



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-1137/P2

P3

PG:eey:jf

Stays

DOA:.....Hynek, BB0370 – Charter School Authorizing Board

FOR 2013-2015 BUDGET – NOT READY FOR INTRODUCTION

1 AN ACT ^{don't gen}; relating to: the budget.

Analysis by the Legislative Reference Bureau
EDUCATION

PRIMARY AND SECONDARY EDUCATION

(see attached)

~~This is a preliminary draft. An analysis will be provided in a subsequent version of this draft.~~

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 2 SECTION 1. 15.07 (2) (c) of the statutes is created to read:
- 3 15.07 (2) (c) The chairperson of the charter school oversight board shall be
- 4 designated by the governor.
- 5 SECTION 2. 15.375 (1) of the statutes is created to read:
- 6 15.375 (1) CHARTER SCHOOL OVERSIGHT BOARD. (a) There is created a charter
- 7 school oversight board attached to the department of public instruction under s.

or his or her designee

1 15.03. The board shall consist of the state superintendent of public instruction and
2 the following members appointed for 3-year terms:

3 1. ~~Four~~^{Two} members appointed by the governor, at least one of whom has served
4 on the governing board of a charter school established under s. 118.40 (2r), has been
5 employed by a charter school established under s. 118.40 (2r), or has served on the
6 governing body of an entity specified in s. 118.40 (2r) (b) 1. a. to e.

7 2. a. ~~One~~^{Two} member, who ~~is~~^{is not} a legislator, appointed by the senate majority
8 leader.

9 b. One member, who is not a legislator, appointed by the senate minority leader.

10 c. ~~One~~^{Two} member, who ~~is~~^{is not} a legislator, appointed by the speaker of the
11 assembly.

12 d. One member, who is not a legislator, appointed by the assembly minority
13 leader.

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14 (b) The appointing authorities under par. (a) shall ensure to the extent feasible
15 that members appointed to the board are geographically diverse and have experience
16 and expertise in governing public and nonprofit organizations; in management and
17 finance; in public school leadership, assessment, and curriculum and instruction;
18 and in education law; and understand and are committed to the use of charter schools
19 to strengthen public education.

20 (c) No member of the board appointed under par. (a) may serve more than 2
21 consecutive terms.

22 (d) The board does not have rule-making authority.

23 SECTION 3. 111.81 (7) (f) of the statutes is amended to read:

1 111.81 (7) (f) Instructional staff employed by the board of regents of the
2 University of Wisconsin System who provide services for a charter school established
3 by contract under s. 118.40 (2r) (cm), 2011 stats.

4 **SECTION 4.** 111.815 (1) of the statutes, as affected by 2011 Wisconsin Acts 10
5 and 32, is amended to read:

6 111.815 (1) In the furtherance of this subchapter, the state shall be considered
7 as a single employer and employment relations policies and practices throughout the
8 state service shall be as consistent as practicable. The office shall negotiate and
9 administer collective bargaining agreements. To coordinate the employer position
10 in the negotiation of agreements, the office shall maintain close liaison with the
11 legislature relative to the negotiation of agreements and the fiscal ramifications of
12 those agreements. Except with respect to the collective bargaining unit specified in
13 s. 111.825 (1r), and (1t), the office is responsible for the employer functions of the
14 executive branch under this subchapter, and shall coordinate its collective
15 bargaining activities with operating state agencies on matters of agency concern.
16 The legislative branch shall act upon those portions of tentative agreements
17 negotiated by the office that require legislative action. With respect to the collective
18 bargaining units specified in s. 111.825 (1r), the Board of Regents of the University
19 of Wisconsin System is responsible for the employer functions under this subchapter.
20 With respect to the collective bargaining units specified in s. 111.825 (1t), the
21 chancellor of the University of Wisconsin-Madison is responsible for the employer
22 functions under this subchapter. With respect to the collective bargaining unit
23 specified in s. 111.825 (1r) (ef), the governing board of the charter school established
24 by contract under s. 118.40 (2r) (cm), 2011 stats., is responsible for the employer
25 functions under this subchapter.

1 **SECTION 5.** 111.825 (1r) (ef) of the statutes, as affected by 2011 Wisconsin Act
2 32, is amended to read:

3 111.825 (1r) (ef) Instructional staff employed by the board of regents of the
4 University of Wisconsin System who provide services for a charter school established
5 by contract under s. 118.40 (2r) (cm), 2011 stats.

6 **SECTION 6.** 111.825 (2) (f) of the statutes is amended to read:

7 111.825 (2) (f) Instructional staff employed by the board of regents of the
8 University of Wisconsin System who provide services for a charter school established
9 by contract under s. 118.40 (2r) (cm), 2011 stats.

10 **SECTION 7.** 111.92 (1) (c) of the statutes is amended to read:

11 111.92 (1) (c) Any tentative agreement reached between the governing board
12 of the charter school established by contract under s. 118.40 (2r) (cm), 2011 stats.,
13 acting for the state, and any labor organization representing a collective bargaining
14 unit specified in s. 111.825 (1r) (ef) shall, after official ratification by the labor
15 organization and approval by the chancellor of the University of
16 Wisconsin-Parkside, be executed by the parties.

17 **SECTION 8.** 115.001 (1) of the statutes is amended to read:

18 115.001 (1) CHARTER SCHOOL. "Charter school" means a school under contract
19 with a school board under s. 118.40 or with ~~one of the entities~~ an entity under s.
20 118.40 (2r) (b) 1., or a school established and operated by ~~one of the entities~~ an entity
21 under s. 118.40 (2r) (b) 1. a. to d.

22 **SECTION 9.** 118.40 (2) (b) (intro.) of the statutes is renumbered 118.40 (2) (b) and
23 amended to read:

1 118.40 (2) (b) A school board may grant a petition that would result in the
2 conversion of all of the public schools in the school district to charter schools if all of
3 the following apply:

4 **SECTION 10.** 118.40 (2) (b) 1. and 2. of the statutes are repealed.

5 **SECTION 11.** 118.40 (2m) (b) of the statutes is amended to read:

6 118.40 (2m) (b) A school board may not enter into a contract under par. (a) that
7 would result in the conversion of all of the public schools in the school district to
8 charter schools unless the school board complies with sub. (2) (b) 2.

9 **SECTION 12.** 118.40 (2r) (b) 1. (intro.) of the statutes is amended to read:

10 118.40 (2r) (b) 1. (intro.) All Except as provided in subd. 3., any of the following
11 entities may establish by charter and operate a charter school or, on behalf of their
12 respective entities, may initiate a contract with an individual or group a person to
13 operate a school as a charter school:

14 **SECTION 13.** 118.40 (2r) (b) 1. e. of the statutes is created to read:

15 118.40 (2r) (b) 1. e. Any nonprofit, nonsectarian organization or consortium of
16 such organizations approved by the charter school oversight board under par. (bm).

17 **SECTION 14.** 118.40 (2r) (b) 2. of the statutes is renumbered 118.40 (2r) (b) 2.
18 (intro.) and amended to read:

19 118.40 (2r) (b) 2. (intro.) A charter shall include all of the provisions specified
20 under sub. (1m) (b) 3. to 14. A contract shall include all of the provisions specified
21 under sub. (1m) (b) 1. to 14. and shall specify the effect of the establishment of the
22 charter school on the liability of the contracting entity under this paragraph. The
23 contract shall also include all of the following provisions and may include other
24 provisions agreed to by the parties.—The chancellor of the University of
25 Wisconsin—Milwaukee or of the University of Wisconsin—Parkside may not establish

1 J. ~~h.~~ A requirement that the charter school governing board participate in any
2 training provided by the entity under subd. 1.

3 SECTION 16. 118.40 (2r) (b) 3. of the statutes is repealed and recreated to read:

4 118.40 (2r) (b) 3. If an entity specified in subd. 1. a. to d. is operating a charter
5 school itself on the effective date of this subdivision ... [LRB inserts date], it may
6 continue to do so.

7 SECTION 17. 118.40 (2r) (bm) of the statutes is repealed and recreated to read:

8 118.40 (2r) (bm) 1. A nonprofit, nonsectarian organization or a consortium of
9 such organizations that wishes to contract with a charter school governing board to
10 operate a charter school shall submit an application to the charter school oversight
11 board. The application shall include all of the following and any other information
12 requested by the board:

13 a. A strategic plan for contracting with charter school governing boards that
14 submit high-quality proposals for charter schools that meet identified educational
15 needs and promote a diversity of educational choices.

16 b. A performance framework for use in supervising and evaluating charter
17 schools that addresses pupil academic proficiency, growth in pupil academic
18 achievement, gaps in achievement between groups of pupils, pupil attendance, the
19 readiness of pupils for postsecondary education, the financial proficiency and
20 sustainability of charter schools, and charter school management.

21 c. An assurance that the organization or consortium will ensure accountability
22 and transparency on the part of those charter school governing boards with which
23 it contracts.

24 d. A plan to improve ~~or close any~~ charter school under contract with the
25 organization or consortium, ^a ~~based on contractual performance standards.~~
or to close such a charter school,

including corrective action strategies, designed

7-2

1 e. A description of the types of charter schools the organization or consortium
2 is seeking to establish, and their potential attendance areas.

3 f. Information on the organization's or consortium's finances and other
4 resources necessary for the charter school oversight board to determine the
5 applicant's ability to perform its functions under this section.

6 g. A plan for entering into additional contracts in order to replicate successful
7 charter schools.

8 2. The charter school oversight board shall approve or deny an application
9 within 90 days of receiving the application.

10 SECTION 18. 118.40 (2r) (c) of the statutes is repealed and recreated to read:

11 118.40 (2r) (c) 1. An entity under par. (b) 1. may contract for the operation of
12 a charter school located anywhere in this state.

13 ~~2. An entity under par. (b) 1. may not contract with a charter school governing
14 board to operate a charter school if any school operated by that governing board has
15 a rating of "fails to meet expectations" or "meets few expectations" in the most recent
16 school report published by the department under s. 115.385, or for 7 years after a
17 school operated by that governing board had a contract nonrenewed by an entity
18 under par. (b) 1. or was closed due to poor performance.~~

19 3. An entity under par. (b) 1. may refuse to renew a contract with a charter
20 school governing board if the school under contract consistently receives the ratings
21 of "fails to meet expectations" or "meets few expectations" in the most recent school report published by the
22 department under

23 SECTION 19. 118.40 (2r) (cm) of the statutes is repealed.

24 SECTION 20. 118.40 (2r) (f) of the statutes is created to read: s. 115.385.

25 118.40 (2r) (f) A charter school established under this subsection is a local
educational agency under 20 USC 6301 to 6578 and as such is eligible for funding as

Handwritten annotations: A large box around lines 13-18 contains a crossed-out paragraph. A circled '8-11' is to the right. A circled '8-21' with an arrow points to line 21. A circled '2' is next to 'specified in subd. 2'. A circled '5' is at the end of the handwritten phrase 'meets few expectations'.

1 a local educational agency, and shall comply with all requirements of local
2 educational agencies, under 20 USC 6301 to 6578.

3 **SECTION 21.** 118.40 (3) (d) of the statutes is renumbered 118.40 (3m) (a) 3. and
4 amended to read:

5 118.40 (3m) (a) 3. ~~A school board or an entity under sub. (2r) (b) shall give~~ Give
6 preference in awarding contracts for the operation of charter schools to those charter
7 schools that serve children at risk, as defined in s. 118.153 (1) (a).

8 **SECTION 22.** 118.40 (3) (e) of the statutes is renumbered 118.40 (3m) (a) 2. and
9 amended to read:

10 118.40 (3m) (a) 2. When ~~establishing or~~ contracting for the establishment of
11 a charter school under this section, ~~a school board or entity specified under sub. (2r)~~
12 ~~(b) shall consider~~ adhere to the principles and standards for quality charter schools
13 established by the National Association of Charter School Authorizers.

14 **SECTION 23.** 118.40 (3) (f) of the statutes is created to read:

15 118.40 (3) (f) A contract with a school board or an entity under sub. (2r) (b) may
16 provide for the establishment of more than one charter school, and a charter school
17 governing board may enter into more than one contract with a school board or entity
18 under sub. (2r) (b).

19 **SECTION 24.** 118.40 (3) (g) of the statutes is created to read:

20 118.40 (3) (g) 1. Except as provided in subds. 2. and 3. and sub. (4) (ar) 1., a
21 contract with a school board or an entity under sub. (2r) (b) shall require that if the
22 capacity of the charter school is insufficient to accept all pupils who apply, the charter
23 school shall accept pupils at random.

1 2. A charter school shall give preference in enrollment to pupils who were
2 enrolled in the charter school in the previous school year and to siblings of pupils who
3 are enrolled in the charter school.

4 3. A charter school may give preference in enrollment to the children of the
5 charter school's founders, governing board members, and full-time employees, but
6 the total number of such children given preference may constitute no more than 10
7 percent of the charter school's total enrollment.

8 **SECTION 25.** 118.40 (3m) (title) and (a) (intro.) of the statutes are created to
9 read:

10 118.40 (3m) (title) AUTHORIZING ENTITY DUTIES. (a) (intro.) A school board or
11 entity under sub. (2r) (b) shall do all of the following:

12 **SECTION 26.** 118.40 (3m) (a) 1. and 4. to 6. of the statutes are created to read:

13 118.40 (3m) (a) 1. Solicit and evaluate charter school applications.

14 4. Approve only high-quality charter school applications that meet identified
15 educational needs and promote a diversity of educational choices.

16 5. In accordance with the terms of each charter school contract, monitor the
17 performance and compliance with this section of each charter school with which it
18 contracts.

19 6. Annually, submit to the state superintendent and to the legislature under
20 s. 13.172 (2) a report that includes all of the following:

21 a. An identification of each charter school operating under contract with it,
22 each charter school that operated under a contract with it but had its contract
23 nonrenewed or revoked or that closed, and each charter school under contract with
24 it that has not yet begun to operate.

1 b. The academic and financial performance of each charter school operated
2 under contract with it.

3 c. The operating costs of the school board or entity under sub. (2r) (b) incurred
4 under subs. 1. to 5., detailed in an audited financial statement prepared in
5 accordance with generally accepted accounting principles.

6 d. The services the school board or entity under sub. (2r) (b) has provided to the
7 charter schools under contract with it and an itemized accounting of the cost of the
8 services.

9 **SECTION 27.** 118.40 (3m) (b) of the statutes is created to read:

10 118.40 (3m) (b) An organization or consortium approved by the charter school
11 oversight board under sub. (2r) (bm) annually shall submit a report to the charter
12 school oversight board that includes all the information specified in par. (a) 6.

13 **SECTION 28.** 118.40 (4) (title) of the statutes is amended to read:

14 118.40 (4) (title) CHARTER SCHOOL GOVERNING BOARD; DUTIES, POWERS, AND
15 RESTRICTIONS.

16 **SECTION 29.** 118.40 (4) (a) of the statutes is renumbered 118.40 (4) (ar), and
17 118.40 (4) (ar) (intro.), as renumbered, is amended to read:

18 118.40 (4) (ar) *Duties.* (intro.) A charter school governing board shall do all of
19 the following:

20 **SECTION 30.** 118.40 (4) (ag) of the statutes is created to read:

21 118.40 (4) (ag) *Governing board.* Each charter school shall be governed by a
22 governing board that is a party to the contract with the authorizing entity. No more
23 than a minority of the governing board's members may be ^{employees} staff of the charter school
24 or of the school district in which the charter school is located.

25 **SECTION 31.** 118.40 (4) (b) (intro.) of the statutes is amended to read:

employees or officers

1 118.40 (4) (b) *Restrictions*. (intro.) A charter school governing board may not
2 do any of the following:

3 **SECTION 32.** 118.40 (4) (b) 2. of the statutes is amended to read:

4 118.40 (4) (b) 2. Except as provided in ~~par. (e)~~ sub. (3) (h), discriminate in
5 admission or deny participation in any program or activity on the basis of a person's
6 sex, race, religion, national origin, ancestry, pregnancy, marital or parental status,
7 sexual orientation or physical, mental, emotional or learning disability.

8 **SECTION 33.** 118.40 (4) (c) of the statutes is renumbered 118.40 (3) (h) and
9 amended to read:

10 118.40 (3) (h) ~~*Single-sex schools and courses*~~. A school board may enter into
11 a contract for, and an entity under sub. (2r) may establish or enter into a contract for,
12 the establishment of establish a charter school that enrolls only one sex or that
13 provides one or more courses that enroll only one sex if the school board or entity
14 under sub. (2r) makes available to the opposite sex, under the same policies and
15 criteria of admission, schools or courses that are comparable to each such school or
16 course.

17 **SECTION 34.** 118.40 (4) (d) of the statutes is created to read:

18 118.40 (4) (d) *Powers*. Subject to the terms of its contract, a charter school
19 governing board has all the powers necessary to carry out the terms of its contract,
20 including the following:

21 1. To receive and disburse funds for school purposes.

22 2. To secure appropriate insurance.

23 3. To enter into contracts, including contracts with a University of Wisconsin
24 institution or college campus, technical college district board, or private college or

1 university, for technical or financial assistance, academic support, curriculum
2 review, or other services.

3 4. To incur debt in reasonable anticipation of the receipt of funds.

4 5. To pledge, assign, or encumber its assets to be used as collateral for loans or
5 extensions of credit.

6 6. To solicit and accept gifts or grants for school purposes.

7 7. To acquire real property for its use.

8 8. To sue and be sued in its own name.

9 **SECTION 35.** 118.40 (6) of the statutes is amended to read:

10 118.40 (6) PROGRAM VOLUNTARY. No Unless all of the public schools in a school
11 district have been converted to charter schools under sub. (2) (b) or (2m) (b), no pupil
12 may be required to attend a charter school without his or her approval, if the pupil
13 is an adult, or the approval of his or her ~~parents~~ parent or legal guardian, if the pupil
14 is a minor.

15 **SECTION 36.** 118.51 (1) (a) of the statutes is renumbered 118.51 (1) (ag).

16 **SECTION 37.** 118.51 (1) (ad) of the statutes is created to read:

17 118.51 (1) (ad) “Charter school” excludes a school under contract with an entity
18 under s. 118.40 (2r) (b).

19 **SECTION 38.** 227.01 (13) (sm) of the statutes is created to read:

20 227.01 (13) (sm) Is a standard or statement of policy adopted by the charter
21 school oversight board.

22 **SECTION 39.** 230.35 (1s) of the statutes is amended to read:

23 230.35 (1s) Annual leave of absence with pay for instructional staff employed
24 by the board of regents of the University of Wisconsin System who provide services
25 for a charter school established by contract under s. 118.40 (2r) (cm), 2011 stats.,

1 shall be determined by the governing board of the charter school established by
2 contract under s. 118.40 (2r) (cm), 2011 stats., as approved by the chancellor of the
3 University of Wisconsin-Parkside.

4 **SECTION 9134. Nonstatutory provisions; Public Instruction.**

5 (1) CHARTER SCHOOL OVERSIGHT BOARD. Notwithstanding section 15.375 (1) of the
6 statutes, as created by this act, ^eof the initial members appointed to the charter school
7 oversight board under section 15.375 (1) (a) ^{ie}1. of the statutes, as created by this act, ¹⁴⁻⁷
8 ~~two members~~ shall be appointed for terms expiring on May 1, 2016, and ^{e one}two members
9 shall be appointed for ^aterms expiring on May 1, 2017; ^aof the initial members
10 ¹⁴⁻⁹~~appointed~~ ¹under section 15.375 (1) (a) 2. ^{a.} of the statutes ^{plan-no strike}~~as created by this act, the~~
11 ~~member appointed under section 15.375 (1) (a) 2. a. of the statutes, as created by this~~
12 ~~act,~~ shall be appointed for a term expiring on May 1, 2015, ^{any 14-12}~~the member appointed~~
13 under section 15.375 (1) (a) 2. b. of the statutes, as created by this act, shall be
14 appointed for a term expiring on May 1, 2016, ^e~~the member appointed~~ ^{1 (d) One}under section
15 15.375 (1) (a) 2. c. of the statutes, as created by this act, shall be appointed for a term
16 expiring on May 1, ¹⁴⁻¹⁶~~2017~~, and the member ~~appointed~~ under section 15.375 (1) (a) 2.
17 d. of the statutes, as created by this act, shall be appointed for a term expiring on May
18 1, 2018. ¹⁴⁻¹⁸

19 **SECTION 9334. Initial applicability; Public Instruction.**

20 (1) CHARTER SCHOOL CONTRACTS. The treatment of section 118.40 (2r) (b) 2. and
21 (c), (3) (e) and (g), and (4) (ag) and (d) of the statutes first applies to a contract for the
22 establishment of a charter school that is entered into, renewed, or modified on the
23 effective date of this subsection.

24 ~~END~~

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Nonstat File Sequence: **FFF**

LRB _____ / _____

_____ : _____ : _____

EFFECTIVE DATE

1. In the component bar: For the action phrase, execute: ... **create** → **action:** → *NS: → **effdate**
For the text, execute: **create** → **text:** → *NS: → **effdateA**
2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed.

SECTION # _____ . Effective date.

(#1) () This act takes effect on

1. In the component bar: For the action phrase, execute: .. **create** → **action:** → *NS: → **effdateE**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed.

SECTION # _____ . Effective dates;

..... This act takes effect on the day after publication, except as follows:

(#1) () The treatment of sections of the statutes takes effect on

1. In the component bar: For the budget action phrase, execute:.. **create** → **action:** → *NS: → **94XX**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed. Below, for the budget, fill in the 9400 department code.

SECTION 94 ^v 3 4 . Effective dates; ... public

instruction
.....
(#1) (CS) CHARTER SCHOOL GOVERNING BOARD. The treatment of sections 118.40 (4)(a) of the statutes takes effect on September 1, 2013

BILL

1 ~~118.40 (7) (c), 118.51 (1) (ag), 119.60 (5) and 230.08 (2) (wc) of the statutes;~~
 2 ~~relating to: charter schools, creating a Charter School Authorizing Board,~~
 3 ~~granting rule-making authority, and making an appropriation.~~ a person

Analysis by the Legislative Reference Bureau

Under current law, school boards may enter into contracts with individuals, groups, businesses, or governmental bodies to establish charter schools which operate with fewer constraints than traditional public schools. Current law also permits the University of Wisconsin (UW)-Milwaukee, UW-Parkside, the Milwaukee Area Technical College, and the city of Milwaukee to operate charter schools (independent charter schools) directly or to contract for the operation of such charter schools. In general, only pupils who reside in the school district in which an independent charter school is located may attend the charter school. No entity authorized to establish an independent charter school may establish a virtual charter school.

2A

This bill allows a cooperative educational service agency (CESA) to contract for the operation of independent charter schools. The bill also creates an independent state agency, the Charter School Authorizing Board (CSAB), and authorizes it to contract for the operation of independent charter schools. The CSAB consists of the state superintendent of public instruction and six other members. Of the latter members, two are appointed by the governor, and four by the leaders in the senate and assembly. The bill prohibits the CSAB from promulgating administrative rules. The bill permits the CSAB and a CESA to contract for the establishment of charter schools located anywhere in the state, although the CSAB may contract only with a nonprofit corporation and only if the charter school will be located in a school district with an enrollment of less than 2,000.

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six
2B

The bill eliminates the authority of the entities specified above to establish an independent charter school directly. Under the bill, a charter school may be established only by contract. The bill removes the restrictions that limit who may attend an independent charter school. Under the bill, only a school board or a CESA may establish a virtual charter school.

approved
of any nonprofit organization

two are appointed by the state superintendent,

and must be operated by a charter school governing board

The bill allows a charter school contract to provide for more than one charter school, and allows a charter school governing board to enter into more than one contract. Until the 2019-20 school year, the bill limits the number of contracts that the CSAB may enter into.

The bill provides that if a nonprofit corporation wishes to contract with the CSAB to operate a charter school, it must apply concurrently to the CSAB and the school board of the school district in which it wishes to locate the charter school by July 1. The school board has until October 1 to enter into a contract with the nonprofit corporation unless the school board and the nonprofit corporation jointly request the CSAB for an additional 30 days. If the school board does not wish to contract with the corporation or fails to successfully negotiate a contract with the

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corporation, the application is referred to the CSAB. The CSAB must determine by February 1 whether to contract with the corporation.

The bill provides that the governing body of a nonprofit corporation that has established one or more charter schools under a contract with a school board or other entity (other than the CSAB) may contract with the CSAB to operate a charter school without following the requirements described above. The bill requires the nonprofit to provide the CSAB with specified information about the proposed charter school, and requires the CSAB to contract with the nonprofit if it determines that all of the following apply:

1. The charter school will be located in a school district in which the nonprofit has established one or more charter schools under contract with a school board or other entity.

2. The school district has a graduation rate that is lower than 75 percent.

3. If fewer than 50 percent of the pupils in the school district are eligible for a free or reduced-price lunch, an average of at least 90 percent of the pupils attending charter schools operated by the nonprofit in the school district scored at the proficient or advanced level in the reading and mathematics portion of the state assessments.

4. If 50 percent or more of the pupils are eligible for a free or reduced-price lunch, the average described above must be at least 75 percent.

The bill requires every charter school under contract with the CSAB to pay an annual fee to the CSAB. The bill allows a charter school under contract with an authorizing entity, including the CSAB, to provide health care for its employees under the Group Insurance Board health coverage plan for local government employees if the charter school has become a participating employer in the Wisconsin Retirement System. Although a charter school's employees are not state employees and may not be local government employees, the bill provides that a charter school's governing board may elect to become a participating employer under the Wisconsin Retirement System.

Current law prohibits a school board from converting all of the public schools in the school district to charter schools unless the school board provides alternative public school attendance arrangements for pupils who do not wish to attend or are not admitted to a charter school. In addition, a school board may not grant a petition to establish a charter school that would result in the conversion of all the public schools in the school district to charter schools unless at least 50 percent of the teachers employed by the school district sign the petition.

This bill eliminates the conditions on converting all of a school district's public schools to charter schools and explicitly permits a school board to do so.

Current law provides that no pupil may be required to attend a charter school without his or her approval, if the pupil is an adult, or the approval of his or her parents, if the pupil is a minor. This bill provides that this prohibition does not apply if all of a school district's public schools are converted to charter schools.

The bill requires that a charter school accept pupils at random if the capacity of the school is insufficient to accept all applicants. A charter school must, however, give preference in enrollment to pupils who were enrolled in the school in the previous school year and to siblings of pupils who are enrolled in the school. In

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addition, the bill allows a charter school to give preference in enrollment to children of the charter school's founders, governing board members, and full-time employees so long as the number of such children given preference constitutes no more than 10 percent of the school's enrollment.

The bill requires each charter school authorizer to submit an annual report to the legislature and the ~~Department of Public Instruction (DPI)~~ that includes the following:

1. An identification of each charter school under contract with it and each charter school that had its contract nonrenewed or revoked or that closed.
2. The academic and financial performance of each charter school.
3. Its operating costs, detailed in an audited financial statement.
4. The services it provided to the charter schools under contract with it.

~~The bill directs DPI to promulgate rules establishing a charter school teaching license that allows the licensee to teach multiple subjects in a charter school. The rules must require the applicant to demonstrate competence in each subject and must provide the applicant several means of doing so.~~

~~Under current law, pupils attending a charter school under contract with a school board are counted in the school district's enrollment for state aid purposes. This bill also counts in a school district's enrollment those resident pupils who are attending an independent charter school under contract with the CSAB or a CESA. However, the bill reduces the school district's state aid by an amount equal to the number of such pupils multiplied by the per pupil state aid amount that is paid to the independent charter schools.~~

~~Under current law, state aid to independent charter schools is funded by a reduction in general school aid, applied on a prorated basis to all school districts. This bill subtracts the total amount of the state aid reductions described above before calculating this prorated reduction amount.~~

~~Because this bill relates to public employee retirement or pensions, it may be referred to the Joint Survey Committee on Retirement Systems for a report to be printed as an appendix to the bill.~~

4A

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

~~**The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:**~~

- 1 ~~SECTION 1. 15.07 (1) (a) 7. of the statutes is created to read:~~
- 2 ~~15.07 (1) (a) 7. Members of the charter school authorizing board appointed~~
- 3 ~~under s. 15.56 shall be appointed as provided in that section.~~
- 4 ~~SECTION 2. 15.07 (2) (c) of the statutes is created to read:~~

J

(2A)

If this bill creates the Charter School Oversight Board (CSOB), attached to DPL, and authorizes it to approve nonprofit, nonsectarian organizations, or consortia of such organizations, to contract with persons to operate independent charter schools. The CSOB consists of the

(2B)

and provides that any policy or standard adopted by the CSOB is exempt from the rulemaking process

(2 C) 1

¶ A nonprofit, nonsectarian organization or consortium of such ^{organizations} that wishes to contract with a charter school governing board to operate a charter school must apply to the CSOB. The application must include a strategic plan for ^{such} contracting; a performance framework for use in supervising and evaluating charter schools; an assurance that ^{the organization or consortium} will ensure accountability and transparency on the part of the governing boards with which it contracts; a plan, ^{including corrective action strategies, designed} to improve ~~or close~~ a charter school, ^{or close such a school,} that fails to meet ~~the~~ contractual performance standards; a description of the types of charter schools it is seeking to establish; information on its finances; ^{and} a plan for entering ^{into} additional

~~2/2/2017~~

20-2

contracts in order to replicate successful
 charter schools. The CSOB must
 approve or deny an application within
 90 days.

The bill provides that no authorizer
 of independent charter schools may enter into
 a contract for the operation of a charter
 school if any charter school operated by
 that governing board has a rating of
 "fails to meet expectations" or "meets few
 expectations" by the DPI in the most
 recent school report published by DPI, or for
 seven years after a charter school
 operated by that governing board had a
 contract nonrenewed or was closed due
 to poor performance.

2C-~~3~~

The bill provides that the contract authorizing between an entity and the independent charter school's governing board must allow the former to charge the governing board a fee.

2D

(no 9) The bill allows a school board to prohibit a pupil who resides in the school district from attending an independent charter school unless the school district's enrollment is at least 4,000 and at least two schools in the school district were rated "fails to meet expectations" or "meets few expectations" in DPI's most recent school report.

(41)

41 The bill directs each nonprofit organization or consortium that has been approved by ~~DPI~~ ^{the CSOB} to contract with a charter school operator annually to submit an identical report to the CSOB.

2-13

¶ 3. Two members, appointed by the state superintendent of public instruction,

who have experience and expertise in charter schools or governing charter school authorizers.

In addition to the qualifications under par. (b)

6-8

¶ b. Provisions detailing the corrective measures the charter school governing board will take if the charter school fails to meet performance standards.

6-12

(nw ¶) If the ^{charter school} governing board opens one or more additional charter schools, the existing contract ~~shall~~ applies to the ^{school or} new schools unless the parties agree to amend the contract or enter into a new contract.

B-14

e. A requirement that ~~ensures~~ the entity
under subd. 1. ^{have} direct access to pupil data.

1 ~~or enter into a contract for the establishment of a charter school under this~~
2 ~~paragraph without the approval of the board of regents of the University of~~
3 ~~Wisconsin System;~~

4 SECTION 15. 118.40 (2r) (b) 2. a. to ^h of the statutes are created to read:

5 118.40 (2r) (b) 2. a. A requirement that the charter school governing board
6 adhere to specified annual academic and operational performance standards
7 developed in accordance with the performance framework of the entity with which
8 it is contracting.

6-8 →

9 c. A provision allowing the governing board of a charter school that receives a
10 rating of "exceeds expectations" or "significantly exceeds expectations" in the most
11 recent school report published by the department under s. 115.385 ~~to contract with~~
12 ~~the entity~~ to open ^{one or more} additional charter schools. 6-12

****NOTE: Section 115.385 is created in 2013 LRB-1158.

13 d. The methodology that will be used by the charter school governing board to
14 monitor and verify pupil enrollment, credit accrual, and course completion.

6-14 →

15 e. A description of the administrative relationship between the parties to the
16 contract.

17 f. A requirement that the charter school governing board hold parent-teacher
18 conferences at least annually.

19 g. A requirement that if more than one charter school is operated under the
20 contract, the charter school governing board reports to the entity under subd. 1. on
21 each charter school separately.

22 h. A requirement that the charter school governing board provide the data
23 needed by the entity under subd. 1. for purposes of making the report required under
24 sub. (3m) (a) 6.

7-2

~~k. A provision authorizing the entity under subd. 1. to charge the charter school governing board a fee,~~

k. A description of all fees that the entity under subd. 1. will charge the charter school governing board,

8-21:1

4. a. A school board may prohibit a pupil who resides in the school district from attending a charter school established under this subsection unless the school district's ~~base~~ membership, as defined in s. 121.004 (5), is at least 4,000 and at least ~~two~~² public schools in the school district were created ~~by~~ "fails to meet expectations" or "meets few expectations" in the most recent school report published by the department under s. 115.385.

b. A pupil who resides in a school district in which the school board may prohibit a pupil from attending a charter school established under this subsection shall submit an application

8-21:2

to the school board. The school board shall
issue a decision

allowing or prohibiting the
pupil from attending
the charter school.

within 30 days of receiving the application,

14-7

~~The following members shall be appointed~~

shall be appointed as follows:

¶ (a) One member under section 15.375(1)

NS:par (a) 1. of the statutes, as created by this act,

14-12

and one member shall be appointed

(b) One member
for a term expiring on May 1, 2017.

¶ (c) The

14-16

2015, and one member shall be

appointed for a term expiring on

May 1, 2017.

¶ (e) The

14-18

(f) One member ~~appointed~~ under section 15.375(1)(a) 3. of the statutes, ^{as created by this act,} shall be appointed for a term expiring on May 1, 2016, and one member shall be appointed for a term expiring on May 1, 2018.

Grant, Peter

From: Hynek, Sara - DOA <Sara.Hynek@Wisconsin.gov>
Sent: Friday, February 08, 2013 4:19 PM
To: Grant, Peter
Subject: FW: Charter School Authorizing Board

Peter, a few more things from Michael:

1. On page 4, we would like #3 to mirror the language in the Gov's appointees. So it should say something like "two members, appointed by the state superintendent of public instruction, who in addition to the qualifications under par. (b) also have served on the governing board of a charter school established under s. 118.40(2r), have been employed by a charter school established under s. 118.40(2r), or have served on the governing body of an entity specified in s. 118.40(2r)(b)1.a. to e." OK?
2. On page 8, beginning with line 3 – the preference is to have this apply to existing schools. As is, it appears that this provision would only apply if you have a new contract. We would like to make this a stand alone requirement – so, governing boards of a charter school with As or Bs on the school report card may open one or more additional charter schools. If they do, the applicable existing contract with an authorizer applies, unless.... etc. etc.
3. Section 16 on page 9 – I think Michael was concerned about the current 2r authorizers being able to continue going on as they are (current schools). Can we add language here after "may continue to do so" that goes something like "and may continue to authorize additional schools as if approved by the board"? I think he was particularly worried by the up-front analysis (first sentence, 3rd paragraph) and wanted to be very clear about this. → *Δ ability only.*
4. Eliminate 118.40(2r)(c)3 on page 10, regarding ability to refuse to renew.

Thanks – I'll be here until 5, checking email, and likely in tomorrow afternoon if you want to discuss!

From: Scott.Thornton@Wisconsin.Gov [<mailto:Scott.Thornton@Wisconsin.Gov>]
Sent: Friday, February 08, 2013 2:00 PM
To: Hynek, Sara - DOA
Cc: Thornton, Scott - DOA; Thornton, Scott - DOA; Hynek, Sara - DOA
Subject: Charter School Authorizing Board

We have received an LRB draft for DOA Tracking Code: BB0370

LRB Draft Number: 1137/P3

Drafting Attorney: Peter R. Grant
Phone: (608) 267-3362
E-mail: Peter.Grant@legis.wisconsin.gov

The document can be found in the Stat Language site on SharePoint.

Please Note: All new drafts are marked "OUT" and Final = "No" by default. Please update these fields in this record and related drafts as soon as you know if they are "IN" or Final.

Thanks,

Scott