

18A:36A-1

LEGISLATIVE HISTORY CHECKLIST
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NJSA: 18A:36A-1 (Charter schools)

LAWS OF: 1995 CHAPTER: 426

BILL NO: S1796/A592

SPONSOR(S): Ewing and LaRossa

DATE INTRODUCED: February 9, 1995

COMMITTEE: ASSEMBLY: Education
SENATE: Budget

AMENDED DURING PASSAGE: Yes Senate Committee substitute for
Assembly committee substitute
for A592/S1796

DATE OF PASSAGE: ASSEMBLY: December 21, 1995
SENATE: January 4, 1996

DATE OF APPROVAL: January 11, 1996

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes
SENATE: Yes

FISCAL NOTE: Yes

VE TO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

974.90 New Jersey. Legislature. Senate. Education Committee
E24 Public hearing on S1796, held 4-6-95, Glassboro, 1995.
1995j

974.90 New Jersey. Legislature. Senate. Education Committee.
E24 Public hearing, held 12-5-95, Trenton, 1995.
1995t

See newspaper clippings--attached:

"Charter schools get Senate support," 12-22-95, Philadelphia Inquirer.

"Whiteman signs bill, rings opening bell on charter schools," 1-12-06, Star Ledger.

"Assembly oks charter school bill," 1-5-96, Courier Post.

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[FIRST REPRINT]

SENATE COMMITTEE SUBSTITUTE FOR
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 592 and SENATE, No. 1796

STATE OF NEW JERSEY

ADOPTED December 11, 1995

Sponsored by Assemblyman ROCCO, Senator EWING,
Assemblyman DORIA, Senators LaROSSA,
Inverso and Kyrillos

1 AN ACT establishing a charter school program and supplementing
2 Title 18A of the New Jersey Statutes.

3

4 BE IT ENACTED *by the Senate and General Assembly of the*
5 *State of New Jersey:*

6 1. This act shall be known and may be cited as the "Charter
7 School Program Act of 1995."

8 2. The Legislature finds and declares that the establishment of
9 charter schools as part of this State's program of public
10 education can assist in promoting comprehensive educational
11 reform by providing a mechanism for the implementation of a
12 variety of educational approaches which may not be available in
13 the traditional public school classroom. Specifically, charter
14 schools offer the potential to improve pupil learning; increase for
15 students and parents the educational choices available when
16 selecting the learning environment which they feel may be the
17 most appropriate; encourage the use of different and innovative
18 learning methods; establish a new form of accountability for
19 schools; require the measurement of learning outcomes; make the
20 school the unit for educational improvement; and establish new
21 professional opportunities for teachers.

22 The Legislature further finds that the establishment of a
23 charter school program is in the best interests of the students of
24 this State and it is therefore the public policy of the State to
25 encourage and facilitate the development of charter schools.

26 3. a. The Commissioner of Education shall establish a charter
27 school program which shall provide for the approval and granting
28 of charters to charter schools pursuant to the provisions of this
29 act. A charter school shall be a public school operated under a
30 charter granted by the commissioner, which is operated
31 independently of a local board of education and is managed by a
32 board of trustees. The board of trustees, upon receiving a
33 charter from the commissioner, shall be deemed to be public
34 agents of the State and shall be subject to the supervision
35 and control the charter school.

36 b. The program shall authorize the establishment of not more
37 than 135 charter schools during the 48 months following the
38 effective date of this act. A minimum of three charter schools
39 shall be allocated to each county. The commissioner shall

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:
1 Senate floor amendments adopted December 18, 1995.

1 actively encourage the establishment of charter schools in urban
2 school districts with the participation of institutions of higher
3 education.

4 4. a. A charter school may be established by teaching staff
5 members, parents with children attending the schools of the
6 district, or a combination of teaching staff members and
7 parents. A charter school may also be established by an
8 institution of higher education or a private entity located within
9 the State in conjunction with teaching staff members and parents
10 of children attending the schools of the district. If the charter
11 school is established by a private entity, representatives of the
12 private entity shall not constitute a majority of the trustees of
13 the school, and the charter shall specify the extent to which the
14 private entity shall be involved in the operation of the school.
15 The name of the charter school shall not include the name or
16 identification of the private entity, and the private entity shall
17 not realize a net profit from its operation of a charter school. A
18 private or parochial school shall not be eligible for charter school
19 status.

20 b. A currently existing public school is eligible to become a
21 charter school if the following criteria are met:

22 (1) At least 51% of the teaching staff in the school shall have
23 signed a petition in support of the school becoming a charter
24 school; and

25 (2) At least 51% of the parents or guardians of pupils attending
26 that public school shall have signed a petition in support of the
27 school becoming a charter school.

28 c. An application to establish a charter school shall be
29 submitted to the commissioner and the local board of education
30 or State superintendent, in the case of a State-operated school
31 district, in the school year preceding the school year in which the
32 charter school will be established. The board of education or
33 State superintendent shall review the application and forward a
34 recommendation to the commissioner within 60 days of receipt of
35 the application. The commissioner shall have final authority to
36 grant or reject a charter application.

37 d. The local board of education or a charter school applicant
38 may appeal the decision of the commissioner to the State Board
39 of Education. The State board shall render a decision within 30
40 days of the date of the receipt of the appeal. If the State board
41 does not render a decision within 30 days, the decision of the
42 commissioner shall be deemed final.

43 e. A charter school established during the 48 months following
44 the effective date of this act, other than a currently existing
45 public school which becomes a charter school pursuant to the
46 provisions of subsection b. of section 4 of this act, shall not have
47 an enrollment in excess of 500 students or greater than 25% of
48 the student body of the school district in which the charter school
49 is established, whichever is less.

50 5. The application for a charter school shall include the
51 following information:

52 a. The identification of the charter applicant;

53 b. The name of the proposed charter school;

54 c. The proposed governance structure of the charter school

1 including a list of the proposed members of the board of trustees
2 of the charter school or a description of the qualifications and
3 method for the appointment or election of members of the board
4 of trustees;

5 d. The educational goals of the charter school, the curriculum
6 to be offered, and the methods of assessing whether students are
7 meeting educational goals. Charter school students shall be
8 required to meet the same testing and academic performance
9 standards as established by law and regulation for public school
10 students. Charter school students shall also meet any additional
11 assessment indicators which are included within the charter
12 approved by the commissioner;

13 e. The admission policy and criteria for evaluating the
14 admission of students which shall comply with the requirements
15 of section 8 of this act;

16 f. The age or grade range of students to be enrolled;

17 g. The school calendar and school day schedule;

18 h. A description of the charter school staff responsibilities and
19 the proposed qualifications of teaching staff;

20 i. A description of the procedures to be implemented to ensure
21 significant parental involvement in the operation of the school;

22 j. A description of, and address for, the physical facility in
23 which the charter school will be located;

24 k. Information on the manner in which community groups will
25 be involved in the charter school planning process;

26 l. The financial plan for the charter school and the provisions
27 which will be made for auditing the school pursuant to the
28 provisions of N.J.S.18A:23-1;

29 m. A description of and justification for any waivers of
30 regulations which the charter school will request; and

31 n. Such other information as the commissioner may require.

32 6. A charter school established pursuant to the provisions of
33 this act shall be a body corporate and politic with all powers
34 necessary or desirable for carrying out its charter program,
35 including, but not limited to, the power to:

36 a. Adopt a name and corporate seal; however, any name
37 selected shall include the words "charter school;"

38 b. Sue and be sued, but only to the same extent and upon the
39 same conditions that a public entity can be sued;

40 c. Acquire real property from public or private sources, by
41 purchase, lease, lease with an option to purchase, or by gift, for
42 use as a school facility;

43 d. Receive and disburse funds for school purposes;

44 e. Make contracts and leases for the procurement of services,
45 equipment and supplies;

46 f. Incur temporary debts in anticipation of the receipt of funds;

47 g. Solicit and accept any gifts or grants for school purposes,
48 and

49 h. Have such other powers as are necessary to fulfill its
50 charter and which are not inconsistent with this act or the
51 requirements of the commissioner.

52 The board of trustees of a charter school shall comply with the
53 provisions of the "Open Public Meetings Act," P.L.1975, c.231
54 (C.10:4-6 et seq.).

1 7. A charter school shall be open to all students on a space
2 available basis and shall not discriminate in its admission policies
3 or practices on the basis of intellectual or athletic ability,
4 measures of achievement or aptitude, status as a handicapped
5 person, proficiency in the English language, or any other basis
6 that would be illegal if used by a school district; however, a
7 charter school may limit admission to a particular grade level or
8 to areas of concentration of the school, such as mathematics,
9 science, or the arts. A charter school may establish reasonable
10 criteria to evaluate prospective students which shall be outlined
11 in the school's charter.

12 8. a. Preference for enrollment in a charter school shall be
13 given to students who reside in the school district in which the
14 charter school is located. If there are more applications to enroll
15 in the charter school than there are spaces available, the charter
16 school shall select students to attend using a random selection
17 process. A charter school shall not charge tuition to students
18 who reside in the district.

19 b. A charter school shall allow any student who was enrolled in
20 the school in the immediately preceding school year to enroll in
21 the charter school in the appropriate grade unless the appropriate
22 grade is not offered at the charter school.

23 c. A charter school may give enrollment priority to a sibling of
24 a student enrolled in the charter school.

25 d. If available space permits, a charter school may enroll
26 non-resident students. The terms and condition of the enrollment
27 shall be outlined in the school's charter and approved by the
28 commissioner.

29 e. The admission policy of the charter school shall, to the
30 maximum extent practicable, seek the enrollment of a cross
31 section of the community's school age population including racial
32 and academic factors.

33 9. A student may withdraw from a charter school at any time.
34 A student may be expelled from a charter school based on
35 criteria determined by the board of trustees, which are consistent
36 with the provisions of N.J.S.18A:37-2, and approved by the
37 commissioner as part of the school's charter. Any expulsion shall
38 be made upon the recommendation of the charter school
39 principal, in consultation with the student's teachers.

40 10. A charter school may be located in part of an existing
41 public school building, in space provided on a public work site, in
42 a public building, or any other suitable location. The facility
43 shall be exempt from public school facility regulations except
44 those pertaining to the health or safety of the pupils. A charter
45 school shall not construct a facility with public funds.

46 11. a. A charter school shall operate in accordance with its
47 charter and the provisions of law and regulation which govern
48 other public schools; except that, upon the request of the board
49 of trustees of a charter school, the commissioner may exempt the
50 school from State regulations concerning public schools, except
51 those pertaining to assessment, testing, civil rights and student
52 health and safety, if the board of trustees satisfactorily
53 demonstrates to the commissioner that the exemption will
54 advance the educational goals and objectives of the school.

1 b. A charter school shall comply with the provisions of chapter
2 46 of Title 18A of the New Jersey Statutes concerning the
3 provision of services to handicapped students; except that the
4 fiscal responsibility for any student currently enrolled in or
5 determined to require a private day or residential school shall
6 remain with the district of residence.

7 c. A charter school shall comply with applicable State and
8 federal anti-discrimination statutes.

9 12. The school district of residence shall pay directly to the
10 charter school for each student enrolled in the charter school who
11 resides in the district a presumptive amount equal to 90% of the
12 local levy budget per pupil for the specific grade level in the
13 district. At the discretion of the commissioner and at the time
14 the charter is granted, the commissioner may require the school
15 district of residence to pay directly to the charter school for
16 each student enrolled in the charter school an amount equal to
17 less than 90% percent, or an amount which shall not exceed 100%
18 of the local levy budget per pupil for the specific grade level in
19 the district of residence. The per pupil amount paid to the
20 charter school shall not exceed the local levy budget per pupil for
21 the specific grade level in the district in which the charter school
22 is located. The district of residence shall also pay directly to the
23 charter school any categorical aid attributable to the student,
24 provided the student is receiving appropriate categorical
25 services, and any federal funds attributable to the student.

26 13. The students who reside in the school district in which the
27 charter school is located shall be provided transportation to the
28 charter school on the same terms and conditions as transportation
29 is provided to students attending the schools of the district.
30 Non-resident students shall receive transportation services
31 pursuant to regulations established by the State board.

32 14. a. The board of trustees of a charter school shall have the
33 authority to decide matters related to the operations of the
34 school including budgeting, curriculum, and operating procedures,
35 subject to the school's charter. The board shall provide for
36 appropriate insurance against any loss or damage to its property
37 or any liability resulting from the use of its property or from the
38 acts or omissions of its officers and employees.

39 b. ¹[The] In the case of a currently existing public school
40 which becomes a charter school pursuant to the provisions of
41 subsection b. of section 4 of this act, all school employees of the
42 charter school shall be deemed to be members of the bargaining
43 unit defined in the applicable agreement and shall be represented
44 by the same majority representative organization as the
45 employees covered by that agreement. In the case of other
46 charter schools, the¹ board of trustees of a charter school shall
47 have the authority to employ, discharge and contract with
48 necessary teachers and nonlicensed employees subject to the
49 school's charter. The board of trustees may choose whether or
50 not to offer the terms of any collective bargaining agreement
51 already established by the school district for its employees, but
52 the board shall adopt any health and safety provisions of the
53 agreement. The charter school and its employees shall be subject
54 to the provisions of the "New Jersey Employer-Employee

1 Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.). A charter
2 school shall not set a teacher salary lower than the minimum
3 teacher salary specified pursuant to section 7 of P.L.1985, c.321
4 (C.18A:29-5.6) nor higher than the highest step in the salary
5 guide in the collective bargaining agreement which is in effect in
6 the district in which the charter school is located.

7 c. All classroom teachers and professional support staff shall
8 hold appropriate New Jersey certification. The commissioner
9 shall make appropriate adjustments in the alternate route
10 program in order to expedite the certification of persons who are
11 qualified by education and experience.

12 d. A public school employee, tenured or non-tenured, may
13 request a leave of absence of up to three years from the local
14 board of education or State district superintendent in order to
15 work in a charter school. Approval for a leave of absence shall
16 not be unreasonably withheld. Employees on a leave of absence
17 as provided herein shall remain in, and continue to make
18 contributions to, their retirement plan during the time of the
19 leave and shall be enrolled in the health benefits plan of the
20 district in which the charter school is located. The charter
21 school shall make any required employer's contribution to the
22 district's health benefits plan.

23 e. Public school employees on a leave shall not accrue tenure
24 in the public school system but shall retain tenure, if so
25 applicable, and shall continue to accrue seniority, if so
26 applicable, in the public school system if they return to their
27 non-charter school when the leave ends. An employee of a
28 charter school shall not accrue tenure pursuant to
29 N.J.S.18A:17-2, N.J.S.18A:17-3, or N.J.S.18A:28-5, but shall
30 acquire streamline tenure pursuant to guidelines promulgated by
31 the commissioner, and the charter shall specify the security and
32 protection to be afforded to the employee in accordance with the
33 guidelines.

34 f. Any public school employee who leaves or is dismissed from
35 employment at a charter school within three years shall have the
36 right to return to the employee's former position in the public
37 school district which granted the leave of absence, provided the
38 employee is otherwise eligible for employment in the public
39 school.

40 15. Any individual or group may bring a complaint to the board
41 of trustees of a charter school alleging a violation of the
42 provisions of this act. If, after presenting the complaint to the
43 board of trustees, the individual or group determines that the
44 board of trustees has not adequately addressed the complaint,
45 they may present that complaint to the commissioner who shall
46 investigate and respond to the complaint. The board shall
47 establish an advisory grievance committee consisting of four
48 parents and teachers who are selected by the parents and
49 teachers of the school to make nonbinding recommendations to
50 the board concerning the disposition of a complaint.

51 16. a. The commissioner shall annually assess whether each
52 charter school is meeting the goals of its charter, and shall
53 conduct a comprehensive review prior to granting a renewal of
54 the charter. The county superintendent of schools of the county

1 in which the charter school is located shall have on-going access
2 to the records and facilities of the charter school to ensure that
3 the charter school is in compliance with its charter and that
4 State board regulations concerning assessment, testing, civil
5 rights, and student health and safety are being met.

6 b. In order to facilitate the commissioner's review, each
7 charter school shall submit an annual report to the local board of
8 education, the county superintendent of schools, and the
9 commissioner in the form prescribed by the commissioner. The
10 report shall be received annually by the local board, the county
11 superintendent, and the commissioner no later than August 1.

12 The report shall also be made available to the parent or
13 guardian of a student enrolled in the charter school.

14 c. Six years following the effective date of this act, the
15 commissioner shall hold public hearings in the north, central, and
16 southern regions of the State to receive input from members of
17 the educational community and the public on the charter school
18 program. The commissioner shall submit to the Governor and the
19 Legislature a report on and an evaluation of the charter school
20 program which shall include a recommendation on the advisability
21 of the continuation, modification, expansion, or termination of
22 the program and any recommendations for changes in the
23 structure of the program which the commissioner deems
24 advisable.

25 17. A charter granted by the commissioner pursuant to the
26 provisions of this act shall be granted for a four-year period and
27 may be renewed for a five-year period. The commissioner may
28 revoke a school's charter if the school has not fulfilled any
29 condition imposed by the commissioner in connection with the
30 granting of the charter or if the school has violated any provision
31 of its charter. The commissioner may place the charter school on
32 probationary status to allow the implementation of a remedial
33 plan after which, if the plan is unsuccessful, the charter may be
34 summarily revoked. The commissioner shall develop procedures
35 and guidelines for the revocation and renewal of a school's
36 charter.

37 18. The State Board of Education shall adopt rules and
38 regulations pursuant to the "Administrative Procedures Act,"
39 P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to effectuate the
40 provisions of this act.

41 19. This act shall take effect immediately.

42

43

44

45

46 The "Charter School Program Act of 1995."

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Assemblymen DORIA and ROCCO

1 AN ACT concerning the creation of charter schools and
2 supplementing chapter 38 of Title 18A of the New Jersey
3 Statutes.

4
5 BE IT ENACTED by the Senate and General Assembly of the
6 State of New Jersey:

7 1. Any board of education may establish a teacher-parent
8 cooperative school pursuant to the following requirements:

9 a. A board of education may authorize a group of certified
10 teachers to form and operate a teacher-parent cooperative
11 school subject to the approval of the State Board of Education.

12 b. The board of education's authorization for a teacher-parent
13 cooperative school shall be in the form of a written charter
14 signed by the board of education and the board of directors of the
15 teacher-parent cooperative school. The form of the charter shall
16 follow regulations promulgated by the State Board of Education.
17 The charter shall expire on a specified date, subject to renewal.

18 c. The board of education shall notify the State Board of
19 Education of its intent to authorize a teacher-parent cooperative
20 school. The notice shall state the terms and conditions under
21 which the board of education will authorize a teacher-parent
22 cooperative school and shall describe the philosophy, program and
23 expected outcomes of the proposed school. The notice shall
24 indicate any regulations of the State Board of Education for
25 which the teacher-parent cooperative school seeks a waiver. The
26 State board shall approve or disapprove the board of education's
27 proposed authorization within 60 days of receipt of the notice.
28 The failure to obtain State board approval shall preclude a board
29 of education from authorizing a teacher-parent cooperative
30 school.

31 d. A board of education may authorize a maximum of two
32 teacher-parent cooperative schools. During the first five years
33 following enactment of this act the State Board of Education
34 shall authorize no more than two school districts in each county
35 to establish a teacher-parent cooperative school.

36 2. A teacher-parent cooperative school may limit admission to
37 pupils within an age group or grade level, or to pupils who have a
38 specific affinity for the school's teaching methods, the school's
39 learning philosophy, or a subject such as mathematics, science,
40 fine arts, performing arts, or a language.

41 The school shall enroll any eligible pupil who submits a timely
42 application, unless the number of applications exceeds the
43 capacity of a program, class, grade level, or building. In this
44 case, pupils shall be accepted by lot.

45 A teacher-parent cooperative school shall not limit admission

1 to pupils on the basis of intellectual ability, measures of
2 achievement or aptitude, or athletic ability.

3 3. a. The teachers authorized to organize and operate a
4 teacher-parent cooperative school shall hold an annual election
5 for members of the school's board of directors. All staff
6 members employed at the school and all parents of children
7 enrolled in the school are eligible for membership on the board of
8 directors and may participate in the election.

9 b. The board of directors of a teacher-parent cooperative
10 school shall have the sole authority to employ, discharge and
11 contract with necessary teachers and nonlicensed employees,
12 subject to the school's charter and regulations which may be
13 promulgated by the State Board of Education.

14 c. The board of directors shall also have the sole authority to
15 decide matters related to the operation of the school, including
16 budgeting, curriculum, and operating procedures, subject to the
17 school's charter and regulations which may be promulgated by
18 the State Board of Education.

19 4. If a teacher employed by a school district makes a written
20 request for a transfer to teach at a teacher-parent cooperative
21 school, the school district shall grant the transfer, subject to the
22 availability of positions at the teacher-parent cooperative school
23 as indicated in the school charter, and the teacher shall retain all
24 tenure and seniority rights. The school district may require that
25 the request for transfer be made no later than 90 days before the
26 teacher would otherwise have to report for duty.

27 5. Each teacher-parent cooperative school shall report
28 annually to the board of education and the State Board of
29 Education. The reports shall be made on a form prescribed by the
30 State board and shall be made available to the public.

31 6. A teacher-parent cooperative school shall be funded in the
32 same manner as are the other schools of the district, pursuant to
33 regulations established by the State Board of Education.

34 7. The State Board of Education shall promulgate rules and
35 regulations pursuant to the "Administrative Procedure Act,"
36 P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to implement the
37 provisions of this act.

38 8. This act shall take effect immediately.

39
40
41 STATEMENT

42
43 This bill authorizes boards of education to establish
44 teacher-parent cooperative schools through the issuance of a
45 written charter signed by the board of education and the board of
46 directors of the school. The board of education must submit its
47 proposal to authorize a teacher-parent cooperative school to the
48 State Board of Education for approval. The proposal must include
49 the terms and conditions of the charter and a description of the
50 philosophy, program and expected outcomes for the school.

51 The school's board of directors, elected by the staff and
52 parents of pupils, will have authority over the governance,
53 operations, personnel and curriculum of the school. The school,
54 however, will be funded in the same manner as are the other
55 schools in the district.

1 Teacher-parent cooperative schools are also given the option
2 of seeking waivers of State board regulations in order to provide
3 a stimulus to meet educational objectives in novel and creative
4 ways.

5 The teacher-parent cooperative schools are intended to involve
6 teachers in all aspects of the educational process and give them
7 the maximum amount of freedom possible to set educational
8 goals and devise ways to achieve them.

9 The bill provides that during the first five years following
10 enactment no more than two cooperative schools per county may
11 be authorized by the State board.

12

13

14

15

16 _____
Authorizes the creation of teacher-parent cooperative schools.

SENATE, No. 1796

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 9, 1995

By Senators EWING and LaROSSA

1 AN ACT establishing a charter school program and supplementing
2 Title 18A of the New Jersey Statutes.

3

4 BE IT ENACTED *by the Senate and General Assembly of the*
5 *State of New Jersey:*

6 1. This act shall be known and may be cited as the "Charter
7 School Program Act of 1995."

8 2. The Legislature finds and declares that the establishment of
9 charter schools as part of this State's program of public
10 education can assist in promoting comprehensive educational
11 reform by providing a mechanism for the implementation of a
12 variety of educational approaches which may not be available in
13 the traditional public school classroom. Specifically, charter
14 schools offer the potential to improve pupil learning; increase for
15 students and parents the educational choices available when
16 selecting the learning environment which they feel may be the
17 most appropriate; encourage the use of different and innovative
18 learning methods; establish a new form of accountability for
19 schools; require the measurement of learning outcomes; make the
20 school the unit for educational improvement; and establish new
21 professional opportunities for teachers.

22 The Legislature further finds that the establishment of a
23 charter school program is in the best interests of the students of
24 this State and it is therefore the public policy of the State to
25 encourage and facilitate the development of charter schools.

26 3. There is established within the Department of Education a
27 charter school program which shall provide for the approval and
28 granting of charters to charter schools pursuant to the provisions
29 of this act. A charter school shall be a public school operated
30 under a charter granted by the Commissioner of Education which
31 is operated independently of a local board of education and is
32 managed by a board of trustees. The board of trustees, upon
33 receiving a charter from the commissioner, shall be deemed to be
34 public agents authorized by the State Board of Education to
35 supervise and control the charter school.

36 4. An application to establish a charter school may be
37 submitted by two or more certified teachers, ten or more
38 parents, an institution of higher education, a business or
39 corporate entity, or other appropriate organization as determined
40 by the commissioner. A charter school may also be established
41 by a currently existing public school pursuant to a proposal
42 established by teaching staff members and parents or guardians
43 of pupils enrolled in the school. A private or parochial school
44 shall not be eligible for charter school status.

45 5. An applicant who wishes to establish a charter school shall

- 1 submit an application to the commissioner which shall include the
2 following information:
- 3 a. The identification of the charter applicant;
 - 4 b. The name of the proposed charter school;
 - 5 c. The proposed governance structure of the charter school
6 including a list of the proposed members of the board of trustees
7 of the charter school or a description of the qualifications and
8 method for the appointment or election of members of the board
9 of trustees;
 - 10 d. The educational goals of the charter school, the
11 curriculum to be offered, and the methods of assessing whether
12 students are meeting educational goals. Charter school students
13 shall be required to meet the same testing and academic
14 performance standards as established by law and regulation for
15 public school students including the High School Proficiency Test
16 and the Early Warning Test. Charter school students shall also
17 meet any additional assessment indicators which are included
18 within the charter approved by the commissioner;
 - 19 e. The admission policy and criteria for evaluating the
20 admission of students which shall comply with the requirements
21 of section 8 of this act;
 - 22 f. The age or grade range of students to be enrolled;
 - 23 g. The school calendar and school day schedule;
 - 24 h. A description of the charter school staff responsibilities
25 and the proposed qualifications of teaching staff;
 - 26 i. A description of the procedures to be implemented to
27 ensure significant parental involvement in the operation of the
28 school;
 - 29 j. A description of and address for the physical facility in
30 which the charter school will be located; and
 - 31 k. Such other information as the commissioner may require.
- 32 6. An applicant to establish a charter school shall submit the
33 application by February 15th of the year preceding the school
34 year in which the charter school will begin operation. The
35 commissioner shall review the application and make a final
36 decision on whether or not to approve the application and grant
37 the charter by March 15th. The commissioner may condition the
38 granting of a charter on the school taking certain actions or
39 maintaining certain conditions. The decision of the commissioner
40 shall constitute final agency action.
- 41 7. A charter school established pursuant to the provisions of
42 this act shall be a body corporate and politic with all powers
43 necessary or desirable for carrying out its charter program,
44 including but not limited to:
- 45 a. adopt a name and corporate seal; however, any name
46 selected shall include the words "charter school";
 - 47 b. sue and be sued, but only to the same extent and upon the
48 same conditions that a public entity can be sued;
 - 49 c. acquire real property from public or private sources, by
50 purchase, lease, lease with an option to purchase, or by gift, for
51 use as a school facility;
 - 52 d. receive and disburse funds for school purposes;
 - 53 e. make contracts and leases for the procurement of
54 services, equipment and supplies; however, if the board intends to

1 procure substantially all educational services under contract with
2 other persons, the terms of such a contract shall be approved by
3 the commissioner, either as part of the original charter or as an
4 amendment thereto;

5 f. incur temporary debts in anticipation of the receipt of
6 funds;

7 g. solicit and accept any gifts or grants for school purposes;
8 and,

9 h. have such other powers as are not inconsistent with the
10 purposes of this act and any regulation promulgated pursuant to
11 this act.

12 8. Charter schools shall be open to all students on a space
13 available basis and shall not discriminate in their admission
14 policies or practices on the basis of intellectual or athletic
15 ability, measures of achievement or aptitude, status as a
16 handicapped person, proficiency in the English language, or any
17 other basis that would be illegal if used by a school district;
18 however, a charter school may limit admission to a particular
19 grade level or to areas of concentration of the school such as
20 mathematics, science, or the arts. A charter school may
21 establish reasonable criteria to evaluate prospective students
22 which shall be outlined in the school's charter.

23 9. a. Preference for enrollment in a charter school shall be
24 given to students who reside in the school district in which the
25 charter school is located. If there are more applications to enroll
26 in the charter school than there are spaces available, the charter
27 school shall select students to attend using a random selection
28 process. A charter school shall not charge tuition to students
29 who reside in the district.

30 b. A charter school shall allow any student who was enrolled
31 in the school in the immediately preceding school year to enroll
32 in the charter school in the appropriate grade unless the
33 appropriate grade is not offered at the charter school.

34 c. A charter school may give enrollment priority to a sibling
35 of a student enrolled in the charter school.

36 d. If available space permits, a charter school may enroll
37 non-resident students. The terms and condition of the enrollment
38 shall be outlined in the school's charter and approved by the
39 commissioner.

40 10. A student may withdraw from a charter school at any
41 time. A student may be expelled from a charter school based on
42 criteria determined by the board of trustees and approved by the
43 commissioner as part of the school's charter. Any expulsion shall
44 be made upon the recommendation of the charter school
45 principal, in consultation with the student's teachers.

46 11. A charter school may be located in part of an existing
47 public school building, in space provided on a public work site, in
48 a public building, or any other suitable location.

49 12. a. A charter school shall operate in accordance with its
50 charter and the provisions of law and regulation which govern
51 other public schools; except that, upon the request of the board
52 of trustees of a charter school, the Commissioner of Education
53 may exempt the school from State regulations concerning public
54 schools, except those pertaining to civil rights and student health

1 and safety, if the board of trustees satisfactorily demonstrates to
2 the commissioner that the exemption will advance the
3 educational goals and objective of the school.

4 b. A charter school shall comply with the provisions of
5 chapter 46 of Title 18A of the New Jersey Statutes concerning
6 the provision of services to handicapped students; except that the
7 fiscal responsibility for any student currently enrolled in or
8 determined to require a private day or residential school shall
9 remain with the district of residence.

10 13. The school district of residence shall pay directly to the
11 charter school for each student enrolled in the charter school who
12 resides in the district an amount equal to the local levy budget
13 per pupil in the district for the specific grade level. The district
14 shall also pay directly to the charter school any categorical aid
15 attributable to the student, provided the student is receiving
16 appropriate categorical services, and any federal funds
17 attributable to the student.

18 14. The students who reside in the school district in which the
19 charter school is located shall be provided transportation to the
20 charter school on the same terms and conditions as transportation
21 is provided to students attending the schools of the district.
22 Non-resident students shall receive transportation services
23 pursuant to regulations established by the State board.

24 15. For purposes of tort liability, employees of charter schools
25 shall be considered public employees and the board of trustees
26 shall be considered the public employer.

27 16. A public school teacher or administrator may request a
28 two year leave of absence from the local board of education in
29 order to work in a charter school and the board shall grant the
30 request for the two year period. At the end of the two year
31 period the teacher or administrator may return to the former
32 position or may request that the leave be extended for an
33 additional two years. Approval for the request shall not be
34 unreasonably withheld. At the end of the fourth year, the
35 teacher or administrator may either return to his former position
36 or, if he chooses to continue at the charter school, resign from
37 his district position.

38 17. Teachers on a leave of absence pursuant to section 16 of
39 this act shall be permitted to continue in, and to make
40 contributions to their retirement plan during the leave of
41 absence and to continue to be enrolled in the district's health
42 benefits plan unless they elect other means of coverage provided
43 by the district or the charter school. The charter school shall
44 make any required employer's contribution to the district's
45 health benefits plan during the teacher's leave of absence.

46 18. Teachers on a leave of absence pursuant to section 16 of
47 this act shall not accrue tenure but shall retain tenure and shall
48 continue to accrue seniority in the public school system if they
49 return to their public school when the leave of absence ends.

50 19. a. The board of trustees of a charter school shall have the
51 authority to decide matters related to the operations of the
52 school including budgeting, curriculum, and operating procedures,
53 subject to the school's charter.

54 b. The board of trustees of a charter school shall have the

1 authority to employ, discharge and contract with necessary
2 teachers and nonlicensed employees subject to the school's
3 charter. The board of trustees shall bargain collectively on
4 salary and other issues and may choose whether or not to adopt
5 the terms of any collective bargaining agreement already
6 established by the school district for its employees. The board of
7 trustees may retain or waive tenure for its employees. If tenure
8 is granted to an employee, the tenure rights shall only be
9 applicable to employment by the charter school. The charter
10 school's tenure policy shall be outlined in its charter.

11 20. Each charter school shall submit an annual report to the
12 commissioner by August 1 of each year. The report shall be in
13 such form as the commissioner may prescribe and shall include,
14 but not be limited to, the following information:

15 a. a discussion of progress made toward the achievement of
16 the goals outlined in the school's charter; and

17 b. a financial statement setting forth by appropriate
18 categories the revenue and expenditures for the previous school
19 year.

20 The annual report shall also be provided to the parent or
21 guardian of a student enrolled in the charter school, and to each
22 parent or guardian of a student who has applied for admission to
23 the charter school.

24 21. Any individual or group may bring a complaint to the board
25 of trustees of a charter school alleging a violation of the
26 provisions of this act. If, after presenting the complaint to the
27 board of trustees, the individual or group feels that the board of
28 trustees has not adequately addressed the complaint, they may
29 present that complaint to the commissioner who shall investigate
30 and respond to the complaint.

31 22. A charter granted by the commissioner pursuant to the
32 provision of this act shall be granted for a five year period. The
33 commissioner may revoke a school's charter if the school has not
34 fulfilled any condition imposed by the commissioner in connection
35 with the granting of the charter or if the school has violated any
36 provision of its charter. The commissioner may place the charter
37 school on probationary status to allow the implementation of a
38 remedial plan after which, if the plan is unsuccessful, the charter
39 may be summarily revoked. The commissioner shall develop
40 procedures and guidelines for the revocation and renewal of a
41 school's charter.

42 23. The State Board of Education shall adopt rules and
43 regulations pursuant to the "Administrative Procedures Act,"
44 P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to effectuate the
45 provisions of this act.

46 24. This act shall take effect immediately.

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Sponsor's
STATEMENT

51 This bill establishes a charter school program within the
52 Department of Education to provide for the approval and granting
53 of charters to charter schools. Under the bill's provisions, a
54 charter school could be established by two or more certified

1 teachers, ten or more parents, institution of higher education, a
2 business or corporate entity, or other appropriate organization as
3 determined by the commissioner. A charter school could also be
4 established by a currently existing public school pursuant to a
5 proposal developed by teaching staff members and parents or
6 guardians of pupils enrolled in the school.

7 An applicant wishing to establish a charter school would submit
8 an application to the Commissioner of Education outlining among
9 other things the proposed governance structure of the charter
10 school including the method of appointment or selection of the
11 charter school board of trustee members, the educational goals of
12 the school and the proposed curriculum, the school's admission
13 policies and criteria, and the age and grade range of students to
14 be enrolled in the school. If the application is approved by the
15 commissioner, the charter school board of trustees shall be
16 considered public agents authorized by the State Board of
17 Education to supervise and control the charter school.

18 The bill specifies that a charter school is to be open to all
19 students and that a school may not discriminate in its admissions
20 policies on the basis of intellectual or athletic ability, status as a
21 handicapped person, proficiency in the English language, or any
22 other basis that would be illegal if used by a school district. A
23 charter school may, however, limit admission to a particular
24 grade level or to areas of subject concentration and may establish
25 reasonable criteria to evaluate prospective students in this
26 regard. The bill also stipulates that preference for enrollment in
27 the charter school shall be given to students who reside in the
28 school district. If available space permits, a charter school may
29 enroll non-resident students, the terms and conditions of which
30 shall be outlined in the school's charter. If there are more
31 applications to attend the charter school than there are spaces
32 available, the charter school shall use a random selection process.

33 The bill provides that students who attend charter schools must
34 meet the same testing and academic performance standards as
35 established by law and regulation for public school students
36 including the HSPT and the Early Warning Test. Charter school
37 students shall also meet any additional assessment indicators
38 which are included within the charter approved by the
39 commissioner

40 In regard to the funding of charter schools, the bill provides
41 that the school district of residence shall pay directly to the
42 charter school for each student enrolled who resides in the
43 district an amount equal to the local levy budget per pupil in the
44 district for the specific grade level. Also, the charter school is
45 to receive any categorical aid or federal funds attributable to
46 that student.

47 Finally, the bill contains provisions covering a variety of areas
48 including the waiver of State regulations for charter schools, the
49 submission of annual reports by charter schools, and the
50 investigation of complaints and revocations of charters by the
51 Commissioner of Education when necessary.

ASSEMBLY EDUCATION COMMITTEE
STATEMENT TO
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 592

STATE OF NEW JERSEY

DATED: APRIL 27, 1995

The Assembly Education Committee favorably reports an Assembly Committee Substitute for Assembly Bill No. 592.

This committee substitute directs the Commissioner of Education to establish a charter school program in the first full school year following the substitute's enactment. Under the program, three charter schools could be established in any county with a population in excess of 500,000, two charter schools in all other counties, and a minimum of one charter school and a maximum of three charter schools in each special needs school district.

Under the substitute's provisions, a charter school may be established by ten or more teaching staff members, ten parents with children attending the schools of the district, a group of five teaching staff members and five parents with children attending the schools of the district, or by an institution of higher education located within the State in conjunction with five teaching staff members and five parents of children attending the schools of the district. A charter school may also be established by a currently existing public school if at least 51% of the teaching staff in the school and 51% of the parents of pupils attending the school sign a petition in support of that school becoming a charter school.

An application to establish a charter school is to be submitted to the local board of education or State district superintendent by December 15th of the year preceding the school year in which the charter school will be established. The board of education or State superintendent is to review the application and forward it with a recommendation to the Commissioner of Education within 60 days. The commissioner shall have final authority to grant or reject the charter application. In order to maintain the limit on the number of charter schools, all approved applications are to be forwarded to the county superintendent and if more charter school applications are approved than authorized under the substitute, permission to operate a charter school shall be awarded in the order in which approved applications are received.

The application to establish a charter school is to outline, among other things, the proposed governance structure of the school including a description of the qualifications and method for the appointment and election of members of the board of trustees, the mission and educational goals of the school, the curriculum to be offered, the admissions policy and practices, the methods of assessing whether students are meeting educational goals, a description of the physical facility in which the school will be located, and a description of, and justification for, any waivers of regulations which the school may request. If the application is approved by the commissioner, the charter school board of trustees shall be considered public agents authorized by the State Board of Education to supervise and control the charter school. The commissioner shall issue a charter to the school's board of trustees

for a period not to exceed three years and which may be renewed for a five year period pursuant to rules established by the State board.

The substitute specifies that a charter school shall enroll any pupil who is a resident of the school district in which the charter school is located and who submits a timely application, unless the number of applications exceeds the school's capacity in which case selection shall be by lot. If available space permits, a charter school may enroll non-resident students, the terms and conditions of which shall be outlined in the school's charter. While the substitute stipulates that a charter school may not discriminate in its admissions policies, the substitute does authorize charter schools to limit admissions to a particular grade level or to areas of subject concentration. It is the committee's understanding that the substitute would allow the establishment of charter schools designed to serve special populations of students subject to the approval of the school's charter by the commissioner.

The substitute stipulates that all teaching and administrative staff members of a charter school shall hold appropriate New Jersey certification. The board of trustees of a charter school is to adopt the collective bargaining agreement in operation in the school district in which the charter school is located except that the school shall not be required to adopt those provisions of the collective bargaining agreement related to the schedule and the school calendar including the length of the school day and school year. All employees of a charter school shall be enrolled in the appropriate public employees retirement system and in the health benefits plan of the district in which the charter school is located.

Under the substitute's provisions, a teacher or administrator may request a leave of absence of up to three years from the school district in which he is employed in order to work in a charter school and approval for the leave is not to be unreasonably withheld. If a teacher or administrator leaves the charter school or is dismissed, he has the right to return to his former position in the public school district. Teachers on a leave of absence shall not accrue tenure in the public school system but shall retain tenure and shall continue to accrue seniority in the public school system if they return to their non-charter school when the leave ends. A teacher employed by a charter school shall accrue tenure in the charter school.

The substitute authorizes the Commissioner of Education to exempt charter schools from State regulations concerning public schools, except those pertaining to assessment, testing, civil rights, and student health and safety, provided the charter school gives a satisfactory explanation of the manner in which the waiver will assist the school in achieving its educational objectives.

In regard to the funding of charter schools, the substitute provides that the school district of residence shall pay directly to the charter school for each student enrolled who resides in the district an amount equal to the local levy budget per pupil in the district for the specific grade level as well as any categorical aid or federal funds attributable to that student.

The commissioner is to annually assess whether each charter school is meeting the goals of its charter and shall conduct a comprehensive three year review prior to granting a five year renewal of the charter. The substitute authorizes the county superintendent of schools to have on-going access to the records and facilities of a charter school to ensure that the school is in

compliance with its charter and required State board regulations. The substitute establishes procedures for the consideration of complaints against charter schools, the submission of annual reports by charter schools, and the revocation of charters by the Commissioner of Education when necessary.

Finally, the substitute requires that six year's following its effective date, the commissioner shall hold public hearings to receive input from members of the educational community and the public on the charter school program and shall submit a report to the Governor and the Legislature which shall include recommendations on the advisability of the continuation, expansion, or termination of the program.

SENATE EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 1796

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 8, 1995

The Senate Education Committee favorably reports Senate Bill No. 1796 with committee amendments.

As amended, this bill establishes a charter school program within the Department of Education to provide for the approval and granting of charters to charter schools. Under the bill's provisions, a charter school could be established by two or more certified teachers or administrators, ten or more parents, an institution of higher education, a business or corporate entity, or other appropriate organization as determined by the commissioner. A charter school could also be established by a currently existing public school pursuant to a proposal developed by teaching staff members and parents or guardians of pupils enrolled in the school. A private or parochial school is not eligible for charter school status.

An applicant wishing to establish a charter school would submit an application to the local board of education or the State superintendent, in the case of a State-operated school district, by December 15 of the school year preceding the school year in which the charter school would be established. After a review, the application would be forwarded, along with an advisory recommendation, to the Commissioner of Education. The application would outline among other things the proposed governance structure of the charter school, including the method of appointment or selection of the charter school board of trustee members, the educational goals of the school and the proposed curriculum, the school's admission policies and criteria, and the age and grade range of students to be enrolled in the school. If the application is approved by the commissioner, the charter school board of trustees would be considered public agents authorized by the State Board of Education to supervise and control the charter school.

The bill specifies that a charter school is to be open to all students and that a school may not discriminate in its admissions policies on the basis of intellectual or athletic ability, status as a handicapped person, proficiency in the English language, or any other basis that would be illegal if used by a school district. A charter school may, however, limit admission to a particular grade level or to areas of subject concentration and may establish reasonable criteria to evaluate prospective students in this regard. The bill also stipulates that preference for enrollment in the charter school shall be given to students who reside in the school district. If available space permits, a charter school may enroll non-resident students, the terms and conditions of which shall be outlined in the school's charter. If there are more applications to attend the charter school than there are spaces available, the charter school would use a random selection process.

The bill provides that students who attend charter schools must meet the same testing and academic performance standards as established by law and regulation for public school students, including the HSPT and the Early Warning Test. Charter school students must also meet any additional assessment indicators which are included within the charter approved by the commissioner.

Under the bill, a public school teacher or administrator may request a two-year leave of absence in order to work in a charter school, and the leave may be extended for another two years. Tenure would be retained, and provision is made for continuation of pension and health benefits.

In regard to the funding of charter schools, the bill provides that the school district of residence would pay directly to the charter school for each student enrolled who resides in the district an amount equal to the local levy budget per pupil in the district for the specific grade level. In addition, the charter school is to receive any categorical aid or federal funds attributable to that student. A charter school may not charge tuition to any student.

Finally, the bill contains provisions covering a variety of areas including the waiver of State regulations for charter schools, the facilities for charter schools, the submission of annual reports by charter schools, and the investigation of complaints and revocations of charters by the Commissioner of Education when necessary.

The committee adopted amendments which: 1) permit administrators as well as teachers to submit an application to establish a charter school; 2) provide for the local school board or the State superintendent to review a charter school application and include an advisory recommendation; 3) make clear that the district of residence pays for a non-resident student; 4) exempt the charter school facility from regulations other than those pertaining to health and safety; 5) permit the board of trustees to enroll eligible charter school employees in the appropriate State pension fund or retirement system; and 6) require the charter school to have an annual audit conducted.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO
SENATE COMMITTEE SUBSTITUTE FOR
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 592 and SENATE, No. 1796

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STATE OF NEW JERSEY

DATED: DECEMBER 11, 1995

The Senate Budget and Appropriations Committee reports favorably a Senate Committee Substitute for Assembly Committee Substitute for Assembly Bill No. 592 and Senate Bill No. 1796.

This committee substitute establishes a charter school program which provides for the Commissioner of Education to approve and grant charters to charter schools. The substitute authorizes the establishment of not more than 135 charter schools during the 48 months following the effective date of the act, with a minimum of three charter schools allocated to each county.

Under the provisions of the substitute, a charter school could be established by teaching staff members, parents, or a combination of teaching staff members and parents, an institution of higher education, a private entity, or a currently existing public school. A private or parochial school is not eligible for charter school status.

An application to establish a charter school would be submitted to the commissioner and the local board of education or State superintendent, in the case of a State-operated school district. After a review, the board of education or State superintendent would forward a recommendation to the commissioner who would have authority to grant or reject an application. The commissioner's decision may be appealed to the State Board of Education. The initial charter would be for a period of four years and could be renewed for a five-year period. During the first 48 months of the program, enrollment in a charter school, other than a currently existing public school, would be limited to a maximum of 500 students or 25% of the student body of the school district in which the charter school is located, whichever is less. The application would contain such items as the proposed governance structure of the charter school, including a list of proposed trustees or the method of selection of the trustees, the educational goals of the school and the proposed curriculum, the school's admission policies and criteria, the age and grade range of students to be enrolled in the school, and the school calendar.

The substitute specifies that a charter school is to be open to all students and that a school may not discriminate in its admissions policies on the basis of intellectual or athletic ability, status as a handicapped person, proficiency in the English language, or any other basis that would be illegal if used by a school district. A charter school may, however, limit admission to a particular grade level or to areas of subject concentration and may establish reasonable criteria to evaluate prospective students in this regard. The substitute also stipulates that preference for enrollment in the

charter school shall be given to students who reside in the school district. If available space permits, a charter school may enroll non-resident students, the terms and conditions of which shall be outlined in the school's charter.

The substitute provides that students who attend charter schools must meet the same testing and academic performance standards as established by law and regulation for public school students. Charter school students must also meet any additional assessment indicators which are included within the charter approved by the commissioner.

With regard to the funding of charter schools, the substitute provides that the school district of residence would pay directly to the charter school for each student enrolled who resides in the district a presumptive amount equal to 90% of the local levy budget per pupil in the district for the specific grade level. The commissioner may require payment of an amount equal to less or more than the 90% but the amount cannot exceed the local levy budget per pupil for the specific grade level in the district in which the charter school is located. In addition, the charter school is to receive any categorical aid or federal funds attributable to that student.

The board of trustees of a charter school may choose whether to offer the terms of any collective bargaining agreement already established in the school district, but the board is required to adopt any health and safety provisions of the agreement. The charter school and its employees would be subject to the provisions of the "New Jersey Employer-Employee Relations Act." All classroom teachers and professional support staff are required to hold appropriate New Jersey certification, and the commissioner is directed to make appropriate adjustments in the alternate route program in order to expedite the certification of persons who are qualified by education and experience.

Under the substitute, a public school employee may request a three-year leave of absence in order to work in a charter school. Tenure would be retained, and provision is made for continuation of pension and health benefits. An employee of a charter school would not accrue tenure under the provisions of the current statutes, but would acquire employment security and protection pursuant to guidelines promulgated by the commissioner and specified in the charter in accordance with the guidelines.

Finally, the substitute contains provisions covering such areas as the waiver of State regulations for charter schools, the facilities for charter schools, the submission of annual reports by charter schools, and the investigation of complaints and revocations of a charter by the Commissioner of Education when necessary.

FISCAL ESTIMATE

A fiscal estimate of the impact of this bill was not available as of the date of this statement.

LEGISLATIVE FISCAL ESTIMATE TO

[FIRST REPRINT]

SENATE, No. 1796

STATE OF NEW JERSEY

DATED: September 14, 1995

Senate Bill No. 1796 (1R) of 1995 establishes a program within the Department of Education to provide for the approval and granting of charters to charter schools. Under the bill's provisions, a charter school could be established by two or more certified teachers or administrators, ten or more parents, an institution of higher education, a business or corporate entity, another appropriate organization as determined by the Commissioner of Education, or by a currently existing public school.

An organization wishing to establish a charter school would submit an application to the commissioner through the local board of education outlining the proposed governance structure of the charter school, and its educational goals, proposed curriculum, admission policies and criteria, and the age and grade range of students to be enrolled in the school. If the application is approved by the commissioner, the charter school board of trustees would be considered public agents authorized by the State Board of Education to supervise and control the charter school.

The bill specifies that a charter school is to be open to all students and that a school may not discriminate in its admissions policies. Preference for enrollment in the charter school shall be given to students who reside in the school district; however, if space permits, a charter school may enroll non-resident students.

The bill also contains provisions covering a variety of areas including pupil requirements, the status of faculty and administrators with regard to benefits and tenure, the waiver of regulations and the school's facilities.

In regard to the funding of charter schools, the bill provides that the school district of residence would pay directly to the charter school for each student enrolled who resides in the district an amount equal to the local levy budget per pupil in the district for the specific grade level. In addition, the charter school is to receive any categorical aid or federal funds attributable to that student. The cost for out of district pupils would be paid by the district of residence of the pupil. Further, transportation is to be provided as for all other public school pupils and the district would be eligible for State aid for that transportation.

The Office of Legislative Services (OLS) estimates that there will be little or no additional costs to the State or to local school districts as a result of this bill. The charter school would receive the local levy budget per pupil (State aid plus local tax levy) for each pupil attending the charter school, plus any categorical aid or federal funds attributable to that pupil. If out of district pupils were admitted, the district of residence would pay the costs for that pupil. Further, the bill specifies that a charter school may not use public funds for the construction of facilities.

The OLS notes that the one cost which could change under the bill is that for pupil transportation; however, it is not possible to determine how many pupils who are not now receiving transportation would elect to enroll in a charter school located at a distance from the child's residence. Further, some pupils who are now receiving transportation might become ineligible depending on the location of the charter school. Therefore, until the number, location and pupil population of the charter schools is established, any impact on local or State transportation costs cannot be estimated.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.