

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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SENATE BILL DRS45115-MT-76

Short Title: Charter School Study/Moratorium on Growth. (Public)

Sponsors: Senators Blue, Chaudhuri, and Mohammed (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH THE JOINT LEGISLATIVE STUDY COMMITTEE ON THE
3 IMPACT OF CHARTER SCHOOLS ON LOCAL SCHOOL ADMINISTRATIVE UNITS
4 AND TO PLACE A MORATORIUM ON CHARTER SCHOOL GROWTH PENDING
5 FURTHER LEGISLATION.

6 Whereas, charter schools were initially authorized by the General Assembly in 1996;
7 and

8 Whereas, the number of charter schools in operation has increased from 33 in the
9 1997-1998 school year to 184 in the 2018-2019 school year; and

10 Whereas, the number of charter schools in operation has more than doubled since the
11 2001-2002 school year; and

12 Whereas, State funds provided to charter schools have increased from sixteen million
13 five hundred fifty-nine thousand nine hundred forty-seven dollars (\$16,559,947) in the
14 1997-1998 school year to five hundred eighty million seven hundred seventy-two thousand three
15 hundred eighty-three dollars (\$580,772,383) in the 2018-2019 school year; and

16 Whereas, charter schools were initially authorized to serve as incubators for
17 innovation and new ideas that might be transferrable to public schools; and

18 Whereas, there must be a full accounting on the use of State funds to educate public
19 school students in North Carolina; and

20 Whereas, concern has been expressed by several groups that charter schools lack
21 transparency and accountability standards; and

22 Whereas, charter schools operate differently than public schools and were intended to
23 offer a better learning environment for students; and

24 Whereas, the growth in the number of charter schools, enrollment growth at various
25 charter schools, and State funds provided to charter schools will continue to rise; Now, therefore,
26 The General Assembly of North Carolina enacts:

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28 **PART I. JOINT LEGISLATIVE STUDY COMMITTEE ON THE IMPACT OF**
29 **CHARTER SCHOOLS ON LOCAL SCHOOL ADMINISTRATIVE UNITS**

30 **SECTION 1.(a)** There is established the Joint Legislative Study Committee on the
31 Impact of Charter Schools on Local School Administrative Units (Committee). The purpose of
32 the Committee is to study the impact of charter schools on local school administrative units and
33 on student performance.

34 **SECTION 1.(b)** The Committee shall consist of 10 members appointed as follows:

- 35 (1) Two by the Speaker of the House of Representatives.
36 (2) Two by the President Pro Tempore of the Senate.



1 (3) Two by the minority leader of the House of Representatives.

2 (4) Two by the minority leader of the Senate.

3 (5) Two by the Governor, as follows:

4 a. One who is the superintendent of a local school administrative unit.

5 b. One who is a member of a local board of education.

6 **SECTION 1.(c)** Appointments to the Committee shall be made no later than August
7 1, 2019. In making their appointments, the appointing authorities shall consider the geographic
8 and cultural diversity of the State and the value to the Committee of experience in education. The
9 appointing authorities are also encouraged to consider appointing to the Committee a principal
10 of a charter school or a teacher in a charter school. Any vacancy shall be filled by the appointing
11 authority.

12 **SECTION 1.(d)** The Committee shall study and make recommendations on the
13 following:

14 (1) The history of charter schools in North Carolina, including the original
15 intention behind their authorization.

16 (2) The impact of charter schools on local school administrative units and the
17 benefits and harms of expanding charter schools.

18 (3) Innovative ideas for improving local school administrative units.

19 (4) Proposed transparency and accountability standards for charter schools,
20 including, but not limited to, all of the following:

21 a. Public audit procedures.

22 b. Compliance with open meetings laws.

23 c. Accessibility to meetings of and minutes from the meetings of the
24 boards of directors of charter schools.

25 (5) Metrics used to measure academic success of students in charter schools and
26 processes used to admit and reject students' applications to charter schools.

27 (6) Charter school student and teacher attrition rates and the impact of charter
28 school student and teacher attrition on local school administrative units.

29 (7) The extent to which charter schools (i) are able to provide a sound basic
30 education to their students and (ii) inhibit the ability of local school
31 administrative units to provide a sound basic education to their students.

32 (8) The State's system of funding charter schools and a complete financial
33 analysis of how State and local funds allocated to charter schools impact funds
34 made available to local school administrative units.

35 (9) The impact of the termination of a charter school's charter on students.

36 (10) The extent to which charter schools serve children with disabilities and
37 students with other special needs.

38 (11) The academic performance of all charter school students, as compared to
39 students in local school administrative units, including children with
40 disabilities.

41 (12) The extent to which charter schools have an impact on segregation and racial
42 isolation in local school administrative units and charter schools.

43 (13) The extent to which charter schools employ best practices in teaching and
44 administration.

45 (14) Suspension and expulsion rates in charter schools as compared to local school
46 administrative units.

47 **SECTION 1.(e)** The Speaker of the House of Representatives and the President Pro
48 Tempore of the Senate shall each select a cochair for the Committee from among its members.
49 The Committee shall meet upon the call of its cochairs. A quorum of the Committee is a majority
50 of its members. No action may be taken except by a majority vote at a meeting at which a quorum
51 is present. The Committee, while in the discharge of its official duties, may exercise all powers

1 provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Committee may
2 contract for professional, clerical, or consultant services, as provided by G.S. 120-32.02. If the
3 Committee hires a consultant, the consultant shall not be a State employee or a person currently
4 under contract with the State to provide services.

5 Members of the Committee shall serve without compensation, but may receive travel and
6 subsistence as follows:

7 (1) Members who are officials or employees of a State agency or unit of local
8 government, in accordance with G.S. 138-6.

9 (2) Members who serve in the General Assembly, in accordance with
10 G.S. 120-3.1.

11 (3) All other members at the rate established in G.S. 138-5.

12 All State departments and agencies and local governments and their subdivisions shall furnish
13 the Committee with any requested information in their possession or available to them.

14 **SECTION 1.(f)** The Legislative Services Officer shall assign professional and
15 clerical staff to assist the Committee in its work. The Director of Legislative Assistants of the
16 House of Representatives and the Director of Legislative Assistants of the Senate shall assign
17 clerical support to the Committee.

18 **SECTION 1.(g)** Meetings of the Committee shall begin no later than September 1,
19 2019. The Committee shall submit a final report on the results of its study, including its
20 recommendations and any proposed legislation, to the President Pro Tempore of the Senate, the
21 Speaker of the House of Representatives, and the Joint Legislative Education Oversight
22 Committee on or before March 1, 2021, by filing a copy of the report with the Office of the
23 President Pro Tempore of the Senate, the Office of the Speaker of the House of Representatives,
24 the Joint Legislative Education Oversight Committee, and the Legislative Library. The
25 Committee shall terminate on March 1, 2021, or upon the filing of its final report, whichever
26 comes first.

27 **PART II. MORATORIUM ON CHARTER SCHOOL GROWTH PENDING FURTHER** 28 **LEGISLATION**

29 **SECTION 2.(a)** Notwithstanding G.S. 115C-218.5, the State Board shall not grant
30 final approval of any application seeking to establish a charter school that is submitted on or after
31 the effective date of this act. Notwithstanding G.S. 115C-218.7, the State Board of Education
32 shall not grant a material revision to a charter school based on enrollment growth.
33 Notwithstanding G.S. 115C-218.8, a charter school shall not increase enrollment or expand grade
34 levels.
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36 **SECTION 2.(b)** This Part expires only after legislation is enacted addressing the
37 report and recommendations of the Joint Legislative Study Committee on the Impact of Charter
38 Schools on Local School Administrative Units established pursuant to Part I of this act.
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40 **PART III. EFFECTIVE DATE**

41 **SECTION 3.** This act is effective when it becomes law.