

HB 1822 -- SCHOOL ACCREDITATION

SPONSOR: Cierpiot

This bill changes the laws regarding school accreditation. In its main provisions, the bill:

(1) Defines "underperforming," as provisionally accredited or unaccredited, whether applied to a school district or a school building;

(2) Establishes definitions and standards for school district accreditation and specifies the range of scores from an annual performance report that are to be used when making a classification. A district's and school's accreditation classification must be based on three years of data;

(3) Requires the State Board of Education in the Department of Elementary and Secondary Education to intervene in a district classified as provisionally accredited with individualized improvement measures based on the district's and the underlying community's needs. Each school in a provisionally accredited district must receive its own classification; an underperforming school is subject to specified interventions. A provisionally accredited district has five years to improve or it must be classified as unaccredited;

(4) Establishes, effective January 1, 2015, the Statewide Achievement School District (ASD) to which the state board must transfer any underperforming schools from an unaccredited district. The district has a three-member governing board appointed by the Governor with the advice and consent of the Senate, which is subject to the same laws governing its operation as all other school districts. The term of a board member will be six years. Its powers and duties include managing schools assigned to it, overseeing facility planning, employment of staff members, management of contracts, and development of a community outreach plan. It is not to be considered a successor entity for employment contracts, unemployment compensation payments, or any other purpose. Schools under its jurisdiction will receive a portion of the district's state aid, while the unaccredited district remains in tact for tax purposes;

(5) Restores the provisions regarding student transfers to their 1993 status governing only K-8 district transfers of secondary school students;

(6) Establishes provisions governing transfers that result from an entire district losing its accreditation which maintain the same

tuition calculation as existing law. A student must have attended an underperforming school in the unaccredited district for at least one semester to be eligible to transfer. First, the student must seek a seat in an accredited school in the residence district. If a seat is not available, the student may apply next to a school district in the same or an adjoining county. If a seat in an accredited school is not available within the limits of the receiving district's capacity, then the student may seek a passport scholarship. Receiving school districts must set their policies by August 1, 2014. No performance or accountability data of transfer students will be counted for the first three full school years; and

(7) Establishes the Passport Scholarship Program to grant scholarships to students of unaccredited districts who could not be accommodated in the district of residence or a receiving district in an accredited school to private schools. Beginning in tax year 2014, a taxpayer who makes a qualifying contribution to an educational assistance organization may claim a credit against specified taxes in an amount equal to 60% of the contribution. The annual cumulative amount of tax credits is limited to \$20 million in any one fiscal year, which will be annually adjusted based on the federal Consumer Price Index. The tax credit is nonrefundable and may be carried forward for four years or transferred. The Director of the Department of Economic Development must establish a procedure to apportion the amount of tax credits among all educational assistance organizations and may reapportion unused credits to educational assistance organizations that have used all, or a certain percentage, of their tax credits.

An educational assistance organization must meet certain requirements, including being exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code; providing a department-approved receipt to taxpayers for contributions; ensuring that funds are used as specified in the bill; distributing scholarship payments four times per year; providing the department, upon request, with criminal background checks on all of its employees and board members; and demonstrating financial accountability and viability as specified in the bill.

Each educational assistance organization must ensure that a qualified school will:

- (1) Comply with all health and safety laws applicable to nonpublic schools;
- (2) Hold a valid occupancy permit if required by its municipality;
- (3) Certify that the school will not discriminate in admissions based on race, color, national origin, or disability; and

(4) Provide academic accountability to parents. An educational assistance organization must annually publicly report, by June 1, to the department information prepared by a certified public accountant about the organization, the scholarship recipients, and the total number and dollar amounts of scholarships awarded.

An educational assistance organization cannot provide scholarships for eligible students to attend any school with paid staff or board members or relatives in common with the organization. An educational assistance organization must not limit its scholarships to the students of only one school.

A qualified school must comply with all state laws applicable to public schools regarding criminal background checks for employees and exclude from employment anyone prohibited from working in a public school. A qualified school must administer the statewide assessment to its scholarship students. A qualified school must also meet certain accountability measures, including fiscal soundness, accreditation, and surveys of parents and students. Subject to appropriations or available private donations, the Joint Committee on Legislative Research must contract with a qualified researcher to conduct a study of the program. The study must cover a period of six years.

The provisions of the bill regarding the Passport Scholarship Program will expire 10 years after the effective date.

The bill contains an emergency clause.