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## HOUSE BILL NO. 2490

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Education  
on January 30, 2023)

(Patron Prior to Substitute—Delegate Davis)

A BILL to amend and reenact §§ 22.1-349.1 and 22.1-349.5 of the Code of Virginia; to amend the Code of Virginia by adding in Chapter 19.1 of Title 22.1 an article numbered 2, consisting of sections numbered 22.1-349.12 through 22.1-349.25; and to repeal § 22.1-349.2 of the Code of Virginia, relating to laboratory schools; application and establishment.

Be it enacted by the General Assembly of Virginia:

1. That §§ 22.1-349.1 and 22.1-349.5 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 19.1 of Title 22.1 an article numbered 2, consisting of sections numbered 22.1-349.12 through 22.1-349.25, as follows:

## CHAPTER 19.1

## COLLEGE PARTNERSHIP LABORATORY SCHOOLS.

## Article 1.

## College Partnership Laboratory Schools.

## § 22.1-349.1. Definitions; objectives.

A. As used in this chapter, unless the context requires a different meaning:

"At-risk student" means a student having a physical, emotional, intellectual, socioeconomic, or cultural risk factor, as defined in Board criteria, that research indicates may negatively influence educational success.

"College partnership laboratory school" means a public, nonsectarian, nonreligious school in the Commonwealth established by a public institution of higher education; ~~public higher education center, institute, or authority; or an eligible institution as defined in § 23.1-628. Notwithstanding the provisions of § 22.1-349.5, a public institution of higher education; a public higher education center, institute, or authority; or an eligible institution as defined in § 23.1-628 may submit an application for formation of a college partnership laboratory school.~~

"Governing board" means the board of a college partnership laboratory school that is responsible for creating, managing, and operating the college partnership laboratory school and whose members have been selected by the institution of higher education that establishes the college partnership laboratory school. The governing board shall be under the control of the institution of higher education that establishes the college partnership laboratory school.

B. College partnership laboratory schools may be established as provided in this chapter to (i) stimulate the development of innovative programs for preschool through grade 12 students; (ii) provide opportunities for innovative instruction and assessment; (iii) provide teachers with a vehicle for establishing schools with alternative innovative instruction and school scheduling, management, and structure; (iv) encourage the use of performance-based educational programs; (v) establish high standards for both teachers and administrators; (vi) encourage greater collaboration between education providers from preschool to the postsecondary level; and (vii) develop models for replication in other public schools.

## § 22.1-349.5. College partnership laboratory school application.

A. Any public institution of higher education ~~or private institution of higher education that has a teacher education program approved by the Board~~ may submit an application for formation of a college partnership laboratory school.

B. Each college partnership laboratory school application shall provide or describe thoroughly all of the following essential elements of the proposed school plan:

1. An executive summary;
2. The mission and vision of the proposed college partnership laboratory school, including identification of the targeted student population;
3. The proposed location of the school;
4. The grades to be served each year for the full term of the contract;
5. Minimum, planned, and maximum enrollment per grade per year for the term of the contract;
6. Background information on the proposed founding governing board members and, if identified, the proposed school leadership and management team;
7. The school's proposed calendar and sample daily schedule;
8. A description of the academic program aligned with state standards;
9. A description of the school's educational program, including the type of learning environment, such as classroom-based or independent study; class size and structure; curriculum overview; and

- 60 teaching methods;
- 61 10. The school's plan for using internal and external assessments to measure and report student
- 62 progress in accordance with the Standards of Learning;
- 63 11. The school's plans for identifying and successfully serving students with disabilities, students who
- 64 are English language learners, students who are academically behind, and gifted students, including
- 65 compliance with applicable laws and regulations;
- 66 12. A description of co-curricular and extracurricular programs and how they will be funded and
- 67 delivered;
- 68 13. Plans and timelines for student recruitment and enrollment, including lottery procedures if
- 69 sufficient space is unavailable;
- 70 14. The school's student disciplinary policies, including disciplinary policies for special education
- 71 students;
- 72 15. An organization chart that clearly presents the school's organizational structure, including lines of
- 73 authority and reporting between the governing board, staff, any related bodies such as advisory bodies or
- 74 parent and teacher councils, the Board, and any external organizations that will play a role in managing
- 75 the school;
- 76 16. A clear description of the roles and responsibilities for the governing board, the school's
- 77 leadership and management team, and any other entities shown in the organization chart;
- 78 17. A staffing chart for the school's first year and a staffing plan for the term of the contract;
- 79 18. Plans for recruiting and developing school leadership and staff;
- 80 19. The school's leadership and teacher employment policies, including performance evaluation plans;
- 81 20. A plan for the placement of college partnership laboratory school students, teachers, and
- 82 employees upon termination or revocation of the contract;
- 83 21. Explanation of any partnerships or contractual relationships central to the school's operations or
- 84 mission;
- 85 22. The school's plans for providing transportation, food service, and all other significant operational
- 86 or ancillary services;
- 87 23. Opportunities and expectations for parent involvement;
- 88 24. A detailed school start-up plan that identifies tasks, timelines, and responsible individuals;
- 89 25. A description of the school's financial plan and policies, including financial controls and audit
- 90 requirements;
- 91 26. A description of the insurance coverage that the school will obtain;
- 92 27. Start-up and five-year budgets with clearly stated assumptions;
- 93 28. Start-up and first-year cash-flow projections with clearly stated assumptions;
- 94 29. Evidence of anticipated fundraising contributions, if claimed in the application;
- 95 30. A sound facilities plan, including backup or contingency plans if appropriate; and
- 96 31. Assurances that the college partnership laboratory school (i) is nonreligious in its programs,
- 97 admission policies, employment practices, and all other operations and (ii) does not charge tuition,
- 98 except as described in subsection E of § 22.1-349.3.
- 99 C. The purposes of the college partnership laboratory school application are to present the proposed
- 100 school's academic and operational vision and plans, demonstrate the applicant's capacities to execute the
- 101 proposed vision and plans, and provide the Board with a clear basis for assessing the applicant's plans
- 102 and capacities. An approved college partnership laboratory school application shall not serve as the
- 103 school's contract. Within 90 days of approval of a college partnership laboratory school application, the
- 104 Board and the governing board of the approved school shall execute a contract that clearly sets forth the
- 105 academic and operational performance expectations and measures by which the college partnership
- 106 laboratory school will be judged and the administrative relationship between the Board and the college
- 107 partnership laboratory school, including each party's rights and duties. The performance expectations and
- 108 measures set forth in the contract shall include applicable federal and state accountability requirements.
- 109 The performance provisions may be refined or amended by mutual agreement after the college
- 110 partnership laboratory school is operating and has collected baseline achievement data for its enrolled
- 111 students.

## Article 2.

### Division Laboratory Schools.

#### § 22.1-349.12. Objectives; definitions.

- 115 A. In order to (i) increase student and educator exposure to the skills and workplaces of the future
- 116 to better connect academic preparation to real-world realities; (ii) provide access to state-of-the-art
- 117 teaching tools, laboratories, materials, and faculty; (iii) ensure that the latest evidence and insights from
- 118 research and practice are shaping pedagogy and the approach to education; (iv) offer hands-on
- 119 learning and work opportunities that make learning come alive through application; (v) align learning
- 120 and career pathways toward the skills and jobs most in demand in the region; (vi) train
- 121 pre-kindergarten through grade 12 teachers and staff with best practices and evidence to ensure that

they benefit from the latest innovations in teaching and learning; and (vii) ensure that every student is prepared for life, division laboratory schools may be established in the Commonwealth as provided in this article.

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

"At-risk student" has the same meaning as provided in § 22.1-349.1.

"Division laboratory school" means a public, nonreligious, or non-home-based alternative school located within a local school division. A division laboratory school may be created as a new public school or through the conversion of all or part of an existing public school; however, no division laboratory school shall be established through the conversion of a private school or a nonpublic home-based educational program. A division laboratory school for at-risk students may be established as a residential school.

**§ 22.1-349.13. Establishment and operation of division laboratory schools; requirements.**

A. Enrollment in a division laboratory school shall be open to any child who is deemed to reside within the relevant school division, as set forth in § 22.1-3, through a lottery process on a space-available basis, except that in the case of the conversion of all or part of an existing public school, students who attend the school or reside in the attendance area for the school and the siblings of such students shall be given the opportunity to enroll in advance of the lottery process. A waiting list shall be established if adequate space is not available to accommodate all students whose parents have requested to be entered in the lottery process. Such waiting list shall also be prioritized through a lottery process and parents shall be informed of their student's position on the list.

B. A division laboratory school shall be administered and managed by a governing board consisting of at least seven but no more than 11 members and composed of a school board member in the local school division, a teacher in the school, an administrator in the school, a parent of a student enrolled in the school, community sponsors, and such other members as may be set out in the division laboratory school contract pursuant to § 22.1-349.15. The initial governing board shall consist of management team members, provided that such members may be replaced as their terms expire, as set out in the division laboratory school contract pursuant to § 22.1-349.15.

C. Pursuant to the division laboratory school's contract, the division laboratory school shall be responsible for its own operations, including such budget preparation, contracts for services, and personnel matters as are specified in the contract. A division laboratory school may negotiate and contract with a school division, the governing board of a public institution of higher education, or any third party for the use of a school building and grounds, the operation and maintenance thereof, and the provision of any service, activity, or undertaking that the division laboratory school is required to perform in order to carry out the educational program described in its contract.

D. As negotiated by contract, the local school board may allow a division laboratory school to use vacant or unused properties or real estate owned by the school board. In no event shall a division laboratory school be required to pay rent for space that is deemed available, as negotiated by contract, in school division facilities. All other costs for the operation and maintenance of the facilities used by the division laboratory school shall be subject to negotiation between the division laboratory school and the school division.

E. No division laboratory school shall charge tuition.

**§ 22.1-349.14. Applicability of other laws, regulations, policies, and procedures.**

A. Division laboratory schools are subject to all federal laws and authorities as set forth in this article and the contract with the local school board.

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

C. Except as otherwise provided in subsection D and pursuant to the division laboratory school's contract, division laboratory schools are subject to the student assessment and accountability requirements applicable to other public schools in the Commonwealth and shall be counted in the determination of the relevant school division's accreditation rating, but nothing in this article precludes a division laboratory school from establishing additional student assessment measures that go beyond state requirements if the school's authorizer approves such measures.

D. Pursuant to the division laboratory school's contract, the division laboratory school may (i) operate free from specified school division policies and state regulations and (ii) be granted flexibility in school scheduling, including any such flexibility available to public schools pursuant to state statute or regulation, and as a public school, shall be subject to the requirements of the Standards of Quality, including the Standards of Learning and the Standards of Accreditation, with the exception of the provisions of § 22.1-253.13:1; subsection A, subsections C through M, and subsection O of § 22.1-253.13:2; subsections A through E and subsection G of § 22.1-253.13:3; subsections D, E, and F of § 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 § 22.1-253.13:8.

183 E. Governing boards of division laboratory schools are subject to and shall comply with the Virginia  
184 Freedom of Information Act (§ 2.2-3700 et seq.).

185 F. No division laboratory school shall discriminate against any individual on the basis of disability,  
186 race, creed, color, sex, sexual orientation, gender identity, national origin, religion, ancestry, or need  
187 for special education services or any other unlawful basis, and each division laboratory school shall be  
188 subject to any court-ordered desegregation plan in effect for the school division.

189 G. No division laboratory school shall discriminate against any student on the basis of limited  
190 proficiency in English, and each division laboratory school shall provide students who have limited  
191 proficiency in English with appropriate services designed to teach such students English and the general  
192 curriculum, consistent with federal civil rights laws.

193 H. No division laboratory school shall engage in any sectarian practices in its educational program,  
194 admissions or employment policies, or operations.

195 **§ 22.1-349.15. Contracts for division laboratory schools.**

196 A. Within 90 days of approval by the local school board of an application to establish a division  
197 laboratory school pursuant to § 22.1-349.16, the local school board and the governing board of the  
198 approved division laboratory school shall execute a contract that clearly sets forth (i) the academic and  
199 operational performance expectations and measures by which the division laboratory school will be  
200 judged and (ii) the administrative relationship between the local school board and division laboratory  
201 school, including each party's rights and duties. Such 90-day period may be extended by a period not to  
202 exceed 30 days by mutual agreement of the parties. Such performance expectations and measures shall  
203 include applicable federal and state accountability requirements and may be refined or amended by  
204 mutual agreement after the division laboratory school has collected baseline achievement data for its  
205 enrolled students.

206 B. The academic and operational performance expectations and measures in the contract shall be  
207 based on a performance framework that clearly sets forth the academic and operational performance  
208 indicators, measures, and metrics that will guide the local school board's evaluations of each division  
209 laboratory school. The performance framework shall include indicators, measures, and metrics for:

- 210 1. Student academic proficiency;
- 211 2. Student academic growth;
- 212 3. Achievement gaps in both proficiency and growth between the major student subgroups based on  
213 gender, race, poverty status, special education status, English language learner status, and gifted status;
- 214 4. Attendance;
- 215 5. Recurrent annual enrollment;
- 216 6. Postsecondary education readiness of high school students;
- 217 7. Financial performance and sustainability; and
- 218 8. The performance and stewardship of the governing board, including compliance with all  
219 applicable laws, regulations, and terms of the contract.

220 C. The performance framework shall allow the inclusion of additional rigorous, valid, and reliable  
221 indicators proposed by a division laboratory school to augment external evaluations of its performance,  
222 provided that the local school board approves the quality and rigor of such indicators and such  
223 indicators are consistent with the purposes of this article.

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

227 E. Annual performance targets shall be set by each division laboratory school and the local school  
228 board and shall be designed to help each school meet applicable federal, state, and local school board  
229 expectations.

230 F. The contract shall be signed by the chairman of the local school board and the president or  
231 chairman of the division laboratory school's governing board. Within 10 days of executing a contract,  
232 the local school board shall submit to the Board written notification of the contract execution, including  
233 a copy of the executed contract and any attachments.

234 G. No division laboratory school shall commence operations without a contract executed in  
235 accordance with this section and approved in an open meeting of the local school board.

236 H. If the application proposes a program to increase the educational opportunities for at-risk  
237 students, including those proposals for residential division laboratory schools for at-risk students, the  
238 local school board or relevant school boards, as the case may be, on behalf of the division laboratory  
239 school, shall also request that the Board approve an Individual School Accreditation Plan for the  
240 evaluation of the performance of the school as authorized by the Standards of Accreditation pursuant to  
241 8VAC20-131-420 D of the Virginia Administrative Code.

242 I. Any material revision of the terms of the contract may be made only with the approval of the local  
243 school board or relevant school boards and the governing board of the division laboratory school.

244 **§ 22.1-349.16. Initial proposal and application.**

A. Any management team consisting of at least three members and including at least one experienced school administrator, at least one experienced teacher, and any community member within the local school division may, either alone or in partnership with institutions of higher education or businesses, seek to establish a division laboratory school. Each such management team:

1. Shall submit to the division superintendent an initial proposal that includes a detailed mission statement and executive summary for the proposed division laboratory school, including a description of the population that it intends to serve, the instructional model to be used, and the desired student outcomes to be achieved in the school. The division superintendent shall make a preliminary decision regarding whether or not to proceed with an application or to amend and resubmit the initial proposal; and

2. Upon receiving preliminary approval from the division superintendent pursuant to subdivision 1, may submit an application to the local school board for the establishment of the division laboratory school.

B. The division laboratory school application shall be a proposed contract and shall include:

1. An executive summary.

2. A mission statement of the division laboratory school that is consistent with the principles of the Standards of Quality, including identification of the targeted academic program of study.

3. The location or geographic area proposed for the division laboratory school.

4. The grades to be served each year for the full term of the contract.

5. Minimum, planned, and maximum enrollment per grade level per year for the term of the contract.

6. Evidence of need and community support for the proposed division laboratory school.

7. Background information on the proposed founding governing board members and, if identified, the proposed division laboratory school leadership and management team.

8. The division laboratory school's proposed calendar and a sample daily schedule.

9. A description of the academic program that is aligned with the Standards of Learning.

10. A description of (i) the division laboratory school's instructional design, including the type of learning environment, such as classroom-based or independent study, class size and structure, curriculum overview, and teaching methods, and (ii) how such instructional design is unique and distinct from all others presently being offered in all other schools at the same grade level in the local school division.

11. The division laboratory school's plans for identifying and successfully serving students with disabilities, students who are English language learners, students who lag behind academically, and gifted students, including compliance with applicable laws and regulations.

12. A description of co-curricular or extracurricular programs and how such programs will be funded and delivered.

13. Plans and timelines for student recruitment and enrollment, including lottery procedures.

14. The division laboratory school's student discipline policies, including discipline policies for special education students.

15. An organization chart that clearly presents the division laboratory school's organizational structure, including lines of authority and reporting between the governing board; staff; any related bodies, such as advisory bodies or parent and teacher councils; and any external organizations that will play a role in managing the division laboratory school.

16. A clear description of the roles and responsibilities for the governing board, the division laboratory school's leadership and management team, and any other entities shown in the organization chart.

17. A staffing chart for the division laboratory school's first year and a staffing plan for the term of the contract.

18. Plans for recruiting and developing the division laboratory school's leadership and staff.

19. The division laboratory school's leadership and teacher employment policies.

20. Proposed governing bylaws.

21. Explanations of any partnerships or contractual relationships central to the division laboratory school's operations or mission.

22. The division laboratory school's plans for providing transportation, food service, and all other significant operational and ancillary services.

23. A statement of opportunities and expectations for parent involvement.

24. A detailed division laboratory school start-up plan that identifies tasks, timelines, and responsible individuals.

25. A description of the division laboratory school's financial plan and policies, including financial controls and audit requirements.

26. A description of the insurance coverage that the division laboratory school will obtain.

27. Start-up and five-year budgets with clearly stated assumptions.

28. *Start-up and first-year cash-flow projections with clearly stated assumptions.*

29. *A description of the duties of the division laboratory school's foundation, as required pursuant to subsection F of § 22.1-349.22.*

30. *Evidence of anticipated fundraising contributions, if claimed in the application.*

31. *A sound facilities plan, including backup or contingency plans, if appropriate.*

32. *Assurances that the division laboratory school (i) is nonreligious in its programs, admission policies, employment practices, and all other operations and (ii) does not charge tuition.*

33. *Disclosure of any ownership or financial interest in the division laboratory school by the applicant and the governing board, administrators, and other personnel of the proposed division laboratory school and a requirement that the successful applicant and the governing board, administrators, and other personnel of the division laboratory school shall have a continuing duty to disclose such interests during the term of any contract.*

C. *A copy of each such application shall be submitted to the Board.*

**§ 22.1-349.17. Review of division laboratory school applications.**

A. *Each local school board shall establish procedures for receiving, reviewing, and ruling upon division laboratory school applications, post such procedures on its website, and make a copy of such procedures available to all interested parties upon request. If any such board finds the division laboratory school application is incomplete, the board shall request the necessary information from the applicant.*

B. *Each local school board that receives a complete division laboratory school application shall:*

1. *Submit any questions on the application to the applicant no later than 30 days after the date of receipt of the application. Any such applicant shall respond in writing to such questions no later than 15 days after the date of receipt of such questions, but such period may be extended by mutual agreement of the parties; and*

2. *Submit to the applicant a written ruling upon such application no later than 90 days after the date of receipt of the application, but such period may be extended by mutual agreement of the parties.*

C. *To provide appropriate opportunity for input from parents, teachers, citizens, and other interested parties and to obtain information to assist local school boards in their decisions to grant or deny a division laboratory school application, local school boards shall establish a procedure for public notice and to receive comment on division laboratory school applications. A local school board shall give at least 14 days' notice of its intent to receive public comment on an application.*

**§ 22.1-349.18. Reconsideration and technical assistance.**

A. *If a local school board denies a division laboratory school application, or revokes or fails to renew a contract, 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 division laboratory school applicant whose application was denied, or a grantee whose contract was revoked or not renewed, shall be entitled to petition the local school board for reconsideration. The petition for reconsideration shall be filed no later than 60 days from the date the division laboratory school application is denied or the contract is revoked or fails to be renewed. Such reconsideration shall be decided within 60 days of the filing of the petition.*

B. *Each local school board shall establish a process for reviewing petitions of reconsideration, which 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.*

C. *Prior to seeking reconsideration, an applicant or grantee may seek technical assistance from the Superintendent to address the reasons for denial, revocation, or nonrenewal.*

D. *Upon reconsideration, the decision of a local school board to grant or deny a division laboratory school application or to revoke or fail to renew a contract shall be final and not subject to appeal, but the local school board shall again provide to the applicant or grantee its reasons, in writing, for such decision, and it shall post such reasons on its website.*

E. *Nothing in this section shall prohibit an applicant whose application has been denied or a grantee whose contract has been revoked or not renewed from submitting a new application, pursuant to § 22.1-349.16.*

**§ 22.1-349.19. Division laboratory school restrictions.**

A. *Local school boards shall report the grant or denial of division laboratory school applications or the renewal of division laboratory school contracts to the Board and shall specify the maximum number of division laboratory schools that may be authorized, if any; the number of applications granted or denied and the number of contracts renewed; and whether a division laboratory school is designed to increase the educational opportunities of at-risk students.*

B. *Nothing in this article shall be construed to prevent a school that is the only school in the division from applying to become a division laboratory school.*

**§ 22.1-349.20. Division laboratory school term; renewals and revocations.**

A. *A contract may be approved or renewed for a period not to exceed five school years. A division laboratory school renewal application submitted to the local school board shall contain:*

1. A report on the progress of the division laboratory school in achieving the goals, objectives, program and performance standards for students, and such other conditions and terms as the local school board may require upon granting initial approval of the application.

2. A financial statement, on forms prescribed by the Board, that discloses the costs of administration, instruction, and other spending categories for the division laboratory school and that has been concisely and clearly written to enable the local school board and the public to compare such costs to those of other schools or comparable organizations.

B. Local school boards may revoke a contract if the division laboratory school:

1. Violates the conditions, standards, or procedures established in the division laboratory school application;

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

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

4. Violates any provision of law from which the division laboratory school was not specifically exempted.

C. Nothing in this section shall be construed to restrict the authority of local school boards to decline to renew a contract.

**§ 22.1-349.21. Employment of professional, licensed personnel.**

A. At the discretion of the local school board, division laboratory school personnel may be employees of the local school board granting the contract. Any personnel not employed by the local school board shall remain subject to the provisions of §§ 22.1-296.1, 22.1-296.2, and 22.1-296.4.

B. Professional, licensed education personnel may volunteer for assignment to a division laboratory school. Assignment to a division laboratory school shall be for one contract year. Upon request of the employee and the recommendation of the governing board of the division laboratory school, reassignment to the division laboratory school may occur on an annual basis.

C. Local school boards may employ such health, mental health, social services, and other related personnel to serve in residential division laboratory schools for at-risk students as set forth in the contract between such local school board and the residential division laboratory school; however, nothing herein shall require a local school board to fund the residential or other services provided by a residential division laboratory school.

**§ 22.1-349.22. Funding of division laboratory schools; services provided.**

A. For the purposes of this article, students enrolled in a division laboratory school shall be included in the average daily membership of the relevant school division and shall be reported in fall membership for purposes of calculating the state and local shares required to fund the Standards of Quality.

B. Insofar as constitutionally valid, a local school board may establish by contract an agreement stating the conditions for funding the division laboratory school, including funding for the educational program to be provided by a residential division laboratory school for at-risk students. In accordance with subsection D, the per pupil funding provided to the division laboratory school by the local school board shall be commensurate with the average school-based costs of educating the students in the existing schools in the division or divisions unless the cost of operating the division laboratory school is less than that average school-based cost.

C. Services provided to the division laboratory school by the local school board may include food services; custodial and maintenance services; curriculum, media, and library services; warehousing and merchandising; and such other services not prohibited by the provisions of this article or state and federal laws.

D. Any educational and related fees collected from students enrolled at a division laboratory school shall be credited to the account of such division laboratory school established by the relevant local school board.

E. Notwithstanding any other provision of law, the proportionate share of state and federal resources allocated for students with disabilities and school personnel assigned to special education programs shall be directed to division laboratory schools enrolling such students. The proportionate share of moneys allocated under other federal or state categorical aid programs shall be directed to division laboratory schools serving students eligible for such aid.

F. The governing board of a division laboratory school shall establish a foundation as a nonstock, nonprofit corporation for the purposes of soliciting or accepting gifts or donations, applying for or accepting grants, or otherwise raising funds of any kind for the division laboratory school.

G. The governing board of a division laboratory school is authorized to accept gifts, donations, or grants of any kind made to the division laboratory 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 governing board of a division laboratory school or its foundation if the conditions for such funds are

429 *contrary to law or the terms of the contract between the local school board and the division laboratory*  
430 *school.*

431 *H. The Department shall provide technical assistance to local school boards relating to receipt,*  
432 *review, and ruling upon applications for division laboratory schools.*

433 **§ 22.1-349.23. Division Laboratory School Fund.**

434 *There is created in the state treasury a special nonreverting fund to be known as the Division*  
435 *Laboratory School Fund, referred to in this section as "the Fund." The Fund shall be established on the*  
436 *books of the Comptroller. All funds appropriated in accordance with the general appropriation act and*  
437 *any gifts, grants, bequests, or donations from public or private sources shall be paid into the state*  
438 *treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and*  
439 *be credited to the Fund. Any moneys remaining in the Fund, including interest thereon, at the end of*  
440 *each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund*  
441 *shall be used solely for the purposes of establishing or supporting division laboratory schools.*  
442 *Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued*  
443 *by the Comptroller upon written request signed by the Superintendent. The Board shall establish criteria*  
444 *for making distributions from the Fund to a division laboratory school requesting moneys from the Fund*  
445 *and may issue guidelines governing the Fund as it deems necessary and appropriate.*

446 **§ 22.1-349.24. Report of division laboratory schools.**

447 *The Board shall report the number of division laboratory schools established in the Commonwealth,*  
448 *as well as the number of contracts denied, in its annual report to the Governor and the General*  
449 *Assembly pursuant to § 22.1-18.*

450 **§ 22.1-349.25. Immunity.**

451 *Division laboratory schools shall be immune from liability to the same extent as all other public*  
452 *schools in the Commonwealth, and the employees and volunteers in a division laboratory school are*  
453 *immune from liability to the same extent as the employees and volunteers in any other public school.*

454 **2. That § 22.1-349.2 of the Code of Virginia is repealed.**