

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 2247**  
**99TH GENERAL ASSEMBLY**

6096H.02C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 160.400, 160.405, 160.408, 160.410, 160.415, 160.425, 160.518, and 167.268, RSMo, and to enact in lieu thereof nine new sections relating to charter schools.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 160.400, 160.405, 160.408, 160.410, 160.415, 160.425, 160.518, and 167.268, RSMo, are repealed and nine new sections enacted in lieu thereof, to be known as sections 160.400, 160.404, 160.405, 160.408, 160.410, 160.415, 160.425, 160.518, and 167.268, to read as follows:

- 160.400. 1. A charter school is an independent public school.
2. ~~[Except as further provided in subsection 4 of this section,]~~ Charter schools may be operated only:
- (1) In a metropolitan school district;
  - (2) In an urban school district containing most or all of a city with a population greater than three hundred fifty thousand inhabitants;
  - (3) In a school district that has been classified as unaccredited by the state board of education;
  - (4) ~~[In a school district that has been classified as provisionally accredited by the state board of education and has received scores on its annual performance report consistent with a classification of provisionally accredited or unaccredited for three consecutive school years beginning with the 2012-13 accreditation year under the following conditions:~~
- ~~———— (a) The eligibility for charter schools of any school district whose provisional accreditation is based in whole or in part on financial stress as defined in sections 161.520 to 161.529, or on financial hardship as defined by rule of the state board of education, shall be~~

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 ~~decided by a vote of the state board of education during the third consecutive school year after~~  
17 ~~the designation of provisional accreditation; and~~

18 ~~——(b) The sponsor is limited to the local school board or a sponsor who has met the~~  
19 ~~standards of accountability and performance as determined by the department based on sections~~  
20 ~~160.400 to 160.425 and section 167.349 and properly promulgated rules of the department]~~

21 **Subject to the provisions of this subdivision, in any school district in which at least one**  
22 **attendance center has received a score of sixty percent or less on its annual performance**  
23 **report for two of the three most recent annual performance reports available as of the date**  
24 **on which a charter school applies to open a charter school in such district under this**  
25 **subdivision. A charter school that opens only as a result of the operation of this**  
26 **subdivision shall offer and enroll students in grade levels consistent with the grade levels**  
27 **offered by any attendance center or attendance centers in the district that received the**  
28 **annual performance report scores that allowed the charter school to open. Once a charter**  
29 **school is opened as allowed under this subdivision, the charter school may continue to**  
30 **operate in the district under this subdivision regardless of any improvement in the annual**  
31 **performance report scores of the attendance centers in the district. For purposes of this**  
32 **subdivision, the term "attendance center" shall not include any attendance center:**

33 **(a) Recognized by the department of elementary and secondary education as an**  
34 **alternative school;**

35 **(b) For which the department of elementary and secondary education does not**  
36 **generate an annual performance report;**

37 **(c) For which the department of elementary and secondary education generates an**  
38 **annual performance report in which the annual performance report relies solely on**  
39 **attendance data;**

40 **(d) That does not offer classes above the second grade level;**

41 **(e) With a classification number outside the range of numbers assigned by the**  
42 **department of elementary and secondary education to high schools, middle schools, junior**  
43 **high schools, or elementary schools; or**

44 **(f) Operated by a special school district; or**

45 **(5) In a school district that has been accredited without provisions, sponsored only by**  
46 **the local school board]; provided that no board with a current year enrollment of one thousand**  
47 **five hundred fifty students or greater shall permit more than thirty-five percent of its student**  
48 **enrollment to enroll in charter schools sponsored by the local board under the authority of this**  
49 **subdivision, except that this restriction shall not apply to any school district that subsequently**  
50 **becomes eligible under subdivision (3) or (4) of this subsection or to any district accredited**

51 without provisions that sponsors charter schools prior to having a current year student enrollment  
52 of one thousand five hundred fifty students or greater].

53 3. ~~[Except as further provided in subsection 4 of this section,]~~ The following entities are  
54 eligible to sponsor charter schools:

55 (1) The school board of the district in any district which is sponsoring a charter school  
56 as of August 27, 2012, as permitted under subdivision (1) or (2) of subsection 2 of this section,  
57 the special administrative board of a metropolitan school district during any time in which  
58 powers granted to the district's board of education are vested in a special administrative board,  
59 or if the state board of education appoints a special administrative board to retain the authority  
60 granted to the board of education of an urban school district containing most or all of a city with  
61 a population greater than three hundred fifty thousand inhabitants, the special administrative  
62 board of such school district;

63 (2) A public four-year college or university with an approved teacher education program  
64 that meets regional or national standards of accreditation;

65 (3) A community college, the service area of which encompasses some portion of the  
66 district;

67 (4) Any private four-year college or university with an enrollment of at least one  
68 thousand students, with its primary campus in Missouri, and with an approved teacher  
69 preparation program;

70 (5) Any two-year private vocational or technical school designated as a 501(c)(3)  
71 nonprofit organization under the Internal Revenue Code of 1986, as amended, and accredited by  
72 the Higher Learning Commission, with its primary campus in Missouri;

73 (6) The Missouri charter public school commission created in section 160.425; **and**

74 **(7) The school board of the district in any district that is sponsoring a charter**  
75 **school as permitted under subdivision (5) of subsection 2 of this section.**

76 4. ~~[Changes in a school district's accreditation status that affect charter schools shall be~~  
77 ~~addressed as follows, except for the districts described in subdivisions (1) and (2) of subsection~~  
78 ~~2 of this section:~~

79 ~~—— (1) As a district transitions from unaccredited to provisionally accredited, the district~~  
80 ~~shall continue to fall under the requirements for an unaccredited district until it achieves three~~  
81 ~~consecutive full school years of provisional accreditation;~~

82 ~~—— (2) As a district transitions from provisionally accredited to full accreditation, the district~~  
83 ~~shall continue to fall under the requirements for a provisionally accredited district until it~~  
84 ~~achieves three consecutive full school years of full accreditation;~~

85 ~~—— (3) In any school district classified as unaccredited or provisionally accredited where a~~  
86 ~~charter school is operating and is sponsored by an entity other than the local school board, when~~

87 ~~the school district becomes classified as accredited without provisions, a charter school may~~  
88 ~~continue to be sponsored by the entity sponsoring it prior to the classification of accredited~~  
89 ~~without provisions and shall not be limited to the local school board as a sponsor.~~

90

91 ~~A charter school operating in a school district identified in subdivision (1) or (2) of subsection~~  
92 ~~2 of this section may be sponsored by any of the entities identified in subsection 3 of this section,~~  
93 ~~irrespective of the accreditation classification of the district in which it is located. A charter~~  
94 ~~school in a district described in this subsection whose charter provides for the addition of grade~~  
95 ~~levels in subsequent years may continue to add levels until the planned expansion is complete~~  
96 ~~to the extent of grade levels in comparable schools of the district in which the charter school is~~  
97 ~~operated.~~

98 ~~—5.]~~ The mayor of a city not within a county may request a sponsor under subdivision (2),  
99 (3), (4), (5), or (6) of subsection 3 of this section to consider sponsoring a “workplace charter  
100 school”, which is defined for purposes of sections 160.400 to 160.425 as a charter school with  
101 the ability to target prospective students whose parent or parents are employed in a business  
102 district, as defined in the charter, which is located in the city.

103 ~~[6.]~~ **5.** No sponsor shall receive from an applicant for a charter school any fee of any  
104 type for the consideration of a charter, nor may a sponsor condition its consideration of a charter  
105 on the promise of future payment of any kind.

106 ~~[7.]~~ **6.** The charter school shall be organized as a Missouri nonprofit corporation  
107 incorporated pursuant to chapter 355. The charter provided for herein shall constitute a contract  
108 between the sponsor and the charter school.

109 ~~[8.]~~ **7.** As a nonprofit corporation incorporated pursuant to chapter 355, the charter  
110 school shall select the method for election of officers pursuant to section 355.326 based on the  
111 class of corporation selected. Meetings of the governing board of the charter school shall be  
112 subject to the provisions of sections 610.010 to 610.030.

113 ~~[9.]~~ **8.** A sponsor of a charter school, its agents and employees are not liable for any acts  
114 or omissions of a charter school that it sponsors, including acts or omissions relating to the  
115 charter submitted by the charter school, the operation of the charter school and the performance  
116 of the charter school.

117 ~~[10.]~~ **9.** A charter school may affiliate with a four-year college or university, including  
118 a private college or university, or a community college as otherwise specified in subsection 3 of  
119 this section when its charter is granted by a sponsor other than such college, university or  
120 community college. Affiliation status recognizes a relationship between the charter school and  
121 the college or university for purposes of teacher training and staff development, curriculum and  
122 assessment development, use of physical facilities owned by or rented on behalf of the college

123 or university, and other similar purposes. A university, college or community college may not  
124 charge or accept a fee for affiliation status.

125 ~~[11.]~~ **10.** The expenses associated with sponsorship of charter schools shall be defrayed  
126 by the department of elementary and secondary education retaining one and five-tenths percent  
127 of the amount of state and local funding allocated to the charter school under section 160.415,  
128 not to exceed one hundred twenty-five thousand dollars, adjusted for inflation. The department  
129 of elementary and secondary education shall remit the retained funds for each charter school to  
130 the school's sponsor, provided the sponsor remains in good standing by fulfilling its sponsorship  
131 obligations under sections 160.400 to 160.425 and 167.349 with regard to each charter school  
132 it sponsors, including appropriate demonstration of the following:

133 (1) Expends no less than ninety percent of its charter school sponsorship funds in support  
134 of its charter school sponsorship program, or as a direct investment in the sponsored schools;

135 (2) Maintains a comprehensive application process that follows fair procedures and  
136 rigorous criteria and grants charters only to those developers who demonstrate strong capacity  
137 for establishing and operating a quality charter school;

138 (3) Negotiates contracts with charter schools that clearly articulate the rights and  
139 responsibilities of each party regarding school autonomy, expected outcomes, measures for  
140 evaluating success or failure, performance consequences based on the annual performance report,  
141 and other material terms;

142 (4) Conducts contract oversight that evaluates performance, monitors compliance,  
143 informs intervention and renewal decisions, and ensures autonomy provided under applicable  
144 law; and

145 (5) Designs and implements a transparent and rigorous process that uses comprehensive  
146 data to make merit-based renewal decisions.

147 ~~[12.]~~ **11.** Sponsors receiving funds under subsection ~~[11]~~ **10** of this section shall be  
148 required to submit annual reports to the joint committee on education demonstrating they are in  
149 compliance with subsection ~~[17]~~ **16** of this section.

150 ~~[13.]~~ **12.** No university, college or community college shall grant a charter to a nonprofit  
151 corporation if an employee of the university, college or community college is a member of the  
152 corporation's board of directors.

153 ~~[14.]~~ **13.** No sponsor shall grant a charter under sections 160.400 to 160.425 and  
154 167.349 without ensuring that a criminal background check and family care safety registry check  
155 are conducted for all members of the governing board of the charter schools or the incorporators  
156 of the charter school if initial directors are not named in the articles of incorporation, nor shall  
157 a sponsor renew a charter without ensuring a criminal background check and family care safety  
158 registry check are conducted for each member of the governing board of the charter school.

159           ~~[15.]~~ **14.** No member of the governing board of a charter school shall hold any office  
160 or employment from the board or the charter school while serving as a member, nor shall the  
161 member have any substantial interest, as defined in section 105.450, in any entity employed by  
162 or contracting with the board. No board member shall be an employee of a company that  
163 provides substantial services to the charter school. All members of the governing board of the  
164 charter school shall be considered decision-making public servants as defined in section 105.450  
165 for the purposes of the financial disclosure requirements contained in sections 105.483, 105.485,  
166 105.487, and 105.489. **All members of the governing board shall have income or property**  
167 **subject to taxation in the state of Missouri; except that, any member serving a term as of**  
168 **August 28, 2018, may serve the remainder of his or her term even if such member does not**  
169 **have income or property subject to taxation in the state of Missouri.**

170           ~~[16.]~~ **15.** A sponsor shall develop the policies and procedures for:

171           (1) The review of a charter school proposal including an application that provides  
172 sufficient information for rigorous evaluation of the proposed charter and provides clear  
173 documentation that the education program and academic program are aligned with the state  
174 standards and grade-level expectations, and provides clear documentation of effective  
175 governance and management structures, and a sustainable operational plan;

176           (2) The granting of a charter;

177           (3) The performance contract that the sponsor will use to evaluate the performance of  
178 charter schools. Charter schools shall meet ~~[current]~~ **all state and federal requirements and**  
179 **shall meet the same** academic performance standards **required of seven-director school**  
180 **districts** as well as other standards agreed upon by the sponsor and the charter school in the  
181 performance contract;

182           (4) The sponsor's intervention, renewal, and revocation policies, including the conditions  
183 under which the charter sponsor may intervene in the operation of the charter school, along with  
184 actions and consequences that may ensue, and the conditions for renewal of the charter at the end  
185 of the term, consistent with subsections 8 and 9 of section 160.405;

186           (5) Additional criteria that the sponsor will use for ongoing oversight of the charter; and

187           (6) Procedures to be implemented if a charter school should close, consistent with the  
188 provisions of subdivision (15) of subsection 1 of section 160.405.

189

190 The department shall provide guidance to sponsors in developing such policies and procedures.

191           ~~[17.]~~ **16.** (1) A sponsor shall provide timely submission to the state board of education  
192 of all data necessary to demonstrate that the sponsor is in material compliance with all  
193 requirements of sections 160.400 to 160.425 and section 167.349. The state board of education  
194 shall ensure each sponsor is in compliance with all requirements under sections 160.400 to

195 160.425 and 167.349 for each charter school sponsored by any sponsor. The state board shall  
196 notify each sponsor of the standards for sponsorship of charter schools, delineating both what  
197 is mandated by statute and what best practices dictate. The state board shall evaluate sponsors  
198 to determine compliance with these standards every three years. The evaluation shall include a  
199 sponsor's policies and procedures in the areas of charter application approval; required charter  
200 agreement terms and content; sponsor performance evaluation and compliance monitoring; and  
201 charter renewal, intervention, and revocation decisions. Nothing shall preclude the department  
202 from undertaking an evaluation at any time for cause.

203 (2) If the department determines that a sponsor is in material noncompliance with its  
204 sponsorship duties, the sponsor shall be notified and given reasonable time for remediation. If  
205 remediation does not address the compliance issues identified by the department, the  
206 commissioner of education shall conduct a public hearing and thereafter provide notice to the  
207 charter sponsor of corrective action that will be recommended to the state board of education.  
208 Corrective action by the department may include withholding the sponsor's funding and  
209 suspending the sponsor's authority to sponsor a school that it currently sponsors or to sponsor any  
210 additional school until the sponsor is reauthorized by the state board of education under section  
211 160.403.

212 (3) The charter sponsor may, within thirty days of receipt of the notice of the  
213 commissioner's recommendation, provide a written statement and other documentation to show  
214 cause as to why that action should not be taken. Final determination of corrective action shall  
215 be determined by the state board of education based upon a review of the documentation  
216 submitted to the department and the charter sponsor.

217 (4) If the state board removes the authority to sponsor a currently operating charter  
218 school under any provision of law, the Missouri charter public school commission shall become  
219 the sponsor of the school.

220 ~~[48-]~~ 17. If a sponsor notifies a charter school of closure under subsection 8 of section  
221 160.405, the department of elementary and secondary education shall exercise its financial  
222 withholding authority under subsection 12 of section 160.415 to assure all obligations of the  
223 charter school shall be met. The state, charter sponsor, or resident district shall not be liable for  
224 any outstanding liability or obligations of the charter school.

225 **18. If a sponsor was acting as the sponsor of a charter school at the time that the**  
226 **charter school failed to receive renewal of its charter after a three-year term as described**  
227 **in paragraph (e) of subdivision (3) of subsection 9 of section 160.405, the sponsor shall not**  
228 **sponsor any new charter schools after such failure of renewal until the state board of**  
229 **education has completed an evaluation and determined that the sponsor was in compliance**  
230 **with all requirements under sections 160.400 to 160.425 and section 167.349 for any charter**

231 school it sponsored at the time the charter school failed to receive renewal of its charter  
232 after a three-year term as described in paragraph (e) of subdivision (3) of subsection 9 of  
233 section 160.405.

234 **19. Any institution of higher education acting as a sponsor of a charter school**  
235 **giving instruction in grades nine through twelve shall ensure that the charter school**  
236 **includes an option for students to receive a training certificate or an associate degree upon**  
237 **high school graduation.**

**160.404. 1. For purposes of sections 160.400 to 160.425, the term**  
2 **"underperformance", "underperforms", or "underperformed" means the receipt of scores**  
3 **demonstrating that the percentage of students who perform proficient and advanced on**  
4 **the annual statewide system of assessments under section 160.518 in English language arts**  
5 **and mathematics in a charter school is lower than the average percentage of grade-level-**  
6 **equivalent students attending nonselective attendance centers in the school district in**  
7 **which the charter school is located who perform proficient and advanced in English**  
8 **language arts and mathematics.**

9 **2. Notwithstanding subsection 1 of this section, the term "underperformance",**  
10 **"underperforms", or "underperformed" shall not apply to any charter school in which:**

11 **(1) Fifty percent or more of the school's students were previously considered**  
12 **dropouts under subdivision (6) of subsection 2 of section 160.405; or**

13 **(2) The average rate of growth in English language arts and mathematics on the**  
14 **annual statewide system of assessments under section 160.518 based on the state's growth**  
15 **model for the charter school's students is higher than the average rate of growth in English**  
16 **language arts and mathematics based on the state's growth model for grade-level-**  
17 **equivalent students attending nonselective attendance centers in the school district in**  
18 **which the charter school is located.**

**160.405. 1. A person, group or organization seeking to establish a charter school shall**  
2 **submit the proposed charter, as provided in this section, to a sponsor. If the sponsor is not a**  
3 **school board, the applicant shall give a copy of its application to the school board of the district**  
4 **in which the charter school is to be located and to the state board of education, within five**  
5 **business days of the date the application is filed with the proposed sponsor. The school board**  
6 **may file objections with the proposed sponsor, and, if a charter is granted, the school board may**  
7 **file objections with the state board of education. The charter shall include a legally binding**  
8 **performance contract that describes the obligations and responsibilities of the school and the**  
9 **sponsor as outlined in sections 160.400 to 160.425 and section 167.349 and shall address the**  
10 **following:**

11 **(1) A mission and vision statement for the charter school;**



12 (2) A description of the charter school's organizational structure and bylaws of the  
13 governing body, which will be responsible for the policy, financial management, and operational  
14 decisions of the charter school, including the nature and extent of parental, professional educator,  
15 and community involvement in the governance and operation of the charter school;

16 (3) A financial plan for the first three years of operation of the charter school including  
17 provisions for annual audits;

18 (4) A description of the charter school's policy for securing personnel services, its  
19 personnel policies, personnel qualifications, and professional development plan;

20 (5) A description of the grades or ages of students being served;

21 (6) The school's calendar of operation, which shall include at least the equivalent of a  
22 full school term as defined in section 160.011;

23 (7) A description of the charter school's pupil performance standards and academic  
24 program performance standards, which shall meet the requirements of subdivision (6) of  
25 subsection 4 of this section. The charter school program shall be designed to enable each pupil  
26 to achieve such standards and shall contain a complete set of indicators, measures, metrics, and  
27 targets for academic program performance, including specific goals on graduation rates and  
28 standardized test performance and academic growth;

29 (8) A description of the charter school's educational program and curriculum, **which**  
30 **shall include a description of the charter school's reading curriculum, differentiated**  
31 **strategies to be used for students reading at grade level or higher, and a policy consistent**  
32 **with section 167.268;**

33 (9) The term of the charter, which shall be five years and may be renewed **for a five-**  
34 **year term; except that, if renewal occurs as described under paragraph (e) of subdivision**  
35 **(3) of subsection 9 of this section, such renewal shall be for only a three-year term;**

36 (10) Procedures, consistent with the Missouri financial accounting manual, for  
37 monitoring the financial accountability of the charter, which shall meet the requirements of  
38 subdivision (4) of subsection 4 of this section;

39 (11) Preopening requirements for applications that require that charter schools meet all  
40 health, safety, and other legal requirements prior to opening;

41 (12) A description of the charter school's policies on student discipline and student  
42 admission, which shall include a statement, where applicable, of the validity of attendance of  
43 students who do not reside in the district but who may be eligible to attend under the terms of  
44 judicial settlements and procedures that ensure admission of students with disabilities in a  
45 nondiscriminatory manner;

46 (13) A description of the charter school's grievance procedure for parents or guardians;

47 (14) A description of the agreement and time frame for implementation between the  
48 charter school and the sponsor as to when a sponsor shall intervene in a charter school, when a  
49 sponsor shall revoke a charter for failure to comply with subsection 8 of this section, and when  
50 a sponsor will not renew a charter under subsection 9 of this section;

51 (15) Procedures to be implemented if the charter school should close, as provided in  
52 subdivision (6) of subsection ~~[+6]~~ 15 of section 160.400 including:

53 (a) Orderly transition of student records to new schools and archival of student records;

54 (b) Archival of business operation and transfer or repository of personnel records;

55 (c) Submission of final financial reports;

56 (d) Resolution of any remaining financial obligations;

57 (e) Disposition of the charter school's assets upon closure; and

58 (f) A notification plan to inform parents or guardians of students, the local school  
59 district, the retirement system in which the charter school's employees participate, and the state  
60 board of education within thirty days of the decision to close;

61 (16) A description of the special education and related services that shall be available  
62 to meet the needs of students with disabilities; and

63 (17) For all new or revised charters, procedures to be used upon closure of the charter  
64 school requiring that unobligated assets of the charter school be returned to the department of  
65 elementary and secondary education for their disposition, which upon receipt of such assets shall  
66 return them to the local school district in which the school was located, the state, or any other  
67 entity to which they would belong.

68

69 Charter schools operating on August 27, 2012, shall have until August 28, 2015, to meet the  
70 requirements of this subsection.

71 2. Proposed charters shall be subject to the following requirements:

72 (1) A charter shall be submitted to the sponsor, and follow the sponsor's policies and  
73 procedures for review and granting of a charter approval, and be approved by the state board of  
74 education by January thirty-first prior to the school year of the proposed opening date of the  
75 charter school;

76 (2) A charter may be approved when the sponsor determines that the requirements of this  
77 section are met, determines that the applicant is sufficiently qualified to operate a charter school,  
78 and that the proposed charter is consistent with the sponsor's charter sponsorship goals and  
79 capacity. The sponsor's decision of approval or denial shall be made within ninety days of the  
80 filing of the proposed charter;

81 (3) **A charter shall be denied if the charter school applicant does not propose an**  
82 **English language arts curriculum that is consistent with effective teaching strategies;**

83           **(4)** If the charter is denied, the proposed sponsor shall notify the applicant in writing as  
84 to the reasons for its denial and forward a copy to the state board of education within five  
85 business days following the denial;

86           ~~[(4)]~~ **(5)** If a proposed charter is denied by a sponsor, the proposed charter may be  
87 submitted to the state board of education, along with the sponsor's written reasons for its denial.  
88 If the state board determines that the applicant meets the requirements of this section, that the  
89 applicant is sufficiently qualified to operate the charter school, and that granting a charter to the  
90 applicant would be likely to provide educational benefit to the children of the district, the state  
91 board may grant a charter and act as sponsor of the charter school. The state board shall review  
92 the proposed charter and make a determination of whether to deny or grant the proposed charter  
93 within sixty days of receipt of the proposed charter, provided that any charter to be considered  
94 by the state board of education under this subdivision shall be submitted no later than March first  
95 prior to the school year in which the charter school intends to begin operations. The state board  
96 of education shall notify the applicant in writing as to the reasons for its denial, if applicable; and

97           ~~[(5)]~~ **(6)** The sponsor of a charter school shall give priority to charter school applicants  
98 that propose a school oriented to high-risk students and to the reentry of dropouts into the school  
99 system. If a sponsor grants three or more charters, at least one-third of the charters granted by  
100 the sponsor shall be to schools that actively recruit dropouts or high-risk students as their student  
101 body and address the needs of dropouts or high-risk students through their proposed mission,  
102 curriculum, teaching methods, and services. For purposes of this subsection, a “high-risk”  
103 student is one who is at least one year behind in satisfactory completion of course work or  
104 obtaining high school credits for graduation, has dropped out of school, is at risk of dropping out  
105 of school, needs drug and alcohol treatment, has severe behavioral problems, has been suspended  
106 from school three or more times, has a history of severe truancy, is a pregnant or parenting teen,  
107 has been referred for enrollment by the judicial system, is exiting incarceration, is a refugee, is  
108 homeless or has been homeless sometime within the preceding six months, has been referred by  
109 an area school district for enrollment in an alternative program, or qualifies as high risk under  
110 department of elementary and secondary education guidelines. Dropout shall be defined through  
111 the guidelines of the school core data report. The provisions of this subsection do not apply to  
112 charters sponsored by the state board of education.

113           3. If a charter is approved by a sponsor, the charter application shall be submitted to the  
114 state board of education, along with a statement of finding by the sponsor that the application  
115 meets the requirements of sections 160.400 to 160.425 and section 167.349 and a monitoring  
116 plan under which the charter sponsor shall evaluate the academic performance, including annual  
117 performance reports, of students enrolled in the charter school. The state board of education  
118 shall approve or deny a charter application within sixty days of receipt of the application. The

119 state board of education may deny a charter on grounds that the application fails to meet the  
120 requirements of sections 160.400 to 160.425 and section 167.349 or that a charter sponsor  
121 previously failed to meet the statutory responsibilities of a charter sponsor. Any denial of a  
122 charter application made by the state board of education shall be in writing and shall identify the  
123 specific failures of the application to meet the requirements of sections 160.400 to 160.425 and  
124 section 167.349, and the written denial shall be provided within ten business days to the sponsor.

125 4. A charter school shall, as provided in its charter:

126 (1) Be nonsectarian in its programs, admission policies, employment practices, and all  
127 other operations;

128 (2) Comply with laws and regulations of the state, county, or city relating to health,  
129 safety, and state minimum educational standards, as specified by the state board of education,  
130 including the requirements relating to student discipline under sections 160.261, 167.161,  
131 167.164, and 167.171, notification of criminal conduct to law enforcement authorities under  
132 sections 167.115 ~~[tø]~~ and 167.117, academic assessment under section 160.518, transmittal of  
133 school records under section 167.020, the minimum amount of school time required under  
134 section 171.031, and the employee criminal history background check and the family care safety  
135 registry check under section 168.133;

136 (3) Except as provided in sections 160.400 to 160.425 and as specifically provided in  
137 other sections, be exempt from all laws and rules relating to schools, governing boards and  
138 school districts;

139 (4) Be financially accountable, use practices consistent with the Missouri financial  
140 accounting manual, provide for an annual audit by a certified public accountant, publish audit  
141 reports and annual financial reports as provided in chapter 165, provided that the annual financial  
142 report may be published on the department of elementary and secondary education's internet  
143 website in addition to other publishing requirements, and provide liability insurance to indemnify  
144 the school, its board, staff and teachers against tort claims. A charter school that receives local  
145 educational agency status under subsection 6 of this section shall meet the requirements imposed  
146 by the Elementary and Secondary Education Act for audits of such agencies and comply with all  
147 federal audit requirements for charters with local educational agency status. **The charter school**  
148 **shall make the results of such audits available on its website.** For purposes of an audit by  
149 petition under section 29.230, a charter school shall be treated as a political subdivision on the  
150 same terms and conditions as the school district in which it is located. For the purposes of  
151 securing such insurance, a charter school shall be eligible for the Missouri public entity risk  
152 management fund pursuant to section 537.700. A charter school that incurs debt shall include  
153 a repayment plan in its financial plan;

154 (5) Provide a comprehensive program of instruction for at least one grade or age group  
155 from early childhood through grade twelve, as specified in its charter;

156 (6) (a) Design a method to measure pupil progress toward the pupil academic standards  
157 adopted by the state board of education pursuant to section 160.514, establish baseline student  
158 performance in accordance with the performance contract during the first year of operation,  
159 collect student performance data as defined by the annual performance report throughout the  
160 duration of the charter to annually monitor student academic performance, and to the extent  
161 applicable based upon grade levels offered by the charter school, participate in the statewide  
162 system of assessments, comprised of the essential skills tests and the nationally standardized  
163 norm-referenced achievement tests, as designated by the state board pursuant to section 160.518,  
164 complete and distribute an annual report card as prescribed in section 160.522, which shall also  
165 include a statement that background checks have been completed on the charter school's board  
166 members, and report to its sponsor, the local school district, and the state board of education as  
167 to its teaching methods and any educational innovations and the results thereof. No charter  
168 school shall be considered in the Missouri school improvement program review of the district  
169 in which it is located for the resource or process standards of the program.

170 (b) For proposed high-risk or alternative charter schools, sponsors shall approve  
171 performance measures based on mission, curriculum, teaching methods, and services. Sponsors  
172 shall also approve comprehensive academic and behavioral measures to determine whether  
173 students are meeting performance standards on a different time frame as specified in that school's  
174 charter. Student performance shall be assessed comprehensively to determine whether a  
175 high-risk or alternative charter school has documented adequate student progress. Student  
176 performance shall be based on sponsor-approved comprehensive measures as well as  
177 standardized public school measures. Annual presentation of charter school report card data to  
178 the department of elementary and secondary education, the state board, and the public shall  
179 include comprehensive measures of student progress.

180 (c) Nothing in this subdivision shall be construed as permitting a charter school to be  
181 held to lower performance standards than other public schools within a district; however, the  
182 charter of a charter school may permit students to meet performance standards on a different time  
183 frame as specified in its charter. The performance standards for alternative and special purpose  
184 charter schools that target high-risk students as defined in subdivision [~~5~~] (6) of subsection 2  
185 of this section shall be based on measures defined in the school's performance contract with its  
186 sponsors;

187 (7) Comply with all applicable federal and state laws and regulations regarding students  
188 with disabilities, including sections 162.670 to 162.710, the Individuals with Disabilities

189 Education Act (20 U.S.C. Section 1400, **et seq.**) and Section 504 of the Rehabilitation Act of  
190 1973 (29 U.S.C. Section 794) or successor legislation;

191 (8) Provide along with any request for review by the state board of education the  
192 following:

193 (a) Documentation that the applicant has provided a copy of the application to the school  
194 board of the district in which the charter school is to be located, except in those circumstances  
195 where the school district is the sponsor of the charter school; and

196 (b) A statement outlining the reasons for approval or denial by the sponsor, specifically  
197 addressing the requirements of sections 160.400 to 160.425 and 167.349; **and**

198 **(9) Seek to ensure that the percentage of its students who perform proficient and**  
199 **advanced on the annual statewide system of assessments under section 160.518 in English**  
200 **language arts and mathematics is equal to or higher than the average percentage of grade-**  
201 **level-equivalent students attending nonselective attendance centers in the school district**  
202 **in which it is located who perform proficient and advanced in English language arts and**  
203 **mathematics.**

204 5. (1) Proposed or existing high-risk or alternative charter schools may include  
205 alternative arrangements for students to obtain credit for satisfying graduation requirements in  
206 the school's charter application and charter. Alternative arrangements may include, but not be  
207 limited to, credit for off-campus instruction, embedded credit, work experience through an  
208 internship arranged through the school, and independent studies. When the state board of  
209 education approves the charter, any such alternative arrangements shall be approved at such time.

210 (2) The department of elementary and secondary education shall conduct a study of any  
211 charter school granted alternative arrangements for students to obtain credit under this subsection  
212 after three years of operation to assess student performance, graduation rates, educational  
213 outcomes, and entry into the workforce or higher education.

214 6. The charter of a charter school may be amended at the request of the governing body  
215 of the charter school and on the approval of the sponsor. The sponsor and the governing board  
216 and staff of the charter school shall jointly review the school's performance, management and  
217 operations during the first year of operation and then every other year after the most recent  
218 review or at any point where the operation or management of the charter school is changed or  
219 transferred to another entity, either public or private. The governing board of a charter school  
220 may amend the charter, if the sponsor approves such amendment, or the sponsor and the  
221 governing board may reach an agreement in writing to reflect the charter school's decision to  
222 become a local educational agency. In such case the sponsor shall give the department of  
223 elementary and secondary education written notice no later than March first of any year, with the  
224 agreement to become effective July first. The department may waive the March first notice date

225 in its discretion. The department shall identify and furnish a list of its regulations that pertain  
226 to local educational agencies to such schools within thirty days of receiving such notice.

227 7. Sponsors shall annually review the charter school's compliance with statutory  
228 standards including:

229 (1) Participation in the statewide system of assessments, as designated by the state board  
230 of education under section 160.518;

231 (2) Assurances for the completion and distribution of an annual report card as prescribed  
232 in section 160.522;

233 (3) The collection of baseline data during the first three years of operation to determine  
234 the longitudinal success of the charter school;

235 (4) A method to measure pupil progress toward the pupil academic standards adopted  
236 by the state board of education under section 160.514; and

237 (5) Publication of each charter school's annual performance report.

238 8. (1) (a) A sponsor's policies shall give schools clear, adequate, evidence-based, and  
239 timely notice of contract violations or performance deficiencies and mandate intervention based  
240 upon findings of the state board of education of the following:

241 a. The charter school provides a high school program which fails to maintain a  
242 graduation rate of at least seventy percent in three of the last four school years unless the school  
243 has dropout recovery as its mission;

244 b. The charter school's annual performance report results are below the district's annual  
245 performance report results based on the performance standards that are applicable to the grade  
246 level configuration of both the charter school and the district in which the charter school is  
247 located in three of the last four school years; and

248 c. The charter school is identified as a persistently lowest achieving school by the  
249 department of elementary and secondary education.

250 (b) A sponsor shall have a policy to revoke a charter during the charter term if there is:

251 a. Clear evidence of ~~underperformance~~ **low performance** as demonstrated in the  
252 charter school's annual performance report in three of the last four school years; or

253 b. A violation of the law or the public trust that imperils students or public funds.

254 (c) A sponsor shall revoke a charter or take other appropriate remedial action, which may  
255 include placing the charter school on probationary status for no more than twenty-four months,  
256 provided that no more than one designation of probationary status shall be allowed for the  
257 duration of the charter contract, at any time if the charter school commits a serious breach of one  
258 or more provisions of its charter or on any of the following grounds:

259 a. Failure to meet the performance contract as set forth in its charter[;] ;

260 b. **Underperformance for at least two years;**

- 261           c. Failure to meet generally accepted standards of fiscal management[;] ;
- 262           d. Failure to provide information necessary to confirm compliance with all provisions  
263 of the charter and sections 160.400 to 160.425 and 167.349 within forty-five days following  
264 receipt of written notice requesting such information[;] ; or
- 265           e. Violation of law.
- 266           (2) The sponsor may place the charter school on probationary status to allow the  
267 implementation of a remedial plan, which may require a change of methodology, a change in  
268 leadership, or both, after which, if such plan is unsuccessful, the charter may be revoked.
- 269           (3) At least sixty days before acting to revoke a charter, the sponsor shall notify the  
270 governing board of the charter school of the proposed action in writing. The notice shall state  
271 the grounds for the proposed action. The school's governing board may request in writing a  
272 hearing before the sponsor within two weeks of receiving the notice.
- 273           (4) The sponsor of a charter school shall establish procedures to conduct administrative  
274 hearings upon determination by the sponsor that grounds exist to revoke a charter. Final  
275 decisions of a sponsor from hearings conducted pursuant to this subsection are subject to an  
276 appeal to the state board of education, which shall determine whether the charter shall be  
277 revoked.
- 278           (5) A termination shall be effective only at the conclusion of the school year, unless the  
279 sponsor determines that continued operation of the school presents a clear and immediate threat  
280 to the health and safety of the children.
- 281           (6) A charter sponsor shall make available the school accountability report card  
282 information as provided under section 160.522 and the results of the academic monitoring  
283 required under subsection 3 of this section.
- 284           9. (1) A sponsor shall take all reasonable steps necessary to confirm that each charter  
285 school sponsored by such sponsor is in material compliance and remains in material compliance  
286 with all material provisions of the charter and sections 160.400 to 160.425 and 167.349. Every  
287 charter school shall provide all information necessary to confirm ongoing compliance with all  
288 provisions of its charter and sections 160.400 to 160.425 and 167.349 in a timely manner to its  
289 sponsor.
- 290           (2) The sponsor's renewal process of the charter school shall be based on the thorough  
291 analysis of a comprehensive body of objective evidence and consider if:
- 292           (a) The charter school has maintained results on its annual performance report that meet  
293 or exceed the district in which the charter school is located based on the performance standards  
294 that are applicable to the grade-level configuration of both the charter school and the district in  
295 which the charter school is located in three of the last four school years;



296 (b) **The charter school has underperformed for two of the three consecutive years**  
297 **immediately before a decision whether to renew the school's charter is made;**

298 (c) The charter school is organizationally and fiscally viable determining at a minimum  
299 that the school does not have:

300 a. A negative balance in its operating funds;

301 b. A combined balance of less than three percent of the amount expended for such funds  
302 during the previous fiscal year; or

303 c. Expenditures that exceed receipts for the most recently completed fiscal year;

304 ~~[(e)]~~ (d) The charter is in compliance with its legally binding performance contract and  
305 sections 160.400 to 160.425 and section 167.349; and

306 ~~[(e)]~~ (e) The charter school has an annual performance report consistent with a  
307 classification of accredited for three of the last four years and is fiscally viable as described in  
308 paragraph ~~[(b)]~~ (c) of this subdivision. If such is the case, the charter school may have an  
309 expedited renewal process as defined by rule of the department of elementary and secondary  
310 education.

311 (3) (a) Beginning August first during the year in which a charter is considered for  
312 renewal, a charter school sponsor shall demonstrate to the state board of education that the  
313 charter school is in compliance with federal and state law as provided in sections 160.400 to  
314 160.425 and section 167.349 and the school's performance contract including but not limited to  
315 those requirements specific to academic performance.

316 (b) Along with data reflecting the academic performance standards indicated in  
317 paragraph (a) of this subdivision, the sponsor shall submit a revised charter application to the  
318 state board of education for review. **Such application shall include a financial audit**  
319 **performed by an independent third party in accordance with the procedures outlined in**  
320 **chapter 29, which shall be paid for by the charter school.**

321 (c) Using the data requested and the revised charter application under paragraphs (a) and  
322 (b) of this subdivision, the state board of education shall determine if compliance with all  
323 standards enumerated in this subdivision has been achieved. The state board of education at its  
324 next regularly scheduled meeting shall vote on the revised charter application.

325 (d) If a charter school sponsor demonstrates the objectives identified in this subdivision,  
326 the state board of education shall renew the school's charter.

327 (e) **If a charter school underperforms for two of the three consecutive years**  
328 **immediately before a decision whether to renew the school's charter is made, any renewal**  
329 **granted shall be for only a three-year term. If the charter school again underperforms for**  
330 **two years of the three-year term, the school's charter shall not be renewed.**

331 10. A school district may enter into a lease with a charter school for physical facilities.

332 11. A governing board or a school district employee who has control over personnel  
333 actions shall not take unlawful reprisal against another employee at the school district because  
334 the employee is directly or indirectly involved in an application to establish a charter school. A  
335 governing board or a school district employee shall not take unlawful reprisal against an  
336 educational program of the school or the school district because an application to establish a  
337 charter school proposes the conversion of all or a portion of the educational program to a charter  
338 school. As used in this subsection, “unlawful reprisal” means an action that is taken by a  
339 governing board or a school district employee as a direct result of a lawful application to  
340 establish a charter school and that is adverse to another employee or an educational program.

341 12. Charter school board members shall be subject to the same liability for acts while  
342 in office as if they were regularly and duly elected members of school boards in any other public  
343 school district in this state. The governing board of a charter school may participate, to the same  
344 extent as a school board, in the Missouri public entity risk management fund in the manner  
345 provided under sections 537.700 to 537.756.

346 13. Any entity, either public or private, operating, administering, or otherwise managing  
347 a charter school shall be considered a quasi-public governmental body and subject to the  
348 provisions of sections 610.010 to 610.035.

349 14. The chief financial officer of a charter school shall maintain:

350 (1) A surety bond in an amount determined by the sponsor to be adequate based on the  
351 cash flow of the school; or

352 (2) An insurance policy issued by an insurance company licensed to do business in  
353 Missouri on all employees in the amount of five hundred thousand dollars or more that provides  
354 coverage in the event of employee theft.

355 15. The department of elementary and secondary education shall calculate an annual  
356 performance report for each charter school and shall publish it in the same manner as annual  
357 performance reports are calculated and published for districts and attendance centers.

358 16. The joint committee on education shall create a committee to investigate facility  
359 access and affordability for charter schools. The committee shall be comprised of equal numbers  
360 of the charter school sector and the public school sector and shall report its findings to the  
361 general assembly by December 31, 2016.

160.408. 1. For purposes of this section, “high-quality charter school” means a charter  
2 school operating in the state of Missouri that meets the following requirements:

3 (1) Receives eighty-five percent or more of the total points on the annual performance  
4 report for three out of the last four school years by comparing points earned to the points possible  
5 on the annual performance report for three of the last four school years;

6 (2) Maintains a graduation rate of at least eighty percent for three of the last four school  
7 years, if the charter school provides a high school program;

8 (3) Is in material compliance with its legally binding performance contract and sections  
9 160.400 to 160.425 and section 167.349; and

10 (4) Is organizationally and fiscally viable as described in paragraph ~~[(b)]~~ (c) of  
11 subdivision (2) of subsection 9 of section 160.405.

12 2. Notwithstanding any other provision of law, high-quality charter schools shall be  
13 provided expedited opportunities to replicate and expand into unaccredited districts, a  
14 metropolitan district, or an urban school district containing most or all of a home rule city with  
15 more than four hundred thousand inhabitants and located in more than one county. Such  
16 replication and expansion shall be subject to the following:

17 (1) The school seeking to replicate or expand shall submit its proposed charter to a  
18 proposed sponsor. The charter shall include a legally binding performance contract that meets  
19 the requirements of sections 160.400 to 160.425 and section 167.349;

20 (2) The sponsor's decision to approve or deny shall be made within sixty days of the  
21 filing of the proposed charter with the proposed sponsor;

22 (3) If a charter is approved by a sponsor, the charter application shall be filed with the  
23 state board of education with a statement of finding from the sponsor that the application meets  
24 the requirements of sections 160.400 to 160.425 and section 167.349 and a monitoring plan  
25 under which the sponsor shall evaluate the academic performance of students enrolled in the  
26 charter school. Such filing shall be made by January thirty-first prior to the school year in which  
27 the charter school intends to begin operations.

28 3. The term of the charter for schools operating under this section shall be five years, and  
29 the charter may be renewed for terms of up to ten years. Renewal shall be subject to the  
30 provisions of paragraphs (a) to ~~[(d)]~~ (e) of subdivision (3) of subsection 9 of section 160.405.

160.410. 1. A charter school shall enroll:

2 (1) All pupils resident in the district in which it operates;

3 (2) Nonresident pupils eligible to attend a district's school under an urban voluntary  
4 transfer program;

5 (3) Nonresident pupils who transfer from an unaccredited district under section 167.131,  
6 provided that the charter school is an approved charter school, as defined in section 167.131, and  
7 subject to all other provisions of section 167.131;

8 (4) **Nonresident pupils who are residents of the state of Missouri, unless the pupil's**  
9 **enrollment will cause a resident pupil to be denied enrollment;**

10 (5) In the case of a charter school whose mission includes student drop-out prevention  
11 or recovery, any nonresident pupil from the same or an adjacent county who resides in a

12 residential care facility, a transitional living group home, or an independent living program  
13 whose last school of enrollment is in the school district where the charter school is established,  
14 who submits a timely application; and

15 ~~[(5)]~~ (6) In the case of a workplace charter school, any student eligible to attend under  
16 subdivision (1) or (2) of this subsection whose parent is employed in the business district, who  
17 submits a timely application, unless the number of applications exceeds the capacity of a  
18 program, class, grade level or building. The configuration of a business district shall be set forth  
19 in the charter and shall not be construed to create an undue advantage for a single employer or  
20 small number of employers.

21 2. If capacity is insufficient to enroll all pupils who submit a timely application, the  
22 charter school shall have an admissions process that assures all applicants of an equal chance of  
23 gaining admission and does not discriminate based on parents' ability to pay fees or tuition  
24 except that:

25 (1) A charter school may establish a geographical area around the school whose residents  
26 will receive a preference for enrolling in the school, provided that such preferences do not result  
27 in the establishment of racially or socioeconomically isolated schools and provided such  
28 preferences conform to policies and guidelines established by the state board of education;

29 (2) A charter school may also give a preference for admission of children whose siblings  
30 attend the school or whose parents are employed at the school or in the case of a workplace  
31 charter school, a child whose parent is employed in the business district or at the business site  
32 of such school; ~~and]~~

33 (3) Charter ~~[alternative and special purpose]~~ schools may also give a preference for  
34 admission to high-risk students, as defined in subdivision ~~[(5)]~~ (6) of subsection 2 of section  
35 160.405, when the school targets these students through its proposed mission, curriculum,  
36 teaching methods, and services; **and**

37 **(4) A charter school that opened only as a result of the operation of subdivision (4)**  
38 **of subsection 2 of section 160.400 shall give a preference for admission of resident pupils**  
39 **who reside in the attendance area of any attendance center that received the annual**  
40 **performance report scores that allowed the charter school to open.**

41 3. A charter school shall not limit admission based on race, ethnicity, national origin,  
42 disability, income level, proficiency in the English language or athletic ability, but may limit  
43 admission to pupils within a given age group or grade level. Charter schools may limit  
44 admission based on gender only when the school is a single-gender school. Students of a charter  
45 school who have been enrolled for a full academic year shall be counted in the performance of  
46 the charter school on the statewide assessments in that calendar year, unless otherwise exempted  
47 as English language learners. For purposes of this subsection, "full academic year" means the

48 last Wednesday in September through the administration of the Missouri assessment program  
49 test without transferring out of the school and re-enrolling. **The scores of students who**  
50 **transferred from the charter school to another public school shall also be counted as**  
51 **described in section 160.518.**

52 4. A charter school shall make available for public inspection, and provide upon request,  
53 to the parent, guardian, or other custodian of any school-age pupil resident in the district in which  
54 the school is located the following information:

55 (1) The school's charter;

56 (2) The school's most recent annual report card published according to section 160.522;

57 (3) The results of background checks on the charter school's board members; and

58 (4) If a charter school is operated by a management company, a copy of the written  
59 contract between the governing board of the charter school and the educational management  
60 organization or the charter management organization for services. The charter school may  
61 charge reasonable fees, not to exceed the rate specified in section 610.026 for furnishing copies  
62 of documents under this subsection.

63 5. When a student attending a charter school who is a resident of the school district in  
64 which the charter school is located moves out of the boundaries of such school district, the  
65 student may complete the current semester and shall be considered a resident student. The  
66 student's parent or legal guardian shall be responsible for the student's transportation to and from  
67 the charter school.

68 6. If a change in school district boundary lines occurs under section 162.223, 162.431,  
69 162.441, or 162.451, or by action of the state board of education under section 162.081,  
70 including attachment of a school district's territory to another district or dissolution, such that a  
71 student attending a charter school prior to such change no longer resides in a school district in  
72 which the charter school is located, then the student may complete the current academic year at  
73 the charter school. The student shall be considered a resident student. The student's parent or  
74 legal guardian shall be responsible for the student's transportation to and from the charter school.

75 7. The provisions of sections 167.018 and 167.019 concerning foster children's  
76 educational rights are applicable to charter schools.

160.415. 1. For the purposes of calculation and distribution of state school aid under  
2 section 163.031, pupils enrolled in a charter school shall be included in the pupil enrollment of  
3 the school district within which each pupil resides. Each charter school shall report the names,  
4 addresses, and eligibility for free and reduced price lunch, special education, or limited English  
5 proficiency status, as well as eligibility for categorical aid, of pupils resident in a school district  
6 who are enrolled in the charter school to the school district in which those pupils reside. The  
7 charter school shall report the average daily attendance data, free and reduced price lunch count,

8 special education pupil count, and limited English proficiency pupil count to the state department  
9 of elementary and secondary education. Each charter school shall promptly notify the state  
10 department of elementary and secondary education and the pupil's school district when a student  
11 discontinues enrollment at a charter school.

12 2. Except as provided in subsections 3 and 4 of this section, the aid payments for charter  
13 schools shall be as described in this subsection.

14 (1) A school district having one or more resident pupils attending a charter school shall  
15 pay to the charter school an annual amount equal to the product of the charter school's weighted  
16 average daily attendance and the state adequacy target, multiplied by the dollar value modifier  
17 for the district, plus local tax revenues per weighted average daily attendance from the incidental  
18 and teachers' funds in excess of the performance levy as defined in section 163.011 plus all other  
19 state aid attributable to such pupils.

20 (2) The district of residence of a pupil attending a charter school shall also pay to the  
21 charter school any other federal or state aid that the district receives on account of such child.

22 (3) If the department overpays or underpays the amount due to the charter school, such  
23 overpayment or underpayment shall be repaid by the public charter school or credited to the  
24 public charter school in twelve equal payments in the next fiscal year.

25 (4) The amounts provided pursuant to this subsection shall be prorated for partial year  
26 enrollment for a pupil.

27 (5) A school district shall pay the amounts due pursuant to this subsection as the  
28 disbursal agent and no later than twenty days following the receipt of any such funds. The  
29 department of elementary and secondary education shall pay the amounts due when it acts as the  
30 disbursal agent within five days of the required due date.

31 **(6) If a charter school that has not declared itself as a local educational agency has**  
32 **one or more nonresident pupils, the nonresident pupils shall not be counted for purposes**  
33 **of determining the amount of aid described in subdivisions (1) and (2) of this subsection.**  
34 **Each school district that has one or more of its resident pupils attending such a charter**  
35 **school shall pay to the charter school, for each such pupil, ninety percent of its average per-**  
36 **pupil expenditure.**

37 3. A workplace charter school shall receive payment for each eligible pupil as provided  
38 under subsection 2 of this section, except that if the student is not a resident of the district and  
39 is participating in a voluntary interdistrict transfer program, the payment for such pupils shall be  
40 the same as provided under section 162.1060.

41 4. (1) A charter school that has declared itself as a local educational agency shall receive  
42 from the department of elementary and secondary education an annual amount equal to the  
43 product of the charter school's weighted average daily attendance and the state adequacy target,

44 multiplied by the dollar value modifier for the district, plus local tax revenues per weighted  
45 average daily attendance from the incidental and teachers funds in excess of the performance  
46 levy as defined in section 163.011 plus all other state aid attributable to such pupils. If a charter  
47 school declares itself as a local educational agency, the department of elementary and secondary  
48 education shall, upon notice of the declaration, reduce the payment made to the school district  
49 by the amount specified in this ~~subsection~~ **subdivision** and pay directly to the charter school  
50 the annual amount reduced from the school district's payment.

51 **(2) (a) If a charter school that has declared itself as a local educational agency has**  
52 **one or more nonresident pupils, the charter school shall receive from the department of**  
53 **elementary and secondary education an annual amount equal to the amount described in**  
54 **subdivision (1) of this subsection; except that, the nonresident pupils shall not be counted**  
55 **for purposes of determining the amount of aid as described in subdivision (1) of this**  
56 **subsection. Each school district that has one or more of its resident pupils attending such**  
57 **a charter school as nonresident pupils shall pay to the charter school, for each such pupil,**  
58 **ninety percent of its average per-pupil expenditure.**

59 **(b) Upon notice of the charter school's declaration of local educational agency**  
60 **status, the department of elementary and secondary education shall reduce the payment**  
61 **made to the school district in which the charter school is located from any source by the**  
62 **amount specified in subdivision (1) of this subsection, calculated as described in paragraph**  
63 **(a) of this subdivision, and pay directly to the charter school the annual amount reduced**  
64 **from the school district's payment.**

65 5. If a school district fails to make timely payments of any amount for which it is the  
66 disbursal agent, the state department of elementary and secondary education shall authorize  
67 payment to the charter school of the amount due pursuant to subsection 2 of this section and shall  
68 deduct the same amount from the next state school aid apportionment to the owing school  
69 district. If a charter school is paid more or less than the amounts due pursuant to this section,  
70 the amount of overpayment or underpayment shall be adjusted equally in the next twelve  
71 payments by the school district or the department of elementary and secondary education, as  
72 appropriate. Any dispute between the school district and a charter school as to the amount owing  
73 to the charter school shall be resolved by the department of elementary and secondary education,  
74 and the department's decision shall be the final administrative action for the purposes of review  
75 pursuant to chapter 536. During the period of dispute, the department of elementary and  
76 secondary education shall make every administrative and statutory effort to allow the continued  
77 education of children in their current public charter school setting.

78 6. The charter school and a local school board may agree by contract for services to be  
79 provided by the school district to the charter school. The charter school may contract with any

80 other entity for services. Such services may include but are not limited to food service, custodial  
81 service, maintenance, management assistance, curriculum assistance, media services and libraries  
82 and shall be subject to negotiation between the charter school and the local school board or other  
83 entity. Documented actual costs of such services shall be paid for by the charter school.

84 7. In the case of a proposed charter school that intends to contract with an education  
85 service provider for substantial educational services or management services, the request for  
86 proposals shall additionally require the charter school applicant to:

87 (1) Provide evidence of the education service provider's success in serving student  
88 populations similar to the targeted population, including demonstrated academic achievement  
89 as well as successful management of nonacademic school functions, if applicable;

90 (2) Provide a term sheet setting forth the proposed duration of the service contract; roles  
91 and responsibilities of the governing board, the school staff, and the service provider; scope of  
92 services and resources to be provided by the service provider; performance evaluation measures  
93 and time lines; compensation structure, including clear identification of all fees to be paid to the  
94 service provider; methods of contract oversight and enforcement; investment disclosure; and  
95 conditions for renewal and termination of the contract;

96 (3) Disclose any known conflicts of interest between the school governing board and  
97 proposed service provider or any affiliated business entities;

98 (4) Disclose and explain any termination or nonrenewal of contracts for equivalent  
99 services for any other charter school in the United States within the past five years;

100 (5) Ensure that the legal counsel for the charter school shall report directly to the charter  
101 school's governing board; and

102 (6) Provide a process to ensure that the expenditures that the education service provider  
103 intends to bill to the charter school shall receive prior approval of the governing board or its  
104 designee.

105 8. A charter school may enter into contracts with community partnerships and state  
106 agencies acting in collaboration with such partnerships that provide services to children and their  
107 families linked to the school.

108 9. A charter school shall be eligible for transportation state aid pursuant to section  
109 163.161 and shall be free to contract with the local district, or any other entity, for the provision  
110 of transportation to the students of the charter school.

111 10. (1) The proportionate share of state and federal resources generated by students with  
112 disabilities or staff serving them shall be paid in full to charter schools enrolling those students  
113 by their school district where such enrollment is through a contract for services described in this  
114 section. The proportionate share of money generated under other federal or state categorical aid  
115 programs shall be directed to charter schools serving such students eligible for that aid.



116 (2) A charter school shall provide the special services provided pursuant to section  
117 162.705 and may provide the special services pursuant to a contract with a school district or any  
118 provider of such services.

119 11. A charter school may not charge tuition or impose fees that a school district is  
120 prohibited from charging or imposing, except that a charter school may receive:

121 (1) Tuition payments from districts in the same or an adjoining county for nonresident  
122 students who transfer to an approved charter school, as defined in section 167.131, from an  
123 unaccredited district; **and**

124 (2) **Payments from school districts as described in this section.**

125 12. A charter school is authorized to incur debt in anticipation of receipt of funds. A  
126 charter school may also borrow to finance facilities and other capital items. A school district  
127 may incur bonded indebtedness or take other measures to provide for physical facilities and other  
128 capital items for charter schools that it sponsors or contracts with. Except as otherwise  
129 specifically provided in sections 160.400 to 160.425, upon the dissolution of a charter school,  
130 any liabilities of the corporation will be satisfied through the procedures of chapter 355. A  
131 charter school shall satisfy all its financial obligations within twelve months of notice from the  
132 sponsor of the charter school's closure under subsection 8 of section 160.405. After satisfaction  
133 of all its financial obligations, a charter school shall return any remaining state and federal funds  
134 to the department of elementary and secondary education for disposition as stated in subdivision  
135 (17) of subsection 1 of section 160.405. The department of elementary and secondary education  
136 may withhold funding at a level the department determines to be adequate during a school's last  
137 year of operation until the department determines that school records, liabilities, and reporting  
138 requirements, including a full audit, are satisfied.

139 13. Charter schools shall not have the power to acquire property by eminent domain.

140 14. The governing body of a charter school is authorized to accept grants, gifts or  
141 donations of any kind and to expend or use such grants, gifts or donations. A grant, gift or  
142 donation may not be accepted by the governing body if it is subject to any condition contrary to  
143 law applicable to the charter school or other public schools, or contrary to the terms of the  
144 charter.

145 **15. Notwithstanding any other provision of this section, if it is permissible for a**  
146 **pupil to attend a charter school located outside his or her district of residence under the**  
147 **provisions of section 160.410 and under the provisions of any other section that specifies**  
148 **the tuition amount to be paid by the resident district, the provisions of the other section**  
149 **specifying the tuition amount shall govern, and the provisions of this section shall not apply**  
150 **to such pupil.**

160.425. 1. The "Missouri Charter Public School Commission" is hereby created with  
2 the authority to sponsor high quality charter schools throughout the state of Missouri.

3 2. The commission shall consist of nine members appointed by the governor, by and with  
4 the advice and consent of the senate. No more than five of the members shall be of the same  
5 political party. No more than two members shall be from the same congressional district. The  
6 term of office of each member shall be four years, except those of the members first appointed,  
7 of which three shall be appointed for a term of one year, two for a term of two years, two for a  
8 term of three years, and two for a term of four years. At the expiration of the term of each  
9 member, the governor, by and with the advice and consent of the senate, shall appoint a  
10 successor.

11 3. The appointees to the commission shall be selected as follows:

12 (1) One member selected by the governor from a slate of three recommended by the  
13 commissioner of education;

14 (2) One member selected by the governor from a slate of three recommended by the  
15 commissioner of higher education;

16 (3) One member selected by the governor from a slate of three recommended by the  
17 president pro tempore of the senate;

18 (4) One member selected by the governor from a slate of three recommended by the  
19 speaker of the house of representatives; and

20 (5) Five additional members appointed by the governor, one of whom shall be selected  
21 from a slate of three nominees recommended by the Missouri School Boards Association.

22 4. Members appointed to the commission shall collectively possess strong experience  
23 and expertise in governance, management and finance, school leadership, assessment, curriculum  
24 and instruction, and education law. All members of the commission shall have demonstrated  
25 understanding of and commitment to charter schooling as a strategy for strengthening public  
26 education.

27 5. The commission shall annually elect a chairperson and vice chairperson, who shall  
28 act as chairperson in his or her absence. The commission shall meet at the call of the  
29 chairperson. The chairperson may call meetings at such times as he or she deems advisable and  
30 shall call a meeting when requested to do so by three or more members of the commission.  
31 Members of the commission are not eligible to receive compensation.

32 6. The commission may approve proposed charters for its sponsorship under sections  
33 160.400 to 160.425 and shall:

34 (1) Comply with all of the requirements applicable to sponsors under sections 160.400  
35 to 160.425;

36 (2) Exercise sponsorship over charters approved by the commission under sections  
37 160.400 to 160.425, including receipt of sponsorship funding under subsection [H] 10 of section  
38 160.400.

39 7. Charter schools sponsored by the commission shall comply with all of the  
40 requirements applicable to charter schools under sections 160.400 to 160.425.

41 8. The commission shall conduct its business in accordance with chapter 610.

42 9. The department of elementary and secondary education shall provide start-up funding  
43 for the commission to operate. The commission shall reimburse the department's costs from any  
44 funds it receives as sponsor under section 160.400.

45 10. The commission is authorized to receive and expend gifts, grants, and donations of  
46 any kind from any public or private entity to carry out the purposes of sections 160.400 to  
47 160.425, subject to the terms and conditions under which they are given, provided that all such  
48 terms and conditions are permissible under law.

160.518. 1. Consistent with the provisions contained in section 160.526, the state board  
2 of education shall develop, modify, and revise, as necessary, a statewide assessment system that  
3 provides maximum flexibility for local school districts to determine the degree to which students  
4 in the public schools of the state are proficient in the knowledge, skills, and competencies  
5 adopted by such board pursuant to section 160.514. The statewide assessment system shall  
6 assess problem solving, analytical ability, evaluation, creativity, and application ability in the  
7 different content areas and shall be performance-based to identify what students know, as well  
8 as what they are able to do, and shall enable teachers to evaluate actual academic performance.  
9 The statewide assessment system shall neither promote nor prohibit rote memorization and shall  
10 not include existing versions of tests approved for use pursuant to the provisions of section  
11 160.257, nor enhanced versions of such tests. After the state board of education adopts and  
12 implements academic performance standards as required under section 161.855, the state board  
13 of education shall develop and adopt a standardized assessment instrument under this section  
14 based on the academic performance standards adopted under section 161.855. The statewide  
15 assessment system shall measure, where appropriate by grade level, a student's knowledge of  
16 academic subjects including, but not limited to, reading skills, writing skills, mathematics skills,  
17 world and American history, forms of government, geography and science.

18 2. ~~[The statewide assessment system shall only permit the academic performance of~~  
19 ~~students in each school in the state to be tracked against prior academic performance in the same~~  
20 ~~school]~~ **(1) If a student transfers from a public school to another public school within the**  
21 **same district after the last Wednesday in September but before the administration of the**  
22 **statewide assessments, the student's score on any statewide assessment taken at the school**

23 **to which he or she transferred shall count toward the performance of the school from**  
24 **which he or she transferred for purposes of the annual performance report.**

25 **(2) If a student transfers from a school district or charter school to another school**  
26 **district or charter school after the last Wednesday in September but before the**  
27 **administration of the statewide assessments, the student's score on any statewide**  
28 **assessment taken at the district or charter school to which he or she transferred shall count**  
29 **toward the performance of the charter school or district, including the school within the**  
30 **district, from which he or she transferred for purposes of the annual performance report.**

31 3. The state board of education shall suggest, but not mandate, criteria for a school to  
32 demonstrate that its students learn the knowledge, skills and competencies at exemplary levels  
33 worthy of imitation by students in other schools in the state and nation. Exemplary levels shall  
34 be measured by the statewide assessment system developed pursuant to subsection 1 of this  
35 section, or until said statewide assessment system is available, by indicators approved for such  
36 use by the state board of education. The provisions of other law to the contrary notwithstanding,  
37 the commissioner of education may, upon request of the school district, present a plan for the  
38 waiver of rules and regulations to any such school, to be known as "Outstanding Schools  
39 Waivers", consistent with the provisions of subsection 4 of this section.

40 4. For any school that meets the criteria established by the state board of education for  
41 three successive school years pursuant to the provisions of subsection 3 of this section, by  
42 August first following the third such school year, the commissioner of education shall present  
43 a plan to the superintendent of the school district in which such school is located for the waiver  
44 of rules and regulations to promote flexibility in the operations of the school and to enhance and  
45 encourage efficiency in the delivery of instructional services. The provisions of other law to the  
46 contrary notwithstanding, the plan presented to the superintendent shall provide a summary  
47 waiver, with no conditions, for the pupil testing requirements pursuant to section 160.257, in the  
48 school. Further, the provisions of other law to the contrary notwithstanding, the plan shall detail  
49 a means for the waiver of requirements otherwise imposed on the school related to the authority  
50 of the state board of education to classify school districts pursuant to subdivision (9) of section  
51 161.092 and such other rules and regulations as determined by the commissioner of education,  
52 excepting such waivers shall be confined to the school and not other schools in the district unless  
53 such other schools meet the criteria established by the state board of education consistent with  
54 subsection 3 of this section and the waivers shall not include the requirements contained in this  
55 section and section 160.514. Any waiver provided to any school as outlined in this subsection  
56 shall be void on June thirtieth of any school year in which the school fails to meet the criteria  
57 established by the state board of education consistent with subsection 3 of this section.

58           5. The score on any assessment test developed pursuant to this section or this chapter of  
59 any student for whom English is a second language shall not be counted until such time as such  
60 student has been educated for three full school years in a school in this state, or in any other state,  
61 in which English is the primary language.

62           6. The state board of education shall identify or, if necessary, establish one or more  
63 developmentally appropriate alternate assessments for students who receive special educational  
64 services, as that term is defined pursuant to section 162.675. In the development of such  
65 alternate assessments, the state board shall establish an advisory panel consisting of a majority  
66 of active special education teachers residing in Missouri and other education professionals as  
67 appropriate to research available assessment options. The advisory panel shall attempt to  
68 identify preexisting developmentally appropriate alternate assessments but shall, if necessary,  
69 develop alternate assessments and recommend one or more alternate assessments for adoption  
70 by the state board. The state board shall consider the recommendations of the advisory council  
71 in establishing such alternate assessment or assessments. Any student who receives special  
72 educational services, as that term is defined pursuant to section 162.675, shall be assessed by an  
73 alternate assessment established pursuant to this subsection upon a determination by the student's  
74 individualized education program team that such alternate assessment is more appropriate to  
75 assess the student's knowledge, skills and competencies than the assessment developed pursuant  
76 to subsection 1 of this section. The alternate assessment shall evaluate the student's independent  
77 living skills, which include how effectively the student addresses common life demands and how  
78 well the student meets standards for personal independence expected for someone in the student's  
79 age group, sociocultural background, and community setting.

80           7. The state board of education shall also develop recommendations regarding alternate  
81 assessments for any military dependent who relocates to Missouri after the commencement of  
82 a school term, in order to accommodate such student while ensuring that he or she is proficient  
83 in the knowledge, skills, and competencies adopted under section 160.514.

167.268. 1. Each local school district **and each charter school** shall have on file a  
2 policy for reading intervention plans for any pupils of the district **or charter school** in grades  
3 kindergarten through three pursuant to the provisions of this section. Such plans shall identify  
4 strategies to be followed by the district **or charter school** teachers to raise a pupil identified as  
5 reading below grade level by recognized methods to reading at grade level by the end of the third  
6 grade. Recognized methods of identification may include but need not be limited to the scores  
7 of the pupil obtained through any established standardized testing program currently  
8 administered by the district **or charter school**, observations of classroom teachers, and  
9 documented classroom performance.

10           2. The state board of education shall develop guidelines to assist districts **and charter**  
11 **schools** in formulating policies for reading intervention plans. Such guidelines may include, but  
12 are not limited to, timelines for measuring pupil improvement in reading, information on  
13 screening for and treatment of auditory dyslexia, and information on the Lindamood Auditory  
14 Conceptualization Test and the Auditory Discrimination in Depth Program. Such guidelines may  
15 also identify performance levels for pupils identified as handicapped or severely handicapped  
16 and conditions under which such pupils are exempt from the provisions of this section.

17           3. Each local school district **and each charter school** enrolling a pupil identified as  
18 reading below grade level shall develop an individual plan of reading intervention for such pupil.  
19 The individual pupil's plan may include individual or group reading development activities. The  
20 plan may be developed after consultation with the pupil's parent or legal guardian.

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