SENATE BILL NO. 443-COMMITTEE ON EDUCATION

MARCH 25, 2013

Referred to Committee on Education

SUMMARY—Revises provisions governing charter schools. (BDR 34-1079)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: Yes.

EXPLANATION - Matter in bolded italics is new; matter between brackets formitted material is material to be omitted.

AN ACT relating to education; revising provisions governing applications for authorization to sponsor charter schools by the board of trustees of a school district or a college or university within the Nevada System of Higher Education; removing certain duties of the Department of Education related to the review of applications to form charter schools; requiring the Department to adopt regulations for the comprehensive review of the sponsors of charter schools approved by the Department and for the revocation of the authorization to sponsor charter schools; revising provisions governing the duties of the governing body of a charter school; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the board of trustees of a school district or a college or university within the Nevada System of Higher Education to sponsor charter schools. (NRS 386.515) **Section 2** of this bill clarifies that, in addition to the board of trustees of a school district, a college or university must also submit an application to the Department of Education for authorization to sponsor charter schools. Also under existing law, the Department is required to adopt regulations prescribing the process for submission of an application by the board of trustees of a school district for authorization to sponsor charter schools. (NRS 386.540) **Section 5** of this bill adds a college or university within the Nevada System of Higher Education to the application process and requires the Department to adopt regulations prescribing: (1) the process and timeline for review of an application for authorization to sponsor charter schools; (2) the process for the Department to conduct a comprehensive review of sponsors of charter schools approved by the Department at least once every 3 years; and (3) the process for the Department to





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revoke the authorization of a board of trustees or a college or university to sponsor charter schools.

Under existing law, the proposed sponsor of a charter school may request the Department to assist in the reviewing of an application to form a charter school by determining whether the application is substantially complete and compliant. If the Department determines that an application is not substantially complete and compliant, the staff of the Department is required to meet with the applicant to confer on the method to correct the deficiencies in the application identified by the Department. (NRS 386.520) **Sections 3 and 4** of this bill remove these provisions relating to the review of an application to form a charter school by the Department.

Existing law requires the Department to provide appropriate information, education and training for charter schools and the governing bodies of charter schools concerning the applicable provisions of the laws and regulations relating to charter schools. (NRS 386.545) **Section 6** of this bill transfers this duty to provide information, education and training to the sponsor of the charter school.

Under existing law, a person may serve on the governing body of a charter school only if he or she submits an affidavit to the Department indicating that the person: (1) has not been convicted of a felony relating to service on the governing body; and (2) has read and understands material relating to the roles and responsibilities of members of governing bodies of charter schools. (NRS 386.549) **Section 7** of this bill revises the requirement for the submission of the affidavit so that the affidavit is submitted to the sponsor of the charter school rather than the Department.

Section 8 of this bill changes the date for the sponsor of a charter school to submit an annual report to the Department on the evaluation of the charter schools it sponsors from August 15 to October 1. (NRS 386.610)

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 386.505 is hereby amended to read as follows: 386.505 The Legislature declares that by authorizing the formation of charter schools it is not authorizing:

- 1. The conversion of an existing public school, homeschool or other program of home study to a charter school.
- 2. A means for providing financial assistance for private schools or programs of home study. The provisions of this subsection do not preclude:
- (a) A private school from ceasing to operate as a private school and **[reopening]** using the private school facility as a charter school in compliance with the provisions of NRS 386.490 to 386.610, inclusive.
- (b) The payment of money to a charter school for the enrollment of children in classes at the charter school pursuant to subsection 5 of NRS 386.580 who are enrolled in a public school of a school district or a private school or who are homeschooled.
- 3. The formation of charter schools on the basis of a single race, religion or ethnicity.





- **Sec. 2.** NRS 386.515 is hereby amended to read as follows:
- 386.515 1. The board of trustees of a school district may apply to the Department for authorization to sponsor charter schools within the school district [-] in accordance with the regulations adopted by the Department pursuant to NRS 386.540. An application must be approved by the Department before the board of trustees may sponsor a charter school. Not more than 180 days after receiving approval to sponsor charter schools, the board of trustees shall provide public notice of its ability to sponsor charter schools and solicit applications for charter schools.
- 2. The State Public Charter School Authority shall sponsor charter schools whose applications have been approved by the State Public Charter School Authority pursuant to NRS 386.525. Except as otherwise provided by specific statute, if the State Public Charter School Authority sponsors a charter school, the State Public Charter School Authority is responsible for the evaluation, monitoring and oversight of the charter school.
- 3. A college or university within the Nevada System of Higher Education may submit an application to the Department to sponsor charter schools [.] in accordance with the regulations adopted by the Department pursuant to NRS 386.540. An application must be approved by the Department before a college or university within the Nevada System of Higher Education may sponsor a charter school.
- 4. Each sponsor of a charter school shall carry out the following duties and powers:
- (a) Evaluating applications to form charter schools as prescribed by NRS 386.525;
- (b) Approving applications to form charter schools that the sponsor determines are high quality, meet the identified educational needs of pupils and will serve to promote the diversity of public educational choices in this State;
- (c) Declining to approve applications to form charter schools that do not satisfy the requirements of NRS 386.525;
- (d) Negotiating and executing written charters pursuant to NRS 386.527;
- (e) Monitoring, in accordance with NRS 386.490 to 386.610, inclusive, and in accordance with the terms and conditions of the applicable written charter, the performance and compliance of each charter school sponsored by the entity; and
- (f) Determining whether each written charter of a charter school that the entity sponsors merits renewal or whether the renewal of the written charter should be denied or the written charter should be revoked in accordance with NRS 386.530 or 386.535, as applicable.





- 5. Each sponsor of a charter school shall develop policies and practices that are consistent with state laws and regulations governing charter schools. In developing the policies and practices, the sponsor shall review and evaluate nationally recognized policies and practices for sponsoring organizations of charter schools. The policies and practices must include, without limitation:
- (a) The organizational capacity and infrastructure of the sponsor for sponsorship of charter schools, which must not be described as a limit on the number of charter schools the sponsor will approve;
- (b) The procedure for evaluating charter school applications in accordance with NRS 386.525;
- (c) A description of how the sponsor will maintain oversight of the charter schools it sponsors; and
- (d) A description of the process of evaluation for charter schools it sponsors in accordance with NRS 386.610.
- 6. Evidence of material or persistent failure to carry out the powers and duties of a sponsor prescribed by this section constitutes grounds for revocation of the entity's authority to sponsor charter schools.
 - **Sec. 3.** NRS 386.520 is hereby amended to read as follows:
- 386.520 1. A committee to form a charter school must consist of:
- (a) One member who is a teacher or other person licensed pursuant to chapter 391 of NRS or who previously held such a license and is retired, as long as his or her license was held in good standing;
 - (b) One member who:
 - (1) Satisfies the qualifications of paragraph (a); or
- (2) Is a school administrator with a license issued by another state or who previously held such a license and is retired, as long as his or her license was held in good standing;
- (c) One parent or legal guardian who is not a teacher or employee of the proposed charter school; and
 - (d) Two members who possess knowledge and expertise in one or more of the following areas:
 - (1) Accounting;
 - (2) Financial services;
 - (3) Law; or
 - (4) Human resources.
 - 2. In addition to the members who serve pursuant to subsection 1, the committee to form a charter school may include, without limitation, not more than four additional members as follows:
 - (a) Members of the general public;
- (b) Representatives of nonprofit organizations and businesses; or





- (c) Representatives of a college or university within the Nevada System of Higher Education.
- 3. A majority of the persons who serve on the committee to form a charter school must be residents of this State at the time that the application to form the charter school is submitted to the Department.
- 4. An application to form a charter school must include all information prescribed by the Department by regulation and:
- (a) A written description of how the charter school will carry out the provisions of NRS 386.490 to 386.610, inclusive.
- (b) A written description of the mission and goals for the charter school. A charter school must have as its stated purpose at least one of the following goals:
 - (1) Improving the academic achievement of pupils;
- (2) Encouraging the use of effective and innovative methods of teaching;
- (3) Providing an accurate measurement of the educational achievement of pupils;
- (4) Establishing accountability and transparency of public schools;
- (5) Providing a method for public schools to measure achievement based upon the performance of the schools; or
 - (6) Creating new professional opportunities for teachers.
- (c) The projected enrollment of pupils in the charter school.(d) The proposed dates for accepting applications for enrollment in the initial year of operation of the charter school.
 - (e) The proposed system of governance for the charter school, including, without limitation, the number of persons who will govern, the method for nominating and electing the persons who will govern and the term of office for each person.
 - (f) The method by which disputes will be resolved between the governing body of the charter school and the sponsor of the charter school
 - (g) The proposed curriculum for the charter school and, if applicable to the grade level of pupils who are enrolled in the charter school, the requirements for the pupils to receive a high school diploma, including, without limitation, whether those pupils will satisfy the requirements of the school district in which the charter school is located for receipt of a high school diploma.
 - (h) The textbooks that will be used at the charter school.
 - (i) The qualifications of the persons who will provide instruction at the charter school.
 - (j) Except as otherwise required by NRS 386.595, the process by which the governing body of the charter school will negotiate employment contracts with the employees of the charter school.





- (k) A financial plan for the operation of the charter school. The plan must include, without limitation, procedures for the audit of the programs and finances of the charter school and guidelines for determining the financial liability if the charter school is unsuccessful.
- (l) A statement of whether the charter school will provide for the transportation of pupils to and from the charter school. If the charter school will provide transportation, the application must include the proposed plan for the transportation of pupils. If the charter school will not provide transportation, the application must include a statement that the charter school will work with the parents and guardians of pupils enrolled in the charter school to develop a plan for transportation to ensure that pupils have access to transportation to and from the charter school.
- (m) The procedure for the evaluation of teachers of the charter school, if different from the procedure prescribed in NRS 391.3125 and 391.3128. If the procedure is different from the procedure prescribed in NRS 391.3125 and 391.3128, the procedure for the evaluation of teachers of the charter school must provide the same level of protection and otherwise comply with the standards for evaluation set forth in NRS 391.3125 and 391.3128.
- (n) The time by which certain academic or educational results will be achieved.
- (o) The kind of school, as defined in subsections 1 to 4, inclusive, of NRS 388.020, for which the charter school intends to operate.
- (p) A statement of whether the charter school will enroll pupils who are in a particular category of at-risk pupils before enrolling other children who are eligible to attend the charter school pursuant to NRS 386.580 and the method for determining eligibility for enrollment in each such category of at-risk pupils served by the charter school.
- 5. [The proposed sponsor of a charter school may request that the Department review an application before review by the proposed sponsor to determine whether the application is substantially complete and compliant. Upon such a request, the Department shall review an application to form a charter school to determine whether it is substantially complete and compliant. If an application proposes to convert an existing public school, homeschool or other program of home study into a charter school, the Department shall provide written notice to the applicant that the application is ineligible for consideration by the proposed sponsor.
- 6. The Department shall provide written notice to the applicant and the proposed sponsor of the charter school of its determination whether the application is substantially complete and compliant. If





the Department determines that an application is not substantially complete and compliant, the Department shall include in the written notice the basis for that determination and the deficiencies in the application. The staff designated by the Department shall meet with the applicant to confer on the method to correct the identified deficiencies. The applicant must be granted 30 days after receipt of the written notice to correct any deficiencies identified in the written notice and resubmit the application. If the Department determines an application is substantially complete and compliant, the Department shall transmit the application to the proposed sponsor for review pursuant to NRS 386.525.

As used in subsection 1, "teacher" means a person who:

(a) Holds a current license to teach issued pursuant to chapter 391 of NRS or who previously held such a license and is retired, as long as his or her license was held in good standing; and

(b) Has at least 2 years of experience as an employed teacher.

The term does not include a person who is employed as a substitute teacher.

Sec. 4. NRS 386.525 is hereby amended to read as follows:

386.525 1. [Except as otherwise provided in this subsection, a] A committee to form a charter school may submit the application to the proposed sponsor of the charter school. [If the proposed sponsor of a charter school requested that the Department review the application pursuant to NRS 386.520 and the Department determined that the application was not substantially complete and compliant pursuant to that section, the application may not be submitted to the proposed sponsor for review pursuant to this section.] If an application proposes to convert an existing public school, homeschool or other program of home study into a charter school, the proposed sponsor shall deny the application.

2. If the board of trustees of a school district or a college or a university within the Nevada System of Higher Education, as applicable, receives an application to form a charter school, the board of trustees or the institution, as applicable, shall consider the application at a meeting that must be held not later than 45 days after the receipt of the application, or a period mutually agreed upon by the committee to form the charter school and the board of trustees of the school district or the institution, as applicable, and ensure that notice of the meeting has been provided pursuant to chapter 241 of NRS. [If the proposed sponsor requested that the Department review the application pursuant to NRS 386.520, the proposed sponsor shall be deemed to receive the application pursuant to this subsection upon transmittal of the application from the Department.] The board of trustees, the college or the university,





as applicable, shall review an application to determine whether the application:

- (a) Complies with NRS 386.490 to 386.610, inclusive, and the regulations applicable to charter schools; and
- (b) Is complete in accordance with the regulations of the Department.
- 3. [The Department shall assist the board of trustees of a school district, the college or the university, as applicable, in the review of an application.] The board of trustees, the college or the university, as applicable, may approve an application if it satisfies the requirements of paragraphs (a) and (b) of subsection 2. The board of trustees, the college or the university, as applicable, shall provide written notice to the applicant of its approval or denial of the application.
- 4. If the board of trustees, the college or the university, as applicable, denies an application, it shall include in the written notice the reasons for the denial and the deficiencies in the application. The applicant must be granted 30 days after receipt of the written notice to correct any deficiencies identified in the written notice and resubmit the application.
- 5. If the board of trustees, the college or the university, as applicable, denies an application after it has been resubmitted pursuant to subsection 4, the applicant may submit a written request for sponsorship by the State Public Charter School Authority not more than 30 days after receipt of the written notice of denial. Any request that is submitted pursuant to this subsection must be accompanied by the application to form the charter school.
- If the State Public Charter School Authority receives an application pursuant to subsection 1 or 5, it shall consider the application at a meeting which must be held not later than 45 days after receipt of the application. If the State Public Charter School Authority requested that the Department review the application pursuant to NRS 386.520, the State Public Charter School Authority shall be deemed to receive the application pursuant to this subsection upon transmittal of the application from the Department. Notice of the meeting must be posted in accordance with chapter 241 of NRS. The State Public Charter School Authority shall review the application in accordance with the factors set forth in paragraphs (a) and (b) of subsection 2. The Department shall assist the State Public Charter School Authority in the review of an application. The State Public Charter School Authority may approve an application if it satisfies the requirements of paragraphs (a) and (b) of subsection 2. Not more than 30 days after the meeting, the State Public Charter School Authority shall provide written notice of its determination to the applicant.





- 7. If the State Public Charter School Authority denies or fails to act upon an application, the denial or failure to act must be based upon a finding that the applicant failed to adequately address objective criteria established by regulation of the Department or the State Board. The State Public Charter School Authority shall include in the written notice the reasons for the denial or the failure to act and the deficiencies in the application. The staff designated by the State Public Charter School Authority shall meet with the applicant to confer on the method to correct the identified deficiencies. The applicant must be granted 30 days after receipt of the written notice to correct any deficiencies identified in the written notice and resubmit the application.
- 8. If the State Public Charter School Authority denies an application after it has been resubmitted pursuant to subsection 7, the applicant may, not more than 30 days after the receipt of the written notice from the State Public Charter School Authority, appeal the final determination to the district court of the county in which the proposed charter school will be located.
- 9. On or before January 1 of each odd-numbered year, the Superintendent of Public Instruction shall submit a written report to the Director of the Legislative Counsel Bureau for transmission to the next regular session of the Legislature. The report must include:
- (a) A list of each application to form a charter school that was submitted to the board of trustees of a school district, the State Public Charter School Authority, a college or a university during the immediately preceding biennium;
- (b) The educational focus of each charter school for which an application was submitted;
 - (c) The current status of the application; and
 - (d) If the application was denied, the reasons for the denial.
 - **Sec. 5.** NRS 386.540 is hereby amended to read as follows:
- 386.540 1. The Department shall adopt regulations that prescribe:
- (a) The process for submission of an application pursuant to NRS 386.515 by the board of trustees of a school district or a college or university within the Nevada System of Higher Education to the Department for authorization to sponsor charter schools, [and] the contents of the application [;], the process for the Department to review the application and the timeline for review;
- (b) The process for the Department to conduct a comprehensive review of the sponsors of charter schools that it has approved for sponsorship pursuant to NRS 386.515 at least once every 3 years;





(c) The process for the Department to determine whether to continue or to revoke the authorization of a board of trustees of a school district or a college or university within the Nevada System of Higher Education to sponsor charter schools;

(d) The process for submission of an application to form a charter school to the board of trustees of a school district, the State Public Charter School Authority and a college or university within the Nevada System of Higher Education, and the contents of the application;

(e) The process for submission of an application to renew a written charter;

[(d)] (f) The criteria and type of investigation that must be applied by the board of trustees, the State Public Charter School Authority and a college or university within the Nevada System of Higher Education in determining whether to approve an application to form a charter school, an application to renew a written charter or a request for an amendment of a written charter; and

[(e)] (g) The process for submission of an amendment of a written charter pursuant to NRS 386.527 and the contents of the application.

- 2. The Department may adopt regulations as it determines are necessary to carry out the provisions of NRS 386.490 to 386.610, inclusive, including, without limitation, regulations that prescribe the:
 - (a) Procedures for accounting and budgeting;
- (b) Requirements for performance audits and financial audits of charter schools on an annual basis for charter schools that do not satisfy the requirements of subsection 1 of NRS 386.5515; and
- (c) Requirements for performance audits every 3 years and financial audits on an annual basis for charter schools that satisfy the requirements of subsection 1 of NRS 386.5515.
 - **Sec. 6.** NRS 386.545 is hereby amended to read as follows:
- 386.545 1. The Department and the board of trustees of a school district shall:
- (a) Upon request, provide information to the general public concerning the formation and operation of charter schools; and
- (b) Maintain a list available for public inspection that describes the location of each charter school.
 - 2. The sponsor of a charter school shall:
- (a) Provide reasonable assistance to an applicant for a charter school and to a charter school in carrying out the provisions of NRS 386.490 to 386.610, inclusive;
- (b) Provide technical and other reasonable assistance to a charter school for the operation of the charter school;





- (c) Provide information to the governing body of a charter school concerning the availability of money for the charter school, including, without limitation, money available from the Federal Government; [and]
- (d) Provide timely access to the electronic data concerning the pupils enrolled in the charter school that is maintained pursuant to NRS 386.650 [...]; and
- (e) Provide appropriate information, education and training to a charter school and the governing body of a charter school concerning the applicable provisions of this title and any other laws and regulations that affect charter schools and the governing bodies of charter schools.
- 3. If the board of trustees of a school district is the sponsor of a charter school, the sponsor shall:
- (a) Provide the charter school with an updated list of available substitute teachers within the school district.
- (b) Provide access to school buses for use by the charter school for field trips. The school district may charge a reasonable fee for the use of the school buses.
- (c) If the school district offers summer school or Internet-based credit recovery classes, allow the pupils enrolled in the charter school to participate if space is available. The school district shall apply the same fees, if any, for participation of the pupils enrolled in the charter school as it applies to pupils enrolled in the school district.
- 4. [The Department shall provide appropriate information, education and training for charter schools and the governing bodies of charter schools concerning the applicable provisions of title 34 of NRS and other laws and regulations that affect charter schools and the governing bodies of charter schools.
- 5.] If the Department prescribes a process for charter schools to report certain information, the Department may request the identified information regardless if that information is required to be submitted by charter schools pursuant to a specific statute. Upon such a request, a charter school shall provide the information if the Department includes a detailed description of the requested information and the mechanism by which the Department will pay or reimburse the charter school for the requested information, if the provision of the information will incur any costs for the charter school.
 - **Sec. 7.** NRS 386.549 is hereby amended to read as follows:
- 386.549 1. The governing body of a charter school must consist of:
- (a) One member who is a teacher or other person licensed pursuant to chapter 391 of NRS or who previously held such a





license and is retired, as long as his or her license was held in good standing.

(b) One member who:

- (1) Satisfies the qualifications of paragraph (a); or
- (2) Is a school administrator with a license issued by another state or who previously held such a license and is retired, as long as his or her license was held in good standing.
- (c) One parent or legal guardian of a pupil enrolled in the charter school who is not a teacher or an administrator at the charter school.
- (d) Two members who possess knowledge and experience in one or more of the following areas:
 - (1) Accounting;
 - (2) Financial services;
 - (3) Law; or
 - (4) Human resources.
- 2. In addition to the members who serve pursuant to subsection 1, the governing body of a charter school may include, without limitation, parents and representatives of nonprofit organizations and businesses. Not more than two persons who serve on the governing body may represent the same organization or business or otherwise represent the interests of the same organization or business. A majority of the members of the governing body must reside in this State. If the membership of the governing body changes, the governing body shall provide written notice to the sponsor of the charter school within 10 working days after such change.
- 3. A person may serve on the governing body only if the person submits an affidavit to the **Department** sponsor of the charter school indicating that the person:
- (a) Has not been convicted of a felony relating to serving on the governing body of a charter school or any offense involving moral turpitude.
 - (b) Has read and understands material concerning the roles and responsibilities of members of governing bodies of charter schools and other material designed to assist the governing bodies of charter schools, if such material is provided to the person by the [Department.] sponsor.
 - 4. The governing body of a charter school is a public body. It is hereby given such reasonable and necessary powers, not conflicting with the Constitution and the laws of the State of Nevada, as may be requisite to attain the ends for which the charter school is established and to promote the welfare of pupils who are enrolled in the charter school.
 - 5. The governing body of a charter school shall, during each calendar quarter, hold at least one regularly scheduled public





meeting in the county in which the charter school is located. Upon an affirmative vote of a majority of the membership of the governing body, each member is entitled to receive a salary of not more than \$80 for attendance at each meeting, as fixed by the governing body, not to exceed payment for more than one meeting per month.

- 6. As used in subsection 1, "teacher" means a person who:
- (a) Holds a current license to teach issued pursuant to chapter 391 of NRS or who previously held such a license and is retired, as long as his or her license was held in good standing; and
 - (b) Has at least 2 years of experience as an employed teacher.
- → The term does not include a person who is employed as a substitute teacher.
 - **Sec. 8.** NRS 386.610 is hereby amended to read as follows:
- 386.610 1. On or before [August 15] *October 1* of each year, the sponsor of a charter school shall submit a written report to the Department. The written report must include:
- (a) An evaluation of the progress of each charter school that it sponsors in achieving the educational goals and objectives of the charter school.
- (b) A description of all administrative support and services provided by the sponsor to the charter school, including, without limitation, an itemized accounting for the costs of the support and services.
- (c) An identification of each charter school approved by the sponsor:
- (1) Which has not opened and the scheduled time for opening, if any;
 - (2) Which is open and in operation;
 - (3) Which has transferred sponsorship;
 - (4) Whose written charter has been revoked by the sponsor;
- (5) Whose written charter has not been renewed by the sponsor; and
 - (6) Which has voluntarily ceased operation.
- (d) A description of the strategic vision of the sponsor for the charter schools that it sponsors and the progress of the sponsor in achieving that vision.
- (e) A description of the services provided by the sponsor pursuant to a service agreement entered into with the governing body of the charter school pursuant to NRS 386.561, including an itemized accounting of the actual costs of those services.
- 2. The governing body of a charter school shall, after 3 years of operation under its initial charter, submit a written report to the sponsor of the charter school. The written report must include a description of the progress of the charter school in achieving its





- educational goals and objectives. If the charter school submits an application for renewal in accordance with the regulations of the
- Department, the sponsor may renew the written charter of the school pursuant to subsection 2 of NRS 386.530.
- - **Sec. 9.** This act becomes effective on July 1, 2013.





