

**CS FOR HOUSE BILL NO. 191(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 2/11/00

Referred: Rules

Sponsor(s): REPRESENTATIVES DYSON, Kohring, Mulder, Rokeberg

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to charter schools."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 \* **Section 1.** AS 14.03.250(a) is amended to read:

4 (a) A charter school may be established as provided under AS 14.03.250 -  
5 14.03.290 upon the approval of the local school board and the state Board of  
6 Education of an application for a charter school. The state Board of Education may  
7 not approve more than 60 [30] charter schools to operate in the state at any one time  
8 [AND SHALL APPROVE CHARTER SCHOOLS IN A GEOGRAPHICALLY  
9 BALANCED MANNER AS FOLLOWS: NOT MORE THAN 10 SCHOOLS IN  
10 ANCHORAGE; NOT MORE THAN FIVE SCHOOLS IN FAIRBANKS; NOT MORE  
11 THAN THREE SCHOOLS IN THE MATANUSKA-SUSITNA BOROUGH; NOT  
12 MORE THAN THREE SCHOOLS IN THE KENAI PENINSULA BOROUGH; NOT  
13 MORE THAN TWO SCHOOLS IN THE CITY AND BOROUGH OF JUNEAU; NOT  
14 MORE THAN SEVEN SCHOOLS LOCATED IN OTHER AREAS OF THE STATE,  
15 AND THESE SEVEN SCHOOLS SHALL BE ALLOCATED AS NEARLY

1 AS POSSIBLE IN A GEOGRAPHICALLY BALANCED MANNER THROUGHOUT  
2 THE REST OF THE STATE].

3 \* **Sec. 2.** AS 14.03.255(c) is amended to read:

4 (c) A charter school shall operate under a contract between the charter school  
5 and the local school board. A contract must contain the following provisions:

6 (1) a description of the educational program;

7 (2) specific levels of achievement for the education program;

8 (3) admission policies and procedures;

9 (4) administrative policies;

10 (5) a statement of the charter school's funding allocation from the local  
11 school board, **including the itemized costs of administrative or other services to be**  
12 **provided** [AND COSTS ASSIGNABLE] to the charter school [PROGRAM  
13 BUDGET];

14 (6) **the** method by which the charter school will account for receipts  
15 and expenditures;

16 (7) **the** location and description of the facility;

17 (8) **the** name of the teacher, or teachers, who, by agreement between  
18 the charter school and the teacher, will teach in the charter school;

19 (9) **the** teacher-to-student ratio;

20 (10) **the** number of students served;

21 (11) the term of the contract, not to exceed a term of **10** [FIVE] years;

22 (12) a termination clause providing that the contract may be terminated  
23 by the local school board for the failure of the charter school to meet educational  
24 achievement goals or fiscal management standards, or for other good cause;

25 (13) a statement that the charter school will comply with all state and  
26 federal requirements for receipt and use of public money;

27 (14) other requirements or exemptions agreed upon by the charter  
28 school and the local school board.

29 \* **Sec. 3.** AS 14.03.255(d) is amended to read:

30 (d) A charter school may be operated in an existing school district facility or  
31 in a facility within the school district that is not currently being used as a public

1 school, if the chief school administrator determines the facility meets requirements for  
 2 health and safety applicable to **public buildings or** other public schools in the district.

3 \* **Sec. 4.** AS 14.03.260(a) is amended to read:

4 (a) A local school board shall provide an approved charter school with an  
 5 annual program budget. The budget shall be not less than the **basic need for the**  
 6 **charter school as determined under AS 14.17.410(b)(1) and must reflect the**  
 7 **itemization and per student value required under (e) of this section** [AMOUNT  
 8 GENERATED BY THE STUDENTS ENROLLED IN THE CHARTER SCHOOL  
 9 LESS ADMINISTRATIVE COSTS RETAINED BY THE LOCAL SCHOOL  
 10 DISTRICT, DETERMINED BY APPLYING THE INDIRECT COST RATE  
 11 APPROVED BY THE DEPARTMENT OF EDUCATION AND EARLY  
 12 DEVELOPMENT. THE "AMOUNT GENERATED BY STUDENTS ENROLLED IN  
 13 THE CHARTER SCHOOL" IS TO BE DETERMINED IN THE SAME MANNER  
 14 AS IT WOULD BE FOR A STUDENT ENROLLED IN ANOTHER PUBLIC  
 15 SCHOOL IN THAT SCHOOL DISTRICT].

16 \* **Sec. 5.** AS 14.03.260 is amended by adding new subsections to read:

17 (e) A school district that intends to charge a charter school for services  
 18 provided shall itemize those services, and the cost of the itemized services shall be  
 19 separately identified. The portion of costs attributed to a charter school by the district  
 20 shall conform to the cost principles as described in United States Office of  
 21 Management and Budget Circular A-87 or conform to a cost allocation method  
 22 mutually agreed to by the school district and the charter school. In addition to  
 23 administration, services with benefits that are inseparable between the charter school  
 24 and the school district, services provided by a local school district may include audio-  
 25 visual services, curriculum, staff development and training, special needs and intensive  
 26 services, transportation, procurement, facility rental, and other services that are agreed  
 27 to between the local school district and the charter school. Except for services for  
 28 administration, services with benefits that are inseparable between the charter school  
 29 and the school district, or other services required by law, a charter school and a school  
 30 district may agree, as a provision of the contract between the charter school and the  
 31 school district, to specify those services provided by the school district that are not to

1 be provided to the charter school.

2 (f) In addition to the amount provided to an approved charter school in the  
3 annual program budget under (a) of this section, a charter school budget must include  
4 an allocation equal to the amount determined by dividing the amount of local revenues  
5 contributed under AS 14.17.410(c) by the average daily membership of the district and  
6 multiplying that number by the average daily membership of the charter school.

7 \* **Sec. 6.** AS 14.03.275 is amended to read:

8 **Sec. 14.03.275. Contracts; duration.** A contract for a charter school may be  
9 for a term of no more than **10** [FIVE] years [AND MAY NOT EXTEND BEYOND  
10 JULY 1, 2005].

11 \* **Sec. 7.** Section 9, ch. 77, SLA 1995, is repealed.