

FIRST REGULAR SESSION

HOUSE BILL NO. 322

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BASYE.

1185H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 160.400, 160.405, 160.410, 160.415, and 160.425, RSMo, and to enact in lieu thereof five new sections relating to recovery programs for high school students.

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

Section A. Sections 160.400, 160.405, 160.410, 160.415, and 160.425, RSMo, are repealed and five new sections enacted in lieu thereof, to be known as sections 160.400, 160.405, 160.410, 160.415, and 160.425, to read as follows: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; or

21 (5) In a school district that has been accredited without provisions, sponsored only by
22 the local school board; provided that no board with a current year enrollment of one thousand
23 five hundred fifty students or greater shall permit more than thirty-five percent of its student
24 enrollment to enroll in charter schools sponsored by the local board under the authority of this
25 subdivision, except that this restriction shall not apply to any school district that subsequently
26 becomes eligible under subdivision (3) or (4) of this subsection or to any district accredited
27 without provisions that sponsors charter schools prior to having a current year student enrollment
28 of one thousand five hundred fifty students or greater.

29 3. Except as further provided in subsection 4 of this section, the following entities are
30 eligible to sponsor charter schools:

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

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

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

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

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

49 (6) The Missouri charter public school commission created in section 160.425.

50 4. (1) Changes in a school district's accreditation status that affect charter schools shall
51 be addressed as follows, except for the districts described in subdivisions (1) and (2) of
52 subsection 2 of this section:

53 ~~[(1)]~~ (a) As a district transitions from unaccredited to provisionally accredited, the
54 district shall continue to fall under the requirements for an unaccredited district until it achieves
55 three consecutive full school years of provisional accreditation;

56 ~~[(2)]~~ (b) As a district transitions from provisionally accredited to full accreditation, the
57 district shall continue to fall under the requirements for a provisionally accredited district until
58 it achieves three consecutive full school years of full accreditation;

59 ~~[(3)]~~ (c) In any school district classified as unaccredited or provisionally accredited
60 where a charter school is operating and is sponsored by an entity other than the local school
61 board, when the school district becomes classified as accredited without provisions, a charter
62 school may continue to be sponsored by the entity sponsoring it prior to the classification of
63 accredited without provisions and shall not be limited to the local school board as a sponsor.

64 (2) A charter school operating in a school district identified in subdivision (1) or (2) of
65 subsection 2 of this section may be sponsored by any of the entities identified in subsection 3 of
66 this section, irrespective of the accreditation classification of the district in which it is located.
67 A charter school in a district described in this subsection whose charter provides for the addition
68 of grade levels in subsequent years may continue to add levels until the planned expansion is
69 complete to the extent of grade levels in comparable schools of the district in which the charter
70 school is operated.

71 5. For purposes of sections 160.400 to 160.425, the following terms shall mean:

72 (1) "Recovery charter high school", a charter school providing on-site instruction
73 in a grade or grades no lower than the ninth nor higher than the twelfth. A student
74 attending a recovery charter high school shall not enroll as a full-time equivalent student
75 in the Missouri course access and virtual school program established under section
76 161.670;

77 (2) "Substance dependency", a state in which a person functions normally in the
78 presence of a drug following repeated drug exposure and suffers psychological reactions
79 such as withdrawal syndrome when the drug is removed;

80 (3) "Substance use disorder", shall have the same meaning as in section 478.001.

81 6. A recovery charter high school with a mission and vision statement that contains
82 purposes similar to the following may be operated in an urban school district containing
83 most or all of a home rule city with more than four hundred thousand inhabitants and
84 located in more than one county:

85 **(1) To educate all available and eligible students who are in recovery from**
86 **substance use disorder or substance dependency, or such a condition along with co-**
87 **occurring disorders such as anxiety, depression, and attention deficit hyperactivity**
88 **disorder;**

89 **(2) To meet state requirements for awarding a high school diploma; and**

90 **(3) To support students in working a strong program of recovery.**

91 **7. Any proposed charter for a recovery charter high school shall be submitted to**
92 **an urban school district containing most or all of a home rule city with more than four**
93 **thousand inhabitants and located in more than one county for sponsorship. Such district's**
94 **decision of approval or denial shall be made within ninety days after submission of the**
95 **proposed charter. If such district denies the proposed charter, the proposed charter may**
96 **be submitted to an entity that qualifies as a nonprofit organization under Section 501(c)(3)**
97 **of the Internal Revenue Code of 1986, as amended.**

98 **8.** 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-]~~ **9.** No sponsor shall receive from an applicant for a charter school any fee of any type
104 for the consideration of a charter, nor may a sponsor condition its consideration of a charter on
105 the promise of future payment of any kind.

106 ~~[7-]~~ **10.** 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-]~~ **11.** 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-]~~ **12.** 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-]~~ **13.** 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.]~~ **14.** 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.]~~ **15.** Sponsors receiving funds under subsection ~~[11.]~~ **14** 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.]~~ **20** of this section.

150 ~~[13.]~~ **16.** 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.]~~ **17.** No sponsor shall grant a charter under sections 160.400 to 160.425 and 167.349
154 without ensuring that a criminal background check and family care safety registry check are
155 conducted for all members of the governing board of the charter schools or the incorporators of
156 the charter school if initial directors are not named in the articles of incorporation, nor shall a

157 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.]~~ **18.** No member of the governing board of a charter school shall hold any office or
160 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.

167 ~~[16.]~~ **19. (1)** A sponsor shall develop the policies and procedures for:

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

173 ~~[(2)]~~ **(b)** The granting of a charter;

174 ~~[(3)]~~ **(c)** The performance contract that the sponsor will use to evaluate the performance
175 of charter schools. Charter schools shall meet current state academic performance standards as
176 well as other standards agreed upon by the sponsor and the charter school in the performance
177 contract;

178 ~~[(4)]~~ **(d)** The sponsor's intervention, renewal, and revocation policies, including the
179 conditions under which the charter sponsor may intervene in the operation of the charter school,
180 along with actions and consequences that may ensue, and the conditions for renewal of the
181 charter at the end of the term, consistent with subsections 8 and 9 of section 160.405;

182 ~~[(5)]~~ **(e)** Additional criteria that the sponsor will use for ongoing oversight of the charter;
183 and

184 ~~[(6)]~~ **(f)** Procedures to be implemented if a charter school should close, consistent with
185 the provisions of subdivision (15) of subsection 1 of section 160.405.

186 **(2)** The department shall provide guidance to sponsors in developing such policies and
187 procedures.

188 ~~[17.]~~ **20. (1)** A sponsor shall provide timely submission to the state board of education
189 of all data necessary to demonstrate that the sponsor is in material compliance with all
190 requirements of sections 160.400 to 160.425 and section 167.349. The state board of education
191 shall ensure each sponsor is in compliance with all requirements under sections 160.400 to
192 160.425 and 167.349 for each charter school sponsored by any sponsor. The state board shall

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

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

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

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

217 ~~[18-]~~ **21.** If a sponsor notifies a charter school of closure under subsection 8 of section
218 160.405, the department of elementary and secondary education shall exercise its financial
219 withholding authority under subsection 12 of section 160.415 to assure all obligations of the
220 charter school shall be met. The state, charter sponsor, or resident district shall not be liable for
221 any outstanding liability or obligations of the charter school.

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;

30 (9) The term of the charter, which shall be five years and may be renewed;

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

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

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

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

42 (14) A description of the agreement and time frame for implementation between the
43 charter school and the sponsor as to when a sponsor shall intervene in a charter school, when a

44 sponsor shall revoke a charter for failure to comply with subsection 8 of this section, and when
45 a sponsor will not renew a charter under subsection 9 of this section;

46 (15) Procedures to be implemented if the charter school should close, as provided in
47 **paragraph (f) of subdivision [(6)] (1) of subsection [46] 19** of section 160.400 including:

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

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

50 (c) Submission of final financial reports;

51 (d) Resolution of any remaining financial obligations;

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

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

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

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

63

64 ~~[Charter schools operating on August 27, 2012, shall have until August 28, 2015, to meet the
65 requirements of this subsection.]~~

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

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

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

76 (3) If the charter is denied, the proposed sponsor shall notify the applicant in writing as
77 to the reasons for its denial and forward a copy to the state board of education within five
78 business days following the denial;

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

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

106 3. If a charter is approved by a sponsor, the charter application shall be submitted to the
107 state board of education, along with a statement of finding by the sponsor that the application
108 meets the requirements of sections 160.400 to 160.425 and section 167.349 and a monitoring
109 plan under which the charter sponsor shall evaluate the academic performance, including annual
110 performance reports, of students enrolled in the charter school. The state board of education
111 shall approve or deny a charter application within sixty days of receipt of the application. The
112 state board of education may deny a charter on grounds that the application fails to meet the
113 requirements of sections 160.400 to 160.425 and section 167.349 or that a charter sponsor
114 previously failed to meet the statutory responsibilities of a charter sponsor. Any denial of a

115 charter application made by the state board of education shall be in writing and shall identify the
116 specific failures of the application to meet the requirements of sections 160.400 to 160.425 and
117 section 167.349, and the written denial shall be provided within ten business days to the sponsor.

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

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

121 (2) Comply with laws and regulations of the state, county, or city relating to health,
122 safety, and state minimum educational standards, as specified by the state board of education,
123 including the requirements relating to student discipline under sections 160.261, 167.161,
124 167.164, and 167.171, notification of criminal conduct to law enforcement authorities under
125 sections 167.115 ~~[to]~~ **and** 167.117, academic assessment under section 160.518, transmittal of
126 school records under section 167.020, the minimum amount of school time required under
127 section 171.031, and the employee criminal history background check and the family care safety
128 registry check under section 168.133;

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

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

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

148 (6) (a) Design a method to measure pupil progress toward the pupil academic standards
149 adopted by the state board of education pursuant to section 160.514, establish baseline student
150 performance in accordance with the performance contract during the first year of operation,

151 collect student performance data as defined by the annual performance report throughout the
152 duration of the charter to annually monitor student academic performance, and to the extent
153 applicable based upon grade levels offered by the charter school, participate in the statewide
154 system of assessments, comprised of the essential skills tests and the nationally standardized
155 norm-referenced achievement tests, as designated by the state board pursuant to section 160.518,
156 complete and distribute an annual report card as prescribed in section 160.522, which shall also
157 include a statement that background checks have been completed on the charter school's board
158 members, and report to its sponsor, the local school district, and the state board of education as
159 to its teaching methods and any educational innovations and the results thereof. No charter
160 school shall be considered in the Missouri school improvement program review of the district
161 in which it is located for the resource or process standards of the program.

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

172 (c) Nothing in this subdivision shall be construed as permitting a charter school to be
173 held to lower performance standards than other public schools within a district; however, the
174 charter of a charter school may permit students to meet performance standards on a different time
175 frame as specified in its charter. The performance standards for alternative and special purpose
176 charter schools that target high-risk students as defined in subdivision (5) of subsection 2 of this
177 section shall be based on measures defined in the school's performance contract with its
178 sponsors;

179 (7) Comply with all applicable federal and state laws and regulations regarding students
180 with disabilities, including sections 162.670 to 162.710, the Individuals with Disabilities
181 Education Act (20 U.S.C. Section 1400 **et seq.**) and Section 504 of the Rehabilitation Act of
182 1973 (29 U.S.C. Section 794) or successor legislation;

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

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

188 (b) A statement outlining the reasons for approval or denial by the sponsor, specifically
189 addressing the requirements of sections 160.400 to 160.425 and 167.349.

190 5. (1) Proposed or existing high-risk or alternative charter schools may include
191 alternative arrangements for students to obtain credit for satisfying graduation requirements in
192 the school's charter application and charter. Alternative arrangements may include, but not be
193 limited to, credit for off-campus instruction, embedded credit, work experience through an
194 internship arranged through the school, and independent studies. When the state board of
195 education approves the charter, any such alternative arrangements shall be approved at such time.

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

200 6. The charter of a charter school may be amended at the request of the governing body
201 of the charter school and on the approval of the sponsor. The sponsor and the governing board
202 and staff of the charter school shall jointly review the school's performance, management and
203 operations during the first year of operation and then every other year after the most recent
204 review or at any point where the operation or management of the charter school is changed or
205 transferred to another entity, either public or private. The governing board of a charter school
206 may amend the charter, if the sponsor approves such amendment, or the sponsor and the
207 governing board may reach an agreement in writing to reflect the charter school's decision to
208 become a local educational agency. In such case the sponsor shall give the department of
209 elementary and secondary education written notice no later than March first of any year, with the
210 agreement to become effective July first. The department may waive the March first notice date
211 in its discretion. The department shall identify and furnish a list of its regulations that pertain
212 to local educational agencies to such schools within thirty days of receiving such notice.

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

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

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

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

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

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

224 8. (1) (a) A sponsor's policies shall give schools clear, adequate, evidence-based, and
225 timely notice of contract violations or performance deficiencies and mandate intervention based
226 upon findings of the state board of education of the following:

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

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

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

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

237 a. Clear evidence of underperformance as demonstrated in the charter school's annual
238 performance report in three of the last four school years; or

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

240 (c) A sponsor shall revoke a charter or take other appropriate remedial action, which may
241 include placing the charter school on probationary status for no more than twenty-four months,
242 provided that no more than one designation of probationary status shall be allowed for the
243 duration of the charter contract, at any time if the charter school commits a serious breach of one
244 or more provisions of its charter or on any of the following grounds: failure to meet the
245 performance contract as set forth in its charter, failure to meet generally accepted standards of
246 fiscal management, failure to provide information necessary to confirm compliance with all
247 provisions of the charter and sections 160.400 to 160.425 and 167.349 within forty-five days
248 following receipt of written notice requesting such information, or violation of law.

249 (2) The sponsor may place the charter school on probationary status to allow the
250 implementation of a remedial plan, which may require a change of methodology, a change in
251 leadership, or both, after which, if such plan is unsuccessful, the charter may be revoked.

252 (3) At least sixty days before acting to revoke a charter, the sponsor shall notify the
253 governing board of the charter school of the proposed action in writing. The notice shall state
254 the grounds for the proposed action. The school's governing board may request in writing a
255 hearing before the sponsor within two weeks of receiving the notice.

256 (4) The sponsor of a charter school shall establish procedures to conduct administrative
257 hearings upon determination by the sponsor that grounds exist to revoke a charter. Final
258 decisions of a sponsor from hearings conducted pursuant to this subsection are subject to an
259 appeal to the state board of education, which shall determine whether the charter shall be
260 revoked.

261 (5) A termination shall be effective only at the conclusion of the school year, unless the
262 sponsor determines that continued operation of the school presents a clear and immediate threat
263 to the health and safety of the children.

264 (6) A charter sponsor shall make available the school accountability report card
265 information as provided under section 160.522 and the results of the academic monitoring
266 required under subsection 3 of this section.

267 9. (1) A sponsor shall take all reasonable steps necessary to confirm that each charter
268 school sponsored by such sponsor is in material compliance and remains in material compliance
269 with all material provisions of the charter and sections 160.400 to 160.425 and 167.349. Every
270 charter school shall provide all information necessary to confirm ongoing compliance with all
271 provisions of its charter and sections 160.400 to 160.425 and 167.349 in a timely manner to its
272 sponsor.

273 (2) The sponsor's renewal process of the charter school shall be based on the thorough
274 analysis of a comprehensive body of objective evidence and consider if:

275 (a) The charter school has maintained results on its annual performance report that meet
276 or exceed the district in which the charter school is located based on the performance standards
277 that are applicable to the grade-level configuration of both the charter school and the district in
278 which the charter school is located in three of the last four school years;

279 (b) The charter school is organizationally and fiscally viable determining at a minimum
280 that the school does not have:

281 a. A negative balance in its operating funds;

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

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

285 (c) The charter is in compliance with its legally binding performance contract and
286 sections 160.400 to 160.425 and section 167.349; and

287 (d) The charter school has an annual performance report consistent with a classification
288 of accredited for three of the last four years and is fiscally viable as described in paragraph (b)
289 of this subdivision. If such is the case, the charter school may have an expedited renewal process
290 as defined by rule of the department of elementary and secondary education.

291 (3) (a) Beginning August first during the year in which a charter is considered for
292 renewal, a charter school sponsor shall demonstrate to the state board of education that the
293 charter school is in compliance with federal and state law as provided in sections 160.400 to
294 160.425 and section 167.349 and the school's performance contract including but not limited to
295 those requirements specific to academic performance.

296 (b) Along with data reflecting the academic performance standards indicated in
297 paragraph (a) of this subdivision, the sponsor shall submit a revised charter application to the
298 state board of education for review.

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

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

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

306 11. A governing board or a school district employee who has control over personnel
307 actions shall not take unlawful reprisal against another employee at the school district because
308 the employee is directly or indirectly involved in an application to establish a charter school. A
309 governing board or a school district employee shall not take unlawful reprisal against an
310 educational program of the school or the school district because an application to establish a
311 charter school proposes the conversion of all or a portion of the educational program to a charter
312 school. As used in this subsection, "unlawful reprisal" means an action that is taken by a
313 governing board or a school district employee as a direct result of a lawful application to
314 establish a charter school and that is adverse to another employee or an educational program.

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

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

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

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

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

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

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

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 167.895,
6 provided that the charter school is an approved charter school, as defined in section 167.895, and
7 subject to all other provisions of section 167.895;

8 (4) In the case of a charter school whose mission includes student drop-out prevention
9 or recovery, any nonresident pupil from the same or an adjacent county who resides in a
10 residential care facility, a transitional living group home, or an independent living program
11 whose last school of enrollment is in the school district where the charter school is established,
12 who submits a timely application; ~~and~~

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

19 **(6) In the case of a recovery charter high school, any pupil who is eligible to attend**
20 **under subdivision (1), (2), or (3) of this subsection, and any nonresident pupil, who is in**
21 **recovery from substance use disorder or substance dependency, or such a condition along**
22 **with co-occurring disorders such as anxiety, depression, and attention deficit hyperactivity**
23 **disorder.**

24 **(a) A recovery charter high school may enroll students residing in another state,**
25 **provided such student is in recovery from substance use disorder or substance dependency,**

26 or such a condition along with co-occurring disorders such as anxiety, depression, and
27 attention deficit hyperactivity disorder.

28 (b) The department of elementary and secondary education may enter into
29 agreements with states to develop a reciprocity agreement for students seeking to attend
30 a recovery charter high school in the state of Missouri. An out-of-state school district from
31 a state subject to a reciprocity agreement having one or more resident pupils attending a
32 recovery charter high school in the state of Missouri shall pay to the recovery charter high
33 school an annual amount equal to one hundred five percent of the previous school year's
34 per pupil expenditure in the school district in which the charter school is operating. In a
35 recovery charter high school's first year of operation, an out-of-state school district from
36 a state subject to a reciprocity agreement shall pay to the recovery charter high school an
37 amount equal to one hundred five percent of the recovery charter school's estimated per
38 pupil expenditure for the first year of operation, as set forth in the recovery charter high
39 school's charter. If an out-of-state student resides in a state that is not subject to a
40 reciprocity agreement, such student shall pay to the recovery charter high school an
41 amount equal to one hundred five percent of the previous school year's per pupil
42 expenditure in the state of Missouri. In a recovery charter high school's first year of
43 operation, an out-of-state student from a state that is not subject to a reciprocity agreement
44 shall pay to the recovery charter high school an amount equal to one hundred five percent
45 of the recovery charter high school's estimated per pupil expenditure for the first year of
46 operation, as set forth in the recovery charter high school's charter. Such student shall not
47 be included in the count of average daily attendance.

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

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

56 (2) A charter school may also give a preference for admission of children whose siblings
57 attend the school or whose parents are employed at the school or in the case of a workplace
58 charter school, a child whose parent is employed in the business district or at the business site
59 of such school. **A recovery charter high school may give preference to any such student
60 provided such student is in recovery from substance use disorder or substance dependency,**

61 **or such a condition along with co-occurring disorders such as anxiety, depression, and**
62 **attention deficit hyper activity;**

63 (3) Charter schools may also give a preference for admission to high-risk students, as
64 defined in subdivision (5) of subsection 2 of section 160.405, when the school targets these
65 students through its proposed mission, curriculum, teaching methods, and services;

66 (4) A charter school may also give a preference for admission to students who will be
67 eligible for the free and reduced price lunch program in the upcoming school year.

68 3. A charter school shall not limit admission based on race, ethnicity, national origin,
69 disability, income level, except as allowed under subdivision (4) of subsection 2 of this section,
70 proficiency in the English language or athletic ability, but may limit admission to pupils within
71 a given age group or grade level. **A recovery charter high school shall limit admission to**
72 **pupils who are in recovery from substance use disorder or substance dependency, or such**
73 **a condition along with co-occurring disorders such as anxiety, depression, and attention**
74 **deficit hyperactivity disorder.** Charter schools may limit admission based on gender only when
75 the school is a single-gender school. Students of a charter school who have been enrolled for a
76 full academic year shall be counted in the performance of the charter school on the statewide
77 assessments in that calendar year, unless otherwise exempted as English language learners. For
78 purposes of this subsection, "full academic year" means the last Wednesday in September
79 through the administration of the Missouri assessment program test without transferring out of
80 the school and re-enrolling.

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

84 (1) The school's charter;

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

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

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

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

97 6. If a change in school district boundary lines occurs under section 162.223, 162.431,
98 162.441, or 162.451, or by action of the state board of education under section 162.081,
99 including attachment of a school district's territory to another district or dissolution, such that a
100 student attending a charter school prior to such change no longer resides in a school district in
101 which the charter school is located, then the student may complete the current academic year at
102 the charter school. The student shall be considered a resident student. The student's parent or
103 legal guardian shall be responsible for the student's transportation to and from the charter school.

104 7. The provisions of sections 167.018 and 167.019 concerning foster children's
105 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 recovery charter high school that has not declared itself as a local**
32 **educational agency has one or more nonresident pupils, the nonresident pupils shall not**
33 **be counted for purposes of determining the amount of aid described in subdivisions (1) and**
34 **(2) of this subsection. Each school district that has one or more of its resident pupils**
35 **attending such a charter school shall pay to the charter school, for each such pupil, one**
36 **hundred percent of its average per-pupil expenditure, excluding interest payments and**
37 **grants.**

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

42 4. **(1)** A charter school that has declared itself as a local educational agency shall receive
43 from the department of elementary and secondary education an annual amount equal to the
44 product of the charter school's weighted average daily attendance and the state adequacy target,
45 multiplied by the dollar value modifier for the district, plus local tax revenues per weighted
46 average daily attendance from the incidental and teachers funds in excess of the performance
47 levy as defined in section 163.011 plus all other state aid attributable to such pupils. If a charter
48 school declares itself as a local educational agency, the department of elementary and secondary
49 education shall, upon notice of the declaration, reduce the payment made to the school district
50 by the amount specified in this subsection and pay directly to the charter school the annual
51 amount reduced from the school district's payment.

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

61 **(b) Upon notice of the charter school's declaration of local educational agency**
62 **status, the department of elementary and secondary education shall reduce the payment**

63 **made to the school district in which the charter school is located from any source by the**
64 **amount specified in subdivision (1) of this subsection, calculated as described in paragraph**
65 **(a) of this subdivision, and pay directly to the charter school the annual amount reduced**
66 **from the school district's payment.**

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

80 6. The charter school, **including a recovery charter high school**, and a local school
81 board may agree by contract for services to be provided by the school district to the charter
82 school. The charter school may contract with any other entity for services. Such services may
83 include but are not limited to food service, custodial service, maintenance, management
84 assistance, curriculum assistance, media services and libraries and shall be subject to negotiation
85 between the charter school and the local school board or other entity. Documented actual costs
86 of such services shall be paid for by the charter school.

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

90 (1) Provide evidence of the education service provider's success in serving student
91 populations similar to the targeted population, including demonstrated academic achievement
92 as well as successful management of nonacademic school functions, if applicable. **In the case**
93 **of a recovery charter high school, such applicant need only provide evidence of the**
94 **education service provider's history of providing such educational services;**

95 (2) Provide a term sheet setting forth the proposed duration of the service contract; roles
96 and responsibilities of the governing board, the school staff, and the service provider; scope of
97 services and resources to be provided by the service provider; performance evaluation measures
98 and time lines; compensation structure, including clear identification of all fees to be paid to the

99 service provider; methods of contract oversight and enforcement; investment disclosure; and
100 conditions for renewal and termination of the contract;

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

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

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

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

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

113 9. A charter school shall be eligible for transportation state aid pursuant to section
114 163.161 and shall be free to contract with the local district, or any other entity, for the provision
115 of transportation to the students of the charter school.

116 10. (1) The proportionate share of state and federal resources generated by students with
117 disabilities or staff serving them shall be paid in full to charter schools enrolling those students
118 by their school district where such enrollment is through a contract for services described in this
119 section. The proportionate share of money generated under other federal or state categorical aid
120 programs shall be directed to charter schools serving such students eligible for that aid.

121 (2) A charter school shall provide the special services provided pursuant to section
122 162.705 and may provide the special services pursuant to a contract with a school district or any
123 provider of such services.

124 11. A charter school ~~may~~ **shall** not charge tuition or impose fees that a school district
125 is prohibited from charging or imposing, except that a charter school may receive:

126 (1) Tuition payments from districts in the same or an adjoining county for nonresident
127 students who transfer to an approved charter school, as defined in section 167.895, from an
128 unaccredited district; **and**

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

130 12. A charter school is authorized to incur debt in anticipation of receipt of funds. A
131 charter school may also borrow to finance facilities and other capital items. A school district
132 may incur bonded indebtedness or take other measures to provide for physical facilities and other
133 capital items for charter schools that it sponsors or contracts with. Except as otherwise
134 specifically provided in sections 160.400 to 160.425, upon the dissolution of a charter school,

135 any liabilities of the corporation will be satisfied through the procedures of chapter 355. A
136 charter school shall satisfy all its financial obligations within twelve months of notice from the
137 sponsor of the charter school's closure under subsection 8 of section 160.405. After satisfaction
138 of all its financial obligations, a charter school shall return any remaining state and federal funds
139 to the department of elementary and secondary education for disposition as stated in subdivision
140 (17) of subsection 1 of section 160.405. The department of elementary and secondary education
141 may withhold funding at a level the department determines to be adequate during a school's last
142 year of operation until the department determines that school records, liabilities, and reporting
143 requirements, including a full audit, are satisfied.

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

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

150 **15. Notwithstanding any other provision of this section, if the provisions of any**
151 **other section specify a tuition amount to be paid by the resident district for a nonresident**
152 **pupil attending a recovery charter high school, the provisions of such section specifying the**
153 **tuition amount shall govern, and the provisions of this section shall not apply to such pupil.**

154 **16. For all pupils enrolled in a recovery charter high school under sections 160.400**
155 **to 160.425, the district of residence of the pupil's parent or guardian shall be the district**
156 **responsible for local tax contributions required by this section.**

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

33 6. The commission may approve proposed charters for its sponsorship under sections
34 160.400 to 160.425 and shall:

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

37 (2) Exercise sponsorship over charters approved by the commission under sections
38 160.400 to 160.425, including receipt of sponsorship funding under subsection ~~[1-1]~~ **14** of section
39 160.400.

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

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

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

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

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