding for
6 training and experience; to provide for related matters; to repeal conflicting laws; and for
7 other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 SECTION 1.

10 Title 20 of the Official Code of Georgia Annotated, relating to education, is amended in
11 Code Section 20-2-270, relating to the establishment of a state-wide network of regional
12 educational service agencies, as follows:

13 "20-2-270.

14 (a) The State Board of Education shall establish a state-wide network of regional
15 educational service agencies for the purposes of: providing shared services designed to
16 improve the effectiveness of educational programs and services to local school systems and
17 state charter schools; providing instructional programs directly to selected public school
18 students in the state; and providing Georgia Learning Resources System services. The
19 regional educational service agencies established by the state board may legally be referred
20 to as 'RESA' or 'RESA's.'

21 (b) The State Board of Education shall establish the service area of each regional
22 educational service agency as a geographically defined area of the state. All local school
23 systems, state charter schools, Technical College System of Georgia facilities and
24 institutions, and University System of Georgia facilities and institutions that are located in
25 the designated geographical area shall be members of that regional educational service
26 agency.

- 27 (c) Every state supported postsecondary institution shall be an active member of a regional
 28 educational service agency.
- 29 (d) Each regional educational service agency and its employees shall be subject to or
 30 exempt from taxation in the same manner as are school systems and school system
 31 employees.
- 32 (e) All employees and volunteers of a regional educational service agency shall be immune
 33 from liability to the same extent as are employees and volunteers of a school system.
- 34 (f) Regional educational service agencies are not state agencies but shall be considered
 35 local units of administration for purposes of this chapter."

36 SECTION 2.

37 Said title is further amended by revising Code Section 20-2-270.1, relating to services
 38 provided by regional educational service agencies, as follows:

39 "20-2-270.1.

40 (a) Each regional educational service agency shall provide the following shared services
 41 to member local school systems and state charter schools:

- 42 (1) Identifying or conducting research related to educational improvements and in
 43 planning for the implementation of such improvements;
- 44 (2) Developing and implementing staff development programs with an emphasis on
 45 improving student achievement and school accountability;
- 46 (3) Developing and implementing curricula and instruction of the highest quality
 47 possible, including implementing the uniformly sequenced content standards adopted by
 48 the state board;
- 49 (4) Developing and implementing academic assessment and evaluation programs;
- 50 (5) Identifying and utilizing electronic technology, including computers, in an effort to
 51 improve the quality of classroom instruction as well as classroom, school, and school
 52 system management;
- 53 (6) Developing programs, resource materials, and staff development services relating to
 54 instruction on alcohol and drug abuse; and
- 55 (7) Assistance in the development and implementation of a state-wide mentoring
 56 program.

57 The shared services may also include assistance designed to address documented local
 58 needs pursuant to subsection (d) of Code Section 20-2-272.

59 (b) The state board shall make the service areas for the Georgia Learning Resources
 60 System congruous with the service areas for the RESA's. The RESA's are designated as
 61 the fiscal agents for the agency of the Georgia Learning Resources System or a local board
 62 of education as identified by the State Board of Education through an annual contract to

63 serve as fiscal agent for the Georgia Learning Resources System. All member local school
 64 systems and state charter schools shall be provided the services of the Georgia Learning
 65 Resources System.

66 (c) The Psychoeducational Network for severely emotionally disturbed students shall be
 67 continued in effect. The service areas of units of the Psychoeducational Network for
 68 severely emotionally disturbed students in place on January 1, 1995, shall be continued in
 69 effect. The fiscal agent for each service area shall be as in effect on January 1, 1995, unless
 70 changed as provided in this subsection. Upon the request of a majority of the local school
 71 superintendents of the local school systems within a service area, representatives of each
 72 of the local school systems in the respective service area shall vote in the manner and at the
 73 time prescribed by the state board to determine if one of the local school systems or the
 74 regional educational service agency serving the respective service area shall serve as the
 75 fiscal agent for the respective unit of the Psychoeducational Network for the ensuing fiscal
 76 year. In the event this vote results in a change in the fiscal agent for the respective unit, the
 77 new fiscal agent shall continue in this capacity for a minimum of three fiscal years. In the
 78 event a regional educational service agency is designated as the fiscal agent for a service
 79 area, all member local school systems shall be provided the services of the
 80 Psychoeducational Network.

81 (d) A regional educational service agency shall be authorized to sell or provide at
 82 reasonable costs goods to private schools located in this state."

83 **SECTION 3.**

84 Said title is further amended by revising Code Section 20-2-271, relating to development of
 85 regional improvement plan, introduction of core services, instructional care teams, and
 86 establishment of alternative methods of teacher certification, as follows:

87 "20-2-271.

88 (a) Each regional educational service agency shall annually develop and submit to the
 89 Department of Education for approval, with a copy to the Education Coordinating Council,
 90 a regional plan for improvement of educational efficiency and cost effectiveness of its
 91 member institutions. Each plan must include the purposes and description of the services
 92 the regional educational service agency will provide to schools identified as
 93 low-performing based on the indicators adopted under Code Section 20-14-33 and to other
 94 schools.

95 (b) ~~By July 1, 2002, each~~ Each regional educational service agency shall introduce and
 96 provide core services for member local school systems and schools and provide core
 97 services for purchase by local school systems and schools which are not members of that
 98 regional educational service agency. These core services shall include the following:

- 99 (1) Training and assistance in teaching each subject area assessed under Code
100 Section 20-2-281;
- 101 (2) Assistance specifically designed for any school that is rated academically failing
102 under Code Section 20-14-33;
- 103 (3) Training and assistance to teachers, administrators, members of local boards of
104 education, and members of local school councils on school-based decision making and
105 control; and
- 106 (4) Assistance in complying with applicable state laws and rules of the State Board of
107 Education and the Education Coordinating Council.

108 Nothing in this Code section shall be construed to limit the freedom of a school system or
109 school to purchase or refuse to purchase any core service from any regional educational
110 service agency in this state.

111 (c) As part of the assistance provided by a regional educational service agency under this
112 Code section, each regional educational service agency shall provide for the establishment
113 of instructional care teams. Upon determining that a school under its management and
114 control is consistently underperforming or is otherwise educationally deficient, a local
115 board of education or state charter school may request through a regional educational
116 service agency the appointment of an instructional care team for that school. The
117 instructional care team shall consist of such number of persons with such experience as a
118 principal, teacher, or other education personnel so as to best address the needs of the
119 school. Such instructional care team shall conduct an investigation into such aspects of
120 instruction at the school as requested by the local board or state charter school, prepare a
121 written evaluation of such aspects of the school, and make nonbinding recommendations
122 to the local board or state charter school regarding improvements at the school. Such
123 investigations, evaluations, and recommendations shall focus on, but not be limited to,
124 instruction in mathematics, science, reading and other English courses, and social studies.
125 Instructional care teams may also provide long-term and short-term follow-up assistance,
126 such as but not limited to instruction, instructional assistance, and professional and staff
127 development. Each regional educational service agency shall develop a registry or listing
128 of potential instructional care team members, together with their areas of expertise, who
129 may be available to member or nonmember local school systems and state charter schools
130 for service on instructional care teams. Each regional educational service agency shall
131 promulgate rules and regulations for the purchase of the services of an instructional care
132 team, provided that nothing in this Code section shall prevent regional educational service
133 agencies from entering into cooperative arrangements for the mutual exchange of such
134 services. Subject to appropriation by the General Assembly, regional educational service

135 agencies may be provided grants for the purpose of facilitating the development and
136 implementation of instructional care teams.

137 (d) Each regional educational service agency may provide any additional service and any
138 assistance to its member systems and state charter schools, as determined by the board of
139 control. Each regional educational service agency may offer any service and form of
140 assistance provided for in this Code section for purchase by any local school system or
141 school in this state or state charter school.

142 (e) Pursuant to rules and regulations developed by the Professional Standards Commission,
143 each regional educational service agency shall develop programs for nontraditional
144 alternative routes to state teacher certification as an alternative to traditional educator
145 preparation, with special consideration provided to critical field shortages in its regional
146 teaching ~~work force~~ workforce.

147 (f) Each regional educational service agency may acquire, lease, purchase, lease purchase,
148 or dispose of real or personal property and may incur debts for those purposes, subject to
149 the approval of such agency's board of control. Such property shall be held in the name of
150 the regional educational service agency."

151 **SECTION 4.**

152 Said title is further amended by revising Code Section 20-2-272, relating to agency board of
153 control, membership, powers and duties, and planning boards, as follows:

154 "20-2-272.

155 (a) Each regional educational service agency shall be governed by a board of control. On
156 and after July 1, 2000, the school superintendent of each member school system, the
157 president or highest administrator of each member postsecondary institution, and a local
158 public or regional library director appointed by the director of the Office of Public Library
159 Services of the Board of Regents of the University System of Georgia shall serve as the
160 board of control.

161 (b) All laws and the policies and regulations of the State Board of Education applicable
162 to local school systems and local boards of education shall be applicable, when appropriate,
163 to the regional educational service agencies and their boards of control unless explicitly
164 stated otherwise in this part. No board of control shall levy or collect any taxes. No board
165 of control shall expend or contract to expend any funds beyond the amount of funds that
166 the board of control is legally authorized to receive and will, in fact, receive, except as
167 otherwise provided in this part. Each board of control shall submit an annual report and
168 an annual budget to the state board, in the manner prescribed by the state board, for review
169 and approval.

170 (c) The State Board of Education shall be responsible for assuring that the activities of
 171 each regional educational service agency and its board of control established under this part
 172 conform to both the Constitution and laws of Georgia, as well as the policies and
 173 regulations of the state board.

174 (d) Boards of control shall determine the assistance needed by local school systems and
 175 state charter schools in the area served by each regional educational service agency,
 176 establish priorities from those needs, and allocate resources accordingly. Boards of control
 177 shall annually review the effectiveness and efficiency of such agencies. Boards of control
 178 shall determine the procedures and activities by which each regional educational service
 179 agency achieves locally established objectives and shall establish job descriptions,
 180 personnel qualifications, and work schedules consistent with locally established priorities
 181 and objectives.

182 (e) In the event the State Board of Education adopts a policy to reorganize the service
 183 areas of regional educational service agencies pursuant to Code Section 20-2-270 effective
 184 July 1 of a fiscal year, members of boards of control during the preceding fiscal year shall
 185 constitute planning boards for the respective service areas to be established the ensuing
 186 July 1. Each planning board shall have the authority to establish the location or locations
 187 of the office or offices of its regional educational service agency effective the ensuing
 188 July 1, to issue contracts with a director and other agency staff to be employed effective
 189 the ensuing fiscal year, to assess the needs of all potential member local school systems and
 190 state charter schools, to prepare operational plans and budgets for the ensuing fiscal year,
 191 to establish the manner by which the local share of the budget will be assessed to potential
 192 member local school systems and state charter schools, and to make any other such
 193 decisions that the state board deems necessary for an orderly transition of service areas for
 194 regional educational service agencies. Such decisions shall be adopted by these planning
 195 boards prior to December 15 of the fiscal year preceding the effective date for
 196 reorganization of the service areas. Any such planning board shall be authorized to amend,
 197 prior to April 15 of that fiscal year, any such decisions which are necessary as the result of
 198 the actions of the General Assembly during its regular session during that fiscal year."

199 **SECTION 5.**

200 Said title is further amended by revising Code Section 20-2-274, relating to uniform
 201 state-wide needs program and documented local needs program grants, as follows:

202 "20-2-274.

203 (a) The state board shall be authorized to provide each regional educational service agency
 204 with a uniform state-wide needs program grant and a documented local needs program
 205 grant, subject to appropriation by the General Assembly. The uniform state-wide needs

206 program grant shall consist of two components: the same fixed amount for each regional
207 educational service agency; and an amount which reflects the number of local school
208 systems, the number of schools, the number of students, and the number of square miles
209 contained collectively within its member local school systems and state charter schools.
210 Each regional educational service agency shall be required to match the uniform state-wide
211 needs program grant with an amount of funds equal to one-fourth of this grant. The
212 uniform state-wide needs grant and its matching local funds shall be used to finance the
213 basic administrative overhead of the regional educational service agencies and to provide
214 the areas of assistance specified in Code Sections 20-2-270.1 and 20-2-271. The amount
215 of funds granted to each regional educational service agency for the documented local
216 needs program grant shall depend upon the proportion that the number of local school
217 systems, number of schools, number of students, and number of square miles contained
218 collectively within its member local school systems and state charter schools are of these
219 respective factors state wide, as well as the adopted operational plan and the budget
220 designed to address documented needs for assistance to member local school systems and
221 state charter schools. Each regional educational service agency shall be required to match
222 the documented local needs program grant with an amount of funds equal to two-thirds of
223 that grant. The state board shall provide grants to regional educational service agencies for
224 Georgia Learning Resources Systems or to a local school system contracted to be a fiscal
225 agent for a Georgia Learning Resources System. Each board of control shall be authorized
226 to adopt the manner by which each member local school system and state charter school
227 shall be assessed its share of the uniform state-wide needs program and the documented
228 local needs program; provided, however, that member local school systems and state
229 charter schools shall not be allowed to use funds received under the provisions of this
230 article for this purpose. The state board shall grant the regional educational service agency
231 the funds needed to provide services to all local school systems and state charter schools
232 in the service area of the Georgia Learning Resources System designated as the fiscal agent
233 or to any local school system contracted to serve as the fiscal agent for a Georgia Learning
234 Resource System as well as the grants authorized previously by this subsection. All other
235 financing will be based on contracts to supply service programs to member local school
236 systems and state charter schools. The funds for these programs, upon a contract approval
237 basis, may be derived from local, state, federal, or private sources.

238 (b) A regional educational service agency may not receive directly from the State Board
239 of Education any state funds originally intended for or directed to a local school system or
240 state charter school by this article; provided, however, that, upon the official request of a
241 local school system or state charter school, the state board may send directly to a regional
242 educational service agency any funds allocated to a local school system or state charter

243 school. All grants from the state along with the contributions from member local school
 244 systems or state charter schools and funds from other sources shall be budgeted by the
 245 board of control other than those designated to local school systems designated as fiscal
 246 agents for a Georgia Learning Resource System through contract with the State Board of
 247 Education."

248 SECTION 6.

249 Said title is further amended by revising subsection (d) and by adding a new subsection to
 250 Code Section 20-2-2068.1, relating to charter school funding, as follows:

251 "(d)(1) Effective July 1, 2012, except as otherwise provided in paragraph (2) of this
 252 subsection, the department shall pay to each state chartered special school through
 253 appropriation of state funds an amount equal to the sum of:

254 (A)(i) QBE formula earnings and QBE grants earned by the state chartered special
 255 school based on the school's enrollment, school profile, and student characteristics.
 256 For purposes of this subparagraph, the term 'QBE formula earnings' means funds
 257 earned for the Quality Basic Education Formula pursuant to Code Section 20-2-161,
 258 including the portion of such funds that are calculated in accordance with Code
 259 Section 20-2-164. QBE formula earnings shall include the salary portion of direct
 260 instructional costs, the adjustment for training and experience, the nonsalary portion
 261 of direct instructional costs, and earnings for psychologists and school social workers,
 262 school administration, facility maintenance and operation, media centers, additional
 263 days of instruction in accordance with Code Section 20-2-184.1, and staff
 264 development, as determined by the department; and

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

268 (B) The state-wide average amount of the total revenues less federal revenues less state
 269 revenues other than equalization grants per full-time equivalent for ~~the lowest five~~
 270 ~~school systems ranked by assessed valuation per weighted full-time equivalent count,~~
 271 ~~as determined by the department~~ all school systems; and

272 (C) The state-wide average total capital revenue per full-time equivalent, as determined
 273 by the department; provided, however, that, if a brick-and-mortar state chartered special
 274 school is located within the boundaries of a local school system where the capital
 275 revenue per full-time equivalent is greater than 25 percent above the state-wide average
 276 total capital revenue per full-time equivalent, such state chartered special school shall
 277 receive capital revenue pursuant to this subparagraph equal to 125 percent of the
 278 state-wide average total capital revenue per full-time equivalent.

- 279 (2) In the event that a state chartered special school offers virtual instruction:
- 280 (A) The amount of funds received pursuant to subparagraph (B) of paragraph (1) of
- 281 this subsection shall be equal to two-thirds of such calculated amount; provided,
- 282 however, that this two-thirds amount may be increased by any amount up to the
- 283 originally calculated amount in the discretion of the department if relevant factors
- 284 warrant such increase; and
- 285 (B) ~~The department may reduce the amount of funds received pursuant to~~
- 286 ~~subparagraph (C) of paragraph (1) of this subsection in proportion to the amount of~~
- 287 ~~virtual instruction provided and based on factors that affect the cost of providing~~
- 288 instruction shall be equal to 25 percent of the state-wide average total capital revenue
- 289 per full-time equivalent if such school provides computer hardware, software,
- 290 associated technical equipment, and ongoing maintenance required and necessary for
- 291 its students to participate in such virtual instruction.
- 292 (3) For purposes of this subsection, the terms:
- 293 (A) 'Assessed valuation' is defined as 40 percent of the equalized adjusted property tax
- 294 digest reduced by the amount calculated pursuant to subsection (g) of Code
- 295 Section 20-2-164.
- 296 (B) 'Assessed valuation per weighted full-time equivalent count' is defined as the
- 297 assessed valuation for the most recent year available divided by the weighted full-time
- 298 equivalent count for the year of the digest.
- 299 (4) The department may withhold up to 3 percent of the amount determined pursuant to
- 300 paragraphs (1) and (2) of this subsection for each state chartered special school for use
- 301 in administering the duties required pursuant to this article with respect to state chartered
- 302 special schools; provided, however, that any amount withheld pursuant to this subsection
- 303 shall be spent solely on expenses incurred by the department in performing the duties
- 304 required by this article with respect to state chartered special schools.
- 305 (5) No deduction shall be made to any state funding which a local school system is
- 306 otherwise authorized to receive pursuant to this chapter as a direct result or consequence
- 307 of the enrollment in a state chartered special school of a specific student or students who
- 308 reside in the geographical area of the local school system.
- 309 (6) Funding for state chartered special schools pursuant to this subsection shall be subject
- 310 to appropriations by the General Assembly and such schools shall be treated consistently
- 311 with all other public schools in this state, pursuant to the respective statutory funding
- 312 formulas and grants.
- 313 (7) The local board shall not be responsible for the fiscal management, accounting, or
- 314 oversight of the state chartered special school. The state chartered special school shall
- 315 report enrolled students in a manner consistent with Code Section 20-2-160. Any data

316 required to be reported by the state chartered special school shall be submitted directly
 317 by the school to the appropriate state agency. Where feasible, the state board shall treat
 318 a state chartered special school no less favorably than other public schools within the
 319 state with respect to the provision of funds for transportation and building programs.”
 320 “(i) For purposes of funding students enrolled in a local charter school in the first year of
 321 such school's operation, in the first year that an existing local charter school offers a new
 322 grade level, or in an upcoming year in which student growth in the existing local charter
 323 school is projected to exceed 2 percent if authorized by the charter, and prior to the initial
 324 student count, the state board shall calculate and the Department of Education shall
 325 distribute the funding for the local charter school on the basis of its projected enrollment
 326 according to an enrollment counting procedure or projection method stipulated in the terms
 327 of the charter. Such initial funding shall include the adjustments in each program for
 328 training and experience. No later than July 1 of each year, the state board shall notify the
 329 Department of Education and the Office of Planning and Budget of the funding estimates
 330 calculated pursuant to this subsection for any new local charter schools, any new grade
 331 levels offered by existing local charter schools, or any existing local charter schools with
 332 projected student growth exceeding 2 percent. After the initial student count during the
 333 first year of such local charter school's operation, newly offered grade level, or projected
 334 student growth exceeding 2 percent and in all years of operation thereafter, each local
 335 charter school's student enrollment shall be based on the actual enrollment in the current
 336 school year according to the most recent student count. Nothing in this Code section shall
 337 be construed to require the Department of Education to conduct more than two student
 338 counts per year.”

339 **SECTION 7.**

340 Said title is further amended by revising Code Section 20-2-2089, relating to funding for
 341 state charter schools, as follows:

342 “20-2-2089.

343 (a)(1) The earnings for a student in a state charter school shall be equal to the earnings
 344 for any other student with similar student characteristics in a state charter school,
 345 regardless of the local school system in which the student resides or the school system
 346 in which the state charter school is located, and, except as otherwise provided in
 347 paragraph (2) of this subsection, the department shall pay to each state charter school
 348 through appropriation of state funds an amount equal to the sum of:

349 (A)(i) QBE formula earnings and QBE grants earned by the state charter school
 350 based on the school's enrollment, school profile, and student characteristics. For
 351 purposes of this subparagraph, the term 'QBE formula earnings' means funds earned

352 for the Quality Basic Education Formula pursuant to Code Section 20-2-161,
 353 including the portion of such funds that are calculated in accordance with Code
 354 Section 20-2-164. QBE formula earnings shall include the salary portion of direct
 355 instructional costs, the adjustment for training and experience, the nonsalary portion
 356 of direct instructional costs, and earnings for psychologists and school social workers,
 357 school administration, facility maintenance and operation, media centers, additional
 358 days of instruction in accordance with Code Section 20-2-184.1, and staff
 359 development, as determined by the department.

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

363 (B) The state-wide average amount of the total revenues less federal revenues less state
 364 revenues other than equalization grants per full-time equivalent for ~~the lowest five~~
 365 ~~school systems ranked by assessed valuation per weighted full-time equivalent count,~~
 366 ~~as determined by the department~~ all school systems; and

367 (C) The state-wide average total capital revenue per full-time equivalent, as determined
 368 by the department; provided, however, that, if a brick-and-mortar state charter school
 369 is located within the boundaries of a local school system where the capital revenue per
 370 full-time equivalent is greater than 25 percent above the state-wide average total capital
 371 revenue per full-time equivalent, such state charter school shall receive capital revenue
 372 pursuant to this subparagraph equal to 125 percent of the state-wide average total
 373 capital revenue per full-time equivalent.

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

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

380 (B) The ~~commission may reduce the~~ amount of funds received pursuant to
 381 subparagraph (C) of paragraph (1) of this subsection ~~in proportion to the amount of~~
 382 ~~virtual instruction provided and based on factors that affect the cost of providing~~
 383 ~~instruction~~ shall be equal to 25 percent of the state-wide average total capital revenue
 384 per full-time equivalent if such school provides computer hardware, software,
 385 associated technical equipment, and ongoing maintenance required and necessary for
 386 its students to participate in such virtual instruction.

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

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

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

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

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

403 (d) For purposes of funding students enrolled in a state charter school in the first year of
 404 such school's operation, in or for the first year that an existing state charter school offers
 405 a new grade level, or in an upcoming year in which student growth in the existing state
 406 charter school is projected to exceed 2 percent if authorized by the charter, and prior to the
 407 initial student count, the commission shall calculate and the department shall distribute the
 408 funding for the state charter school on the basis of its projected enrollment according to an
 409 enrollment counting procedure or projection method stipulated in the terms of the charter.
 410 Such initial funding shall include the adjustments in each program for training and
 411 experience. No later than July 1 of each year, the commission shall notify the department
 412 and the Office of Planning and Budget of the funding estimates calculated pursuant to this
 413 subsection for any new state charter schools, ~~and for any new grade levels offered by~~
 414 ~~existing state charter schools,~~ or any existing state charter schools with projected student
 415 growth exceeding 2 percent. After the initial student count during the first year of such
 416 state charter school's operation, ~~or newly offered grade level,~~ or projected student growth
 417 exceeding 2 percent and in all years of operation thereafter, each state charter school's
 418 student enrollment shall be based on the actual enrollment in the current school year
 419 according to the most recent student count. Nothing in this Code section shall be construed
 420 to require the department to conduct more than two student counts per year.

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

425

SECTION 8.

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