By: Representative Brown

To: Education

HOUSE BILL NO. 972

AN ACT TO CREATE A NEW PROCESS FOR ESTABLISHING CHARTER SCHOOLS; TO AUTHORIZE A CHARTER SCHOOL TO BE FORMED BY CREATING A 3 NEW SCHOOL OR BY CONVERSION OF A PUBLIC SCHOOL TO CHARTER STATUS BY THE LOCAL SCHOOL DISTRICT; TO PRESCRIBE CERTAIN REQUIREMENTS FOR CHARTER SCHOOLS; TO ESTABLISH ADMISSION REQUIREMENTS AND 6 POWERS AND DUTIES OF CHARTER SCHOOLS; TO SPECIFY THE TERMS 7 REQUIRED TO BE INCLUDED IN A SCHOOL'S CHARTER; TO ESTABLISH THE PROCESS FOR APPLYING FOR CHARTER SCHOOL STATUS; TO REQUIRE THE 8 AUTOMATIC RENEWAL OF CHARTERS; TO PROVIDE THAT CHARTER SCHOOLS ARE 9 EXEMPT FROM ALL EDUCATION STATUTES, UNLESS STATED OTHERWISE, AND 10 11 RULES AND REGULATIONS OF THE STATE BOARD OF EDUCATION AND LOCAL SCHOOL DISTRICTS; TO PROVIDE FOR THE EMPLOYMENT OF TEACHERS BY 12 CHARTER SCHOOLS; TO PROHIBIT UNLAWFUL REPRISALS AGAINST SCHOOL 13 DISTRICT EMPLOYEES WHO ARE INVOLVED IN AN APPLICATION FOR CHARTER 14 SCHOOL STATUS; TO PROVIDE FOR STATE AND LOCAL FUNDING OF CHARTER 15 SCHOOLS; TO AUTHORIZE SCHOOL DISTRICTS TO LEASE SPACE TO CHARTER 16 SCHOOLS; TO REQUIRE CHARTER SCHOOLS TO HAVE A TRANSPORTATION PLAN; 17 TO ESTABLISH THE CHARTER SCHOOLS STIMULUS REVOLVING LOAN FUND IN 18 THE STATE TREASURY TO PROVIDE SUPPORT TO CHARTER SCHOOLS FOR 19 START-UP COSTS; TO PROVIDE FOR THE ELECTION OF THE BOARD OF 20 DIRECTORS OF A CHARTER SCHOOL; TO PROHIBIT CHARTER SCHOOLS FROM 21 LEVYING TAXES OR ISSUING BONDS SECURED BY TAX REVENUES; TO REQUIRE ALL APPLICATIONS FOR CHARTER SCHOOLS TO BE SUBMITTED TO THE STATE 22 23 DEPARTMENT OF EDUCATION BEFORE DECEMBER 1 IN THE SCHOOL YEAR 24 25 PRECEDING THE FIRST SCHOOL YEAR THE CHARTER SCHOOL INTENDS TO OPEN; TO PROVIDE THE NUMBER OF APPLICATIONS FOR CHARTER SCHOOLS 26 THAT MAY BE APPROVED; TO REQUIRE THE STATE DEPARTMENT OF EDUCATION 27 TO DISSEMINATE INFORMATION ON HOW TO CREATE AND HOW TO ENROLL 28 STUDENTS IN CHARTER SCHOOLS; TO REQUIRE THE STATE DEPARTMENT OF 29 30 EDUCATION TO SUBMIT AN EVALUATION TO THE LEGISLATURE; TO AUTHORIZE 31 THE CONTINUED OPERATION OF CHARTER SCHOOLS ESTABLISHED UNDER THE 32 ORIGINAL CHARTER SCHOOL STATUTES; TO REPEAL SECTIONS 37-28-1 THROUGH 37-28-21, MISSISSIPPI CODE OF 1972, WHICH ESTABLISH A 33 MEANS FOR EXISTING PUBLIC SCHOOLS TO APPLY FOR CHARTER STATUS; AND 34 35 FOR RELATED PURPOSES.

- 36 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 37 **SECTION 1.** The Legislature declares that the following are
- 38 the purposes of this act:
- 39 (a) To provide increased opportunities in the public
- 40 school system for students to learn in an educational environment
- 41 that best meets their needs;
- 42 (b) To provide new forms of accountability for schools;

H. B. No. 972 * H 07/HR40/R1664 PAGE 1 (RKM\BD)

- 43 (c) To encourage increased involvement of parents and
- 44 teachers in the operation and decision making of a local public
- 45 school;
- 46 (d) To encourage innovative and effective teaching
- 47 methods; and
- 48 (e) To create new professional opportunities for
- 49 teachers.
- 50 **SECTION 2.** For purposes of this act, the following words and
- 51 phrases have the meanings ascribed in this section unless the
- 52 context clearly indicates otherwise:
- 53 (a) "Charter school" means a school that is operating
- 54 under the terms of a charter granted by a local school district or
- 55 the State Board of Education.
- 56 (b) "Conversion school" means an existing public school
- 57 that has been converted to charter school status.
- 58 **SECTION 3.** (1) A charter school may be formed in one (1) of
- 59 the following manners:
- 60 (a) By the approval of an application for a new charter
- 61 school made by any person, group of persons, organization or
- 62 public institution; or
- (b) By the conversion of an existing school to charter
- 64 status, which may be accomplished by the local school board
- 65 converting the school on its own motion or the approval of a
- 66 petition to convert.
- 67 (2) The organizers of a proposed charter school under
- 68 subsection (1)(a) of this section may apply to, and the school may
- 69 be sponsored by, the school board of the school district in which
- 70 the proposed charter school is to be located or the State Board of
- 71 Education.
- 72 (3) Each local school district shall adopt a policy
- 73 detailing the process by which a conversion under subsection
- 74 (1)(b) of this section may occur. The process of conversion may
- 75 be initiated by parents or teachers at the existing school who

- 76 petition the local school district in accordance with the
- 77 district's conversion policy, or may be initiated by the district
- 78 on its own motion. A petition may not be approved unless a
- 79 majority of the school's faculty and instructional staff and the
- 80 parents of students enrolled in the school who are present at the
- 81 meeting called for the specific purpose of deciding whether or not
- 82 to convert vote in favor of the conversion.
- 83 **SECTION 4.** In order for a school to be granted charter
- 84 status and to maintain charter status, the school must satisfy the
- 85 following requirements:
- 86 (a) The school may not charge tuition;
- 87 (b) The school may not discriminate on the basis of
- 88 ethnicity, national origin, gender, income level, disabling
- 89 condition or athletic ability;
- 90 (c) The school must meet all applicable health, safety
- 91 and civil rights requirements;
- 92 (d) The school must be subject to financial audits in
- 93 the same manner as public school districts;
- 94 (e) The school must be nonsectarian in its programs,
- 95 admission policies and employment practices;
- 96 (f) The school must be accountable to the chartering
- 97 authority for its performance as required under this act; and
- 98 (g) The school must issue annual reports to parents and
- 99 the sponsor and must make the reports available to the public.
- 100 These reports must include a financial statement, a description of
- 101 the school's progress in reaching academic goals and a measure of
- 102 parental satisfaction. The school shall submit a copy of the
- 103 annual report to the State Department of Education.
- 104 SECTION 5. (1) A charter school sponsored by a local school
- 105 district must be open to admission to all students residing in
- 106 that district. However, in conversion schools, an enrollment
- 107 preference may be given to students who reside within the former
- 108 attendance area of that school. Students from outside the school

- 109 district may be admitted if the chartering district and the
- 110 charter school agree to and establish in the school's charter a
- 111 procedure for the enrollment and admission of such students. If a
- 112 student from outside the school district enrolls in the charter
- 113 school, the school district from which the student comes may
- 114 submit an amount equal to that student's pro rata share of the
- 115 school district's local funds to the charter school.
- 116 (2) A charter school sponsored by the State Board of
- 117 Education must be open to any student residing in the state.
- 118 (3) A school district may not assign students to a charter
- 119 school.
- 120 (4) A charter school is subject to any desegregation court
- 121 orders in effect in the school district in which the charter
- 122 school is located.
- 123 (5) A charter school must enroll an eligible student who
- 124 submits a timely application for enrollment, unless the number of
- 125 applications for enrollment in a program, class, grade level or
- 126 school building exceeds the number of applications the school is
- 127 prepared to accept in that program, class, grade level or school
- 128 building. If an excess number of applications are received by the
- 129 charter school, all applicants must have an equal chance of being
- 130 admitted under the following guidelines:
- 131 (a) The school may not limit admission to students on
- 132 the basis of intellectual ability, measure of achievement or
- 133 aptitude.
- 134 (b) The school may give preference in enrollment in the
- 135 school's first year of operation to children of the organizers and
- 136 teachers of the charter school. In later years, preference may be
- 137 given to children of teachers and siblings of students enrolled at
- 138 the school during the previous year and who will be enrolled in
- 139 the current school year.

- (c) The number of students given preference in enrollment may not exceed fifty percent (50%) of the enrollment capacity of a program, class, grade level or school building.
- (d) Charter schools shall determine enrollment by a random selection method. An applicant in a preference category is eligible for inclusion in the general selection process if the applicant is not selected from the preference category.
- SECTION 6. (1) A charter school, unless it is a conversion school, must organize as a nonprofit corporation and must pursue, with due diligence, tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.
- 151 (2) A charter school may sue and be sued.
- 152 (3) A charter school may borrow funds and invest funds.
- 153 Funds received and earnings from investments on gifts from
- 154 nongovernmental entities may be accounted for separately. If a
- 155 charter school closes, all unspent government funds, unspent
- 156 earnings from those funds and assets purchased with government
- 157 funds will revert to the school board that chartered the school.
- 158 Unspent funds from nongovernmental sources, unspent earnings from
- 159 those funds, assets purchased with those funds and debts of the
- 160 school (unless otherwise provided for in the charter or debt
- 161 instrument) shall revert to the nonprofit entity created to
- 162 operate the school and may be disposed of according to applicable
- 163 laws for nonprofit corporations. If a conversion school reverts
- 164 to noncharter status, then all assets will revert to the school
- 165 board that chartered the school. A government entity shall not be
- 166 liable for any debt of the charter school unless that entity
- 167 explicitly authorized the debt and agreed to be liable for
- 168 nonpayment of the debt. A sponsor's approval of a charter school
- 169 budget that includes debt does not constitute the sponsor's
- 170 liability for that debt.
- 171 (4) Members of a local school board or the State Board of
- 172 Education are immune from civil or criminal liability with respect

- 173 to all activities of a charter school approved or sponsored by the
- 174 local school board or State Board of Education. The local school
- 175 board or the State Board of Education, in its official capacity as
- 176 sponsor of a charter school, may be held liable only for matters
- 177 with which the respective board has been involved directly.
- 178 **SECTION 7.** (1) The term of a charter shall be five (5)
- 179 school years.
- 180 (2) The charter must include the following:
- 181 (a) Assurances that:
- 182 (i) The school will not charge tuition or other
- 183 fees except in those instances when tuition or fees are allowed by
- 184 law to be charged by public school districts;
- 185 (ii) The school will comply with federal, state
- 186 and local rules, regulations and statutes relating to safety,
- 187 civil rights and insurance. The State Department of Education
- 188 shall publish a list of relevant rules, regulations and statutes
- 189 to notify charter schools of their responsibilities under this
- 190 subparagraph;
- 191 (iii) The school will be nonsectarian in programs,
- 192 admission policies and employment practices;
- 193 (iv) The school will comply with the same audit
- 194 requirements as public school districts and will cooperate fully
- 195 in audits conducted under the direction of the State Auditor; and
- 196 (v) The school will comply with all federal and
- 197 state laws relating to the education of children with
- 198 disabilities;
- 199 (b) A description of the governing body that is
- 200 responsible for the policy and operational decisions of the
- 201 charter school, including the names of that body's initial members
- 202 and a description of the method by which subsequent members will
- 203 be elected and the method by which fairness and objectivity of
- 204 those elections will be assured;

205	(c) A description of the objective method or methods
206	that will be used to measure student progress. The method or
207	methods must include the Mississippi Curriculum Test; however, the
208	State Board of Education may grant an exemption from this
209	requirement when there is a compelling reason for an exemption
210	based on the unique circumstances of the school;
211	(d) A description of the school's plan for the
212	transportation of students;
213	(e) A description of the school's plan for handling
214	disruptive students. Notwithstanding any law to the contrary, a
215	local school board may refuse to admit any student who is
216	suspended or expelled from a charter school due to actions that
217	would lead to suspension or expulsion from a school in that
218	district until the period of suspension or expulsion has expired;
219	(f) A description of the school's plan to provide
220	reasonable public notice of the existence, nature and application
221	requirements of the charter school. This notice must include at
222	least one (1) informational meeting to which the public is
223	invited. Local school districts shall provide reasonable
224	assistance, if requested by the charter school, in providing such
225	notice in their districts. However, the actual expenses incurred
226	by the districts in providing the requested assistance must be
227	paid by the charter school;
228	(g) A description of the administrative or other
229	services, if any, that the district will provide for the charter
230	school;
231	(h) A description of the method that will be used to
232	compute per-pupil funding for the school;
233	(i) A description of the types and amount of insurance
234	coverage, including bonding insurance for the principal officers
235	of the school, to be obtained by the charter school;
236	(j) Any other matters required by this act to be

H. B. No. 972 * HR40/R1664* 07/HR40/R1664 PAGE 7 (RKM\BD)

included in a charter; and

237

- 238 (k) Any other matters that the sponsor and charter
 239 school agree to include. Failure to agree on such additional
 240 matters shall not constitute grounds for rejection of a charter
 241 application.
- 242 (3) The charter must include the following attachments:
- 243 (a) A description of the program of instruction. A
 244 charter school must provide a comprehensive program of instruction
 245 for at least one (1) complete grade level of kindergarten,
 246 elementary or secondary education. A school may offer this
 247 program of instruction with an emphasis on a specific learning
 248 philosophy, style or certain subject area. If the school is a
- 249 high school, the program of instruction must ensure that in order
- 250 to be eligible for graduation, a student must have earned the
- 251 minimum number of units required for graduation from public high
- 252 schools by the State Board of Education. However, the State Board
- 253 of Education may grant an exemption from this requirement when
- 254 there is a compelling reason for an exemption based on the unique
- 255 circumstances of the school. A school may add grade levels during
- 256 any year of the charter, if notice of the additional grade levels
- 257 is submitted to the sponsor of the charter school at least six (6)
- 258 months before the beginning of the school year in which those
- 259 grade levels will be offered; and
- 260 (b) A budget encompassing all necessary items for 261 operating the school, based on one or more projections of the 262 number of students the school anticipates serving in the year for
- 263 which the budget is prepared.
- 264 (4) Provisions of the charter may be amended at any time by
 265 agreement between the charter school and the school board that
 266 approved the charter. The attachments must be submitted to the
 267 sponsor by the school on an annual basis and may not be revised by
- 268 the sponsor unless the information in the submissions indicates a
- 269 violation of the charter, this act or any other law.

- 270 <u>SECTION 8.</u> (1) An application for a charter consists of a 271 proposed charter and all attachments required under Section 7 of
- 272 this act.
- 273 (2) The State Board of Education or a local school board to
- 274 which an application for a charter has been submitted must respond
- 275 to the application within forty-five (45) days after receiving the
- 276 application. The response may be in the form of approval of the
- 277 application as submitted, rejection, or approval of the
- 278 application subject to negotiation of details, which negotiation
- 279 must be conducted in good faith.
- 280 (3) An application for a charter must be approved unless:
- 281 (a) The application does not contain all items required
- 282 by this act;
- 283 (b) One or more of the application's provisions are not
- 284 in compliance with applicable law; or
- 285 (c) The sponsor determines that the applicants are
- 286 incompetent to carry out one or more of the plans described in the
- 287 application, in which case the incompetence must be documented by
- 288 the State Board of Education or the local school district to which
- 289 the application was submitted.
- 290 (4) If an application for a charter is rejected, the board
- 291 to which it was submitted must provide written notice to the
- 292 applicant of the basis for the rejection.
- 293 (5) The rejection of an application by the State Board of
- 294 Education or by a local school district to which the application
- 295 was submitted does not bar submission of the same application to
- 296 the other chartering authority. The State Board of Education must
- 297 provide technical assistance to an applicant whose application has
- 298 been rejected.
- 299 **SECTION 9.** (1) Before January 1 during the charter school's
- 300 fifth year of operation, the sponsor of the school must renew the
- 301 agreement, with any modifications that are the product of a good

- 302 faith negotiation, for an additional five (5) years if the
- 303 following conditions have been met:
- 304 (a) The school substantially has met the requirements
- 305 for student performance stated in the agreement; and
- 306 (b) The school substantially has complied with other
- 307 provisions of the charter.
- 308 (2) A charter issued under this act may be revoked by the
- 309 sponsor, and the charter school must be closed, if the sponsor
- 310 determines that one or more of the following have occurred:
- 311 (a) Repeated or substantial failure of the charter
- 312 school to maintain applicable safety standards;
- 313 (b) Substantial failure of the charter school to meet
- 314 auditing or other financial standards as required under this act;
- 315 (c) Blatant and recurrent violations of provisions of
- 316 the charter; or
- 317 (d) The existence of one or more grounds for revocation
- 318 as specified in the charter.
- 319 (3) If a charter is revoked, the charter school must remain
- 320 open until the end of the school year in which the revocation
- 321 takes effect, unless the State Department of Education determines
- 322 that an extreme emergency situation that jeopardizes the safety
- 323 and security of the students of the school exists.
- 324 (4) The revocation or nonrenewal of a charter must be
- 325 accompanied by a list of specific reasons for the action. The
- 326 charter school may seek judicial review of the decision to revoke
- 327 or not to renew a charter.
- 328 **SECTION 10.** (1) Except as otherwise provided under
- 329 subsection (2) of this section, all schools chartered under this
- 330 act are exempt from those statutes applicable to the public
- 331 schools and the rules, regulations, policies and procedures of the
- 332 State Board of Education and the local school district. A charter
- 333 school must comply with general health and safety standards.

334	(2)	Charter	schools	are	not	exempt	from	the	following

- 335 statutes:
- 336 (a) Section 37-9-75, which relates to teacher strikes;
- 337 (b) Section 37-11-20, which prohibits acts of
- 338 intimidation intended to keep a student from attending school;
- 339 (c) Section 37-11-21, which prohibits parental abuse of
- 340 school staff;
- 341 (d) Section 37-11-23, which prohibits the willful
- 342 disruption of school and school meetings;
- 343 (e) Sections 37-11-29 and 37-11-31, which relate to
- 344 reporting requirements regarding unlawful or violent acts on
- 345 school property; and
- 346 (f) Section 37-19-53, which prohibits false reporting
- 347 of student counts by school officials.
- 348 **SECTION 11.** (1) A school district may not assign teachers
- 349 employed by the district to a charter school. A charter school
- 350 may hire the teachers to be employed by the school and negotiate
- 351 contracts.
- 352 (2) The qualifications of the teachers in a charter school
- 353 must be disclosed to the students' parents before the beginning of
- 354 the school year.
- 355 (3) The instructional staff of the charter school will be
- 356 deemed employees of the local school district for purposes of
- 357 providing certain state-funded employee benefits, including
- 358 membership in the Public Employees' Retirement System and the
- 359 State and School Employees Life and Health Insurance Plan.
- 360 Charter schools are public schools, and the employees of charter
- 361 schools are public school employees. Employees of a charter
- 362 school that elects to become a participating employer under the
- 363 Public Employees' Retirement System are teachers for the purpose
- 364 of membership in the Public Employees' Retirement System. Charter
- 365 schools may pay for all or part of a teacher's health insurance

366 premiums, including family coverage, as part of the teacher's 367 compensation package. SECTION 12. (1) A school district, school district employee 368 369 or any other person who has control over personnel actions may not 370 take unlawful reprisal against an employee of the school district 371 because the employee is directly or indirectly involved in an application to establish a charter school. A school district 372 employee may not take unlawful reprisal against an educational 373 program of the school or the school district because an 374 375 application to establish a charter school proposes the conversion 376 of all or a portion of the educational program to a charter 377 school. 378 As used in this section, the term "unlawful reprisal" (2) 379 means: 380 With respect to a school district employee, an (a) 381 action that is taken by another school district employee as a 382 direct result of a lawful application to establish a charter school and which is adverse to the employee and results in one or 383 384 more of the following for the employee: 385 (i) Disciplinary or corrective action; 386 (ii) Detail, transfer or reassignment; 387 (iii) Suspension, demotion or dismissal; 388 (iv) An unfavorable performance evaluation; 389 (v) A reduction in pay, benefits or awards; 390 (vi) Elimination of the employee's position 391 without a reduction in force by reason of lack of monies or work; 392 or 393 (vii) Other significant changes in duties or responsibilities which are inconsistent with the employee's salary 394 395 or employment classification; and 396 (b) With respect to an educational program, an action 397 that is taken by a school district employee as a direct result of

a lawful application to establish a charter school and which is

* HR40/ R1664*

398

H. B. No.

07/HR40/R1664 PAGE 12 (RKM\BD)

972

- 399 adverse to the educational program and results in one or more of
- 400 the following:
- 401 (i) Suspension or termination of the program;
- 402 (ii) Transfer or reassignment of the program to a
- 403 less favorable department;
- 404 (iii) Relocation of the program to a less
- 405 favorable site within the school or school district; or
- 406 (iv) Significant reduction or termination of
- 407 funding for the program.
- 408 **SECTION 13.** (1) A charter school's funding must be based on
- 409 the number of students enrolled in and in attendance at the
- 410 school.
- 411 (2) A charter school student must be included in the average
- 412 daily attendance reports of the student's home district. The
- 413 State Board of Education shall define the means by which a charter
- 414 school must verify the residency and attendance of a student at
- 415 the school.
- 416 (3) State funding for a charter school student, including
- 417 transportation funds, will be distributed to the student's home
- 418 district as if the student were attending any other public school
- 419 in that district.
- 420 (4) A charter school chartered by a local district shall
- 421 request state and local funds from the district in an amount per
- 422 pupil as specified in the charter. Federal funds must be
- 423 distributed as dictated by federal law.
- 424 (5) A charter school chartered by the State Board of
- 425 Education shall request state, local and federal funds from the
- 426 home school district of each student attending the school. Local
- 427 and state per-pupil funding must be equal to the local and state
- 428 portion of the per-pupil expenditures in the student's home
- 429 district two (2) school years preceding the school year being
- 430 funded. Federal funds must be distributed as dictated by federal

- 431 law. The charter school also shall send a copy of each request
- 432 for funding to the State Department of Education.
- 433 (6) A school district must remit requested funds in a timely
- 434 fashion, as defined by the State Board of Education. When
- 435 contributions are not forwarded in a timely manner, the state
- 436 shall assess a ten percent (10%) penalty payable to the charter
- 437 school for failure to forward the contribution.
- 438 (7) For a new charter school, pre-enrollment or other
- 439 reasonable information shall be the basis for initial funding.
- 440 The State Board of Education shall define the types of information
- 441 that may be used for this purpose, as well as methods of
- 442 correcting any discrepancies between the original estimates on
- 443 which funding is based and the actual average daily attendance.
- 444 (8) The charter school may receive gifts and grants from any
- 445 public or private source.
- 446 **SECTION 14.** (1) A school district may lease space or sell
- 447 services to a charter school. A school district must make unused
- 448 buildings available to a charter school and must bargain in good
- 449 faith over the terms of the lease.
- 450 (2) A charter school may lease space or secure services from
- 451 another public body, nonprofit organization or private
- 452 organization or individual.
- 453 (3) A sponsor may issue a charter to a charter school
- 454 applicant before the applicant has secured space, equipment and
- 455 personnel if the applicant indicates authorization is necessary
- 456 for the school to raise working capital.
- 457 **SECTION 15.** (1) There is established in the State Treasury
- 458 a fund to be known as the "Charter Schools Stimulus Revolving Loan
- 459 Fund." The purpose of the fund is to provide financial support to
- 460 charter school applicants and charter schools for start-up costs
- 461 and costs associated with renovating or remodeling existing
- 462 buildings and structures. The fund shall consist of monies
- 463 obtained from grants from the federal government, funds

appropriated by the Legislature, repaid loans from borrowers and grants, gifts, devises and donations from any public or private source. The State Board of Education shall administer the fund and may apply for any grants from the federal government or private sources.

- 469 (2) The State Board of Education shall adopt rules and
 470 regulations necessary for the implementation of this section,
 471 including application and notification requirements. If
 472 sufficient funds are available for this purpose, monies from the
 473 Charter Schools Stimulus Revolving Loan Fund will be distributed
 474 to qualifying charter school applicants and charter schools in the
 475 following manner:
- 476 Each qualifying charter school applicant or charter (a) 477 school will be awarded an initial loan of not more than Fifty Thousand Dollars (\$50,000.00) before or during the first year of 478 479 the charter school's operation. This loan must be repaid over a 480 period of no more than five (5) years. If any applicant for a charter school receives an initial loan under this paragraph and 481 482 fails to begin operating a charter school within the following 483 eighteen (18) months, the applicant must reimburse the Charter 484 Schools Stimulus Revolving Loan Fund for the amount of the initial 485 loan plus interest calculated at a rate of ten percent (10%) per 486 year.
- 487 Applicants for charter schools and charter schools 488 that receive initial loans under paragraph (a) of this subsection 489 may apply for an additional loan of not more than Fifty Thousand 490 Dollars (\$50,000.00). This loan must be repaid over a period of 491 no more than five (5) years. If an applicant for a charter school receives an additional loan under this paragraph and fails to 492 493 begin operating a charter school within the following eighteen 494 (18) months, the applicant must reimburse the Charter Schools 495 Stimulus Revolving Loan Fund for the amount of the additional 496 loan, plus interest calculated at a rate of ten percent (10%) per H. B. No. 972

- 497 year. A reimbursement required by this paragraph is in addition
- 498 to any reimbursement required under paragraph (a) of this
- 499 subsection.
- 500 **SECTION 16.** (1) The initial board of directors of a charter
- 501 school must be designated by the applicants who have been granted
- 502 the charter. This initial board shall govern the school's first
- 503 year of operation.
- 504 (2) Not less than six (6) months before the beginning of the
- 505 charter school's second school year, the school shall hold an
- 506 election for members of the school's board of directors. The term
- 507 of office for this board shall be set according to the charter.
- 508 (3) Administrative and instructional personnel of the
- 509 charter school and all parents of children enrolled in the school
- 510 are eligible to participate in any election of members of the
- 511 board of directors.
- 512 (4) Meetings of the charter school's board of directors will
- 513 be subject to Sections 25-41-1 through 25-41-17 governing open
- 514 meetings.
- 515 **SECTION 17.** A charter school may not levy taxes or issue
- 516 bonds secured by tax revenues.
- 517 **SECTION 18.** All applications for charter schools must be
- 518 submitted to the State Department of Education before December 1
- 519 in the school year preceding the first school year the charter
- 520 school intends to open.
- 521 **SECTION 19.** Not more than five (5) applications for charter
- 522 schools may be approved in the first three (3) years after the
- 523 enactment of this act. After the third year, not more than ten
- 524 (10) applications may be approved each year.
- 525 **SECTION 20.** The State Department of Education shall
- 526 disseminate information to the public, directly and through
- 527 sponsors, on how to form and operate a charter school and how
- 528 students can enroll in charter schools once they are created.

529	Local school districts shall cooperate in the dissemination of
530	this information.
531	SECTION 21. The State Department of Education shall provide
532	to the Legislature an evaluation of the charter schools created
533	under this act. The evaluation must be presented before the
534	beginning of the 2011 Regular Session.
535	SECTION 22. Any charter school that is operating under the
536	terms of a charter granted under the authority of Sections 37-28-1
537	through 37-28-21 may continue to operate under the terms of that
538	charter for the duration of its term, notwithstanding the repeal
539	of Sections 37-28-1 through 37-28-21. Upon the expiration of the
540	charter, the charter school's sponsor may seek to renew the
541	school's charter by modifying the charter so that the school fully
542	complies with the requirements for being awarded, maintaining and
543	renewing charter status under Sections 1 through 21 of this act.
544	SECTION 23. Section 37-28-1 through Section 37-28-21,
545	Mississippi Code of 1972, which establish a means for existing
546	public schools to apply for charter status, are repealed.
547	SECTION 24. This act shall take effect and be in force from
548	and after July 1, 2007.