

SENATE, No. 216

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

SYNOPSIS

Establishes a charter school review board in DOE to review charter school applications and modifies aspects of the charter school program including approval, monitoring, and evaluation of charter schools.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning charter schools and amending and
2 supplementing P.L.1995, c.426.

3

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

6

7 1. Section 2 of P.L. 1995, c.426 (C.18A:36A-2) is amended to
8 read as follows:

9 2. The Legislature finds and declares that the establishment of
10 charter schools as part of this State's program of public education
11 can assist in promoting comprehensive educational reform by
12 providing a mechanism for the implementation of a variety of
13 educational approaches which may not be available in the
14 traditional public school classroom. Specifically, charter schools
15 offer the potential to improve pupil learning; increase for students
16 and parents the educational choices available when selecting the
17 learning environment which they feel may be the most appropriate;
18 encourage the use of different and innovative learning methods;
19 establish a new form of accountability for schools; require the
20 measurement of learning outcomes; make the school the unit for
21 educational improvement; and establish new professional
22 opportunities for teachers.

23 The Legislature **【further】** also finds that charter schools should
24 improve student learning by creating high-quality public schools
25 with high standards for student performance while closing the
26 achievement gaps between high-performing and low-performing
27 groups or subgroups of students, and educating special education
28 students in the least restrictive environment. Therefore, the
29 establishment of a charter school program is in the best interests of
30 the students of this State and it is therefore the public policy of the
31 State to encourage and facilitate the development of charter schools.

32 The Legislature further finds that based on experience since the
33 original enactment of the "Charter School Program Act of 1995,"
34 P.L.1995, c.426 (C.18A:36A-1 et seq.), it is necessary to establish
35 additional standards and safeguards to ensure that the charter school
36 program is operated in an effective and accountable manner,
37 provides educational programs that address the special needs of
38 particular students or subgroups of students, educates special
39 education students in the least restrictive environment, and
40 contributes to the overall improvement of public education for all
41 students in the districts served by charter schools.

42 (cf: P.L.1995, c.426, s.2)

43

44 2. Section 3 of P.L.1995, c.426 (C.18A:36A-3) is amended to
45 read as follows:

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 3. a. The Commissioner of Education shall establish a charter
2 school program which shall provide for the approval and granting of
3 charters to charter schools pursuant to the provisions of this act. A
4 charter school shall be a public school operated under a charter
5 granted by the commissioner, which is operated independently of a
6 local board of education and is managed by a board of trustees. The
7 board of trustees, upon receiving a charter from the commissioner,
8 shall be deemed to be public agents authorized by the State Board
9 of Education to supervise and control the charter school.

10 b. The program shall authorize the establishment of not more
11 than 135 charter schools during the 48 months following the
12 effective date of this act. A minimum of three charter schools shall
13 be allocated to each county.

14 c. The commissioner shall actively encourage the
15 establishment of charter schools in **urban** ;

16 (1) high-need school districts with the participation of
17 institutions of higher education;

18 (2) multiple school districts for the purpose of serving a socio-
19 economically diverse student enrollment;

20 (3) one or more school districts for the purpose of implementing
21 model programs to serve students with disabilities in inclusive or
22 least restrictive classroom settings;

23 (4) one or more school districts for the purpose of serving
24 students at risk of dropping out of school, or who have already
25 dropped out of school; and

26 (5) one or more school districts for the purpose of providing
27 research-proven or promising instructional programs for limited
28 English proficient students and English language learners.

29 (cf: P.L.1995, c.426, s.3)
30

31 3. 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 teaching staff
34 members, parents with children attending the schools of the district,
35 or a combination of teaching staff members and parents. A charter
36 school may also be established by an institution of higher education
37 or a private entity located within the State in conjunction with
38 teaching staff members and parents of children attending the
39 schools of the district. If the charter school is established by a
40 private entity, representatives of the private entity shall not
41 constitute a majority of the trustees of the school, and the charter
42 shall specify the extent to which the private entity shall be involved
43 in the operation of the school. The name of the charter school shall
44 not include the name or identification of the private entity, and the
45 private entity shall not realize a net profit from its operation of a
46 charter school.

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

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

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

7 c. An application to establish a charter school shall be
8 submitted to the commissioner [and the local board of education or
9 State district superintendent, in the case of a school district under
10 full State intervention,] no later than January 1 in the [school] year
11 preceding the school year in which the charter school will be
12 established. Notice of the filing of the application shall be sent
13 immediately by the commissioner to the local board of education or
14 State district superintendent, in the case of a school district under
15 full State intervention, the members of the State Legislature, school
16 superintendents, and mayors and governing bodies of all legislative
17 districts, school districts, or municipalities in which there are
18 students who will be eligible for enrollment in the charter school.
19 [The board of education or State district superintendent shall
20 review the application and forward a recommendation to the
21 commissioner within 60 days of receipt of the application.] The
22 commissioner shall assign the application to the charter school
23 review board pursuant to subsection g. of this section. The
24 reviewer shall forward a recommendation to the commissioner on
25 the approval or disapproval of the application by such date as
26 determined by the commissioner. The commissioner shall [have
27 final authority to grant] make a determination to approve or reject a
28 charter application. The commissioner shall notify a charter school
29 applicant of the initial approval or rejection of the charter school
30 application no later than August 1 after the submission of the
31 charter school application.

32 An application for the establishment of a charter school which
33 has received initial approval from the commissioner shall not be
34 granted final approval unless the designation of a school district as
35 the charter school district of residence or inclusion of the district in
36 the charter school region of residence has been approved by the
37 voters of the district at the annual school election in the case of a
38 charter school to be established in a Type II district, or the board of
39 school estimate in the case of a charter school to be established in a
40 Type I district or a Type II district with a board of school estimate.
41 In the event that a subset of school districts included in the region
42 of residence of a proposed charter school does not approve of the
43 inclusion, the charter school applicant may submit a revised
44 application that does not include the school districts in which the
45 inclusion was not approved.

46 The commissioner shall provide for the final granting of a
47 charter no later than the following February 1 in the case of a

1 school district with a November annual school election and no later
2 July 15 in the case of a school district with an April annual school
3 election.

4 d. The local board of education or a charter school applicant
5 may appeal the decision of the commissioner to the Appellate
6 Division of the Superior Court.

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

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

22 A charter school may petition the commissioner to amend its
23 charter to expand the number of grade levels that it operates or to
24 enlarge the charter school region of residence. Notice of the filing
25 of the petition to amend the charter shall be sent immediately by the
26 commissioner to the board of education of the charter school district
27 of residence or to the board of education of each district included in
28 the charter school region of residence and to be added to the charter
29 school region of residence. The commissioner shall make a
30 determination to approve or reject a petition for the expansion of a
31 charter school or the enlargement of a charter school region of
32 residence.

33 A petition to expand the number of grade levels of a charter
34 school which has received initial approval from the commissioner
35 shall not be granted final approval unless the expansion has been
36 approved by the voters of the district at the annual school election
37 in the case of a charter school in a Type II district, or the board of
38 school estimate in the case of a charter school in a Type I district or
39 a Type II school district with a board of school estimate. In the
40 case of a charter school with a region of residence, the expansion
41 shall be deemed approved if each district included in the charter
42 school region of residence approves the expansion.

43 A petition to enlarge a charter school region of residence which
44 has received initial approval from the commissioner shall not be
45 granted final approval unless the enlargement has been approved by
46 the voters of the district at the annual school election in the case of
47 a charter school in a Type II district, or the board of school estimate

1 in the case of a charter school in a Type I district or a Type II
2 school district with a board of school estimate, that would be added
3 to the charter school region of residence.

4 f. Upon receipt of a notice of the commissioner's initial
5 approval of a charter school application or a petition to expand the
6 number of grade levels that the charter school operates or to enlarge
7 the charter school region of residence, a local board of education of
8 a Type II district shall submit to the voters at the next annual school
9 election a question regarding the approval of its designation as the
10 charter school district of residence, its inclusion in the charter
11 school region of residence, or the expansion of the number of grade
12 levels that the charter school operates, as applicable.

13 g. The commissioner shall transmit applications to establish a
14 charter school to the charter school review board for an independent
15 review, evaluation, and recommendation in accordance with a
16 schedule to be determined by the commissioner.

17 h. As used in this section, "region of residence" means the
18 contiguous school districts in which a charter school operates
19 pursuant to its charter or proposes to operate in the application
20 submitted to the commissioner.

21 (cf: P.L 2011, c.140, s.2)

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

25 5. **【The application for a charter school shall include the**
26 **following information:】**

27 a. The **【**identification of the charter applicant;

28 b. The name of the proposed charter school;

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

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

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

44 f. The age or grade range of students to be enrolled;

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;
- 5 k. Information on the manner in which community groups will
- 6 be involved in the charter school planning process;
- 7 l. The financial plan for the charter school and the provisions
- 8 which will be made for auditing the school pursuant to the
- 9 provisions of N.J.S.18A:23-1;
- 10 m. A description of and justification for any waivers of
- 11 regulations which the charter school will request; and
- 12 n. Such other information as the commissioner may require.]
- 13 commissioner, no later than September 1 of each year, shall
- 14 distribute an application guidance document that includes the
- 15 following:
- 16 (1) the commissioner's strategic vision for chartering, including
- 17 a clear statement of any preference that the commissioner may grant
- 18 to applications for the establishment of charter schools in:
- 19 (a) high-need school districts with the participation of
- 20 institutions of higher education;
- 21 (b) multiple school districts for the purpose of serving a socio-
- 22 economically diverse student enrollment;
- 23 (c) one or more school districts for the purpose of implementing
- 24 model programs to serve students with disabilities in inclusive or
- 25 least restrictive classroom settings;
- 26 (d) one or more school districts for the purpose of serving
- 27 students at risk of dropping out of school, or who have already
- 28 dropped out of school; and
- 29 (e) one or more school districts for the purpose of providing
- 30 research-proven or promising instructional programs for limited
- 31 English proficient students and English language learners;
- 32 (2) the performance framework that the commissioner has
- 33 developed for charter school oversight and evaluation;
- 34 (3) the criteria that will guide the commissioner's decision to
- 35 approve or deny a charter application and the review board's
- 36 decision to recommend to the commissioner the approval or
- 37 disapproval of a charter application; and
- 38 (4) clear, detailed questions and guidelines on the format and
- 39 content essential for an applicant to demonstrate the capacities
- 40 necessary to establish and operate a successful charter school.
- 41 b. The charter school application shall require an applicant to
- 42 provide information on all of the following essential elements of the
- 43 proposed charter school:
- 44 (1) the mission and vision of the proposed charter school
- 45 including the identification of the targeted student population and
- 46 the community the charter school plans to serve;
- 47 (2) the location or geographic area of the proposed charter
- 48 school;

1 (3) the grade levels to be served each year for the full term of
2 the charter;

3 (4) the minimum, planned, and maximum enrollment per grade
4 level per year for the term of the charter;

5 (5) evidence of the need for, and community support of, the
6 proposed charter school;

7 (6) background information on the proposed founding board of
8 trustee members and, if identified, the proposed school leadership
9 and management team;

10 (7) the charter school's proposed school calendar and sample
11 daily schedules;

12 (8) a description of the educational program aligned with the
13 core curriculum content standards;

14 (9) a description of the proposed charter school's instructional
15 design, including the type of learning environment, class size and
16 structure, curriculum overview, and teaching methods;

17 (10) the plan for using internal and external assessments to
18 measure and report student progress in accordance with the
19 performance framework developed by the commissioner pursuant to
20 section 19 of P.L. , c. (C.) (pending before the Legislature
21 as this bill);

22 (11) the plan for identifying and successfully serving students
23 with disabilities, students who are English language learners,
24 students who are lagging academically, and gifted students. The
25 plan shall include information on compliance with applicable laws
26 and regulations;

27 (12) a description of co-curricular or extracurricular programs
28 and how they will be funded and delivered;

29 (13) a plan and timelines for student recruitment and
30 enrollment, including lottery procedures;

31 (14) student discipline policies including those for special
32 education students;

33 (15) an organization chart that clearly outlines the school's
34 organizational structure, including lines of authority and reporting
35 among the board of trustees, staff, any charter school parent
36 organization, and any external organization that will play a role in
37 managing the charter school;

38 (16) a clear description of the roles and responsibilities of the
39 board of trustees, the charter school's leadership and management
40 team, and any other entity identified in the organization chart;

41 (17) a staffing chart for the charter school's first year of
42 operation and a staffing plan for each year of the term of the
43 charter;

44 (18) plans for recruiting and developing school leadership and
45 staff;

46 (19) the proposed school leadership and teacher employment
47 policies, including plans for performance evaluation;

1 (20) the proposed bylaws for the governance of the charter
2 school;

3 (21) an explanation of any partnerships or contractual
4 relationships central to the charter school's operation or mission;

5 (22) the plans for providing transportation, food services, and
6 all other significant operational or ancillary services;

7 (23) opportunities and expectations for parent involvement;

8 (24) detailed school start-up plan identifying tasks, timelines,
9 and responsible individuals;

10 (25) the financial plan and policies for the charter school,
11 including financial controls and for auditing the school pursuant to
12 the provisions of N.J.S.18A:23-1;

13 (26) a description of the insurance coverage to be obtained by
14 the charter school;

15 (27) a start-up and five-year budget with clearly-stated
16 assumptions;

17 (28) a start-up and five-year cash flow projection with clearly-
18 stated assumptions;

19 (29) evidence of anticipated fundraising contributions and
20 disclosure of gifts or grants, if claimed in the application;

21 (30) a facilities plan, including backup or contingency plans if
22 appropriate; and

23 (31) any other information required by the commissioner.

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

25
26 5. Section 7 of P.L.1995, c.426 (C.18A:36A-7) is amended to
27 read as follows:

28 7. A charter school shall be open to all students on a space
29 available basis and shall not discriminate in its admission policies
30 or practices on the basis of intellectual or athletic ability, measures
31 of achievement or aptitude, status as a handicapped person,
32 proficiency in the English language, or any other basis that would
33 be illegal if used by a school district; however, a charter school may
34 limit admission to a particular grade level or to areas of
35 concentration of the school, such as mathematics, science, or the
36 arts, or to meet the needs of the student populations identified under
37 subsection c. of section 3 of P.L.1995, c.426 (C.18A:36A-3). A
38 charter school may establish reasonable criteria to evaluate
39 prospective students which shall be outlined in the school's charter.
40 (cf: P.L.1995, c.426, s.7)

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

44 8. a. Preference for enrollment in a charter school shall be
45 given to students who reside in the **【school district in which the**
46 charter school is located. If there are more applications to enroll in
47 the charter school than there are spaces available, the charter school
48 shall select students to attend using a random selection process**】**

1 charter school district of residence as approved by the
2 commissioner. A charter school shall select students to attend using
3 a random selection process. In the event that the parent or guardian
4 of a student who is selected for admission to the charter school
5 determines not to enroll the student in the charter school, then the
6 charter school shall fill that enrollment space with a student from
7 the waiting list maintained pursuant to subsection g. of this section.

8 A charter school shall not charge tuition to students **【**who reside in
9 the district**】**.

10 b. A charter school shall allow any student who was enrolled in
11 the school in the immediately preceding school year to enroll in the
12 charter school in the appropriate grade unless the appropriate grade
13 is not offered at the charter school.

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

16 d. If available space permits, a charter school may enroll non-
17 resident students. The terms and condition of the enrollment shall
18 be outlined in the school's charter and approved by the
19 commissioner.

20 e. The admission policy of the charter school shall **【**, to the
21 maximum extent practicable, seek**】** achieve the enrollment of **【**a
22 cross section of the community's school age population including
23 racial and**】** the student demographics of the charter school district
24 of residence including race, ethnicity, eligibility for the federal free
25 lunch program, eligibility for the federal reduced price lunch
26 program, limited English proficient students, special education
27 services students in respective special education classifications, and
28 other appropriate academic factors.

29 f. A charter school shall file with the review board, the
30 commissioner, and the charter school district of residence a report
31 on the student enrollment demographics of the charter school no
32 later than October 15 of each year. The report shall be in a form
33 prescribed by the commissioner and shall be posted on the websites
34 of the Department of Education, the charter school, and the charter
35 school district of residence.

36 g. A charter school shall maintain a waiting list for admission
37 to the school and shall annually submit the number and
38 demographics of students on the waiting list to the commissioner.
39 The Department of Education and the charter school shall post the
40 number on their websites and shall update the number as
41 appropriate.

42 h. The commissioner shall take appropriate action, including
43 modification of the random selection process for admission
44 established in accordance with subsection a. of this section, upon a
45 determination that the charter school has not achieved the
46 enrollment of the student demographics of the charter school

1 district of residence as required pursuant to subsection e. of this
2 section.

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

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

7 9. a. A student may withdraw from a charter school at any
8 time. A student may be expelled from a charter school based on
9 criteria determined by the board of trustees, which are consistent
10 with the provisions of N.J.S.18A:37-2, and approved by the
11 commissioner as part of the school's charter. Any expulsion shall
12 be made upon the recommendation of the charter school principal,
13 in consultation with the student's teachers.

14 b. A charter school shall make appropriate arrangements to
15 ensure that a student has an appropriate alternative school
16 placement prior to leaving the charter school.

17 c. A charter school shall annually file a report with the review
18 board, the commissioner, and the school district or school districts
19 served by the charter school on the students leaving the charter
20 school during the preceding school year by withdrawal, expulsion,
21 other disciplinary action, or any other circumstance. The report
22 shall include the last date of the student's charter school attendance,
23 the reason for the student leaving the charter school, and the
24 student's educational placement after leaving the charter school.

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

26
27 8. Section 10 of P.L.1995, c.426 (C.18A:36A-10) is amended
28 to read as follows:

29 10. a. A charter school may be located in part of an existing
30 public school building, in space provided on a public work site, in a
31 public building, or any other suitable location. In the case of a
32 nonpublic school that converts to a charter school pursuant to the
33 provisions of section 1 of P.L.2011, c.140 (C.18A:36A-4.1), the
34 charter school may be located in the same school building in which
35 the nonpublic school was located. The facility shall be exempt
36 from public school facility regulations except those pertaining to
37 the health or safety of the pupils. A charter school shall not
38 construct a facility with public funds other than federal funds.

39 b. Except as otherwise provided pursuant to section 14 of
40 P.L.2007, c.137 (C.18A:7G-45), a charter school shall have the
41 right of first refusal to purchase or lease at or below fair market
42 value a closed public school facility or property or unused portions
43 of a public school facility or property of the charter school district
44 of residence if the district decides to sell or lease the public school
45 facility or property, and upon a finding by the district that the
46 proposed use is appropriate, equitable, and furthers the
47 improvement of education programs for all affected students.

48 (cf: P.L.2011, c.140, s.3)

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

3 12. a. (Deleted by amendment, P.L.2007, c.260).

4 b. **【The】** (1) Except as otherwise provided pursuant to
5 paragraph (2) of this subsection, the school district of residence
6 shall pay directly to the charter school for each student enrolled in
7 the charter school who resides in the district an amount equal to
8 90% of the sum of the budget year equalization aid per pupil and
9 the prebudget year general fund tax levy per pupil inflated by the
10 CPI rate most recent to the calculation. In addition, the school
11 district of residence shall pay directly to the charter school the
12 security categorical aid attributable to the student and a percentage
13 of the district's special education categorical aid equal to the
14 percentage of the district's special education students enrolled in the
15 charter school and, if applicable, 100% of preschool education aid.
16 The district of residence shall also pay directly to the charter school
17 any federal funds attributable to the student.

18 (2) In the event that the general fund tax levy for a proposed
19 budget of a school district of residence, that holds its annual school
20 election in April is rejected by the voters, or the proposed budget of
21 a school district of residence is rejected by the board of school
22 estimate, as applicable, and the municipal governing body or bodies
23 of the municipalities included within the district or the board of
24 school estimate, as applicable, reduces the amount of the general
25 fund tax levy, the per pupil general fund tax levy amount calculated
26 pursuant to paragraph (1) of this subsection shall be reduced in
27 proportion to the reduction made by the municipal governing body
28 or bodies or board of school estimate to the general fund tax levy.

29 c. (Deleted by amendment, P.L.2007, c.260).

30 d. Notwithstanding the provisions of subsection b. of this
31 section, in the case of a student who was not included in the
32 district's projected resident enrollment for the school year, the State
33 shall pay 100% of the amount required pursuant to subsection b. of
34 this section for the first year of the student's enrollment in the
35 charter school.

36 e. The State shall make payments required pursuant to
37 subsection d. of this section directly to the charter school.

38 (cf: P.L.2007, c.260, s.58)
39

40 10. Section 13 of P.L.1995, c. 426 (C.18A:36A-13) is amended
41 to read as follows:

42 13. The students who reside in the **【school district in which the**
43 **charter school is located】** charter school district of residence shall
44 be provided transportation to the charter school on the same terms
45 and conditions as transportation is provided to students attending
46 the schools of the district. Non-resident students shall receive
47 transportation services pursuant to regulations established by the
48 State board.

1 At the discretion of the board of trustees of a charter school, the
2 charter school may provide courtesy busing services at its own
3 expense to students enrolled in the charter school.

4 (cf: P.L.1995, c.426, s.13)

5
6 11. Section 14 of P.L.1995, c.426 (C.18A:36A-14) is amended
7 to read as follows:

8 14. a. The board of trustees of a charter school shall have the
9 authority to decide matters related to the operations of the school
10 including budgeting, curriculum, and operating procedures, subject
11 to the school's charter. The board shall provide for appropriate
12 insurance against any loss or damage to its property or any liability
13 resulting from the use of its property or from the acts or omissions
14 of its officers and employees.

15 b. In the case of a currently existing public school which
16 becomes a charter school pursuant to the provisions of subsection b.
17 of section 4 of this act, all school employees of the charter school
18 shall be deemed to be members of the bargaining unit defined in the
19 applicable agreement and shall be represented by the same majority
20 representative organization as the employees covered by that
21 agreement. In the case of other charter schools, the board of
22 trustees of a charter school shall have the authority to employ,
23 discharge and contract with necessary teachers and nonlicensed
24 employees subject to the school's charter. The board of trustees
25 may choose whether or not to offer the terms of any collective
26 bargaining agreement already established by the school district for
27 its employees, but the board shall adopt any health and safety
28 provisions of the agreement. The charter school and its employees
29 shall be subject to the provisions of the "New Jersey Employer-
30 Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.). A
31 charter school shall not set a teacher salary lower than the minimum
32 teacher salary specified pursuant to section 7 of P.L.1985, c.321
33 (C.18A:29-5.6) nor higher than the highest step in the salary guide
34 in the collective bargaining agreement which is in effect in the
35 district in which the charter school is located.

36 c. All **【classroom teachers and professional support】** teaching
37 staff members shall hold appropriate New Jersey certification.
38 **【The commissioner shall make appropriate adjustments in the**
39 **alternate route program in order to expedite the certification of**
40 **persons who are qualified by education and experience.】** The
41 requirements for the certification of teaching staff members
42 employed by charter schools shall be identical to the requirements
43 for the certification of teaching staff members employed by school
44 districts.

45 d. A public school employee, tenured or non-tenured, may
46 request a leave of absence of up to three years from the local board
47 of education or State district superintendent in order to work in a
48 charter school. Approval for a leave of absence shall not be

1 unreasonably withheld. Employees on a leave of absence as
2 provided herein shall remain in, and continue to make contributions
3 to, their retirement plan during the time of the leave and shall be
4 enrolled in the health benefits plan of the district in which the
5 charter school is located. The charter school shall make any
6 required employer's contribution to the district's health benefits
7 plan.

8 e. Public school employees on a leave shall not accrue tenure
9 in the public school system but shall retain tenure, if so applicable,
10 and shall continue to accrue seniority, if so applicable, in the public
11 school system if they return to their non-charter school when the
12 leave ends. An employee of a charter school shall not accrue tenure
13 pursuant to N.J.S.18A:17-2, N.J.S.18A:17-3, or N.J.S.18A:28-5, but
14 shall acquire streamline tenure pursuant to guidelines promulgated
15 by the commissioner, and the charter shall specify the security and
16 protection to be afforded to the employee in accordance with the
17 guidelines.

18 f. Any public school employee who leaves or is dismissed
19 from employment at a charter school within three years shall have
20 the right to return to the employee's former position in the public
21 school district which granted the leave of absence, provided the
22 employee is otherwise eligible for employment in the public school.
23 (cf: P.L.1995, c.426, s.14)

24

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

27 16. a. The **【commissioner】** review board shall annually assess
28 whether each charter school is meeting the goals of its charter**【,**
29 **and】** and its performance framework. The annual assessment shall
30 be in writing and shall be posted on the department's website no
31 later than October 15. The assessment shall include, but not be
32 limited to, information on the number of students who enrolled in
33 and withdrew from the charter school during the year and the
34 student demographics of the charter school.

35 The review board shall conduct a comprehensive review
36 pursuant to the provisions of section 17 of P.L.1995, c.426
37 (C.18A:36A-17) prior to 【granting】 a renewal of the charter. The
38 findings of the review shall be submitted in writing to the charter
39 school no later than six months prior to the commissioner's decision
40 on the renewal of the charter.

41 The executive county superintendent of schools of the county in
42 which the charter school is located shall have on-going access to the
43 records and facilities of the charter school to ensure that the charter
44 school is in compliance with its charter and that State board
45 regulations concerning assessment, testing, civil rights, and student
46 health and safety are being met, as well as regulations concerning
47 student discipline, special education, and bilingual education in the
48 event that the charter school is not exempt pursuant to the

1 provisions of subsection a. of section 11 of P.L.1995, c.426
2 (C.18A:36A-11).

3 b. In order to facilitate the **【commissioner's review】** review
4 board's assessment, each charter school shall submit an annual
5 report to the local board of education, the executive county
6 superintendent of schools, the review board, and the commissioner
7 in the form prescribed by the commissioner. The report shall be
8 received annually by the local board, the executive county
9 superintendent, the review board, and the commissioner no later
10 than August 1.

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

13 The annual report shall include information on the number of
14 students who left the charter school during the preceding school
15 year by withdrawal, expulsion, other disciplinary action, or any
16 other circumstance, the educational placement of students after
17 leaving the charter school, and such other information as the
18 commissioner deems necessary.

19 c. By April 1, 2001, and within one year following the
20 effective date of P.L. , c. (C.) (pending before the
21 Legislature as this bill) and every five years thereafter, the
22 commissioner shall hold public hearings in the north, central, and
23 southern regions of the State to receive input from members of the
24 educational community and the public on the charter school
25 program.

26 d. (1) The commissioner shall commission an independent
27 study of the charter school program. The study shall be conducted
28 by an individual or entity identified with expertise in the field of
29 education and the selection shall be approved by the Joint
30 Committee on the Public Schools. The individual or entity shall
31 design a comprehensive study of the charter school program.

32 (2) No later than one year following the effective date of P.L. ,
33 c. (C.) (pending before the Legislature as this bill) and every
34 five years thereafter, the commissioner shall commission an
35 independent study of the charter school program that meets the
36 requirement of paragraph (1) of this subsection.

37 e. The commissioner shall submit to the Governor, the
38 Legislature, and the State Board of Education by October 1, 2001
39 and by October 1 of the second full year following the effective
40 date of P.L. , c. (C.) (pending before the Legislature as this
41 bill) and by October 1 of every fifth year thereafter, an evaluation
42 of the charter school program based upon the public input required
43 pursuant to subsection c. of this section and the independent study
44 required pursuant to subsection d. of this section. The evaluation
45 shall include, but not be limited to, consideration of the following
46 elements:

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

4 (2) the impact of the charter school program and the increased
5 number of schools on the economics of educational services on a
6 Statewide basis;

7 (3) the fairness and the impact of the reduction of available
8 resources on the ability of resident districts to provide all students
9 with a thorough and efficient education as measured by the core
10 curriculum content standards, and to promote competitive
11 educational offerings;

12 (4) the impact of the shift of pupils from nonpublic schools to
13 charter schools, and the impact of the shift of pupils from public
14 schools;

15 (5) the comparative demographics of student enrollments in
16 school districts of residence and the charter schools located within
17 those districts. The comparison shall include, but not be limited to,
18 race, gender, socioeconomic status, enrollment of special education
19 students, enrollment of students of limited English proficiency, and
20 student progress toward meeting the core curriculum content
21 standards as measured by student results on Statewide assessment
22 tests;

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

26 (7) verification of the compliance of charter schools with
27 applicable laws and regulations;

28 (8) student progress toward meeting the goals of the charter
29 schools;

30 (9) parent, community and student satisfaction with charter
31 schools;

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

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

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

38 The evaluation shall include a recommendation on the
39 advisability of the continuation, modification, expansion, or
40 termination of the program. If the evaluation does not recommend
41 termination, then it shall include recommendations for changes in
42 the structure of the program which the commissioner deems
43 advisable. The commissioner may not implement any
44 recommended expansion, modification, or termination of the
45 program until the Legislature acts on that recommendation.

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

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

3 17. a. A charter granted by the commissioner pursuant to the
4 provisions of this act shall be granted for a four-year period [and] .
5 The charter term shall commence on the charter school's first day of
6 operation. A charter may be renewed for a five-year period, except
7 that the commissioner may renew a charter for a term of less than
8 five years based on the performance, demonstrated capacities, and
9 particular circumstances of the charter school. The commissioner
10 may renew a charter with specific conditions for necessary
11 improvements to the charter school. The review board shall
12 annually assess and the commissioner may revoke a school's
13 charter if the school:

14 (1) has not fulfilled any condition imposed by the commissioner
15 in connection with the granting of the charter [or if the school has
16 violated any provision of its charter];

17 (2) fails to achieve the core curriculum content standards or fails
18 to meet or make sufficient progress toward the performance
19 standards set forth in the school's charter;

20 (3) engages in a practice and pattern of discrimination in
21 violation of federal or State law or violates any federal or State law
22 from which the charter school is not exempted;

23 (4) violates any provision of its charter, including provisions
24 concerning fiscal responsibility; or

25 (5) fails to make reasonable and appropriate efforts to achieve a
26 student enrollment comparable to the demographic makeup of the
27 charter school district of residence as required pursuant to section 8
28 of P.L.1995, c.426 (C.18A:36A-8).

29 b. No later than September 1, the review board shall forward a
30 charter renewal application guidance document to a charter school
31 whose charter will expire during the following year. The review
32 board shall also issue a performance report to the charter school that
33 includes a preliminary recommendation on the approval or
34 disapproval of the school's charter. The performance report shall
35 summarize the charter school's performance record based on the
36 data required under P.L.1995, c.426 (C.18A:36A-1 et seq.), and
37 shall provide notice of any weaknesses or concerns noted by the
38 review board that may jeopardize the renewal of the school's
39 charter if not rectified in a timely manner. The charter school shall
40 have 60 days to respond to the performance report and submit to the
41 reviewer any corrections or clarifications.

42 c. The renewal application guidance document shall, at a
43 minimum, provide an opportunity for the charter school to:

44 (1) present additional evidence, beyond the data contained in the
45 performance report, to support its case for charter renewal;

46 (2) describe improvements undertaken or planned for the charter
47 school; and

48 (3) detail the school's plans for the next charter term.

1 The renewal application guidance document shall include the
2 criteria that will guide the review board's final recommendation on
3 charter renewal, which shall be based on the performance
4 framework set forth in the charter and consistent with the provisions
5 of P.L.1995, c.426 (C.18A:36A-1 et seq.).

6 d. No later than December 1, the board of trustees of a charter
7 school seeking renewal shall submit a renewal application to the
8 review board and the commissioner in accordance with the renewal
9 application guidance document. Based on the recommendation of
10 the review board, the commissioner shall make a determination on
11 the renewal of the charter no later than February 1 after the filing of
12 the renewal application.

13 e. In making a final decision to recommend the renewal of a
14 charter, the review board shall:

15 (1) base its decision on evidence of the school's performance
16 over the term of the charter in accordance with the performance
17 framework set forth in the charter;

18 (2) ensure that the data used in making renewal decisions are
19 available to the charter school and the public; and

20 (3) issue a public report summarizing the evidence which is the
21 basis for its decision.

22 f. In the event that a determination is made to revoke or not to
23 renew a charter, the commissioner shall:

24 (1) provide the charter school with timely notification of the
25 prospect of the revocation or nonrenewal of its charter and of the
26 reasons for the possible closure of the charter school;

27 (2) allow the charter school a reasonable amount of time in
28 which to prepare a response;

29 (3) provide the charter school with an opportunity to submit
30 documents and give testimony challenging the rationale for the
31 decision to revoke or not renew the charter and in support of the
32 renewal of the charter, at a proceeding held for that purpose;

33 (4) at the proceeding allow the charter school access to
34 representation by counsel and the opportunity to call witnesses on
35 its behalf;

36 (5) permit the recording of the proceeding; and

37 (6) after a reasonable period for deliberation, make a final
38 determination and convey that determination in writing to the
39 charter school.

40 If the commissioner revokes or does not renew a charter, the
41 commissioner shall clearly state at a public meeting of the State
42 Board of Education, the reasons for the revocation or nonrenewal.

43 g. The commissioner may place the charter school on
44 probationary status to allow the implementation of a remedial plan
45 after which, if the plan is unsuccessful, the charter may be
46 summarily revoked. The commissioner shall develop procedures
47 and guidelines for the revocation and renewal of a school's charter
48 which shall be in accordance with the provisions of this section.

1 h. The commissioner shall develop a charter school closure
2 protocol to be used in the event of the closure of a charter school.
3 The protocol shall provide for the timely notification of parents, the
4 orderly transition of students and student records to the new schools
5 of attendance, and the proper disposition of school funds, property,
6 and assets in accordance with the requirements of P.L.1995, c.426
7 (C.18A:36A-1 et seq.). In the event of the closure of a charter
8 school for any reason, the review board shall oversee the charter
9 school closure and work with the charter school to ensure a smooth
10 and orderly closure and transition for students and parents in
11 accordance with the protocol established pursuant to this section.

12 i. Upon the revocation of its charter, the charter school shall
13 provide the following information to the commissioner and to the
14 parents or guardians of the charter school's students:

15 (1) the effective date of the closure;

16 (2) the name and contact information of the person to whom
17 reasonable inquiries may be made regarding the closure; and

18 (3) the district of residence for the student.

19 j. Upon the revocation of its charter, the charter school shall
20 also provide the parents or guardians with information on how to
21 transfer the student to the student's school district of residence.
22 The charter school shall forward all student records to a student's
23 school district of residence.

24 k. A charter school shall cause an independent final audit of the
25 school's accounts and financial transactions to be made by a public
26 school accountant within six months prior to the closure of the
27 school. The audit shall include, but not be limited to:

28 (1) an accounting of all financial assets, including accounts
29 receivable, and an inventory of property, equipment, and other
30 items of material value;

31 (2) an accounting of the liabilities, including accounts payable;
32 and

33 (3) an assessment of the disposition of any restricted funds
34 received by or due to the charter school.

35 l. A charter school shall dispose of any net assets remaining
36 after all liabilities of the charter school have been paid or otherwise
37 addressed including, but not limited to, the following:

38 (1) the return of any grant funds and restricted categorical funds
39 to their source in accordance with the terms of the grant or State
40 and federal law, as appropriate, which may include submission of
41 final expenditure reports for entitlement grants and the filing of any
42 required final expenditure reports and final performance reports;

43 (2) the return of any donated materials and property in
44 accordance with any conditions established when the donation of
45 the materials or property was accepted; and

46 (3) the distribution of assets to satisfy outstanding payroll
47 obligations for employees of the charter school, then to creditors of
48 the charter school, and then to the State Treasurer to the credit of

1 the General Fund. If the assets of the charter school are insufficient
2 to pay all parties to whom the school owes compensation, the
3 prioritization of the distribution of assets may be determined by a
4 court of competent jurisdiction.

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

6
7 14. (New section) As used in P.L.1995, c.426 (C.18A:36A-1 et
8 seq.), “charter school review board” or “review board” means the
9 board established pursuant to section 15 of P.L. , c. (C.)
10 (pending before the Legislature as this bill) charged with making
11 recommendations to the Commissioner of Education on the
12 granting, renewal, and revocation of charters for charter schools
13 established pursuant to the provisions of P.L.1995, c.426
14 (C.18A:36A-1 et seq.). The charter school review board is also
15 responsible for the ongoing review of the operations of the charter
16 schools it has recommended to the commissioner for approval.

17
18 15. (New section) There is hereby established in, but not of, the
19 Department of Education, the charter school review board. The
20 board shall consist of nine members, not more than five of whom
21 shall be members of the same political party. Three members of the
22 board shall be appointed by the Governor, three members of the
23 board shall be appointed by the President of the Senate, and three
24 members of the board shall be appointed by the Speaker of the
25 General Assembly. The members of the board shall have
26 experience in public and nonprofit governance, management,
27 finance, public school leadership, assessment, curriculum,
28 instruction, and public school law. The appointments to the board
29 shall be made no later than 90 days after the effective date of
30 P.L. , c. (C.) (pending before the Legislature as this bill).
31 The terms of the first members appointed by the Governor shall be
32 five years, and the terms of members subsequently appointed or
33 reappointed by the Governor shall be four years. The term of a
34 member of the board appointed or reappointed by the President of
35 the Senate or the Speaker of the General Assembly shall be four
36 years. No member of the board shall serve for more than eight
37 consecutive years. A vacancy on the board shall be filled by the
38 original appointment authority for the remainder of the term. An
39 employee, agent, or representative of the charter school review
40 board shall not serve as an employee, agent, representative, vendor,
41 contractor, or board of trustee member of a charter school that is
42 subject to the oversight of the charter school review board.

43
44 16. (New section) a. The charter school review board shall:

45 (1) conduct a comprehensive review and evaluation of the
46 charter school applications assigned to the review board by the
47 commissioner, and make recommendations to the commissioner on
48 the approval of these applications;

1 (2) conduct ongoing oversight of the operations of the charter
2 schools approved by the commissioner upon the recommendation of
3 the review board; and

4 (3) make recommendations to the commissioner on the renewal
5 or revocation of charters of the charter schools approved by the
6 commissioner upon the recommendation of the review board.

7 b. (1) The commissioner shall provide to the review board a
8 one-time payment of \$250,000 to fund its initial costs of operations.

9 (2) For the costs associated with the oversight of charter
10 schools, the commissioner shall remit to the charter school review
11 board a per pupil fee in such amount as determined by the
12 commissioner. The fee shall not exceed 2% of the base per pupil
13 amount established pursuant to section 7 of P.L.2007, c.260
14 (C.18A:7F-49), and the review board shall receive the same per
15 pupil amount multiplied by the number of students enrolled in the
16 charter school under the oversight of the review board. The
17 commissioner may also determine to establish a sliding-scale per
18 pupil funding system with the per pupil amount decreasing after the
19 review board has achieved a certain threshold, such as the number
20 of years of operation of the review board or the number of charter
21 schools that have been authorized by the commissioner upon the
22 recommendation of the review board. The commissioner shall
23 annually review the effectiveness of the per pupil funding formula
24 established pursuant to this paragraph and shall adjust the formula if
25 he deems it necessary to strengthen the oversight of charter schools.

26 The review board's oversight fee shall not include any costs
27 incurred in delivering services that a charter school may purchase at
28 its discretion from the board. The review board shall use the
29 oversight fee exclusively for the purpose of fulfilling its
30 responsibilities pursuant to P.L.1995, c.426 (C.18A:36A-1 et seq.).

31 c. The charter school review board shall submit an annual
32 report to the Governor, the commissioner, and to the Legislature
33 pursuant to P.L.1991, c.164 (C.52:14-19.1), no later than August 1.
34 The report shall include information on the number of charter
35 school applications reviewed during the year, the number of
36 applications recommended to the commissioner for approval and
37 the number recommended for disapproval, the number of charter
38 school applications reviewed by the board that were approved by
39 the commissioner, the number of charters recommended for renewal
40 or revocation, the total number of charter schools that are under the
41 oversight of the review board, and such other information as
42 required by the commissioner.

43 d. The charter school review board shall not be liable for legal
44 or equitable relief to any party for any action or inaction taken in
45 good faith in the discharge of the duties of a charter school review
46 board.

1 17. (New section) a. In reviewing and evaluating a charter
2 school application, the review board shall thoroughly evaluate the
3 written application, shall conduct an in-person interview with the
4 persons submitting the application, and shall provide an opportunity
5 in a public forum for local residents to learn about and provide
6 input on the application.

7 b. In determining whether to recommend to the commissioner
8 the approval of a charter school application, the review board shall:

9 (1) recommend for approval only those applications in which
10 the applicants demonstrate competence in each of the criteria
11 established pursuant to subsection b. of section 5 of P.L.1995, c.426
12 (C.18A:36A-5) and demonstrate a reasonable capability of
13 effectively serving students enrolled in the charter school and
14 contributing to the overall quality of public education in the charter
15 school district of residence;

16 (2) base its decision on documented evidence collected through
17 the application review process; and

18 (3) follow charter application approval policies and practices
19 that are transparent, based on merit, and avoid any conflict of
20 interest or appearance of a conflict.

21 c. The review board's recommendation to the commissioner
22 for approval of an application may include, if appropriate,
23 reasonable conditions that the applicant shall meet prior to the
24 granting of the charter. The review board may recommend and the
25 commissioner may establish reasonable pre-opening requirements
26 or conditions to monitor the start-up progress of a newly-approved
27 charter school in order to ensure that the school is prepared to open
28 and that it meets all applicable building, health, safety, insurance,
29 and other legal requirements.

30 d. The review board's recommendation to the commissioner for
31 disapproval of an application shall clearly state the reasons for its
32 disapproval. In the event that the application is denied by the
33 commissioner, nothing shall preclude the applicant from re-
34 submitting the application by the following January 1.

35 e. The review board shall provide a copy of the report of its
36 recommendation to the charter school applicant at the same time as
37 it is submitted to the commissioner. The report shall include the
38 review board's findings, the reasons for its recommendation, and
39 assurances as to compliance with all application elements
40 established pursuant to section 5 of P.L.1995, c.426 (C.18A:36A-5).

41
42 18. (New section) a. The review board shall continually
43 monitor the performance and legal compliance of the charter
44 schools it oversees, including collecting and analyzing data to
45 support ongoing evaluation according to the charter. The review
46 board shall have the authority to conduct or require oversight
47 activities that enable the board to fulfill its responsibilities under

1 P.L.1995, c.426 (C.18A:36A-1 et seq.), including conducting
2 appropriate inquiries and investigations.

3 b. The review board shall annually publish and provide, as part
4 of its annual report to the commissioner, the Governor, and the
5 Legislature the annual assessment for each charter school it
6 oversees.

7 c. In the event that a charter school's performance or legal
8 compliance appears unsatisfactory, the review board shall promptly
9 notify the charter school of the perceived problem and provide
10 reasonable opportunity for the school to remedy the problem, unless
11 the problem warrants immediate revocation of the school's charter.
12 The revocation shall be subject to the provisions of section 17 of
13 P.L.1995, c.426 (C.18A:36A-17).

14 d. The review board shall have the authority to take appropriate
15 corrective actions or exercise sanctions, other than the revocation of
16 the school's charter, in response to deficiencies in the performance
17 or legal compliance of the charter school. The actions or sanctions
18 may include requiring a school to develop and execute a corrective
19 action plan within a specified timeframe.
20

21 19. (New section) a. The charter issued to a charter school
22 shall be based on a performance framework developed by the
23 commissioner that clearly sets forth the academic, operational, and
24 performance indicators, measures, and metrics that will guide the
25 reviewer's evaluation of the charter school. The performance
26 framework shall at a minimum include:

27 (1) student academic proficiency through achievement of the
28 core curriculum content standards;

29 (2) student academic growth;

30 (3) achievement gaps in both proficiency and growth between
31 student subgroups;

32 (4) student attendance rates;

33 (5) recurrent enrollment from year to year;

34 (6) in the case of high school students, readiness for
35 postsecondary education;

36 (7) financial performance and sustainability;

37 (8) board of trustee performance and stewardship, including
38 compliance with all applicable laws and regulations; and

39 (9) the enrollment of a student population with a demographic
40 makeup comparable to the schools of the charter school district of
41 residence.

42 b. Annual performance targets shall be agreed to by the charter
43 school and the review board, and shall be designed to help the
44 charter school meet applicable federal, State, and review board
45 expectations.

46 c. The performance framework shall allow for the inclusion of
47 additional rigorous, valid, and reliable indicators proposed by the
48 charter school to augment external evaluations of its performance,

1 provided that the review board approves the quality and rigor of the
2 proposed indicators and that the indicators are consistent with the
3 provisions of P.L.1995, c.426 (C.18A:36A-1 et seq.).

4 d. For each charter school it oversees, the review board shall be
5 responsible for collecting, analyzing, and reporting all data from
6 State assessments in accordance with the performance framework.

7 e. Multiple charter schools operating under a single charter or
8 overseen by a single board of trustees shall be required to report
9 their performance as separate, individual schools, and each school
10 shall be independently held accountable for its performance.

11
12 20. (New section) In order to enroll in a charter school, the
13 student must first be registered in the school district in which the
14 student resides. For any student who applies for enrollment in a
15 charter school, the board of education of the school district in which
16 the charter school applicant resides shall process the registration of
17 the student for the subsequent school year upon submission of the
18 registration forms. The board of education shall process the
19 registration in a timely manner, including the assessment of
20 residency and the subsequent transfer to the charter school, and
21 shall identify the specific categorical aid for which the student
22 qualifies.

23
24 21. (New section) a. A charter school shall annually submit
25 its budget for the upcoming school year to the commissioner for
26 review. The budget shall be submitted in such format, and by such
27 date, as determined by the commissioner and shall include
28 information on all revenues including revenues received from
29 private or philanthropic sources, expenses supported by those
30 revenues including expenses for facilities, and any in-kind
31 contributions received by the charter school.

32 b. The provisions of section 7 of P.L.1996, c.138 (C.18A:7F-7)
33 shall be applicable to a charter school.

34
35 22. (New section) a. The budget adopted by a charter school
36 for the school year shall be provided for public inspection on the
37 charter school's Internet site, if one exists, and made available in
38 print in a "user-friendly" format using plain language. The
39 commissioner shall promulgate a "user-friendly," plain language
40 budget summary format for the use of charter schools for this
41 purpose. The commissioner shall also promulgate a procedure for
42 the submission by each charter school of the required budget
43 summary form to the Department of Education.

44 b. The plain language budget summary shall provide the public
45 with information in summary form about the budget of the charter
46 school and shall include, in addition to an abbreviated version of the
47 formal budget adopted by the charter school, such statistical
48 information as the commissioner determines to be useful for the

1 public's understanding of the charter school's fiscal matters and
2 conditions, and shall also include, but not be limited to the
3 following information for both the budget year and prebudget year:
4 all line items of appropriation aggregated by item type; revenues by
5 major category; a description of available surplus; a description of
6 unusual revenues or appropriations, with a description of the
7 circumstances of the revenues or appropriations; and a list or shared
8 service agreements in which the charter school is participating.

9 c. The plain language budget summary shall be submitted to
10 the Department of Education in such form as determined by the
11 commissioner, and, upon its receipt of the summary, the department
12 shall make the summary available to the public through an Internet
13 website maintained by the department in an easily accessible
14 location. The information on the website shall be presented as data
15 that can be downloaded by the public for comparative purposes
16 using commonly-used software.

17
18 23. (New section) a. In addition to other items prescribed by
19 the Commissioner of Education pursuant to section 21 of
20 P.L. , c. (C.) (pending before the Legislature as this bill),
21 the commissioner shall require a charter school to submit annually
22 with the budget, the following items as supporting documentation in
23 regard to a charter school administrator, and any employee with an
24 annual salary that exceeds \$75,000 who is not a member of a
25 collective bargaining unit:

26 (1) a detailed statement of the employment contract terms for
27 these charter school employees including, but not limited to, the
28 duration of the contract and all forms of compensation provided for
29 under the contract;

30 (2) the annualized cost of all benefits provided to these charter
31 school employees including, but not limited to, all allowances,
32 bonuses and stipends, and all contributions made by the charter
33 school towards the costs of health, dental, life and other types of
34 insurance, medical and reimbursement plans, and retirement plans
35 which exceed the contributions for the costs of these items made on
36 behalf of a teaching staff member;

37 (3) a detailed statement of any benefits provided for in the
38 employment contract with these charter school employees which are
39 to be conferred after or upon the separation from the charter school;
40 and

41 (4) a detailed statement of any form of in-kind or other form of
42 remuneration provided to these charter school employees which is
43 not otherwise included in the employee's salary or benefits.

44 b. The items required to be submitted pursuant to subsection a.
45 of this section shall be provided for public inspection on the charter
46 school's Internet site, if one exists, in a "user-friendly" format using
47 plain language, and on the Department of Education's Internet site
48 in an easily accessible location. The commissioner shall

1 promulgate a "user-friendly," plain language format for the use of
2 charter schools for this purpose.

3
4 24. (New section) A board of education and a charter school
5 may enter into a written agreement to conduct collaborative
6 education programs or implement shared services if the
7 arrangement will serve to improve any of the following for all
8 students in the charter school and the school district:

- 9 a. teacher quality;
10 b. professional development opportunities for teachers and
11 principals;
12 c. school leadership;
13 d. programs and services for students with limited English
14 proficiency and students with disabilities;
15 e. drop-out rates and achievement gaps among students; and
16 f. data collection and program evaluation.

17
18 25. (New section) A charter school shall be subject to review
19 and evaluation under the New Jersey Quality Single Accountability
20 Continuum in the five key components of effectiveness established
21 pursuant to section 10 of P.L.1975, c.212 (C.18A:7A-10). The
22 commissioner shall determine a charter school's capacity and
23 effectiveness using quality performance indicators comprised of
24 standards for each of the five key components. Based on a charter
25 school's compliance with the quality performance indicators, the
26 commissioner shall assess the charter school's capacity and
27 effectiveness and place the charter school on a performance
28 continuum that will determine the type and level of oversight and
29 technical assistance and support the charter school receives.

30
31 26. This act shall take effect immediately.

32
33
34 STATEMENT

35
36 Under the "Charter School Program Act of 1995," P.L.1995,
37 c.426 (C.18A:36A-1 et seq.), the Commissioner of Education is
38 granted the authority to approve applications for the establishment
39 of charter schools and to regulate and oversee their operations. This
40 bill establishes a charter school review board in the Department of
41 Education to make recommendations to the commissioner on the
42 granting of charters to charter school applicants based on
43 applications forwarded to the review board by the commissioner.
44 The charter school review board will be responsible for the ongoing
45 review of the operations of the charter schools it has recommended
46 to the commissioner for approval, and will provide information to
47 the commissioner in regard to decisions to revoke or renew a
48 charter.

1 The charter school review board will consist of nine members,
2 with three members appointed by the Governor, three members
3 appointed by the President of the Senate, and three members
4 appointed by the Speaker of the General Assembly. The members
5 of the board must have experience in public and nonprofit
6 governance, management, finance, public school leadership,
7 assessment, curriculum, instruction, and public school law.

8 The bill also does the following:

- 9 • provides that the commissioner will encourage the establishment
10 of charter schools to serve specific student groups including
11 students at risk of dropping out of school, limited English
12 proficient students, and students with disabilities;
- 13 • revises the timeframe under which an application to establish a
14 charter school must be submitted and either approved or
15 disapproved by the commissioner;
- 16 • provides that an application for the establishment of a charter
17 school, after receiving initial approval from the commissioner,
18 may not receive final approval unless the designation of the
19 district as the charter school district of residence or inclusion in
20 the region of residence has been approved by the voters of the
21 district or the board of school estimate, as appropriate. The bill
22 also requires voter or board of school estimate approval of any
23 petition to amend a charter to expand the number of grade levels
24 that a charter school operates or to enlarge its region of
25 residence;
- 26 • directs the commissioner to annually issue a charter application
27 guidance document that provides information on his strategic
28 vision for chartering, any preference that he may grant to
29 applications that serve certain student groups, the performance
30 framework he has developed for charter school oversight and
31 evaluation, the criteria that will guide the decision to approve or
32 deny a charter, and detailed guidelines on the format and content
33 essential for an applicant to demonstrate the capacity to operate
34 a charter school;
- 35 • expands the information that must be included in an application
36 to establish a charter school;
- 37 • provides that the charter issued to a charter school will be based
38 on a performance framework developed by the commissioner
39 that clearly sets forth the academic, operational, and
40 performance indicators and measures that will guide the review
41 board's evaluation of the charter school. The bill outlines the
42 minimum elements of a performance framework;
- 43 • requires a charter school to file with the Commissioner of
44 Education and its district of residence a report on the student
45 enrollment demographics of the charter school by October 15 of
46 each year. The report is to be posted on the websites of the
47 Department of Education, the charter school, and the charter
48 school district of residence;

- 1 • requires a charter school to maintain a waiting list for admission
2 to the school and to annually submit the number and
3 demographics of students on the waiting list to the
4 commissioner. The department and the charter school will post
5 the number and student demographics on their websites and
6 update the number as appropriate;
- 7 • requires the adjustment of the per pupil tax levy amount that a
8 district of residence must send to a charter school if, in the case
9 of a school district that holds its annual school election in April
10 the district's budget is defeated by the voters, or the district's
11 budget is disapproved by the board of school estimate, and the
12 district's tax levy is reduced. The per pupil adjustment will
13 reflect the reduced tax levy;
- 14 • requires that a charter school's annual report required under
15 current law include information on the students who have left
16 the charter school during the preceding school year through
17 withdrawal, expulsion, other disciplinary action, or any other
18 circumstance;
- 19 • requires that the commissioner's annual assessment of a charter
20 school required under current law be in writing and posted on
21 the department's website no later than October 15;
- 22 • provides that no later than September 1, the charter school
23 review board will forward a charter renewal application
24 guidance document to a charter school whose charter will expire
25 during the following year. The review board will also issue a
26 performance report to the charter school that includes a
27 preliminary recommendation on the approval or disapproval of
28 the school's charter. The renewal application guidance
29 document will include the criteria that will guide the review
30 board's final recommendation on charter renewal, which will be
31 based on the performance framework set forth in the charter;
- 32 • provides that no later than December 1, the board of trustees of a
33 charter school seeking renewal of its charter will submit a
34 renewal application to the review board and the commissioner.
35 The bill outlines the criteria that will be used by the review
36 board in making a final decision to recommend charter renewal;
- 37 • provides that in the event the commissioner determines to revoke
38 or not to renew a charter, the charter school will have an
39 opportunity to submit documents and give testimony
40 challenging the rationale for the decision, at a proceeding held
41 for that purpose;
- 42 • directs the commissioner to establish a charter school closure
43 protocol;
- 44 • establishes the actions that must be taken by a charter school
45 upon the revocation of its charter;
- 46 • establishes the following additional grounds for which the
47 commissioner may revoke a school's charter:

- 1 -the charter school fails to achieve the core curriculum content
- 2 standards or fails to meet any performance standard set forth in the
- 3 school's charter;
- 4 -engages in a practice and pattern of discrimination in violation
- 5 of federal or State law or violates any federal or State law from
- 6 which the charter school is not exempted;
- 7 -violates any provision of its charter, including provisions
- 8 concerning fiscal responsibility; or
- 9 -fails to make reasonable and appropriate efforts to achieve a
- 10 student enrollment comparable to the demographic makeup of the
- 11 charter school district of residence.
- 12 • provides that the budget adopted by a charter school for the
- 13 school year will be posted for public inspection on the charter
- 14 school's website, if one exists, and made available in print in a
- 15 "user-friendly" format using plain language. The plain language
- 16 budget summary will be submitted to the Department of
- 17 Education which will also make it available to the public on its
- 18 website. The commissioner will promulgate the "user-friendly"
- 19 plain language budget summary format;
- 20 • requires a charter school to annually submit to the commissioner
- 21 with its budget certain salary and benefit information on charter
- 22 school administrators. The information will be made available
- 23 on the charter school's and the Department of Education's
- 24 website; and
- 25 • requires charter schools to be subject to review and evaluation
- 26 under the New Jersey Quality Single Accountability Continuum
- 27 (NJ QSAC).