

**ADOPTED**

Representatives Hilton of the 95<sup>th</sup>, Jones of the 47<sup>th</sup>, and Jasperse of the 11<sup>th</sup> offers the following amendment:

1 *Amend the Senate substitute to HB 787 (HB 787/SCSFA) by striking lines 1 through 620 and*  
 2 *inserting in its place the following:*

3 To amend Title 20 of the Official Code of Georgia Annotated, relating to education, so as to  
 4 revise certain provisions relative to charter schools; to provide that state charter schools may  
 5 receive services from regional educational service agencies; to revise funding for state  
 6 chartered special schools and state charter schools; to provide for initial funding for charter  
 7 schools with projected student growth exceeding 2 percent; to provide for initial funding for  
 8 training and experience; to provide for annual reports by the Department of Audits and  
 9 Accounts on state chartered special schools and state charter schools that offer virtual  
 10 instruction; to provide for comprehensive reports of such charter schools that offer virtual  
 11 instruction on the earlier of every four years or the year before such school's charter is  
 12 eligible for renewal; to provide for the establishment of a grant program to replicate  
 13 high-performing charter schools; to provide for contingency on appropriations; to provide  
 14 for criteria; to provide for rules and regulations; to provide for a needs based financial aid  
 15 program to provide grants to eligible students for postsecondary education at institutions of  
 16 the University System of Georgia; to provide for definitions; to provide for contingency on  
 17 funding; to provide for rules and regulations; to provide for audits; to provide for penalties;  
 18 to provide for related matters; to repeal conflicting laws; and for other purposes.

19 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

20 **SECTION 1.**

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

24 "20-2-270.

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

32 (b) The State Board of Education shall establish the service area of each regional  
 33 educational service agency as a geographically defined area of the state. All local school  
 34 systems, state charter schools, Technical College System of Georgia facilities and  
 35 institutions, and University System of Georgia facilities and institutions that are located in  
 36 the designated geographical area shall be members of that regional educational service  
 37 agency.

38 (c) Every state supported postsecondary institution shall be an active member of a regional  
 39 educational service agency.

40 (d) Each regional educational service agency and its employees shall be subject to or  
 41 exempt from taxation in the same manner as are school systems and school system  
 42 employees.

43 (e) All employees and volunteers of a regional educational service agency shall be immune  
 44 from liability to the same extent as are employees and volunteers of a school system.

45 (f) Regional educational service agencies are not state agencies but shall be considered  
 46 local units of administration for purposes of this chapter."

## 47 SECTION 2.

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

50 "20-2-270.1.

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

53 (1) Identifying or conducting research related to educational improvements and in  
 54 planning for the implementation of such improvements;

55 (2) Developing and implementing staff development programs with an emphasis on  
 56 improving student achievement and school accountability;

57 (3) Developing and implementing curricula and instruction of the highest quality  
 58 possible, including implementing the uniformly sequenced content standards adopted by  
 59 the state board;

60 (4) Developing and implementing academic assessment and evaluation programs;

61 (5) Identifying and utilizing electronic technology, including computers, in an effort to  
 62 improve the quality of classroom instruction as well as classroom, school, and school  
 63 system management;

64 (6) Developing programs, resource materials, and staff development services relating to  
 65 instruction on alcohol and drug abuse; and

66 (7) Assistance in the development and implementation of a state-wide mentoring  
 67 program.

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

70 (b) The state board shall make the service areas for the Georgia Learning Resources  
71 System congruous with the service areas for the RESA's. The RESA's are designated as  
72 the fiscal agents for the agency of the Georgia Learning Resources System or a local board  
73 of education as identified by the State Board of Education through an annual contract to  
74 serve as fiscal agent for the Georgia Learning Resources System. All member local school  
75 systems and state charter schools shall be provided the services of the Georgia Learning  
76 Resources System.

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

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

94 **SECTION 3.**

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

98 "20-2-271.

99 (a) Each regional educational service agency shall annually develop and submit to the  
100 Department of Education for approval, with a copy to the Education Coordinating Council,  
101 a regional plan for improvement of educational efficiency and cost effectiveness of its  
102 member institutions. Each plan must include the purposes and description of the services  
103 the regional educational service agency will provide to schools identified as

104 low-performing based on the indicators adopted under Code Section 20-14-33 and to other  
105 schools.

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

110 (1) Training and assistance in teaching each subject area assessed under Code  
111 Section 20-2-281;

112 (2) Assistance specifically designed for any school that is rated academically failing  
113 under Code Section 20-14-33;

114 (3) Training and assistance to teachers, administrators, members of local boards of  
115 education, and members of local school councils on school-based decision making and  
116 control; and

117 (4) Assistance in complying with applicable state laws and rules of the State Board of  
118 Education and the Education Coordinating Council.

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

122 (c) As part of the assistance provided by a regional educational service agency under this  
123 Code section, each regional educational service agency shall provide for the establishment  
124 of instructional care teams. Upon determining that a school under its management and  
125 control is consistently underperforming or is otherwise educationally deficient, a local  
126 board of education or state charter school may request through a regional educational  
127 service agency the appointment of an instructional care team for that school. The  
128 instructional care team shall consist of such number of persons with such experience as a  
129 principal, teacher, or other education personnel so as to best address the needs of the  
130 school. Such instructional care team shall conduct an investigation into such aspects of  
131 instruction at the school as requested by the local board or state charter school, prepare a  
132 written evaluation of such aspects of the school, and make nonbinding recommendations  
133 to the local board or state charter school regarding improvements at the school. Such  
134 investigations, evaluations, and recommendations shall focus on, but not be limited to,  
135 instruction in mathematics, science, reading and other English courses, and social studies.  
136 Instructional care teams may also provide long-term and short-term follow-up assistance,  
137 such as but not limited to instruction, instructional assistance, and professional and staff  
138 development. Each regional educational service agency shall develop a registry or listing  
139 of potential instructional care team members, together with their areas of expertise, who  
140 may be available to member or nonmember local school systems and state charter schools

141 for service on instructional care teams. Each regional educational service agency shall  
 142 promulgate rules and regulations for the purchase of the services of an instructional care  
 143 team, provided that nothing in this Code section shall prevent regional educational service  
 144 agencies from entering into cooperative arrangements for the mutual exchange of such  
 145 services. Subject to appropriation by the General Assembly, regional educational service  
 146 agencies may be provided grants for the purpose of facilitating the development and  
 147 implementation of instructional care teams.

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

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

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

#### 162 **SECTION 4.**

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

165 "20-2-272.

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

172 (b) All laws and the policies and regulations of the State Board of Education applicable  
 173 to local school systems and local boards of education shall be applicable, when appropriate,  
 174 to the regional educational service agencies and their boards of control unless explicitly  
 175 stated otherwise in this part. No board of control shall levy or collect any taxes. No board  
 176 of control shall expend or contract to expend any funds beyond the amount of funds that

177 the board of control is legally authorized to receive and will, in fact, receive, except as  
 178 otherwise provided in this part. Each board of control shall submit an annual report and  
 179 an annual budget to the state board, in the manner prescribed by the state board, for review  
 180 and approval.

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

185 (d) Boards of control shall determine the assistance needed by local school systems and  
 186 state charter schools in the area served by each regional educational service agency,  
 187 establish priorities from those needs, and allocate resources accordingly. Boards of control  
 188 shall annually review the effectiveness and efficiency of such agencies. Boards of control  
 189 shall determine the procedures and activities by which each regional educational service  
 190 agency achieves locally established objectives and shall establish job descriptions,  
 191 personnel qualifications, and work schedules consistent with locally established priorities  
 192 and objectives.

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

210 **SECTION 5.**

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

213 "20-2-274.

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

249 (b) A regional educational service agency may not receive directly from the State Board  
 250 of Education any state funds originally intended for or directed to a local school system or  
 251 state charter school by this article; provided, however, that, upon the official request of a  
 252 local school system or state charter school, the state board may send directly to a regional  
 253 educational service agency any funds allocated to a local school system or state charter  
 254 school. All grants from the state along with the contributions from member local school  
 255 systems or state charter schools and funds from other sources shall be budgeted by the  
 256 board of control other than those designated to local school systems designated as fiscal  
 257 agents for a Georgia Learning Resource System through contract with the State Board of  
 258 Education."

### 259 SECTION 6.

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

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

265 (A)(i) QBE formula earnings and QBE grants earned by the state chartered special  
 266 school based on the school's enrollment, school profile, and student characteristics.  
 267 For purposes of this subparagraph, the term 'QBE formula earnings' means funds  
 268 earned for the Quality Basic Education Formula pursuant to Code Section 20-2-161,  
 269 including the portion of such funds that are calculated in accordance with Code  
 270 Section 20-2-164. QBE formula earnings shall include the salary portion of direct  
 271 instructional costs, the adjustment for training and experience, the nonsalary portion  
 272 of direct instructional costs, and earnings for psychologists and school social workers,  
 273 school administration, facility maintenance and operation, media centers, additional  
 274 days of instruction in accordance with Code Section 20-2-184.1, and staff  
 275 development, as determined by the department; and

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

279 (B) The state-wide average amount of the total revenues less federal revenues less state  
 280 revenues other than equalization grants per full-time equivalent for all school systems;  
 281 provided, however, that, if the average amount of the total revenues less federal  
 282 revenues less state revenues other than equalization grants per full-time equivalent for  
 283 the local school systems that comprise the attendance zone of the state chartered special  
 284 school is less than the state-wide average amount of the total revenues less federal



285 revenues less state revenues other than equalization grants per full-time equivalent for  
 286 all school systems, the state chartered special school shall receive the greater of:

287 (i) The average amount of the total revenues less federal revenues less state revenues  
 288 other than equalization grants per full-time equivalent for the local school systems  
 289 that comprise the attendance zone of the state chartered special school; or

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

294 (C)(i) For brick-and-mortar state chartered special schools, the ~~The~~ state-wide  
 295 average total capital revenue, excluding local revenue bonds, per full-time equivalent,  
 296 as determined by the department ~~or the capital revenue per full-time equivalent for the~~  
 297 local school system where the brick-and-mortar state chartered special school is  
 298 located, whichever is greater; and

299 (ii) For state chartered special schools that offer virtual instruction, an amount equal  
 300 to 25 percent of the state-wide average total capital revenue per full-time equivalent  
 301 if such school provides computer hardware, software, associated technical equipment,  
 302 and ongoing maintenance required and necessary for its students to participate in such  
 303 virtual instruction.

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

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

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

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

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

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

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

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

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

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

342 "(i) For purposes of funding students enrolled in a local charter school in the first year of  
343 such school's operation, in the first year that an existing local charter school offers a new  
344 grade level, or in an upcoming year in which student growth in the existing local charter  
345 school is projected to exceed 2 percent if authorized by the charter, and prior to the initial  
346 student count, the state board shall calculate and the Department of Education shall  
347 distribute the funding for the local charter school on the basis of its projected enrollment  
348 according to an enrollment counting procedure or projection method stipulated in the terms  
349 of the charter. Such initial funding shall include the adjustments in each program for  
350 training and experience. No later than July 1 of each year, the state board shall notify the  
351 Department of Education and the Office of Planning and Budget of the funding estimates  
352 calculated pursuant to this subsection for any new local charter schools, any new grade  
353 levels offered by existing local charter schools, or any existing local charter schools with  
354 projected student growth exceeding 2 percent. After the initial student count during the  
355 first year of such local charter school's operation, newly offered grade level, or projected  
356 student growth exceeding 2 percent and in all years of operation thereafter, each local  
357 charter school's student enrollment shall be based on the actual enrollment in the current

358 school year according to the most recent student count. Nothing in this Code section shall  
 359 be construed to require the Department of Education to conduct more than two student  
 360 counts per year."

### 361 SECTION 6A.

362 Said title is further amended by adding a new Code section to read as follows:

363 "20-2-2075.

364 (a) The State Board of Education is authorized to establish a grant program for the purpose  
 365 of replicating high-performing charter schools, including local charter schools, state  
 366 chartered special schools, and state charter schools. The grant program shall include  
 367 funding, subject to appropriations by the General Assembly, for grants to charter applicants  
 368 and existing charter schools to replicate high-performing charter schools or features or  
 369 programs of high-performing charter schools that have been proven to be effective.

370 (b) Grants shall be provided primarily for charter schools in rural areas, charter schools  
 371 that primarily serve students with special needs, and charter schools that serve  
 372 educationally disadvantaged students.

373 (c) Grants shall be awarded based on criteria, terms, and conditions established by the  
 374 State Board of Education, in consultation with the State Charter Schools Commission. The  
 375 grant program criteria may take into account the likelihood of success in replicating a  
 376 high-performing charter school or feature or program of a high-performing charter school,  
 377 whether a particular model lends itself to replication, the reasonableness of the costs  
 378 involved in replication, and such other criteria deemed appropriate.

379 (d) The State Board of Education, in consultation with the State Charter Schools  
 380 Commission, is authorized to develop rules and regulations to implement the grant program  
 381 established pursuant to this Code section."

### 382 SECTION 7.

383 Said title is further amended by adding a new Code section to read as follows:

384 "20-2-2075.

385 (a)(1) The Department of Audits and Accounts shall develop an annual report on state  
 386 chartered special schools that offer virtual instruction. The Department of Audits and  
 387 Accounts may consult with the State Board of Education to develop and collect  
 388 information for the report.

389 (2) The annual report shall include at a minimum: school enrollment, including special  
 390 education population and other subgroups; attendance rate and method of measurement;  
 391 attrition rate; course segment completion rates; academic performance, including College  
 392 and Career Ready Performance Index (CCRPI) scores, value-added analysis, Beating the

393 Odds analysis, and student engagement and persistence; other academic performance as  
 394 it relates to the goals of the school's charter; comparison of student academic growth and  
 395 achievement prior to placement; governance and management; staffing and teacher  
 396 qualification data; school finances, including actual income and expenditures for the prior  
 397 fiscal year; operational performance, including analysis of academic performance as a  
 398 ratio of per student expenditures; innovative practices and implementation; analysis of  
 399 alternate academic options for enrolled students; and future plans. The annual report  
 400 shall also include information on the implementation of professional development plans  
 401 for persons in administrative, supervisory, or instructional leadership roles who do not  
 402 hold a valid administrative license; a copy of all charter school agreements for corporate  
 403 management services, including the company's parent corporation; and agreements for  
 404 other administrative, financial, and staffing services.

405 (3) The Department of Audits and Accounts shall submit the annual report on each state  
 406 chartered special school that offers virtual instruction to the State Board of Education, the  
 407 Governor, the Speaker of the House of Representatives, and the Lieutenant Governor by  
 408 December 1 of each year. The annual report shall also be posted on the state chartered  
 409 special school's official website.

410 (b)(1) Every four years or the year before a charter for a state chartered special school  
 411 that offers virtual instruction becomes eligible for renewal, whichever is earlier, the  
 412 Department of Audits and Accounts shall compile the data included in the annual reports  
 413 for such state chartered special school and identify any long-term trends regarding  
 414 academic performance, financial data, and governance data. Such comprehensive report  
 415 shall outline how the state chartered special school's actual performance compared to the  
 416 goals outlined in its charter.

417 (2) The Department of Audits and Accounts shall submit the comprehensive report of  
 418 each such state chartered special school to the State Board of Education, the Governor,  
 419 the Speaker of the House of Representatives, and the Lieutenant Governor by January 1  
 420 of the year in which the state chartered special school becomes eligible for renewal. The  
 421 comprehensive report shall also be posted on the state chartered special school's official  
 422 website."

## 423 **SECTION 8.**

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

426 "20-2-2089.

427 (a)(1) The earnings for a student in a state charter school shall be equal to the earnings  
 428 for any other student with similar student characteristics in a state charter school,

429 regardless of the local school system in which the student resides or the school system  
 430 in which the state charter school is located, and, except as otherwise provided in  
 431 paragraph (2) of this subsection, the department shall pay to each state charter school  
 432 through appropriation of state funds an amount equal to the sum of:

433 (A)(i) QBE formula earnings and QBE grants earned by the state charter school  
 434 based on the school's enrollment, school profile, and student characteristics. For  
 435 purposes of this subparagraph, the term 'QBE formula earnings' means funds earned  
 436 for the Quality Basic Education Formula pursuant to Code Section 20-2-161,  
 437 including the portion of such funds that are calculated in accordance with Code  
 438 Section 20-2-164. QBE formula earnings shall include the salary portion of direct  
 439 instructional costs, the adjustment for training and experience, the nonsalary portion  
 440 of direct instructional costs, and earnings for psychologists and school social workers,  
 441 school administration, facility maintenance and operation, media centers, additional  
 442 days of instruction in accordance with Code Section 20-2-184.1, and staff  
 443 development, as determined by the department.

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

447 (B) The state-wide average amount of the total revenues less federal revenues less state  
 448 revenues other than equalization grants per full-time equivalent for all school systems;  
 449 provided, however, that, if the average amount of the total revenues less federal  
 450 revenues less state revenues other than equalization grants per full-time equivalent for  
 451 the local school systems that comprise the attendance zone of the state charter school  
 452 is less than the state-wide average amount of the total revenues less federal revenues  
 453 less state revenues other than equalization grants per full-time equivalent for all school  
 454 systems, the state charter school shall receive the greater of:

455 (i) The average amount of the total revenues less federal revenues less state revenues  
 456 other than equalization grants per full-time equivalent for the local school systems  
 457 that comprise the attendance zone of the state charter school; or

458 (ii) The average amount of the total revenues less federal revenues less state revenues  
 459 other than equalization grants per full-time equivalent for the lowest five school  
 460 systems ranked by assessed valuation per weighted full-time equivalent count, as  
 461 determined by the department; and

462 (C)(i) For brick-and-mortar state charter schools, the ~~The~~ state-wide average total  
 463 capital revenue, excluding local revenue bonds, per full-time equivalent, as  
 464 determined by the department or the capital revenue per full-time equivalent for the

465 local school system where the brick-and-mortar state charter school is located,  
 466 whichever is greater; and

467 (ii) For state charter schools that offer virtual instruction, an amount equal to 25  
 468 percent of the state-wide average total capital revenue per full-time equivalent if such  
 469 school provides computer hardware, software, associated technical equipment, and  
 470 ongoing maintenance required and necessary for its students to participate in such  
 471 virtual instruction.

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

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

478 ~~(B) The commission may reduce the amount of funds received pursuant to~~  
 479 ~~subparagraph (C) of paragraph (1) of this subsection in proportion to the amount of~~  
 480 ~~virtual instruction provided and based on factors that affect the cost of providing~~  
 481 ~~instruction.~~

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

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

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

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

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

498 (d) For purposes of funding students enrolled in a state charter school in the first year of  
 499 such school's operation, in or for the first year that an existing state charter school offers  
 500 a new grade level, or in an upcoming year in which student growth in the existing state  
 501 charter school is projected to exceed 2 percent if authorized by the charter, and prior to the

502 initial student count, the commission shall calculate and the department shall distribute the  
 503 funding for the state charter school on the basis of its projected enrollment according to an  
 504 enrollment counting procedure or projection method stipulated in the terms of the charter.  
 505 Such initial funding shall include the adjustments in each program for training and  
 506 experience. No later than July 1 of each year, the commission shall notify the department  
 507 and the Office of Planning and Budget of the funding estimates calculated pursuant to this  
 508 subsection for any new state charter schools, ~~and for any new grade levels offered by~~  
 509 ~~existing state charter schools, or any existing state charter schools with projected student~~  
 510 growth exceeding 2 percent. After the initial student count during the first year of such  
 511 state charter school's operation, ~~or newly offered grade level, or projected student growth~~  
 512 exceeding 2 percent and in all years of operation thereafter, each state charter school's  
 513 student enrollment shall be based on the actual enrollment in the current school year  
 514 according to the most recent student count. Nothing in this Code section shall be construed  
 515 to require the department to conduct more than two student counts per year.

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

## 520 SECTION 9.

521 Said title is further amended by adding a new Code section to read as follows:

522 "20-2-2093.

523 (a)(1) The Department of Audits and Accounts shall develop an annual report on state  
 524 charter schools that offer virtual instruction. The Department of Audits and Accounts  
 525 may consult with the commission to develop and collect information for the report.

526 (2) The annual report shall include at a minimum: school enrollment, including special  
 527 education population and other subgroups; attendance rate and method of measurement;  
 528 attrition rate; course segment completion rates; academic performance, including College  
 529 and Career Ready Performance Index (CCRPI) scores, value-added analysis, Beating the  
 530 Odds analysis, and student engagement and persistence; other academic performance as  
 531 it relates to the goals of the school's charter; comparison of student academic growth and  
 532 achievement prior to placement; governance and management; staffing and teacher  
 533 qualification data; school finances, including actual income and expenditures for the prior  
 534 fiscal year; operational performance, including analysis of academic performance as a  
 535 ratio of per student expenditures; innovative practices and implementation; analysis of  
 536 alternate academic options for enrolled students; and future plans. The annual report  
 537 shall also include information on the implementation of professional development plans

538 for persons in administrative, supervisory, or instructional leadership roles who do not  
 539 hold a valid administrative license; a copy of all charter school agreements for corporate  
 540 management services, including the company's parent corporation; and agreements for  
 541 other administrative, financial, and staffing services.

542 (3) The Department of Audits and Accounts shall submit the annual report on each state  
 543 charter school that offers virtual instruction to the commission, the State Board of  
 544 Education, the Governor, the Speaker of the House of Representatives, and the Lieutenant  
 545 Governor by December 1 of each year. The annual report shall also be posted on the state  
 546 charter school's official website.

547 (b)(1) Every four years or the year before a charter for a state charter school that offers  
 548 virtual instruction becomes eligible for renewal, whichever is earlier, the Department of  
 549 Audits and Accounts shall compile the data included in the annual reports for such state  
 550 charter school and identify any long-term trends regarding academic performance,  
 551 financial data, and governance data. Such comprehensive report shall outline how the  
 552 state charter school's actual performance compared to the goals outlined in its charter.

553 (2) The Department of Audits and Accounts shall submit the comprehensive report of  
 554 each such state charter school to the commission, the State Board of Education, the  
 555 Governor, the Speaker of the House of Representatives, and the Lieutenant Governor by  
 556 January 1 of the year in which the state charter school becomes eligible for renewal. The  
 557 comprehensive report shall also be posted on the state charter school's official website."

558 **SECTION 10.**

559 Said title is further amended in Part 3 of Article 7 of Chapter 3, relating to the Georgia  
 560 Student Finance Authority, by adding a new subpart to read as follows:

561 "Subpart 2A

562 20-3-360.

563 As used in this subpart, the term:

564 (1) 'Eligible student' means a person:

565 (A) Whose family income is considered economically disadvantaged, based on criteria  
 566 established by the commission; and

567 (B) Who meets any academic or other standards established by the commission.

568 (2) 'Qualified institution' means an institution of the university system.



569 20-3-361.

570 Subject to appropriations, the commission shall establish a needs based financial aid  
571 program to provide grants to eligible students for postsecondary education at qualified  
572 institutions. The commission may provide for individualized eligibility criteria and grant  
573 amounts as determined to be the most appropriate for the particular qualified institution and  
574 its student population. The commission shall also establish criteria necessary to retain and  
575 continue to receive such grants.

576 20-3-362.

577 Each eligible student wishing to receive a grant pursuant to this subpart shall submit a grant  
578 application in accordance with procedures prescribed by the commission. The commission  
579 is authorized to define such terms and prescribe such rules, regulations, and procedures as  
580 may be reasonable and necessary to carry out the purposes of this subpart. In the event a  
581 student on whose behalf a grant is paid does not enroll as a full-time student for the  
582 academic semester for which the grant is paid, the qualified institution shall make a refund  
583 to the commission in accordance with regulations of the commission.

584 20-3-363.

585 Each qualified institution shall be subject to examination by the state auditor for the sole  
586 purpose of determining whether the institution has properly certified eligibility and  
587 enrollment of students and credited grants paid on behalf of such students; provided,  
588 however, that nothing in this subpart shall be construed to interfere with the authority of  
589 the institution to determine admissibility of students or to control its own curriculum,  
590 philosophy, purpose, or administration. In the event it is determined that a qualified  
591 institution knowingly or through error certified an ineligible student to be eligible for a  
592 grant under this subpart, the amount of the grant paid to such institution pursuant to such  
593 certification shall be refunded by such institution to the commission.

594 20-3-364.

595 Any person who knowingly makes or furnishes any false statement or misrepresentation,  
596 or who accepts such statement or misrepresentation knowing it to be false, for the purpose  
597 of enabling an ineligible student to wrongfully obtain a grant under this subpart shall be  
598 guilty of a misdemeanor."

599

## **SECTION 11.**

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