



Proposed Amendments to SB899, the Education Reform Act 2010

Facilities Amendments

1. Maryland Public Charter Schools that pay state and local property taxes shall be awarded reimbursements by the State and County or City.
2. The Maryland Public School Construction Program shall compile and publish an annual list of vacant and unused buildings (or portions of buildings) or land owned by the state, counties and city or school districts that may be suitable for the operation of a charter school.
3. Charter schools operators who have been approved for a charter school have the right of first refusal on real estate owned by the LEA that is converting to non-educational purposes.
4. A charter operator whose application satisfies all other requirements except for facilities should be granted conditional approval, with full charter approval contingent upon securing a facility by a mutually agreed upon date.
5. Maryland shall create a bond insurance program for charter schools seeking to bond to provide for facilities renovation and construction. The bond insurance program shall cover up to \$15 million in facilities renovation.
6. There is a State Charter School Construction Program. The Program shall be funded at a minimum level of \$10 million annually. The program shall be administered by the Maryland Public School Program and the Interagency Committee on School Construction. The grants shall be awarded through a competitive process.

School Innovation and Autonomy Amendments

1. A charter school shall operate in accordance with its charter and the provisions of law regulating other public schools with the exception of hiring and removal of

teachers. Charter School and other autonomous school operators shall be responsible for the hiring and removal of its school staff.

2. A public charter school shall not be subject to the local education agencies' rules, regulations, policy, or procedure that are non-educational.
3. With the exception of oversight services no public charter school shall be required to purchase services from its authorizer as a condition of charter approval or of executing a charter contract, nor may any such condition be implied.
4. A public charter school may, at its discretion, choose to purchase services from its authorizer. In such event, the public charter school and authorizer shall execute an annual service contract, separate from the charter contract, stating the parties' mutual agreement concerning any services to be provided by the authorizer and any service fees to be charged to the public charter school. An authorizer may not charge more than market rates for services provided to a public charter school.

Charter School Funding Amendments

1. Within 90 days after the end of each fiscal year, the Maryland state department of education shall provide to each public charter school in the state and the school's authorizer an audit of the authorizer's revenues and expenditures. Any difference between the amount initially provided to the public charter school by its authorizer and the amount that should have been provided as determined by the audit shall be reconciled and paid to the owed party.
2. If a charter school determines that its chartering school district has not forwarded to the charter school the amount due to the charter school in accordance with the terms of the charter contract and the provisions of this section, the charter school may seek a determination from the state board regarding whether the chartering school district improperly withheld any portion of the amount due to the charter school. A charter school that chooses to request a determination shall submit the request within the next fiscal year following the fiscal year in which the chartering school district may have improperly withheld funding.
3. Upon receipt from a charter school of a request for a determination of whether the chartering school district has improperly withheld any portion of the amount due to the charter school, the state board shall direct the department to review the terms of the charter contract and the financial information of the charter school and the chartering school district and make a recommendation to the state board regarding whether the chartering school district improperly withheld any portion of the amount due to the charter school. The department shall request from the chartering school district and the charter school all information necessary to make the recommendation, including but not limited to audited financial data. The chartering school district and the charter school shall provide the requested information as soon as possible following the request, but in no event later than

thirty days after completion of the annual financial audit. The department shall forward its recommendation to the state board within sixty days after receiving all of the requested information from the chartering school district and the charter school.

4. If the state board finds that the chartering school district improperly withheld any portion of the amount due to the charter school, the chartering school district shall pay to the charter school, within thirty days after issuance of the decision, the amount improperly withheld.
5. If the chartering school district fails within the thirty-day period to pay the full amount that was improperly withheld, the charter school may notify the department, and the department shall withhold from the chartering school district's state equalization payment the unpaid portion of the amount improperly withheld by the chartering school district from the charter school and pay the unpaid portion directly to the charter school.

Charter School Accountability Amendments

1. Every authorizer shall be required to submit to the Maryland State Department of Education an annual report summarizing: The authorizer's strategic vision for chartering and progress toward achieving that vision; The academic and financial performance of all operating public charter schools overseen by the authorizer; The status of the authorizer's public charter school portfolio, identifying all public charter schools in each of the following categories: approved (but not yet open), operating, renewed, transferred, revoked, not renewed, voluntarily closed, or never opened; The reasons for charter school transfers, revocations, non-renewals, voluntarily closed, and never opened; and The services purchased from the authorizer by the public charter schools under its purview, including an itemized accounting of the actual costs of these services.
2. On or before November 1st of each year beginning in the first year after the state will have had public charter schools operating for a full school year, the Maryland State Department of Education shall issue to the governor, the general assembly, and the public at large, an annual report on the state's public charter schools, drawing from the annual reports submitted by every authorizer, for the school year ending in the preceding calendar year. The annual report shall include a comparison of the performance of public charter school students with the performance of academically, ethnically, and economically comparable groups of students in non-charter public schools. In addition, the annual report shall include an assessment of the successes, challenges, and areas for improvement in meeting the purposes of this Act, including an assessment of the sufficiency of operational and capital funding for public charter schools, and any suggested changes in state law or policy necessary to strengthen the state's public charter schools.