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## **HOUSE BILL NO. 356**

Offered January 12, 2022 Prefiled January 11, 2022

- 3 4 A BILL to amend and reenact §§ 22.1-25 and 22.1-212.10 of the Code of Virginia and to amend the 5 Code of Virginia by adding in Chapter 5 of Title 22.1 an article numbered 6.1, consisting of sections 6 numbered 22.1-57.01 and 22.1-57.02, and by adding in Chapter 13 of Title 22.1 an article numbered 1.2:1, consisting of sections numbered 22.1-212.16:1 through 22.1-212.16:7, relating to public 7 8 schools; regional charter school divisions. 9
  - Patrons-Tata, Batten, Davis, Cherry, Cordoza, Durant, Fowler, LaRock, McGuire, Taylor, Walker, Wiley, Williams and Wyatt; Senator: Ruff

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11 12 Referred to Committee on Education

13 Be it enacted by the General Assembly of Virginia:

1. That §§ 22.1-25 and 22.1-212.10 of the Code of Virginia are amended and reenacted and that 14 the Code of Virginia is amended by adding in Chapter 5 of Title 22.1 an article numbered 6.1, 15 consisting of sections numbered 22.1-57.01 and 22.1-57.02, and by adding in Chapter 13 of Title 16 22.1 an article numbered 1.2:1, consisting of sections numbered 22.1-212.16:1 through 17 22.1-212.16:7, as follows: 18

# § 22.1-25. How school divisions made.

20 A. The Board of Education shall divide the Commonwealth into school divisions of such 21 geographical area and school-age population as will promote the realization of the standards of quality 22 required by of Article VIII, Section 2 of the Constitution of Virginia, subject to the following 23 conditions:

24 1. The school divisions as they exist on July 1, 1978, shall be and remain the school divisions of the 25 Commonwealth until further action of the Board of Education taken in accordance with the provisions of 26 this section except that when a town becomes an independent city, the town shall also become a school 27 division.

28 2. No school division shall be divided or consolidated without the consent of the school board 29 thereof and the governing body of the county or city affected or, if a town comprises the school 30 division, of the town council.

31 3. No change shall be made in the composition of any school division if such change conflicts with any joint resolution expressing the sense of the General Assembly with respect thereto adopted at the 32 33 session next following January 1 of the year in which the composition of such school division is to be 34 changed.

35 4. The Board shall establish regional charter school divisions only in regions in which each 36 underlying school division has an enrollment of more than 3,000 students and one or more schools in 37 each underlying school division have accreditation denied status for two out of the past three years. A 38 regional school division shall consist of at least two but not more than three underlying school 39 divisions.

40 B. Notice of any change in the composition of a school division proposed by the Board of Education shall be given by the Superintendent of Public Instruction, on or before January 1 of the year in which 41 the composition of such school division is to be changed, to the clerks of the school board and of the 42 43 governing body involved and to each member of the General Assembly.

44 C. Subject to the conditions set forth in subsection A, the Board of Education shall consider the 45 following criteria in determining appropriate school divisions: 46

1. The school-age population of the school division proposed to be divided or consolidated.

2. The potential of the proposed school division to facilitate the offering of a comprehensive program 47 48 for kindergarten through grade 12 at the level of the established standards of quality.

49 3. The potential of the proposed school division to promote efficiency in the use of school facilities 50 and school personnel and economy in operation.

51 4. Anticipated increase or decrease in the number of children of school age in the proposed school 52 division.

5. Geographical area and topographical features as they relate to existing or available transportation 53 facilities designed to render reasonable access by pupils to existing or contemplated school facilities. 54

55 6. The ability of each existing school division to meet the standards of quality with its own resources and facilities or in cooperation with another school division or divisions if arrangements for such 56 57 cooperation have been made.

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58 D. Consistent with the authority of the Board pursuant to Article VIII, Section 5 of the Constitution 59 of Virginia to designate school divisions in the Commonwealth of such geographic size and school-age 60 population as will best promote the realization of the standards of quality, local school boards may 61 submit proposals for the consolidation of school divisions to the Board of Education. Prior to the 62 submission of a consolidation proposal, the submitting school board shall give notice to the public and 63 shall conduct one or more public hearings.

64 School divisions submitting proposals for consolidation shall include such information and data as may be necessary to support their proposal, including (i) the criteria set forth in subsection C; (ii) 65 evidence of the cost savings to be realized by such consolidation; (iii) a plan for the transfer of title to 66 school board property to the resulting combined school board governing the consolidated division; (iv) 67 procedures and a schedule for the proposed consolidation, including completion of current division 68 superintendent and school board member terms; (v) a plan for proportional school board representation 69 70 of the localities comprising the new school division, including details regarding the appointment or election processes currently ensuring such representation and other information as may be necessary to 71 evidence compliance with federal and state laws governing voting rights; and (vi) evidence of local 72 73 support for the proposed consolidation.

74 For five years following completion of such consolidation, the computation of the state and local 75 share for an educational program meeting the standards of quality for school divisions resulting from 76 consolidations approved pursuant to this subsection shall be the lower composite index of local 77 ability-to-pay of the applicant school divisions, as provided in the appropriation act.

78 E. The Board may establish regional charter school divisions. Such divisions shall consist of at least 79 two but not more than three existing school divisions and shall exist in parallel with such existing 80 school divisions, and the establishment of such divisions shall not be considered a consolidation or 81 division of such existing school divisions.

#### Article 6.1.

Selection of School Boards in Regional Charter School Divisions.

#### § 22.1-57.01. Application of article.

85 The provisions of this article shall be applicable in each regional charter school division established 86 by the Board pursuant to subsection E of § 22.1-25. 87

## § 22.1-57.02. Appointment and term generally; vacancies.

88 The school board of a regional charter school division shall consist of eight members to be 89 appointed by the State Board and up to three members to be appointed by the governing bodies of the 90 localities of the underlying school divisions, one per each school division. Of the members appointed by 91 the governing bodies of the localities of the underlying school divisions, one member shall have an 92 initial term of four years, one member shall have an initial term of three years, and one member, if there are three such members, shall have an initial term of two years. After the initial term, members 93 94 shall serve a term of four years. Vacancies occurring other than by expiration of a term shall be filled 95 for the unexpired term. No member shall serve more than two consecutive terms; however, a member 96 appointed to serve an unexpired term is eligible to serve two consecutive four-year terms immediately 97 succeeding such unexpired term. 98

## § 22.1-212.10. Reconsideration and technical assistance; review by Board.

99 A. If a local school board denies a public charter school application, or revokes or fails to renew a 100 charter agreement, it shall provide to the applicant or grantee its reasons, in writing, for such decision, and it shall post such reasons on its website. A public charter school applicant whose application was 101 denied, or a grantee whose charter was revoked or not renewed, shall be entitled to petition the local 102 school board for reconsideration. The petition for reconsideration shall be filed no later than 60 days 103 from the date the public charter school application is denied or the charter agreement is revoked or fails 104 to be renewed. Such reconsideration shall be decided within 60 days of the filing of the petition. 105

106 B. Each local school board shall establish a process for reviewing petitions of reconsideration, which 107 shall include an opportunity for public comment. The petition of reconsideration may include an amended application based on the reasons given by the local school board for such decision. 108

109 C. Prior to seeking reconsideration, an applicant or grantee may seek technical assistance from the 110 Superintendent of Public Instruction to address the reasons for denial, revocation, or non-renewal.

D. Upon reconsideration, the decision of a local school board to grant or deny a public charter 111 112 school application or to revoke or fail to renew a charter agreement shall be final and not subject to appeal. Following a local school board decision to deny a public charter school application or to revoke 113 114 or fail to renew a charter agreement, the local school board shall submit documentation to the Board as to the rationale for the local school board's denial of the public charter school application or revocation 115 116 of or failure to renew the charter agreement.

E. The Except as provided in Article 1.2:1 (§ 22.1-212.16:1 et seq.), the Board has no authority to 117 grant or deny a public charter school application or to revoke or fail to renew a charter agreement but 118 119 may communicate any Board finding relating to the rationale for the local school board's denial of the

public charter school application or revocation of or failure to renew the charter agreement based on the 120 121 documentation submitted pursuant to subsection D in any school division in which at least half of the 122 schools receive funding pursuant to Title I, Part A of the Elementary and Secondary Education Act of 123 1965, P.L. 89-10, as amended.

124 F. Nothing in this section shall prohibit an applicant whose application has been denied or a grantee 125 whose charter has been revoked or not renewed from submitting a new application, pursuant to 126 § 22.1-212.9. 127

#### Article 1.2:1.

Regional Charter School Divisions.

## § 22.1-212.16:1. Definitions.

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As used in this article, unless the context requires a different meaning:

131 "Public charter school" has the same meaning as provided in § 22.1-212.5.

"Regional charter school division" means a school division established by the Board of Education 132 133 pursuant to subsection E of § 22.1-25.

#### § 22.1-212.16:2. Regional charter school divisions; local school board; schools.

135 A. For any regional charter school division established by the Board, a school board shall be 136 appointed in accordance with Article 6.1 (§ 22.1-57.01 et seq.) of Chapter 5. Such school board shall 137 have the following powers and duties:

138 1. Soliciting and evaluating charter applications;

139 2. Approving quality charter applications that meet identified educational needs and promote a 140 diversity of educational choices and denving weak or inadequate charter applications; 141

3. Negotiating or executing sound charter contracts with each approved public charter school;

142 4. Monitoring, in accordance with charter contract terms, the performance and legal compliance of 143 public charter schools; and

144 5. Determining whether each charter contract merits renewal, nonrenewal, or revocation.

145 B. Regional charter school divisions shall consist only of public charter schools established pursuant 146 to this article.

§ 22.1-212.16:3. Applicability of other laws, regulations, policies, and procedures.

148 A. Public charter schools are subject to all federal laws and authorities as set forth in this article 149 and the charter contract with the regional school board.

150 B. Public charter schools are subject to the same civil rights, health, and safety requirements 151 applicable to other public schools in the Commonwealth, except as otherwise provided in this article.

152 C. Public charter schools are subject to the student assessment and accountability requirements 153 applicable to other public schools in the Commonwealth, but nothing in this article precludes a public 154 charter school from establishing additional student assessment measures that go beyond state 155 requirements if the school's authorizer approves such measures.

D. Management committees of public charter schools are subject to and shall comply with the 156 157 Virginia Freedom of Information Act (§ 2.2-3700 et seq.).

158 E. No public charter school shall discriminate against any individual on the basis of disability, race, 159 creed, color, gender, national origin, religion, ancestry, or need for special education services or any other unlawful basis, and each public charter school shall be subject to any court-ordered desegregation 160 161 plan in effect for the school division.

162 F. No public charter school shall discriminate against any student on the basis of limited proficiency 163 in English, and each public charter school shall provide students who have limited proficiency in 164 English with appropriate services designed to teach such students English and the general curriculum, 165 consistent with federal civil rights laws.

166 G. No public charter school shall engage in any sectarian practices in its educational program, 167 admissions or employment policies, or operations.

H. Public charter schools are subject to the requirements of the Standards of Ouality, including the 168 Standards of Learning and the Standards of Accreditation, with the exception of the provisions of  $\S$  22.1-253.13:1; subsection A, subsections C through M, and subsection O of  $\S$  22.1-253.13:2; subsections A through E and subsection G of  $\S$  22.1-253.13:3; subsections D, E, and F of 169 170 171 § 22.1-253.13:4; §§ 22.1-253.13:5 and 22.1-253.13:6; subsections C, D, and E of § 22.1-253.13:7; and 172 173 § 22.1-253.13:8.

174 I. For the purpose of allowing flexibility to innovate in areas such as scheduling, personnel, funding, 175 and educational programs to improve student outcomes and academic achievement, public charter 176 schools are not subject to, and are exempt from, all other state statutes and regulations applicable to local school divisions and school boards. Except as provided otherwise by this article or a charter 177 178 contract, charter schools are exempt from all local school division policies.

#### 179 § 22.1-212.16:4. Charter application and review.

180 A. Any person, group, or organization, including any institution of higher education, may submit an HB356

181 application to the Board of Education for the formation of a public charter school located in a regional 182 charter school division. Such application shall meet the requirements of § 22.1-212.8.

183 B. Such applications shall be received and reviewed by the Board. The Board shall establish 184 procedures for receiving, reviewing, and commenting upon applications. The Board shall post such 185 procedures on its website and make a copy of such procedures available to all interested parties upon 186 request. If the Board finds the public charter school application is incomplete, the board shall request 187 the necessary information from the charter applicant. The Board shall recommend approval or denial of the application to the school board of the relevant regional school division. Such recommendation is not 188 189 binding on the school board. If the Board has not established a regional charter school division in the 190 location in which the public charter school will be located, the Board will hold a public hearing 191 regarding the establishment of a regional charter school division in such location, provided that the 192 conditions for the establishment of such school division set forth in subdivision A 4 of § 22.1-25 are 193 met.

194 C. The school board shall establish procedures for receiving, reviewing, and commenting upon 195 applications. The school board shall post such procedures on its website and make a copy of such 196 procedures available to all interested parties upon request.

197 D. To provide appropriate opportunity for input from parents, teachers, citizens, and other interested 198 parties and to obtain information to assist the school board in its decisions to grant or deny a public 199 charter school application, the school board shall establish a procedure for public notice and to receive 200 comment on public charter school applications. The school board shall give at least 14 days' notice of 201 its intent to receive public comment on an application.

202 E. If the school board denies a public charter school application or revokes or fails to renew a 203 charter agreement, it shall provide to the applicant or grantee its reasons, in writing, for such decision, 204 and it shall post such reasons on its website. A public charter school applicant whose application was denied, or a grantee whose charter was revoked or not renewed, shall be entitled to petition the Board 205 for reconsideration. The petition for reconsideration shall be filed no later than 60 days from the date 206 207 the public charter school application is denied, revoked, or not renewed. Such reconsideration shall be 208 decided within 60 days of the filing of the petition.

209 E. Prior to seeking reconsideration, an applicant or grantee may seek technical assistance from the 210 Superintendent of Public Instruction to address the reasons for denial, revocation, or nonrenewal.

211 F. Upon reconsideration, the decision of the school board to grant or deny a public charter school 212 application or to revoke or fail to renew a charter agreement shall be final and not subject to appeal.

213 G. The Board shall promulgate regulations establishing requirements for (i) charter applicants and 214 governing board members including an appropriate background check and an oath of office; ethical and 215 conflict of interest standards; and standards and procedures for removal for cause and (ii) charter contracts including provisions governing wind-up or closure of schools; requiring return of all net 216 217 assets of a closed school to be returned to the school board of the regional charter school division; and authorizing the school board to remove all charter governing board members for convenience and to 218 219 wind up public charter school operations.

220 H. The school board of a regional charter school division shall not be legally responsible for the 221 debts or liabilities of a charter school operating within the regional charter school division. 222

§ 22.1-212.16:5. Public charter school term; renewals and revocations.

223 A. A charter may be approved or renewed for a period not to exceed five school years. A renewal 224 application shall first be submitted to the Board. The Board shall recommend approval or denial of the 225 renewal application to the school board of the relevant regional charter school division. The Board's 226 recommendation is not binding on the school board.

227 B. A public charter school renewal application submitted to the Board and the school board shall 228 contain:

229 1. A report on the progress of the public charter school in achieving the goals, objectives, and 230 program and performance standards for students and such other conditions and terms as the Board may 231 require upon granting initial approval of the charter application; and

232 2. A financial statement, on forms prescribed by the school board, that discloses the costs of 233 administration, instruction, and other spending categories for the public charter school and that has 234 been concisely and clearly written to enable the school board and the public to compare such costs to 235 those of other schools or comparable organizations. 236

C. The school board may revoke a charter if the public charter school:

237 1. Violates the conditions, standards, or procedures established in the public charter school 238 application;

239 2. Fails to meet or make reasonable progress toward achievement of the content standards or 240 student performance standards identified in the charter application; 241

3. Fails to meet generally accepted standards of fiscal management; or

4. Violates any provision of law from which the public charter school was not specifically exempted. 242

243 D. Nothing in this section shall be construed to restrict the authority of the school board to decline 244 to renew a charter agreement.

245 § 22.1-212.16:6. Contracts for public charter schools.

246 A. Within 90 days of approval of a charter application, the school board and the management 247 committee of the approved public charter school shall execute a charter contract that clearly sets forth 248 (i) the academic and operational performance expectations and measures by which the public charter 249 school will be judged and (ii) the administrative relationship between the school board and public 250 charter school, including each party's rights and duties. Such 90-day period may be extended by a 251 period not to exceed 30 days by mutual agreement of the parties. Such performance expectations and 252 measures shall include applicable federal and state accountability requirements and may be refined or 253 amended by mutual agreement after the public charter school has collected baseline achievement data 254 for its enrolled students.

255 B. The academic and operational performance expectations and measures in the charter contract 256 shall be based on a performance framework that clearly sets forth the academic and operational 257 performance indicators, measures, and metrics that will guide the school board's evaluations of each 258 public charter school. The performance framework shall include indicators, measures, and metrics for: 259

1. Student academic proficiency; 260

2. Student academic growth;

261 3. Achievement gaps in both proficiency and growth between the major student subgroups based on 262 gender, race, poverty status, special education status, English language learner status, and gifted status;

263 4. Attendance;

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264 5. Recurrent annual enrollment; 265

6. Postsecondary education readiness of high school students;

7. Financial performance and sustainability; and

267 8. The performance and stewardship of the management committee, including compliance with all 268 applicable laws, regulations, and terms of the charter contract.

269 C. The performance framework shall allow the inclusion of additional rigorous, valid, and reliable 270 indicators proposed by a public charter school to augment external evaluations of its performance, 271 provided that the school board approves the quality and rigor of such indicators and such indicators 272 are consistent with the purposes of this article.

273 D. The performance framework shall require the disaggregation of all student performance data by 274 major student subgroups based on gender, race, poverty status, special education status, English 275 language learner status, and gifted status.

276 E. Annual performance targets shall be set by each public charter school and the school board and 277 shall be designed to help each school meet applicable federal, state, and school board expectations.

278 F. The charter contract shall be signed by the chairman of the school board and the president or 279 chairman of the public charter school's management committee. Within 10 days of executing a charter 280 contract, the school board shall submit to the Board written notification of the charter contract 281 execution, including a copy of the executed charter contract and any attachments.

282 G. No public charter school shall commence operations without a charter contract executed in 283 accordance with this section and approved in an open meeting of the school board.

284 H. If the charter application proposes a program to increase the educational opportunities for at-risk 285 students, including those proposals for residential charter schools for at-risk students, the Board shall 286 approve an Individual School Accreditation Plan for the evaluation of the performance of the school as 287 authorized by the Standards of Accreditation pursuant to 8VAC20-131-420 D of the Virginia 288 Administrative Code.

289 I. Any material revision of the terms of the contract may be made only with the approval of the 290 school board and the management committee of the public charter school.

291 § 22.1-212.16:7. Funding.

292 A. For any public charter school located in a regional charter school division, any student who enrolls shall have the state share of Standards of Quality per pupil funding of the local school division in which the student resides transferred to such school. The total per pupil funding transferred shall 293 294 295 consist of the per pupil amounts on the basis of March 31 average daily membership and the per pupil 296 share of state sales tax funding in basic aid. The Department of Education shall pay such amount 297 directly to the public charter school semimonthly. Such state share of per pupil funding shall be based 298 on the Standards of Quality per pupil funding and per pupil share of state sales tax funding enacted in 299 the current appropriation act.

300 The Department of Education shall transfer to the public charter school all federal funds described 301 in § 22.1-88 directly associated with any pupil served by the school, including funds for the individualized education program of any special education student enrolled in the public charter school. 302 303 B. The management committee of a public charter school is authorized to accept gifts, donations, or

304 grants of any kind made to the public charter school and to spend such funds in accordance with the conditions prescribed by the donor. However, no gift, donation, or grant shall be accepted by the management committee of a public charter school if the conditions for such funds are contrary to law 305 306 or the terms of the agreement between the school board and the public charter school. 307

308 C. Contingent upon an appropriation, a public charter school located in a regional charter school 309

division may receive state funding to replace, in whole or in part, the local share of the Standards of 310 Quality per pupil funding of the underlying school division in which the public charter school is

311 physically located.