

1 HB459  
2 218460-1  
3 By Representative Collins  
4 RFD: Ways and Means Education  
5 First Read: 08-MAR-22

SYNOPSIS: Under existing law, the Alabama School Choice and Student Opportunity Act provides for the creation of public charter schools in the state.

This bill would provide further for the operational and categorical funding of public charter schools.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to the Alabama School Choice and Student Opportunity Act; to amend Section 16-6F-10, Code of Alabama 1975, to provide further for the operational and categorical funding of public charter schools in the state.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 16-6F-10 of the Code of Alabama 1975, is amended to read as follows:

"§16-6F-10.

1           "(a) Enrollment. Students enrolled in and attending  
2 public charter schools shall be included in all enrollment and  
3 attendance counts of students of the local school system in  
4 which the students reside. The public charter school shall  
5 report all such data to the local school systems of residence  
6 in a timely manner. Each local school system shall report ~~such~~  
7 enrollment, attendance, and other counts of students to the  
8 department in the manner required by the department.

9           "(b) Operational funding.

10           "(1) The following provisions govern operational  
11 funding:

12           ~~"a. In their initial year, and in subsequent years~~  
13 ~~to accommodate growth as articulated in their application,~~  
14 ~~funding for public charter schools shall be provided from the~~  
15 ~~Education Trust Fund in the Foundation Program appropriation~~  
16 ~~for current units. Subsequent year funding for public charter~~  
17 ~~schools shall be based on the Foundation Program allocation~~  
18 ~~and other public school Education Trust Fund appropriations. A~~  
19 public charter school, which includes start-up public charter  
20 schools and conversion public charter schools, shall be funded  
21 for basic student needs, during start-up and planned  
22 structured growth years, in the same manner as a newly formed  
23 non-charter public school. Foundation Program funding during  
24 the developmental years for a start-up public charter school  
25 shall be provided by inclusion of anticipated enrollment for  
26 the upcoming school year as provided in the approved charter  
27 application. During the fiscal year, the resulting Foundation

1 Program allocation shall be adjusted to reconcile the variance  
2 between anticipated and actual funded enrollment. In addition  
3 to Foundation Program allocations, a public charter school,  
4 which includes start-up public charter schools and conversion  
5 public charter schools, shall participate in other Education  
6 Trust Fund and Public School Fund appropriations in the same  
7 manner as any other non-charter public school system.

8 "b. For each of its students, a public charter  
9 school, which includes start-up public charter schools and  
10 conversion public charter schools, shall receive the same  
11 amount of state funds, including funds earmarked for the  
12 Foundation Program transportation, school nurses, technology  
13 coordinators, and other line items that may be included in the  
14 appropriation for the Foundation Program Fund, that, for the  
15 then-current fiscal year, would have otherwise been allocated  
16 on behalf of each public charter school student to the local  
17 school system where the student resides. This amount shall  
18 reflect the status of each student according to grade level,  
19 economic disadvantage, limited English proficiency, and  
20 special education needs.

21 "c. For each ~~of its students~~ student who resides  
22 within the county where a public charter school is located, a  
23 start-up public charter school shall receive the same amount  
24 of local tax revenue, that, for the then-current fiscal year,  
25 would have otherwise been allocated on behalf of each public  
26 charter school student to the local non-charter public school  
27 of each student's residence, excluding those funds already

1 ~~earmarked through a vote of the local school board for debt~~  
2 ~~service, capital expenditures, or transportation. As~~  
3 ~~necessary, the~~ participate in the apportionment and  
4 distribution of a pro rata share of the countywide taxes on  
5 the same basis as non-charter local school boards as  
6 determined by Section 16-13-31. In the event that a start-up  
7 public charter school is located in a county with a population  
8 of less than 40,000, the start-up public charter school shall  
9 receive four-tenths of a pro rata share of the countywide  
10 taxes, as determined by Section 16-13-31. A conversion public  
11 charter school shall receive all of the local funding that the  
12 local school system would otherwise have been allocated to  
13 that non-charter public school before conversion to a  
14 conversion public charter school. The department shall  
15 ~~promulgate~~ adopt processes and procedures to annually  
16 determine the ~~specific~~ budgeted local revenue allocations  
17 ~~according to the Foundation Program~~ for each public charter  
18 school before the deadline for submission of applications to  
19 the commission or the registered local authorizer. Nothing in  
20 this subsection shall be construed to reduce the state  
21 allocation of funds due to the 10 mill match calculation for  
22 local school systems. Nothing in this subsection shall be  
23 construed to alternatively compute or otherwise establish the  
24 tax receipt equivalent to 10 mills for a start-up public  
25 charter school.

26 "d. The state funds described in paragraph a. shall  
27 be forwarded on a ~~quarterly~~ monthly basis to the public

1 charter school by the department. The ~~local~~ countywide funds  
2 described in paragraph b. shall be forwarded on a ~~quarterly~~  
3 monthly basis to the public charter school by the ~~local~~  
4 ~~educational agency~~ county revenue commissioner of the  
5 student's residence, notwithstanding the oversight fee  
6 reductions pursuant to Section 16-6F-6. ~~Additionally, any~~  
7 ~~local revenues restricted, earmarked, or committed by~~  
8 ~~statutory provision, constitutional provision, or board~~  
9 ~~covenant pledged or imposed by formal action of the local~~  
10 ~~board of education or other authorizing body of government,~~  
11 ~~shall be excluded by the local educational agency of the~~  
12 ~~student's residence when determining the amount of funds to be~~  
13 ~~forwarded by the agency to the public charter school.~~

14 "e. ~~The maximum annual local tax allocation~~  
15 ~~forwarded to a start-up public charter school from a local~~  
16 ~~school system shall, for each student, not exceed the per~~  
17 ~~student portion of the state required 10 mill ad valorem~~  
18 ~~match.~~

19 "f. ~~The maximum annual local tax allocation~~  
20 ~~forwarded to a conversion public charter school from a local~~  
21 ~~school system shall, for each student, equal the amount that~~  
22 ~~would have been received by the local education agency of the~~  
23 ~~student's residence for each student who now attends a~~  
24 ~~conversion public charter school, minus any amounts otherwise~~  
25 ~~excluded pursuant to this section.~~

26 "g. ~~e.~~ Annually, the department shall  
27 ~~adopt rules governing how to calculate and distribute these~~

1 per-student allocations, ~~as well as any~~ and ensure that these  
2 per-student allocations are distributed directly to start-up  
3 public charter schools and conversion public charter schools  
4 on a per-student basis. The department shall adopt rules  
5 governing cost-sharing for students participating in  
6 specialized gifted, talented, vocational, technical, or career  
7 education programs.

8 "(2) Categorical funding. The department shall  
9 direct the proportionate share of ~~moneys~~ monies generated  
10 under federal and state categorical aid programs to all public  
11 charter schools serving students eligible for ~~such~~ the aid.  
12 The state shall ensure that public charter schools with  
13 rapidly expanding enrollments are treated equitably in the  
14 calculation and disbursement of all federal and state  
15 categorical aid program dollars. Each public charter school  
16 that serves students who may be eligible to receive services  
17 provided through ~~such~~ these programs shall comply with all  
18 reporting requirements to receive the aid.

19 "(3) Special education funding.

20 "a. The state shall pay directly to a public charter  
21 school any federal or state aid attributable to a student with  
22 a disability attending the school.

23 "b. At either party's request, a public charter  
24 school and its authorizer may negotiate and include in the  
25 charter contract alternate arrangements for the provision of  
26 and payment for special education services.

1           "(4) Generally accepted accounting principles;  
2 independent audit.

3           "a. A public charter school shall adhere to  
4 generally accepted accounting principles.

5           "b. A public charter school shall annually engage an  
6 independent certified public accountant to do an independent  
7 audit of the school's finances. A public charter school shall  
8 file a copy of each audit report and accompanying management  
9 letter to its authorizer by June 1. This audit shall include  
10 the same requirements as those required of local school system  
11 pursuant to Section 16-13A-7.

12           "(5) Transportation funding.

13           "a. The department shall disburse state  
14 transportation funding to a public charter school on the same  
15 basis and in the same manner as it is paid to public school  
16 systems.

17           "b. A public charter school may enter into a  
18 contract with a school system or private provider to provide  
19 transportation to the school's students.

20           "c. Public charter schools that do not provide  
21 transportation services shall not be allocated any federal,  
22 state, or local funds otherwise earmarked for  
23 transportation-related expenses.

24           "(c) Nothing in this section shall be interpreted to  
25 prevent a local school board from willingly sharing non-county  
26 revenue with a start-up public charter school or a conversion  
27 public charter school."



1                   Section 2. This act shall become effective on the  
2 first day of the third month following its passage and  
3 approval by the Governor, or its otherwise becoming law.