The House Committee on Education offers the following substitute to SB 153:

A BILL TO BE ENTITLED AN ACT

1 To amend Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to 2 elementary and secondary education, so as to provide for alternative charter schools; to 3 provide for system-collaborative state charter schools to transition from operating under state 4 charters to operating as state chartered special schools by July 1, 2021, or as alternative 5 charter schools; to provide for definitions; to provide for designation; to provide for data 6 collection; to provide for eligibility criteria, requirements, and procedures; to provide for 7 enrollment; to provide for funding; to prohibit approval, renewal, or extension of certain state 8 charter school petitions; to prohibit expansion, extension, renewal, or replication of former 9 system-collaborative state charter schools, subject to certain exceptions; to provide for 10 additional prohibitions on simultaneous service; to provide for legislative intent; to provide 11 for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

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It is the intent of the General Assembly to study alternative education models and funding including those focused on dropout prevention, high school credit recovery, and service of adult and incarcerated students. Such study of alternative education models and funding

shall include alternative charter schools and state support of such schools. Such study shall occur during 2021 and 2022 and shall conclude with a recommendation to the General

19 Assembly regarding alternative education models and funding.

20 **SECTION 2.** 21 Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to elementary and 22 secondary education, is amended by revising subsection (1) of Code Section 20-2-154.1, relating to alternative education programs under the "Quality Basic Education Act," intent, 23 24 description, and funding, and by adding a new subsection to read as follows: 25 "(1)(1) As used in this subsection, the term: (A) 'Alternative charter school' means a local charter school authorized by one or more 26 local school systems, as provided for in Article 31 of this chapter, which provides an 27 28 alternative education program, as provided for in this Code section, and which provides 29 programs and services focused on dropout recovery or high school credit recovery. 30 (B) 'Charter petitioner' means one or more private individuals, private organizations, 31 state or local public entities, or adult learning providers, or any group of these working 32 in cooperation, that submits or initiates a petition to establish an alternative charter 33 school as a local charter school pursuant to Article 31 of this chapter. 34 (C) 'System-collaborative state charter school' means a charter school authorized by 35 the State Charter Schools Commission that provides programs and services for dropout 36 recovery or high school credit recovery and is governed by a board of directors which may include personnel of the local board or boards of education from the geographic 37 38 region which the charter school serves. 39 (2)(A) The State Board of Education and the Department of Education, in consultation 40 with authorizing local school system or systems, shall establish a process to designate 41 alternative charter schools. Any designation process established pursuant to this 42 subparagraph shall, in addition to meeting the requirements provided for in Code

43 Section 20-2-2063, shall require the charter petitioner to demonstrate how the proposed 44 alternative charter school will increase graduation opportunities for traditional high 45 school students, decrease dropout rates in local school systems, and provide high school 46 credit recovery opportunities. 47 (B)(i) Not later than July 1, 2021, each system-collaborative charter school that has not transitioned to become an alternative charter school shall operate as a state 48 chartered special school, as defined in Code Section 20-2-2062, authorized directly 49 by the State Board of Education. 50 (ii) The State Board of Education, in consultation with the State Charter Schools 51 52 Commission and system-collaborative state charter schools, shall provide for the transfer and designation of existing system-collaborative state charter schools to state 53 chartered special schools by July 1, 2021, except for those schools which have 54 55 transitioned to become an alternative charter school pursuant to this subsection. 56 (iii) For the duration of its current charter contract, each school that transitions from 57 operating as a system-collaborative state charter school to operating as a state 58 chartered special school as provided for in division (i) of this subparagraph shall be 59 eligible to receive funding directly from the State Board of Education in an amount 60 equal to the amount such school would have received pursuant to Code Section 61 20-2-2089 had such school continued to operate as a system-collaborative state 62 charter school, except as provided for in division (iii) of subparagraph (C) of this 63 paragraph; provided, however, that such funding eligibility shall be calculated pro rata based upon when such school commences operating as a state chartered special school 64

20-2-2089 after June 30, 2021.

as determined by the State Board of Education. Such funding shall not increase in

subsequent fiscal years. A system-collaborative state charter school that does not

transition to operating as a state chartered special school by July 1, 2021, shall not be

eligible for funding available to state charter schools pursuant to Code Section

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(iv) The State Board of Education shall be authorized to approve an attendance zone

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71 for each state chartered special school provided for in this subparagraph that includes 72 one or more local school systems, or any portion thereof, or a state-wide attendance 73 zone. 74 (v) The Department of Education shall provide administrative and technical support 75 and shall be authorized to allocate funds, including state funds, federal funds, 76 proceeds of general obligation debt, or any other available funds, for any school that 77 transitions from operating as a system-collaborative state charter school to operating 78 as a state chartered special school, as provided for in division (i) of this subparagraph, 79 for purposes directly related to such transition to and operation as a state chartered 80 special school for the duration of such school's current charter contract. The 81 Department of Education may withhold up to 2 percent of the amount determined 82 pursuant to division (iii) of this subparagraph for each school that transitions from 83 operating as a system-collaborative state charter school to operating as a state 84 chartered special school, as provided for in division (i) of this subparagraph, for use 85 in administering the duties required pursuant to this subsection; provided, however, 86 that any amount withheld pursuant to this subdivision shall be spent solely on 87 expenses incurred by the Department of Education in performing the duties required 88 by this subsection. 89 (C)(i) The State Board of Education, in consultation with the authorizing local school 90 system or systems, the State Charter Schools Commission, and system-collaborative 91 state charter schools, shall provide for the transfer and designation of existing 92 system-collaborative state charter schools to alternative charter schools not later than 93 the conclusion of each such school's current charter contract. 94 (ii) Regardless of whether it is operating as a state chartered special school pursuant 95 to Article 31 of this chapter or a state charter school pursuant to Article 31A of this

chapter, each system-collaborative state charter school shall be eligible to petition one or more local school systems to become an alternative charter school.

- (iii) The State Board of Education shall not provide for the expansion, extension, renewal, or replication of former system-collaborative state charter schools as state chartered special schools; provided, however, that such schools may increase student enrollment by no more than 3 percent each school year and add no more than one school site each school year; provided, further, that any school site opened after July 1, 2021, shall be located within the same regional educational service agency service area where the former system-collaborative state charter school's headquarters were located on January 1, 2021. School sites opened by a former system-collaborative state charter school after July 1, 2021, pursuant to this division shall not be included in the calculation of such former system-collaborative state charter school's funding provided for in division (iii) of subparagraph (B) of this paragraph; provided, however, that such school sites shall be eligible to receive QBE formula earnings, as that term is defined in Code Section 20-2-2062.
- (iv) Notwithstanding any provision of the law to the contrary, effective July 1, 2021, no system-collaborative state charter school shall be eligible for the extension or renewal of its charter with the State Charter Schools Commission.
- (3) The Department of Education, in collaboration with the Office of Student Achievement, shall be responsible for collecting and analyzing appropriate data from and about alternative charter schools on matters consisting of, but not limited to, alternative charter school effectiveness.
- (4) Pursuant to an intragovernmental agreement between a student's resident local school system and the local school system or systems which authorized the alternative charter school, alternative charter schools shall be authorized to enroll students from local school systems other than the local school system or systems which authorized the alternative charter school; provided, however, that students who reside in the authorizing local

school system or systems of the alternative charter school shall be prioritized over

124 students who reside outside of such system or systems. 125 (m) The State Board of Education shall adopt rules necessary to administer the 126 provisions of this Code section. Academically, the mission of alternative education programs shall be to enable students to perform at grade level. Annually, the Office of 127 Student Achievement shall define for alternative education programs acceptable 128 129 performance and performance indicating a need for peer review, based principally on 130 standards defined by the Office of Student Achievement that measure the academic 131 progress of students toward performing at grade level while attending an alternative education program." 132

133 SECTION 3.

134 Said chapter is further amended in Article 31, relating to the Charter Schools Act of 1998,

by adding a new subsection to Code Section 20-2-2068.1, relating to charter school funding,

136 to read as follows:

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137 "(j) Alternative charter schools, as provided for in subsection (l) of Code Section

20-2-154.1, shall be funded pursuant to this Code section, subject to appropriations by the

General Assembly, and such schools shall be treated consistently with all other public

schools in this state, pursuant to the respective statutory funding formulas and grants."

SECTION 4.

Said chapter is further amended in Article 31A, relating to state charter schools, by adding

a new paragraph to subsection (c) and by revising paragraph (2) of subsection (e) of Code

Section 20-2-2084, relating to petition for charter schools, requirements of school, governing

board membership, annual training, and simultaneous service prohibited, to read as follows:

146 "(4) The commission shall not approve, renew, or extend a state charter school petition

for any school with one or more employees, officers, or governing board members who

are also an officer, member, or executive-level employee of a local board of education or an employee of a local school system from the geographic region which the state charter school serves. As used in this paragraph, the term 'executive-level employee' means an employee serving as superintendent, deputy, assistant, or associate superintendent, chief financial officer, chief operations officer, or any other similar position which includes substantial decision-making authority on behalf of the local school system."

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

- (A) Act in his or her official capacity in any matter where he or she, his or her immediate family member, or a business organization in which he or she has an interest has a material financial interest that would reasonably be expected to impair his or her objectivity or independence of judgment;
- (B) Solicit or accept or knowingly allow his or her immediate family member or a business organization in which he or she has an interest to solicit or accept any gift, favor, loan, political contribution, service, promise of future employment, or other thing of value based upon an understanding that the gift, favor, loan, contribution, service, promise, or other thing of value was given or offered for the purpose of influencing that board member in the discharge of his or her duties as a board member;
- (C) Use, or knowingly allow to be used, his or her position or any information not generally available to the members of the public which he or she receives or acquires in the course of and by reason of his or her position for the purpose of securing financial gain for himself or herself, his or her immediate family member, or any business organization with which he or she is associated; or
- (D) Be an officer or serve on the board of directors of any organization that sells goods or services to that state charter school; or
- 173 (E) Be an officer, member, or employee of a local board of education or an employee of a local school system.

175 As used in this paragraph, the term 'immediate family member' means a spouse, child, 176 sibling, or parent or the spouse of a child, sibling, or parent."

177 SECTION 5.

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