

# ASSEMBLY, No. 1008

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## STATE OF NEW JERSEY 217th LEGISLATURE

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PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

**Sponsored by:**

**Assemblywoman MILA M. JASEY**

**District 27 (Essex and Morris)**

**Assemblyman TIM EUSTACE**

**District 38 (Bergen and Passaic)**

**Assemblyman DAVID W. WOLFE**

**District 10 (Ocean)**

**Co-Sponsored by:**

**Assemblyman Singleton**

**SYNOPSIS**

Provides for the designation of new charter school authorizers.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



A1008 JASEY, EUSTACE

2

1 AN ACT concerning the authorization of charter schools, amending  
2 P.L.2000, c.142, and amending and supplementing P.L.1995,  
3 c.426.  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 1. (New section) The Legislature finds and declares that:

9 a. The “Charter School Program Act of 1995,” P.L.1995, c.426  
10 (C.18A:36A-1 et seq.), has provided students in this State with high  
11 quality public school choice while advancing overall academic  
12 excellence and closing the achievement gap among students.

13 b. The demand for public school choice consistently exceeds  
14 the supply of such choice.

15 c. National research and experience have documented that  
16 quality charter schools best fulfill their potential when they have the  
17 resources, autonomy, and accountability they need to succeed.

18 d. The time has come therefore to improve and update the  
19 provisions of the “Charter School Program Act of 1995” in order to  
20 meet the current and future educational needs of students and their  
21 families.  
22

23 2. (New section) As used in this act, “charter school  
24 authorizer” means an entity charged with granting, renewing, and  
25 revoking charters for charter schools established pursuant to the  
26 provisions of P.L.1995, c.426 (C.18A:36A-1 et seq.). A charter  
27 school authorizer is also responsible for the ongoing monitoring of  
28 the charter schools it has authorized.

29 A charter school authorizer shall include the Commissioner of  
30 Education and up to three four-year public institutions of higher  
31 education approved by the State Board of Education as charter  
32 school authorizers.  
33

34 3. (New section) a. The State Board of Education shall  
35 establish a process for the designation of up to three four-year  
36 public institutions of higher education as charter school authorizers.  
37 The State board shall issue a request for qualifications to the  
38 governing board of each four-year public institution of higher  
39 education that includes a description of the qualifications to be  
40 possessed by an institution in order to serve as a charter school  
41 authorizer. The governing board of each four-year public  
42 institution of higher education shall be eligible to submit an  
43 application to the State board, in response to the request for  
44 qualifications, for designation as a charter school authorizer.

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

- 1       b. The application shall require each applicant institution to  
2 demonstrate:
- 3       (1) its capacity to oversee the academic, operational, and fiscal  
4 operations of a charter school, including the organizational  
5 infrastructure necessary to act as a charter school authorizer;
- 6       (2) a knowledge and understanding of the legal and regulatory  
7 issues associated with charter schools;
- 8       (3) an application and review process to be used to make  
9 decisions regarding the granting of charters;
- 10       (4) a public hearing process to allow the community in which a  
11 charter school will be located to comment on a charter school  
12 application in order to inform the charter school authorizer's  
13 evaluation of the application;
- 14       (5) a process for negotiating and executing performance  
15 contracts with approved charter schools that clearly articulate the  
16 rights and responsibilities of each party regarding charter school  
17 autonomy, any exemptions to State regulations granted pursuant to  
18 section 11 of P.L.1995, c.426 (C.18A:36A-11), expected student  
19 outcomes, measures for evaluating the success or failure of a charter  
20 school, and performance consequences;
- 21       (6) a process for providing on-going oversight of a charter  
22 school consistent with performance contract expectations, and  
23 assurances that charter schools are complying with all applicable  
24 State laws and regulations; and
- 25       (7) a plan for administering the authorizing responsibilities  
26 established pursuant to law.
- 27       c. Upon approval by the State board, a four-year public  
28 institution of higher education may act as a charter school  
29 authorizer. The State board shall execute an authorizing contract  
30 with each approved charter school authorizer. The authorizing  
31 contract shall include, but not be limited to, a provision that directs  
32 the authorizer to demonstrate its compliance with the requirements  
33 of paragraphs (1) through (7) of subsection b. of this section. The  
34 authorizing contract shall be for a term of three years with options  
35 to extend the contract for two additional one-year periods. The  
36 authorizing contract shall include a provision allowing for the  
37 termination of the contract pursuant to subsection h. of section 4 of  
38 P.L. ,c. (C. ) (pending before the Legislature as this bill).  
39
- 40       4. (New section) a. A charter school authorizer approved by  
41 the State Board of Education pursuant to section 3 of P.L. ,  
42 c. (C. ) (pending before the Legislature as this bill), shall  
43 establish a charter authorizer office and review board. The charter  
44 school authorizer shall select the members of the charter authorizer  
45 review board who shall be individuals with knowledge in at least  
46 one of the following areas:

- 1 (1) research about, and experience in, student learning, quality
- 2 teaching, and the evaluation and accountability of successful
- 3 schools;
- 4 (2) the skills associated with the start-up and operation of a
- 5 fiscally sound enterprise, including leadership, management,
- 6 budgeting, and accounting;
- 7 (3) the educational, social, and economic development needs of
- 8 the State; and
- 9 (4) the needs and interests of students and parents in the State
- 10 and strategies for involving parents and other members of the
- 11 community in individual schools.
- 12 A person employed by a charter school located in the State shall
- 13 not be eligible to be a member or employee of a charter authorizer
- 14 office or review board.
- 15 b. The members of the charter authorizer review board shall
- 16 select a chair from among their members. The chair shall be
- 17 selected annually or when requested by a majority vote of the
- 18 members of the board. The board shall meet at the call of the chair
- 19 and in accordance with the requirements of the “Open Public
- 20 Meetings Act,” P.L.1975 c.231 (C.10:4-6 et seq.). A majority of
- 21 the membership of the board shall constitute a quorum to conduct
- 22 the business of the board. Members of the charter authorizer review
- 23 board shall serve without compensation, but shall be reimbursed for
- 24 necessary expenditures incurred in the performance of their duties
- 25 as members of the board.
- 26 c. Subject to such rules as may be established by the charter
- 27 authorizer review board, the chair may appoint and set the salary of
- 28 an executive director and such other personnel as the chair
- 29 determines to be necessary.
- 30 d. Any start-up expenses of a charter authorizer office and
- 31 review board shall be paid from such funds as may be available to
- 32 the Department of Education.
- 33 e. A charter authorizer review board shall:
- 34 (1) conduct a comprehensive review of charter school
- 35 applications submitted to the institution;
- 36 (2) conduct effective oversight of charter schools approved by
- 37 the institution;
- 38 (3) provide ongoing oversight and evaluation of a charter school
- 39 approved by the institution. The board shall provide enhanced
- 40 oversight for a charter school with identified deficiencies; and
- 41 (4) establish a requirement for dissemination of best practices
- 42 with school districts.
- 43 f. A charter authorizer review board shall retain an
- 44 independent outside auditor who is a certified public accountant to
- 45 conduct an annual audit of the board’s financial accounts in
- 46 accordance with nationally recognized auditing and accounting
- 47 standards, which audit shall be completed by December 5. The
- 48 report of each annual audit shall be filed by the accountant, with his

1 recommendations, with the charter authorizer review board and the  
2 governing board of the institution, and within five days thereafter  
3 the accountant shall file a duplicate copy certified under his  
4 signature with the State board and the commissioner.

5 g. A charter authorizer review board shall submit an annual  
6 report to the governing board of the institution, to the commissioner  
7 and State board, and to the Legislature pursuant to section 2 of  
8 P.L.1991, c.164 (C.52:14-19.1), no later than August 1, and shall  
9 also present the report to the State board at a public meeting of the  
10 State board and to the Joint Committee on the Public Schools at a  
11 public meeting of the committee. The report shall include  
12 information on the number of charter school applications reviewed  
13 during the year, the number of applications approved and the  
14 number disapproved, the number of charters renewed or revoked,  
15 the total number of charter schools that are under the oversight of  
16 the authorizer, the number of charter schools on probationary status,  
17 and such other information as required by the State board.

18 h. The governing boards of the four-year public institutions of  
19 higher education approved by the State board as charter school  
20 authorizers pursuant to section 3 of P.L. , c. (C. ) (pending  
21 before the Legislature as this bill), may terminate the designation of  
22 the institution as a charter school authorizer upon providing one  
23 year's written notice to the State board.

24 In the event that a governing board terminates the designation of  
25 the institution as a charter school authorizer pursuant to this  
26 subsection, the oversight of its charter schools shall transfer to a  
27 different charter school authorizer in accordance with an agreement  
28 entered into between the charter school and the subsequent charter  
29 school authorizer. In the absence of such agreement, the  
30 commissioner shall provide oversight of the charter school.

31 i. A charter school authorizer and a charter school office and  
32 review board shall not be liable for legal or equitable relief to any  
33 party for any action or inaction taken in good faith in the discharge  
34 of the duties of a charter school authorizer.

35

36 5. (New section) a. (1) A charter school authorizer may charge  
37 a charter school a fee for oversight of the charter school in an  
38 amount not to exceed 2% of the base per pupil amount established  
39 pursuant to section 7 of P.L.2007, c.260 (C.18A:7F-49) for each  
40 student enrolled in the charter school. The fee shall be assessed in  
41 accordance with an agreement approved by the State Board of  
42 Education that is entered into between the charter school authorizer  
43 and the charter school.

44 (2) For each student who is resident in a school district and is  
45 enrolled in a charter school, the commissioner shall deduct from the  
46 State aid payable to that district an amount equal to the fee  
47 established pursuant to paragraph (1) of this subsection, and the per  
48 pupil amount required to be paid by the resident school district to

1 the charter school pursuant to section 12 of P.L.1995, c.426  
2 (C.18A:36A-12) shall be adjusted by the commissioner to reflect  
3 the State aid reduction made pursuant to this paragraph.

4 b. A charter school that has been approved or is operating prior  
5 to the effective date of P.L. , c. (C. ) (pending before the  
6 Legislature as this bill), shall begin to pay the fee required pursuant  
7 to subsection a. of this section by January 1, 2012 or upon the  
8 renewal of its charter or upon transfer to a different charter school  
9 authorizer pursuant to the provisions of either subsection h. of  
10 section 4 or subsection c. of section 7 of P.L. , c. (C. )  
11 (pending before the Legislature as this bill), whichever occurs first.  
12

13 6. (New section) a. An employee or agent of a charter school  
14 authorizer who participates in the review or approval of charter  
15 school applications shall not provide substantive assistance in the  
16 development of charter school applications submitted to that  
17 authorizer.

18 b. An employee or agent or member of the review board of a  
19 charter school authorizer who participates in the review, approval,  
20 oversight, evaluation, or charter renewal process of charter schools  
21 shall be ineligible to serve on the board of trustees of any school  
22 chartered by that authorizer or have a financial interest in any  
23 school chartered by that authorizer.  
24

25 7. (New section) a. The State Board of Education shall be  
26 responsible for the on-going oversight of the performance and  
27 effectiveness of each charter school authorizer. The State board  
28 may at any time take corrective action against a charter school  
29 authorizer approved by the State board, including suspending or  
30 terminating designation as an authorizer for:

31 (1) failure to adequately discharge the responsibilities of a  
32 charter school authorizer established pursuant to the provisions of  
33 P.L. , c. (C. ) (pending before the Legislature as this bill);

34 (2) unsatisfactory performance as a charter school authorizer;

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

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

39 (5) failure to comply with the provisions of an authorizing  
40 contract entered into with the State board pursuant to subsection c.  
41 of section 3 of P.L. , c. (C. ) (pending before the Legislature  
42 as this bill) or any contract entered into with a charter school; or

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

44 b. In the event that the State board suspends or terminates a  
45 charter school authorizer pursuant to subsection a. of this section,  
46 the State board may also suspend any fees paid to the authorizer  
47 pursuant to section 5 of P.L. , c. (C. ) (pending before the  
48 Legislature as this bill).

1 c. In the event that the State board terminates an authorizer's  
2 designation as a charter school authorizer pursuant to subsection a.  
3 of this section, the oversight of its charter schools shall transfer to a  
4 different charter school authorizer in accordance with an agreement  
5 entered into between the charter school and the subsequent charter  
6 school authorizer. In the absence of such agreement, the  
7 Commissioner of Education shall provide oversight of the charter  
8 school.

9  
10 8. Section 3 of P.L.1995, c.426 (C.18A:36A-3) is amended to  
11 read as follows:

12 3. a. The Commissioner of Education shall establish a charter  
13 school program which shall provide for the approval and granting of  
14 charters to charter schools pursuant to the provisions of this act. A  
15 charter school shall be a public school operated under a charter  
16 granted by **【the commissioner】** a charter school authorizer, which is  
17 operated independently of a local board of education and is  
18 managed by a board of trustees. The board of trustees, upon  
19 receiving a charter from the **【commissioner】** charter school  
20 authorizer, shall be deemed to be public agents authorized by the  
21 State Board of Education to supervise and control the charter  
22 school.

23 b. The program shall authorize the establishment of not more  
24 than 135 charter schools during the 48 months following the  
25 effective date of this act. A minimum of three charter schools shall  
26 be allocated to each county. The commissioner shall actively  
27 encourage the establishment of charter schools in urban school  
28 districts with the participation of institutions of higher education.  
29 (cf: P.L.1995, c.426, s.3)

30  
31 9. Section 4 of P.L.1995, c.426 (C.18A:36A-4) is amended to  
32 read as follows:

33 4. a. A charter school may be established by:  
34 (1) teaching staff members, parents with children attending the  
35 schools of the district, or a combination of teaching staff members  
36 and parents **【. A charter school may also be established by】** ;  
37 (2) an institution of higher education or a private entity located  
38 within the State in conjunction with teaching staff members and  
39 parents of children attending the schools of the district;  
40 (3) a teachers' union;  
41 (4) a parent-teacher organization;  
42 (5) a nonprofit community-based organization;  
43 (6) a nonprofit business or corporate entity;  
44 (7) a nonprofit charter school operator;  
45 (8) a nonprofit education management organization;  
46 (9) a nonprofit educational collaborative;  
47 (10) a consortia of the entities listed pursuant to this subsection;  
48 and

1     (11) other nonprofit entities authorized by the commissioner. If  
2 the charter school is established by a private entity, representatives  
3 of the private entity shall not constitute a majority of the trustees of  
4 the school, and the charter shall specify the extent to which the  
5 private entity shall be involved in the operation of the school. The  
6 **【**name of the charter school shall not include the name or  
7 identification of the private entity, and the**】** private entity shall not  
8 realize a net profit from its operation of a charter school. A private  
9 or parochial school shall not be eligible for charter school status.

10     b. A currently existing public school is eligible to become a  
11 charter school if the following criteria are met:

12         (1) At least 51% of the teaching staff in the school shall have  
13 signed a petition in support of the school becoming a charter  
14 school; and

15         (2) At least 51% of the parents or guardians of pupils attending  
16 that public school shall have signed a petition in support of the  
17 school becoming a charter school.

18     c. A charter school authorizer shall accept applications at least  
19 twice each year. An application to establish a charter school shall be  
20 submitted to **【the commissioner】** a charter school authorizer and the  
21 local board of education or State district superintendent, in the case  
22 of a **【State-operated school district, in the school year preceding the**  
23 **school year in which the charter school will be established】** school  
24 district under full State intervention. Notice of the filing of the  
25 application shall be **【sent】** posted immediately on the charter school  
26 authorizer's website and communicated via email within 15  
27 business days by the **【commissioner】** charter school authorizer to  
28 the members of the State Legislature, school superintendents, and  
29 mayors and governing bodies of all legislative districts, school  
30 districts, or municipalities in which there are students who will be  
31 eligible for enrollment in the charter school and to the  
32 commissioner if he is not the recipient of the application. The  
33 board of education or State district superintendent shall review the  
34 application and forward a recommendation to the **【commissioner】**  
35 charter school authorizer within 60 days of receipt of the  
36 application. The **【commissioner】** charter school authorizer shall  
37 have final authority to grant or reject a charter application and shall  
38 make a decision on an application within 150 days of receipt of the  
39 application.

40     A charter school authorizer shall not approve a charter school  
41 application that has been denied by another authorizer within one  
42 year of the date of the denial.

43     d. The local board of education or a charter school applicant  
44 may appeal the decision of the **【commissioner】** charter school  
45 authorizer to the **【State Board of Education.** The State board shall  
46 render a decision within 30 days of the date of the receipt of the  
47 appeal. If the State board does not render a decision within 30

1 days, the decision of the commissioner shall be deemed final】  
2 Appellate Division of the Superior Court.

3 e. A charter school established during the 48 months following  
4 the effective date of this act, other than a currently existing public  
5 school which becomes a charter school pursuant to the provisions of  
6 subsection b. of section 4 of this act, shall not have an enrollment in  
7 excess of 500 students or greater than 25% of the student body of  
8 the school district in which the charter school is established,  
9 whichever is less.

10 Any two charter schools within the same public school district  
11 that are not operating the same grade levels may petition 【the  
12 commissioner】 their charter school authorizers to amend their  
13 charters and consolidate into one school. The 【commissioner】  
14 charter school authorizers may approve an amendment to  
15 consolidate, provided that the basis for consolidation is to  
16 accommodate the transfer of students who would otherwise be  
17 subject to the random selection process pursuant to section 8 of  
18 P.L.1995, c.426 (C.18A:36A-8).  
19 (cf: P.L.2002, c.123, s.1)

20

21 10. Section 5 of P.L.1995, c.426 (C.18A:36A-5) is amended to  
22 read as follows:

23 5. The application for a charter school shall include the  
24 following information:

25 a. The identification of the charter applicant;

26 b. The name of the proposed charter school;

27 c. The proposed governance structure of the charter school  
28 including a list of the proposed members of the board of trustees of  
29 the charter school or a description of the qualifications and method  
30 for the appointment or election of members of the board of trustees;

31 d. The educational goals of the charter school, the curriculum  
32 to be offered, and the methods of assessing whether students are  
33 meeting educational goals. Charter school students shall be required  
34 to meet the same testing and academic performance standards as  
35 established by law and regulation for public school students.  
36 Charter school students shall also meet any additional assessment  
37 indicators which are included within the charter approved by the  
38 【commissioner】 charter school authorizer;

39 e. The admission policy and criteria for evaluating the  
40 admission of students which shall comply with the requirements of  
41 section 8 of this act;

42 f. The age or grade range of students to be enrolled, with an  
43 estimate of the charter school's total enrollment and of the schools  
44 of the charter school district of residence;

45 g. The school calendar and school day schedule;

46 h. A description of the charter school staff responsibilities and  
47 the proposed qualifications of teaching staff;

1 i. A description of the procedures to be implemented to ensure  
2 significant parental involvement in the operation of the school;

3 j. A description of, and address for, the physical facility in  
4 which the charter school will be located, or a sworn statement of  
5 assurance that a physical facility will be obtained for the charter  
6 school no later than June 30 of the year in which the charter school  
7 will open;

8 k. Information on the manner in which community groups will  
9 be involved in the charter school planning process;

10 l. The financial plan for the charter school and the provisions  
11 which will be made for auditing the school pursuant to the  
12 provisions of N.J.S.18A:23-1;

13 m. A description of and justification for any waivers of  
14 regulations which the charter school will request; **【and】**

15 n. The mission, purpose, and specialized focus of the proposed  
16 charter school;

17 o. The innovative methods to be used in the charter school and  
18 the manner in which they differ from those of the district of  
19 residence of the charter school;

20 p. Whether the charter school's proposed educational program  
21 or model is being successfully implemented in the charter school  
22 district of residence;

23 q. A student recruitment and retention plan;

24 r. Information on the educational program, instructional  
25 methodology, and services to be offered to students, including  
26 research on how the proposed program may improve the academic  
27 performance of student subgroups listed in the recruitment and  
28 retention plan;

29 s. If applicable, the charter school's capacity to address the  
30 needs of limited English proficient students to learn English and  
31 content matter;

32 t. If applicable, any proposed contract with an organization  
33 that will manage or operate the charter school;

34 u. Procedures for the evaluation and professional development  
35 of charter school teachers and administrators; and

36 v. Such other information as the **【commissioner】** charter  
37 school authorizer may require.

38 (cf: P.L.1995, c.426, s.5)

40 11. Section 8 of P.L.1995, c.426 (C.18A:36A-8) is amended to  
41 read as follows:

42 8. a. Preference for enrollment in a charter school shall be  
43 given to students who reside in the school district in which the  
44 charter school is located. If there are more applications to enroll in  
45 the charter school than there are spaces available, the charter school  
46 shall select students to attend using a random selection process. A  
47 charter school shall not charge tuition to students who reside in the  
48 district.

1       b. A charter school shall allow any student who was enrolled in  
2 the school in the immediately preceding school year to enroll in the  
3 charter school in the appropriate grade unless the appropriate grade  
4 is not offered at the charter school.

5       c. A charter school may give enrollment priority to a sibling of  
6 a student enrolled in the charter school.

7       d. If available space permits, a charter school may enroll non-  
8 resident students. The terms and condition of the enrollment shall  
9 be outlined in the school's charter and approved by the  
10 **【commissioner】** charter school authorizer.

11       e. The admission policy of the charter school shall, to the  
12 maximum extent practicable, seek the enrollment of a cross section  
13 of the community's school age population including racial and  
14 academic factors.

15 (cf: P.L.1995, c.426, s.8)

16  
17       12. Section 9 of P.L.1995, c.426 (C.18A:36A-9) is amended to  
18 read as follows:

19       9. A student may withdraw from a charter school at any time.  
20 A student may be expelled from a charter school based on criteria  
21 determined by the board of trustees, which are consistent with the  
22 provisions of N.J.S.18A:37-2, and approved by the **【commissioner】**  
23 charter school authorizer as part of the school's charter. Any  
24 expulsion shall be made upon the recommendation of the charter  
25 school principal, in consultation with the student's teachers.

26 (cf: P.L.1995, c.426, s.9)

27  
28       13. Section 16 of P.L.1995, c.426 (C.18A:36A-16) is amended  
29 to read as follows:

30       16. a. The **【commissioner】** charter school authorizer shall  
31 annually assess whether each charter school under its authority is  
32 meeting the goals of its charter, and shall conduct a comprehensive  
33 review prior to granting a renewal of the charter. A charter school  
34 shall submit an application to its charter school authorizer for  
35 renewal of its charter six months prior to the expiration of its  
36 current charter. The renewal application shall include, but need not  
37 be limited to:

38       (1) a report on the progress of the charter school in achieving  
39 the educational objectives set forth in its charter;

40       (2) a detailed financial statement that sets forth the costs of  
41 administration, instruction, and other spending categories of the  
42 charter school in such manner as to allow a comparison of these  
43 costs with other public schools and with nonpublic schools;

44       (3) a copy of the annual reports required pursuant to subsection  
45 b. of this section; and

46       (4) indications of parent and student satisfaction with the charter  
47 school.

1     A charter school authorizer may waive the six month deadline  
 2     for good cause.

3     The executive county superintendent of schools of the county in  
 4     which the charter school is located shall have on-going access to the  
 5     records and facilities of the charter school to ensure that the charter  
 6     school is in compliance with its charter and that State board  
 7     regulations concerning assessment, testing, civil rights, and student  
 8     health and safety are being met.

9     b. In order to facilitate the **【commissioner's】** review required  
 10    pursuant to subsection a. of this section, each charter school shall  
 11    submit an annual report to the local board of education, the  
 12    executive county superintendent of schools, and **【the**  
 13    **commissioner】** its charter school authorizer in the form prescribed  
 14    by the **【commissioner】** charter school authorizer. The report shall  
 15    be received annually by the local board, the executive county  
 16    superintendent, and the **【commissioner】** charter school authorizer  
 17    no later than August 1.

18    The report shall also be made available to the parent or guardian  
 19    of a student enrolled in the charter school.

20    c. By April 1, 2001, the commissioner shall hold public  
 21    hearings in the north, central, and southern regions of the State to  
 22    receive input from members of the educational community and the  
 23    public on the charter school program.

24    d. The commissioner shall commission an independent study of  
 25    the charter school program. The study shall be conducted by an  
 26    individual or entity identified with expertise in the field of  
 27    education and the selection shall be approved by the Joint  
 28    Committee on the Public Schools. The individual or entity shall  
 29    design a comprehensive study of the charter school program.

30    e. The commissioner shall submit to the Governor, the  
 31    Legislature, and the State Board of Education by October 1, 2001  
 32    an evaluation of the charter school program based upon the public  
 33    input required pursuant to subsection c. of this section and the  
 34    independent study required pursuant to subsection d. of this section.  
 35    The evaluation shall include, but not be limited to, consideration of  
 36    the following elements:

37    (1) the impact of the charter school program on resident  
 38    districts' students, staff, parents, educational programs, and  
 39    finances;

40    (2) the impact of the charter school program and the increased  
 41    number of schools on the economics of educational services on a  
 42    Statewide basis;

43    (3) the fairness and the impact of the reduction of available  
 44    resources on the ability of resident districts to promote competitive  
 45    educational offerings;

46    (4) the impact of the shift of pupils from nonpublic schools to  
 47    charter schools;

1 (5) the comparative demographics of student enrollments in  
2 school districts of residence and the charter schools located within  
3 those districts. The comparison shall include, but not be limited to,  
4 race, gender, socioeconomic status, enrollment of special education  
5 students, enrollment of students of limited English proficiency, and  
6 student progress toward meeting the core curriculum content  
7 standards as measured by student results on Statewide assessment  
8 tests;

9 (6) the degree of involvement of private entities in the operation  
10 and financial support of charter schools, and their participation as  
11 members of charter school boards of trustees;

12 (7) verification of the compliance of charter schools with  
13 applicable laws and regulations;

14 (8) student progress toward meeting the goals of the charter  
15 schools;

16 (9) parent, community and student satisfaction with charter  
17 schools;

18 (10) the extent to which waiting lists exist for admission to  
19 charter schools and the length of those lists;

20 (11) the extent of any attrition among student and faculty  
21 members in charter schools; and

22 (12) the results of the independent study required pursuant to  
23 subsection d. of this section.

24 The evaluation shall include a recommendation on the  
25 advisability of the continuation, modification, expansion, or  
26 termination of the program. If the evaluation does not recommend  
27 termination, then it shall include recommendations for changes in  
28 the structure of the program which the commissioner deems  
29 advisable. The commissioner may not implement any  
30 recommended expansion, modification, or termination of the  
31 program until the Legislature acts on that recommendation.

32 (cf: P.L.2000, c.142, s.3)

33  
34 14. Section 17 of P.L.1995, c.426 (C.18A:36A-17) is amended  
35 to read as follows:

36 17. A charter granted by **the commissioner** a charter school  
37 authorizer pursuant to the provisions of this act shall be granted for  
38 a **four-year** five-year period and may be renewed for a **five-**  
39 **year** period of five years for the first renewal and ten years for  
40 each subsequent renewal. The **commissioner** charter school  
41 authorizer may revoke a school's charter if the school has not  
42 fulfilled any condition imposed by the **commissioner** charter  
43 school authorizer in connection with the granting of the charter or if  
44 the school has violated any provision of its charter. The  
45 **commissioner** charter school authorizer may place the charter  
46 school on probationary status to allow the implementation of a  
47 remedial plan after which, if the plan is unsuccessful, the charter

1 may be summarily revoked. The **【commissioner】** charter school  
2 authorizer shall develop procedures and guidelines for the  
3 revocation and renewal of a school's charter.

4 Any determination of a charter school authorizer concerning the  
5 renewal or revocation of a school's charter, the placement of a  
6 charter school on probationary status, or any other dispute arising  
7 pursuant to this section, may be appealed to the Appellate Division  
8 of the Superior Court.

9 (cf: P.L.1995, c.426, s.17)

10  
11 15. Section 4 of P.L.2000, c.142 (C.18A:36A-17.1) is amended  
12 to read as follows:

13 4. a. If at any time the **【commissioner】** charter school  
14 authorizer determines that a board of trustees is in jeopardy of  
15 losing its charter or an applicant is in jeopardy of not being granted  
16 a charter, the **【commissioner】** charter school authorizer shall so  
17 notify the board of trustees or the applicant. The board of trustees  
18 or the applicant shall, within 48 hours of receipt of such  
19 notification, provide to the **【commissioner】** charter school  
20 authorizer, in writing, a complete list of the names and addresses of  
21 all students and staff currently enrolled and working in the school,  
22 or in the case of an applicant, a complete list of the names and  
23 addresses of all students and staff intending to enroll or work at the  
24 school, so the **【commissioner】** charter school authorizer may send  
25 the appropriate notice to the parents or guardians and staff.

26 b. In the event that a charter school authorizer other than the  
27 commissioner takes any action pursuant to subsection a. of this  
28 section, the charter school authorizer shall notify the commissioner  
29 of such action.

30 (cf: P.L.2000, c.142, s.4)

31  
32 16. Section 18 of P.L.1995, c.426 (C.18A:36A-18) is amended  
33 to read as follows:

34 18. **【The State Board of Education shall adopt rules and**  
35 **regulations pursuant to the "Administrative Procedure Act,"**  
36 **P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to effectuate the**  
37 **provisions of this act】** Notwithstanding any provision of P.L.1968,  
38 c.410 (C.52:14B-1 et seq.) or any other law to the contrary, the  
39 commissioner may adopt, immediately upon filing with the Office  
40 of Administrative Law, such rules and regulations as the  
41 commissioner deems necessary to implement the provisions of  
42 P.L.1995, c.426 (C.18A:36A-1 et seq.) , which shall be effective for  
43 a period not to exceed 12 months following the effective date of  
44 P.L. , c. (C. ) (pending before the Legislature as this bill).  
45 The regulations shall thereafter be amended, adopted, or readopted  
46 by the State Board of Education in accordance with the provisions

1 of P.L.1968, c.410 (C.52:14B-1 et seq.).  
2 (cf: P.L.1995, c.426, s.18)

3  
4 17. This act shall take effect immediately.

5  
6  
7 STATEMENT

8  
9 Under the “Charter School Program Act of 1995,” P.L.1995,  
10 c.426, (C.18A:36A-1 et seq.), the Commissioner of Education is  
11 granted the authority to approve applications for the establishment  
12 of charter schools and to regulate and oversee their operations. This  
13 bill will allow the State Board of Education to approve up to three  
14 four-year public institutions of higher education as charter school  
15 authorizers. Once approved, an institution will be authorized to  
16 review and approve applications for the establishment of new  
17 charter schools, grant, renew, and revoke the charters of charter  
18 schools, and will be responsible for the ongoing monitoring of any  
19 charter school it authorizes.

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

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

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

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

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

39 (5) a process for negotiating and executing performance  
40 contracts with approved charter schools that clearly articulate the  
41 rights and responsibilities of each party regarding charter school  
42 autonomy, any exemptions to State regulations granted pursuant to  
43 law, expected student outcomes, measures for evaluating the  
44 success or failure of a charter school, and performance  
45 consequences;

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

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

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

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

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

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

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

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

23 A charter school authorizer may charge a charter school a fee for  
24 its ongoing oversight of the charter school in an amount not to  
25 exceed 2% of the base per pupil amount as established under the  
26 “School Funding Reform Act of 2008,” P.L.2007, c.260 (C.18A:7F-  
27 43 et al.). The fee is to be assessed in accordance with an  
28 agreement entered into between the authorizer and the charter  
29 school and approved by the State board.

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

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

38 (2) unsatisfactory performance as a charter school authorizer;

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

41 (4) persistent unsatisfactory performance of the authorizer’s  
42 portfolio of charter schools;

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

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

47 The bill also does the following:

- 1       • expands the list of persons and entities that may submit an  
2       application to establish a charter school;
- 3       • provides that a charter school authorizer must accept  
4       applications at least twice each year, notice of the filing of an  
5       application must be posted on the charter school authorizer's  
6       website and communicated via e-mail to affected school  
7       districts and municipalities within 15 business days, an  
8       authorizer's review of an application must include an in-  
9       depth analysis of both the positive and negative fiscal and  
10      educational impact of the establishment of the charter school  
11      on the charter school's district of residence, and the  
12      authorizer must make a decision on the application within  
13      150 days of receipt of the application;
- 14      • provides that a charter school authorizer may not approve a  
15      charter school application that has been denied by another  
16      authorizer within one year of the date of the denial;
- 17      • expands the information that must be included in an  
18      application to establish a charter school including information  
19      on the specialized focus and innovative methods to be used in  
20      the proposed charter school, whether the school's proposed  
21      model is being successfully implemented in the charter  
22      school's district of residence, how the proposed program will  
23      improve the academic performance of student subgroups, and  
24      the school's capacity to address the needs of limited English  
25      proficient students;
- 26      • provides that a charter school will submit its application for  
27      renewal of its charter six months prior to the expiration of the  
28      current charter. The bill expands the information that must  
29      be included in the renewal application to include information  
30      on the progress of the charter school in achieving its  
31      educational objectives, a detailed financial statement that  
32      allows for comparison of costs with other public schools and  
33      nonpublic schools, and indications of parent and student  
34      satisfaction with the charter school; and
- 35      • provides that an initial charter will be granted for a period of  
36      five years as opposed to the current four years. The first  
37      renewal of a charter would also be granted for a five-year  
38      period with a ten-year period for each subsequent charter  
39      renewal.