

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE BILL 800
Committee Substitute Favorable 4/24/17
Third Edition Engrossed 4/25/17

Short Title: Various Changes to Charter School Laws.

(Public)

Sponsors:

Referred to:

April 13, 2017

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE VARIOUS CHANGES TO THE LAWS AFFECTING CHARTER
3 SCHOOLS.

4 The General Assembly of North Carolina enacts:

5
6 **PART I. CHARTER SCHOOLS IN THE WORKPLACE**

7 **SECTION 1.(a)** G.S. 115C-218.45 reads as rewritten:

8 "**§ 115C-218.45. Admission requirements.**

9 ...

10 (f) The charter school may give enrollment priority to any of the following:

11 ...

12 (7) Limited to no more than fifty percent (50%) of the school's total enrollment,
13 children of permanent employees of a charter partner in accordance with
14 subsection (f1) of this section. If the number of applications from these
15 children exceed fifty percent (50%) of the school's total enrollment, these
16 children shall be accepted by a separate lottery.

17 (f1) For purposes of this section, a charter partner is any legal entity authorized to
18 transact business in this State under Chapter 55, 55A, 55B, 57D, or 59 of the General Statutes
19 and that has, acting individually or as part of a consortium of corporations, donated one or more
20 of the following, valued at a minimum of fifty thousand dollars (\$50,000), to the charter school:

21 (1) The land on which the school is built.

22 (2) The school building or the space the school occupies. If the charter partner is
23 leasing the building or space to the school, the charter school may only give
24 enrollment priority if the lease provides that the building or space is made
25 available without cost and if the term of the lease is not less than the
26 duration of the charter.

27 (3) Major renovations to the existing school building or other capital
28 improvements, including major investments in technology. For purposes of
29 this subdivision, a major renovation to the existing school building means
30 changes that provide significant opportunities for substantial improvement,
31 including, but not limited to, a structural change to the foundation, roof,
32 floor, or interior or exterior walls or extension of an existing facility to
33 increase its floor area, or an extensive alteration of an existing facility, such
34 as a change in its function or purpose, even if such renovation does not
35 include any structural change to the facility. A major investment in



1 technology includes, but is not limited to, a donation of hardware, software,
2 Internet access, Internet hardware, enterprise systems, software licenses,
3 smart board technology, or audiovisual equipment. The value of a major
4 renovation or of an investment of technology shall be equal to at least fifty
5 percent (50%) of the State's per pupil allocation for charter schools for that
6 year multiplied by the charter school's average daily membership.

7 (f2) Each year that the charter school provides the charter partner with enrollment
8 priority, as described in subdivision (7) of subsection (f) of this section, the charter partner and
9 the charter school shall enter into a memorandum of understanding that shall specify the
10 duration of the priority and the methods by which the charter partner shall support the charter
11 school, including, but not limited to, internships for students, career counseling, academic
12 tutoring, or enrichment activities.

13 (f3) The enrollment priority described in subdivision (7) of subsection (f) of this section
14 shall not be implemented in a way that displaces students who are enrolled at the school at the
15 time the charter application or the material revision providing for the priority is approved by
16 the State Board of Education.

17"

18 **SECTION 1.(b)** G.S. 115C-218.1(b) is amended by adding a new subdivision to
19 read:

20 "(16) Whether the charter school intends to provide enrollment priority to the
21 children of a charter partner and, if so, identifying information for that
22 charter partner."

23 **SECTION 1.(c)** G.S. 115C-218.7 is amended by adding a new subsection to read:

24 "(e) Adoption of the enrollment priority described in G.S. 115C-218.45(f)(3)c. shall be
25 considered a material revision of the charter."

26 **SECTION 1.(d)** G.S. 115C-218.15 is amended by adding a new subsection to read:

27 "(b1) Persons affiliated with a charter partner, as defined in G.S. 115C-218.45(f1), are
28 eligible for membership on the board of directors of a charter school that provides enrollment
29 priority to charter partners, subject to the requirements of subsection (b) of this section, as
30 follows:

31 (1) Persons affiliated with the charter partner shall not constitute a majority of
32 the board.

33 (2) If the charter partner is leasing the building or space to the school, the lease
34 shall provide that the building or space is made available without cost and
35 the term of the lease shall not be less than the duration of the charter."

37 **PART II. ALLOW EMPLOYEES OF EDUCATION OR CHARTER MANAGEMENT** 38 **ORGANIZATIONS TO SERVE AS TEACHERS**

39 **SECTION 2.** G.S. 115C-218.90(a)(1) reads as rewritten:

40 "(1) An employee of a charter school is not an employee of the local school
41 administrative unit in which the charter school is located. The charter
42 school's board of directors shall employ and contract with necessary teachers
43 or contract with an education management organization or charter
44 management organization to provide teachers to perform the particular
45 service for which they are employed in the school; at least fifty percent
46 (50%) of these teachers shall hold teacher licenses. All teachers who are
47 teaching in the core subject areas of mathematics, science, social studies, and
48 language arts shall be college graduates.

49 The board also may employ necessary employees who are not required
50 to hold teacher licenses to perform duties other than teaching and may

1 contract for other services. The board may discharge teachers and
2 nonlicensed employees."
3

4 **PART IV. MODIFY THE DECISION TIME LINE FOR THE CHARTER SCHOOL**
5 **FAST-TRACK REPLICATION APPLICATION PROCESS**

6 **SECTION 4.(a)** Section 6.5 of S.L. 2014-101, as amended by Section 2 of S.L.
7 2016-79, reads as rewritten:

8 "SECTION 6.5. Upon recommendations by the Office of Charter Schools and the Charter
9 Schools Advisory Board, the State Board of Education shall adopt a process and rules for
10 fast-track replication of high-quality charter schools currently operating in the State. The State
11 Board of Education shall not require a planning year for applicants selected through the
12 fast-track replication process. In addition to the requirements for charter applicants set forth in
13 Part 6A of Article 16 of Chapter 115C of the General Statutes, the fast-track replication process
14 adopted by the State Board of Education shall, at a minimum, require a board of directors of a
15 charter school to demonstrate one of the following in order to qualify for fast-track replication:

- 16 (1) A charter school in this State governed by the board of directors has student
17 academic outcomes that are comparable to the academic outcomes of
18 students in the local school administrative unit in which the charter school is
19 located and can provide three years of financially sound audits.
20 (2) The board of directors agrees to contract with an education management
21 organization or charter management organization that can demonstrate that it
22 can replicate high-quality charter schools in the State that have proven
23 student academic success and financial soundness.

24 The State Board of Education shall ensure that the rules for a fast-track replication process
25 provide that decisions by the State Board of Education on whether to grant a charter through
26 the replication process are completed in less than 90 days from the application submission date.
27 The State Board shall provide a decision no later than October 15 of the year immediately
28 preceding the year of the proposed school opening. The State Board of Education shall adopt
29 rules and procedures required by this section within 90 days of the effective date of this act, and
30 report to the Joint Legislative Education Oversight Committee within 120 days of the effective
31 date of this act."

32 **SECTION 4.(b)** This section is effective the date this act becomes law and applies
33 beginning with applications submitted for fast-track replication of schools opening in the
34 2018-2019 school year.
35

36 **PART V. EFFECTIVE DATE**

37 **SECTION 5.** Except as otherwise provided, this act is effective when it becomes
38 law and applies beginning with the 2017-2018 school year.