

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, No. 3083

STATE OF NEW JERSEY

DATED: MAY 23, 2011

The Assembly Education Committee favorably reports an Assembly Committee Substitute for Assembly Bill No. 3083.

Under the "Charter School Program Act of 1995," P.L.1995, c.426, (C.18A:36A-1 et seq.), the Commissioner of Education is granted the authority to approve applications for the establishment of charter schools and to regulate and oversee their operations. This committee substitute will allow the State Board of Education to approve up to three four-year public institutions of higher education as charter school authorizers. Once approved, an institution will be authorized to review and approve applications for the establishment of new charter schools, grant, renew, and revoke the charters of charter schools, and will be responsible for the ongoing monitoring of any charter school it authorizes.

The State Board of Education is to establish a process for the designation of an institution of higher education as a charter school authorizer. The State board is directed to issue a request for qualifications to the governing board of each institution that includes a description of the qualifications to be possessed by an institution in order to serve as an authorizer. The governing board of each institution will be eligible to submit an application to the State board in response to the request for qualifications. The application will require an applicant to demonstrate:

- (1) its capacity to oversee the academic, operational, and fiscal operations of a charter school, including the organizational infrastructure necessary to act as a charter school authorizer;

- (2) a knowledge and understanding of the legal and regulatory issues associated with charter schools;

- (3) an application and review process to be used to make decisions regarding the granting of charters;

- (4) a public hearing process to allow the community in which a charter school will be located to comment on a charter school application;

- (5) a process for negotiating and executing performance contracts with approved charter schools that clearly articulate the rights and responsibilities of each party regarding charter school autonomy, any

exemptions to State regulations granted pursuant to law, expected student outcomes, measures for evaluating the success or failure of a charter school, and performance consequences;

(6) a process for providing on-going oversight of a charter school consistent with performance contract expectations; and

(7) a plan for administering the authorizing responsibilities established pursuant to law.

The State board will execute an authorizing contract with each approved institution. The contract will be for a term of three years with options to extend the contract for two additional one-year periods.

The board of trustees of a four-year public institution of higher education that is approved by the State board as a charter school authorizer is to establish a charter authorizer office and review board and select individuals for the review board with knowledge in at least one of the following areas:

(1) research about, and experience in, student learning, quality teaching, and the evaluation and accountability of successful schools;

(2) the skills associated with the start-up and operation of a fiscally sound enterprise, including leadership, management, budgeting, and accounting;

(3) the educational, social, and economic development needs of the State; and

(4) the needs and interests of students and parents in the State and strategies for involving parents and other members of the community in individual schools.

A charter school authorizer may charge a charter school a fee for its ongoing oversight of the charter school in an amount not to exceed 2% of the base per pupil amount as established under the "School Funding Reform Act of 2008," P.L.2007, c.260 (C.18A:7F-43 et al.). The fee is to be assessed in accordance with an agreement entered into between the authorizer and the charter school and approved by the State board.

The State Board of Education will be responsible for the on-going oversight of the performance and effectiveness of each charter school authorizer. The State board may take corrective action at any time against a charter school authorizer approved by the State board, including suspending or terminating designation as an authorizer for:

(1) failure to adequately discharge the responsibilities of an authorizer;

(2) unsatisfactory performance as a charter school authorizer;

(3) failure to provide appropriate oversight of one or more charter schools;

(4) persistent unsatisfactory performance of the authorizer's portfolio of charter schools;

(5) failure to comply with the provisions of an authorizing contract entered into with the State board or any contract entered into with a charter school; or

(6) any other good cause as determined by the State board.

The substitute also does the following:

- expands the list of persons and entities that may submit an application to establish a charter school;
- provides that a charter school authorizer must accept applications at least twice each year, notice of the filing of an application must be posted on the charter school authorizer's website and communicated via e-mail to affected school districts and municipalities within 15 business days, and the authorizer must make a decision on the application within 150 days of receipt of the application;
- provides that a charter school authorizer may not approve a charter school application that has been denied by another authorizer within one year of the date of the denial;
- expands the information that must be included in an application to establish a charter school including information on the specialized focus and innovative methods to be used in the proposed charter school, whether the school's proposed model is being successfully implemented in the charter school's district of residence, how the proposed program will improve the academic performance of student subgroups, and the school's capacity to address the needs of limited English proficient students;
- provides that a charter school will submit its application for renewal of its charter six months prior to the expiration of the current charter. The substitute expands the information that must be included in the renewal application to include information on the progress of the charter school in achieving its educational objectives, a detailed financial statement that allows for comparison of costs with other public schools and nonpublic schools, and indications of parent and student satisfaction with the charter school; and
- provides that an initial charter will be granted for a period of five years as opposed to the current four years. The first renewal of a charter would also be granted for a five-year period with a ten-year period for each subsequent charter renewal.