

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE BILL 779  
Committee Substitute Favorable 4/24/17  
PROPOSED COMMITTEE SUBSTITUTE H779-PCS10337-TM-9

Short Title: Charter School Changes.

(Public)

Sponsors:

Referred to:

April 13, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE VARIOUS CHANGES TO THE CHARTER SCHOOL LAWS.  
3 The General Assembly of North Carolina enacts:

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5 **PART I. EXPANSION OF GROWTH EXCEPTION FOR MATERIAL REVISIONS OF**  
6 **CHARTERS**

7 **SECTION 1.(a)** G.S. 115C-218.7(b) reads as rewritten:

8 "(b) Enrollment growth of greater than ~~twenty percent (20%)~~ thirty percent (30%) shall  
9 be considered a material revision of the charter. The State Board may approve such additional  
10 enrollment growth of greater than ~~twenty percent (20%)~~ thirty percent (30%) only if it finds all  
11 of the following:

- 12 (1) The actual enrollment of the charter school is within ten percent (10%) of its  
13 maximum authorized enrollment.
- 14 (2) The charter school has commitments for ninety percent (90%) of the  
15 requested maximum growth.
- 16 (3) The charter school is not currently identified as low-performing.
- 17 (4) The charter school meets generally accepted standards of fiscal management.
- 18 (5) The charter school is, at the time of the request for the enrollment increase,  
19 substantially in compliance with State law, federal law, the charter school's  
20 own bylaws, and the provisions set forth in its charter granted by the State  
21 Board."

22 **SECTION 1.(b)** G.S. 115C-218.8 reads as rewritten:

23 **"§ 115C-218.8. Nonmaterial revisions of charters.**

24 It shall not be considered a material revision of a charter and shall not require prior  
25 approval of the State Board for a charter school to do any of the following:

- 26 (1) Increase its enrollment during the charter school's second year of operation  
27 and annually thereafter by up to ~~twenty percent (20%)~~ thirty percent (30%)  
28 of the school's previous year's enrollment.
- 29 (2) Increase its enrollment during the charter school's second year of operation  
30 and annually thereafter in accordance with planned growth as authorized in  
31 its charter.
- 32 (3) Expand to offer one grade higher or lower than the charter school currently  
33 offers if the charter school has (i) operated for at least three years, (ii) has  
34 not been identified as continually low-performing as provided in



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1 G.S. 115C-218.94, and (iii) has been in financial compliance as required by  
2 the State Board."

3 **SECTION 1.(c)** This section is effective when it becomes law and applies to  
4 approvals for material changes on or after that date.

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6 **PART II. ENROLLMENT PRIORITIES FOR STUDENTS PREVIOUSLY ENROLLED**  
7 **IN CHARTERS**

8 **SECTION 2.** G.S. 115C-218.45(f) reads as rewritten:

9 "(f) The charter school may give enrollment priority to any of the following:

- 10 (1) Siblings of currently enrolled students who were admitted to the charter  
11 school in a previous year. For the purposes of this section, the term  
12 "siblings" includes any of the following who reside in the same household:  
13 half siblings, stepsiblings, and children residing in a family foster home.  
14 (2) Siblings of students who have completed the highest grade level offered by  
15 that school and who were enrolled in at least four grade levels offered by the  
16 charter school or, if less than four grades are offered, in the maximum  
17 number of grades offered by the charter school.  
18 (3) Limited to no more than fifteen percent (15%) of the school's total  
19 enrollment, unless granted a waiver by the State Board of Education, the  
20 following:  
21 a. Children of the school's full-time employees.  
22 b. Children of the charter school's board of directors.  
23 (4) A student who was enrolled in the charter school within the two previous  
24 school years but left the school (i) to participate in an academic study abroad  
25 program or a competitive admission residential program or (ii) because of  
26 the vocational opportunities of the student's parent.  
27 (5) A student who was enrolled in another charter school in the State in the  
28 previous school year that does not offer the student's next grade level.  
29 (6) A student who was enrolled in another charter school in the State in the  
30 previous school year that does not offer the student's next grade level and  
31 both of the charter schools have an enrollment articulation agreement to  
32 accept students or are governed by the same board of directors.  
33 (7) A student who was enrolled in another charter school in the State in the  
34 previous school year."  
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36 **PART III. DISAGGREGATION OF STUDENT PERFORMANCE DATA**

37 **SECTION 3.(a)** G.S. 115C-218.110(b) reads as rewritten:

38 "(b) The State Board of Education shall review and evaluate the educational  
39 effectiveness of the charter schools authorized under this Article and the effect of charter  
40 schools on the public schools in the local school administrative unit in which the charter  
41 schools are located. The Board shall report annually no later than January 15 to the Joint  
42 Legislative Education Oversight Committee on the following:

- 43 (1) The current and projected impact of charter schools on the delivery of  
44 services by the public schools.  
45 (2) Student academic progress in the charter schools as measured, where  
46 available, against the academic year immediately preceding the first  
47 academic year of the charter schools' operation.  
48 (2a) The student performance data based on the Education Value-Added  
49 Assessment System (EVAAS) for charter school students disaggregated by  
50 years of student enrollment on the basis of race, sex, grade level, ethnicity,

1 free or reduced lunch status, and disability status in the charter school for the  
 2 following categories:

- 3 a. Charter schools.  
 4 b. Virtual charter schools.  
 5 c. Dropout prevention and recovery program charter schools.

6 (3) Best practices resulting from charter school operations.

7 (4) Other information the State Board considers appropriate.

8 Notwithstanding the requirements for disaggregated data, the report shall not include any  
 9 personally identifiable student data, as defined in G.S. 115C-402.5."

10 **SECTION 3.(b)** This section is effective when it becomes law and applies to  
 11 reports submitted on or after January 1, 2018.

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 13 **PART IV. CHARTER SCHOOLS AND NC PRE-K**

14 **SECTION 4.(a)** G.S. 115C-218(c)(3) reads as rewritten:

15 "(3) Powers and duties. – The Office of Charter Schools shall have the following  
 16 powers and duties:

- 17 a. Serve as staff to the Advisory Board and fulfill any task and duties  
 18 assigned to it by the Advisory Board.  
 19 b. Provide technical assistance and guidance to charter schools  
 20 operating within the State.  
 21 c. Provide technical assistance and guidance to nonprofit corporations  
 22 seeking to operate charter schools within the State.  
 23 d. Provide or arrange for training for charter schools that have received  
 24 preliminary approval from the State Board.  
 25 e. Assist approved charter schools and charter schools seeking approval  
 26 from the State Board in coordinating services with the Department of  
 27 Public Instruction.  
 28 e1. Assist certain charter schools seeking to participate in the NC  
 29 prekindergarten program in accordance with G.S. 115C-218.115.  
 30 f. Other duties as assigned by the State Board."

31 **SECTION 4.(b)** G.S. 115C-218.45(f), as amended by Section 2 of this act, reads as  
 32 rewritten:

33 "(f) The charter school may give enrollment priority to any of the following:

- 34 (1) Siblings of currently enrolled students who were admitted to the charter  
 35 school in a previous year. For the purposes of this section, the term  
 36 "siblings" includes any of the following who reside in the same household:  
 37 half siblings, stepsiblings, and children residing in a family foster home.  
 38 (2) Siblings of students who have completed the highest grade level offered by  
 39 that school and who were enrolled in at least four grade levels offered by the  
 40 charter school or, if less than four grades are offered, in the maximum  
 41 number of grades offered by the charter school.

42 (2a) A student who was enrolled in a preschool program operated by the charter  
 43 school in the prior year.

44 (3) Limited to no more than fifteen percent (15%) of the school's total  
 45 enrollment, unless granted a waiver by the State Board of Education, the  
 46 following:

- 47 a. Children of the school's full-time employees.  
 48 b. Children of the charter school's board of directors.

49 (4) A student who was enrolled in the charter school within the two previous  
 50 school years but left the school (i) to participate in an academic study abroad

1 program or a competitive admission residential program or (ii) because of  
2 the vocational opportunities of the student's parent.

3 (5) A student who was enrolled in another charter school in the State in the  
4 previous school year that does not offer the student's next grade level.

5 (6) A student who was enrolled in another charter school in the State in the  
6 previous school year that does not offer the student's next grade level and  
7 both of the charter schools have an enrollment articulation agreement to  
8 accept students or are governed by the same board of directors.

9 (7) A student who was enrolled in another charter school in the State in the  
10 previous school year."

11 **SECTION 4.(c)** Article 14A of Chapter 115C of the General Statutes is amended  
12 by adding a new section to read:

13 **"§ 115C-218.115. Operation of NC Pre-K programs.**

14 (a) A charter school may apply to a local contracting agency to participate in the NC  
15 prekindergarten (NC Pre-K) program as a local program site offering families a high-quality  
16 prekindergarten experience. A charter school that seeks to operate as a NC Pre-K program site  
17 may request administrative and technical assistance from the Office of Charter Schools with its  
18 application to the local contracting agency if the charter school meets all of the following:

19 (1) The charter school has operated as a charter school for at least three school  
20 years.

21 (2) The charter school is not currently identified as low-performing.

22 (3) The charter school meets generally accepted standards of fiscal management.

23 (4) The charter school is substantially in compliance with State law, federal law,  
24 the charter school's own bylaws, and the provisions set forth in its charter  
25 granted by the State Board.

26 (b) The Office of Charter Schools, in consultation with the Department of Health and  
27 Human Services, Division of Child Development and Early Education, shall assist a charter  
28 school under subsection (a) of this section with determining whether the charter school's  
29 proposed program meets (i) the building standards set forth in subsection (c) of this section and  
30 any other State standards for the charter school to be licensed as a child care facility and (ii) the  
31 standards required to be selected as a site under the NC Pre-K program. If the charter school  
32 does not meet these standards, the Office of Charter Schools shall provide assistance to the  
33 charter school in identifying any obstacles to its participation in the NC Pre-K program.

34 (c) A charter school that otherwise meets all of the requirements for a child care facility  
35 license may use an existing or newly constructed classroom in the charter school for three- and  
36 four-year-old preschool students without modifications to the classroom or building if the  
37 classroom meets all of the following:

38 (1) Has at least one toilet and one sink for hand washing.

39 (2) Meets kindergarten standards for overhead light fixtures.

40 (3) Meets kindergarten standards for floors, walls, and ceilings.

41 (4) Has floors, walls, and ceilings that are free from mold, mildew, and lead  
42 hazards."

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44 **PART VI. EFFECTIVE DATE**

45 **SECTION 6.** Except as otherwise provided, this act is effective when it becomes  
46 law.