

HOUSE BILL 1218

F1

2lr2764

By: **Delegate Ivey**

Introduced and read first time: February 10, 2012

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 22, 2012

CHAPTER _____

1 AN ACT concerning

2 ~~**Public Charter Schools—Chartering Authorities, Application Requirements,**~~
3 ~~**Employees, and Facility Funding**~~
4 **Task Force to Study the Improvement of Maryland Public Charter Schools**

5 FOR the purpose of ~~authorizing the State Board of Education to be a primary~~
6 ~~chartering authority for the granting of a charter to a public charter school~~
7 ~~applicant; providing for the public charter schools granted a charter by the~~
8 ~~State Board to be independent from the local school system, county, or~~
9 ~~municipality in which the school is located but to be considered as the local~~
10 ~~school system for certain purposes; requiring an application to the State Board~~
11 ~~to establish a public charter school to include certain information; establishing~~
12 ~~an appeal process when the State Board denies an application to establish a~~
13 ~~public charter school; authorizing the State Board to issue and renew a charter~~
14 ~~for a certain period of time under certain circumstances; authorizing employees~~
15 ~~of a public charter school granted a charter by the State Board to elect to be~~
16 ~~members of the Teachers' Pension System and to choose to participate in the~~
17 ~~State Employee and Retiree Health and Welfare Benefits Program or to choose~~
18 ~~to form a separate health insurance collaborative; authorizing employees of a~~
19 ~~public charter school granted a charter by the State Board to organize as public~~
20 ~~employees as an independent bargaining unit and to develop a collective~~
21 ~~bargaining agreement; authorizing employees of certain public charter schools~~
22 ~~to choose to continue membership in the Teachers' Pension System or to~~
23 ~~terminate their membership; authorizing employees of certain public charter~~
24 ~~schools to continue to participate in the State Employee and Retiree Health and~~
25 ~~Welfare Benefits Program or to choose to form a separate health insurance~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



~~collaborative; authorizing the State Department of Education to retain a certain amount of funds allotted for certain public charter schools; requiring certain public charter schools to receive an annual per pupil facilities allotment and prohibiting certain public charter schools from receiving an entire facilities allotment; requiring each county board to compile a list of school sites or buildings that may no longer be needed for school purposes; establishing the Public Charter School Facility Revolving Loan Fund; requiring the Governor to provide a certain amount of money in the State budget for the Fund; specifying the purpose of the Fund; authorizing certain applicants to obtain loans from the Fund; requiring the State Board to administer the Fund and to consider certain factors when evaluating loan applications; specifying loan amounts; requiring the State Board to report certain information to county boards of education each fiscal year; establishing certain requirements for loan repayment; making a certain county governing body or county board of education liable for loan repayment under certain circumstances; requiring the State Board to adopt certain regulations establishing a Task Force to Study the Improvement of Maryland Public Charter Schools; providing for the membership and duties of the Task Force; providing for the designation of a chair of the Task Force; requiring the State Department of Education to provide staff for the Task Force; prohibiting members of the Task Force from receiving compensation; authorizing a member to receive certain reimbursement; requiring the Task Force to report its findings and recommendations to the Governor and the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to chartering authorities, application requirements, employees, and facility funding for public charter schools~~ the establishment of a Task Force to Study the Improvement of Maryland Public Charter Schools.

~~BY repealing and reenacting, without amendments,
 Article — Education
 Section 9-101, 9-102, 9-102.1, 9-105 through 9-107, 9-110, and 9-112
 Annotated Code of Maryland
 (2008 Replacement Volume and 2011 Supplement)~~

~~BY repealing and reenacting, with amendments,
 Article — Education
 Section 9-103, 9-104, 9-108, 9-109, and 9-111
 Annotated Code of Maryland
 (2008 Replacement Volume and 2011 Supplement)~~

~~BY adding to
 Article — Education
 Section 9-103.1 and 9-113
 Annotated Code of Maryland
 (2008 Replacement Volume and 2011 Supplement)~~

~~BY repealing and reenacting, with amendments,~~

1 ~~Article—State Personnel and Pensions~~
 2 ~~Section 2—507(a), (b), and (c) and 23—206~~
 3 ~~Annotated Code of Maryland~~
 4 ~~(2009 Replacement Volume and 2011 Supplement)~~

5 ~~BY adding to~~
 6 ~~Article—State Personnel and Pensions~~
 7 ~~Section 23—206.1~~
 8 ~~Annotated Code of Maryland~~
 9 ~~(2009 Replacement Volume and 2011 Supplement)~~

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 11 MARYLAND, That ~~the Laws of Maryland read as follows:~~

12 ~~**Article—Education**~~

13 ~~9—101.~~

14 ~~(a) There is a Maryland Public Charter School Program.~~

15 ~~(b) The general purpose of the Program is to establish an alternative means~~
 16 ~~within the existing public school system in order to provide innovative learning~~
 17 ~~opportunities and creative educational approaches to improve the education of~~
 18 ~~students.~~

19 ~~9—102.~~

20 ~~In this title, “public charter school” means a public school that:~~

21 ~~(1) Is nonsectarian in all its programs, policies, and operations;~~

22 ~~(2) Is a school to which parents choose to send their children;~~

23 ~~(3) Except as provided in § 9—102.1 of this title, is open to all students~~
 24 ~~on a space available basis and admits students on a lottery basis if more students~~
 25 ~~apply than can be accommodated;~~

26 ~~(4) Is a new public school or a conversion of an existing public school;~~

27 ~~(5) Provides a program of elementary or secondary education or both;~~

28 ~~(6) Operates in pursuit of a specific set of educational objectives;~~

29 ~~(7) Is tuition free;~~

30 ~~(8) Is subject to federal and State laws prohibiting discrimination;~~

1 ~~(9) Is in compliance with all applicable health and safety laws;~~

2 ~~(10) Is in compliance with § 9-107 of this title;~~

3 ~~(11) Operates under the supervision of the public chartering authority~~
 4 ~~from which its charter is granted and in accordance with its charter and, except as~~
 5 ~~provided in § 9-106 of this title, the provisions of law and regulation governing other~~
 6 ~~public schools;~~

7 ~~(12) Requires students to be physically present on school premises for a~~
 8 ~~period of time substantially similar to that which other public school students spend~~
 9 ~~on school premises; and~~

10 ~~(13) Is created in accordance with this title and the appropriate county~~
 11 ~~board policy.~~

12 ~~9-102.1.~~

13 ~~(a) The State Board may grant a waiver from § 9-102(3) of this title to a~~
 14 ~~public charter school if the public charter school:~~

15 ~~(1) Is located on property within a federal military base in the State;~~
 16 ~~and~~

17 ~~(2) Will admit students with parents who are not assigned to the base~~
 18 ~~to at least 35% of its total available space.~~

19 ~~(b) If a public charter school is granted a waiver under subsection (a) of this~~
 20 ~~section, subject to the requirement set forth in subsection (a)(2) of this section, the~~
 21 ~~public charter school shall admit all students on a lottery basis.~~

22 ~~9-103.~~

23 ~~(a) The primary public chartering [authority] AUTHORITIES for the~~
 24 ~~granting of a charter shall be [a]:~~

25 ~~(1) A county board of education; OR~~

26 ~~(2) THE STATE BOARD, IN ACCORDANCE WITH § 9-103.1 OF THIS~~
 27 ~~TITLE.~~

28 ~~(b) The STATE BOARD SHALL BE A secondary public chartering authority~~
 29 ~~for the granting of a charter [shall be] WHEN the State Board IS acting in its appeal~~
 30 ~~review capacity or as the public chartering authority for a restructured school in~~
 31 ~~accordance with § 9-104(a) of this title.~~

~~9-103.1.~~

~~(A) THIS SECTION APPLIES ONLY TO A PUBLIC CHARTER SCHOOL GRANTED A CHARTER BY THE STATE BOARD UNDER § 9-103(A)(2) OF THIS TITLE.~~

~~(B) A PUBLIC CHARTER SCHOOL GRANTED A CHARTER BY THE STATE BOARD UNDER § 9-103(A)(2) OF THIS TITLE SHALL BE:~~

~~(1) COMPLETELY INDEPENDENT AND AUTONOMOUS FROM THE LOCAL SCHOOL SYSTEM, COUNTY, OR MUNICIPALITY IN WHICH THE SCHOOL IS LOCATED;~~

~~(2) CONSIDERED TO BE THE LOCAL SCHOOL SYSTEM FOR THE PURPOSES OF STATE AND FEDERAL ACCOUNTABILITY, INCLUDING THE NO CHILD LEFT BEHIND ACT, TITLE 1, AND THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT, AND SHALL RECEIVE ALL STATE AND FEDERAL FUNDS ASSOCIATED WITH THESE PROGRAMS FOR THE STUDENTS ENROLLED IN THEIR SCHOOLS; AND~~

~~(3) RESPONSIBLE AS THE PUBLIC CHARTER SCHOOL EMPLOYER TO SET EMPLOYEE BENEFITS AND WORKING CONDITIONS, SUCH AS WAGES, HOURS, AND RETIREMENT BENEFITS.~~

~~(C) (1) EMPLOYEES OF A PUBLIC CHARTER SCHOOL GRANTED A CHARTER BY THE STATE BOARD UNDER § 9-103(A)(2) OF THIS TITLE:~~

~~(I) MAY ELECT TO BE MEMBERS OF THE TEACHERS' PENSION SYSTEM;~~

~~(II) 1. MAY ENROLL AND PARTICIPATE IN ANY OF THE HEALTH INSURANCE OR OTHER BENEFIT OPTIONS ESTABLISHED UNDER THE STATE EMPLOYEE AND RETIREE HEALTH AND WELFARE BENEFITS PROGRAM UNDER TITLE 2, SUBTITLE 5 OF THE STATE PERSONNEL AND PENSIONS ARTICLE; OR~~

~~2. MAY CHOOSE TO FORM A HEALTH INSURANCE COLLABORATIVE AND CONTRACT WITH LOCAL SCHOOL SYSTEMS FOR INSURANCE AND BENEFITS; AND~~

~~(III) MAY ORGANIZE AS PUBLIC EMPLOYEES AS AN INDEPENDENT BARGAINING UNIT AND MAY NEGOTIATE DIRECTLY WITH THE BOARD OF THE CHARTER SCHOOL AND DEVELOP A COLLECTIVE BARGAINING AGREEMENT.~~

1 ~~(2) IF AN INDIVIDUAL WAS A PUBLIC SCHOOL EMPLOYEE OF A~~
2 ~~PUBLIC CHARTER SCHOOL THAT WAS CHARTERED BY A COUNTY BOARD AND, IF~~
3 ~~THE PUBLIC CHARTER SCHOOL OBTAINS A RENEWAL OF THE CHARTER BY THE~~
4 ~~STATE BOARD, THE INDIVIDUAL:~~

5 ~~(i) MAY CHOOSE TO CONTINUE MEMBERSHIP IN THE~~
6 ~~TEACHERS' PENSION SYSTEM OR MAY CHOOSE TO TERMINATE THE~~
7 ~~INDIVIDUAL'S MEMBERSHIP; AND~~

8 ~~(ii) 1. IF THE INDIVIDUAL WAS ENROLLED, MAY CHOOSE~~
9 ~~TO CONTINUE TO BE ENROLLED AS A PARTICIPANT IN ANY OF THE HEALTH~~
10 ~~INSURANCE OR OTHER BENEFIT OPTIONS ESTABLISHED UNDER THE STATE~~
11 ~~EMPLOYEE AND RETIREE HEALTH AND WELFARE BENEFITS PROGRAM UNDER~~
12 ~~TITLE 2, SUBTITLE 5 OF THE STATE PERSONNEL AND PENSIONS ARTICLE; OR~~

13 ~~2. MAY CHOOSE TO FORM A HEALTH INSURANCE~~
14 ~~COLLABORATIVE AND CONTRACT WITH LOCAL SCHOOL SYSTEMS FOR~~
15 ~~INSURANCE AND BENEFITS.~~

16 ~~9-104.~~

17 ~~(a) (1) (i) An application to establish a public charter school shall be~~
18 ~~submitted to the county board of the county in which the charter school will be located~~
19 ~~OR TO THE STATE BOARD.~~

20 ~~(ii) AN APPLICATION SUBMITTED TO THE STATE BOARD TO~~
21 ~~ESTABLISH A PUBLIC CHARTER SCHOOL SHALL INCLUDE:~~

22 ~~1. A COMPLETE DESCRIPTION OF THE SCHOOL~~
23 ~~CULTURE AND VISION FOR THE PROPOSED CHARTER SCHOOL;~~

24 ~~2. THE COMPOSITION OF THE CHARTER SCHOOL~~
25 ~~BOARD;~~

26 ~~3. THE CURRICULUM AND STANDARDS FOR THE~~
27 ~~CHARTER SCHOOL;~~

28 ~~4. INFORMATION REGARDING THE SCHOOL DAY AND~~
29 ~~SCHOOL YEAR CALENDAR FOR THE CHARTER SCHOOL;~~

30 ~~5. MEASURES AND METRICS FOR STUDENT~~
31 ~~ACADEMIC PROFICIENCY, RETENTION RATES, GRADUATION RATES, AND~~

~~1 POSTSECONDARY READINESS, WITH SPECIFIC TARGETS FOR EACH YEAR OF THE
2 PUBLIC CHARTER SCHOOL CONTRACT;~~

~~3 6. SPECIFIC STRATEGIES FOR CLOSING
4 ACHIEVEMENT GAPS;~~

~~5 7. SPECIFIC STRATEGIES FOR RECRUITMENT AND
6 RETENTION OF STUDENTS, WITH A FOCUS ON STUDENTS WHO ARE ELIGIBLE
7 FOR FREE OR REDUCED PRICED MEALS, STUDENTS WITH DISABILITIES, AND
8 ENGLISH LANGUAGE LEARNERS; AND~~

~~9 8. A FINANCIAL PLAN, A DESCRIPTION OF THE
10 FINANCIAL PLAN, AND FINANCIAL PERFORMANCE GOALS THAT SPAN THE
11 LENGTH OF THE INITIAL CHARTER AGREEMENT.~~

~~12 (2) An application to establish a public charter school may be
13 submitted to a county board OR TO THE STATE BOARD by:~~

~~14 (i) The staff of a public school;~~

~~15 (ii) A parent or guardian of a student who attends a public
16 school in the county;~~

~~17 (iii) A nonsectarian nonprofit entity;~~

~~18 (iv) A nonsectarian institution of higher education in the State;
19 or~~

~~20 (v) Any combination of persons specified in items (i) through (iv)
21 of this paragraph.~~

~~22 (3) A public chartering authority may not grant a charter under this
23 title to:~~

~~24 (i) A private school;~~

~~25 (ii) A parochial school; or~~

~~26 (iii) A home school.~~

~~27 (4) (i) Except as provided in subparagraph (ii) of this paragraph,
28 the county board OR THE STATE BOARD shall review the application and render a
29 decision within 120 days of receipt of the application.~~

~~30 (ii) For a restructured school.~~

~~1. The county board OR THE STATE BOARD shall review the application and render a decision within 30 days of receipt of the application;~~

~~2. The county board may apply to the State Board for an extension of up to 15 days from the time limit imposed under item 1 of this subparagraph;~~

~~3. If an extension is not granted, and 30 days have elapsed, the State Board may become a chartering authority; and~~

~~4. If an extension has been granted, and 45 days have elapsed, the State Board may become a chartering authority.~~

~~(b) (1) (I) If the county board denies an application to establish a public charter school, the applicant may appeal the decision to the State Board, in accordance with § 4-205(e) of this article.~~

~~[(2)] (II) The State Board shall render a decision within 120 days of the filing of an appeal under this [subsection] PARAGRAPH.~~

~~[(3)] (III) If the county board denies an application to establish a public charter school and the State Board reverses the decision, the State Board may direct the county board to grant a charter and shall mediate with the county board and the applicant to implement the charter.~~

~~(2) (I) IF THE STATE BOARD DENIES AN APPLICATION TO ESTABLISH A PUBLIC CHARTER SCHOOL, THE APPLICANT MAY APPEAL THE DECISION TO THE STATE BOARD AND THE STATE BOARD SHALL REFER THE APPEAL TO THE OFFICE OF ADMINISTRATIVE HEARINGS FOR REVIEW BY AN ADMINISTRATIVE LAW JUDGE.~~

~~(II) WITHIN 100 DAYS AFTER THE FILING OF AN APPEAL UNDER THIS PARAGRAPH, THE ADMINISTRATIVE LAW JUDGE SHALL SUBMIT A PROPOSED DECISION IN WRITING TO THE STATE BOARD AND TO THE APPLICANT.~~

~~(III) WITHIN 120 DAYS AFTER THE FILING OF AN APPEAL UNDER THIS PARAGRAPH, THE STATE BOARD SHALL RENDER A DECISION TO ACCEPT OR REJECT THE RECOMMENDATION OF THE ADMINISTRATIVE LAW JUDGE.~~

~~(IV) THE DECISION OF THE STATE BOARD UNDER THIS PARAGRAPH IS FINAL.~~

~~(c) (1) THE STATE BOARD ACTING AS A PRIMARY CHARTERING AUTHORITY MAY ISSUE A CHARTER TO AN INITIAL APPLICANT FOR UP TO 5 YEARS.~~

~~(2) WHEN THE STATE BOARD ISSUES A CHARTER TO AN APPLICANT, THE APPLICANT SHALL ENTER INTO A BINDING PERFORMANCE CONTRACT WITH THE STATE BOARD THAT INCORPORATES THE PROVISIONS OF THE APPLICATION AND ESTABLISHES CLEAR MEASURES OF SUCCESS FOR EACH YEAR OF THE CHARTER OPERATION.~~

~~(3) THE STATE BOARD MAY RENEW A CHARTER THAT WAS ISSUED UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR UP TO 5 YEARS IF THE PUBLIC CHARTER SCHOOL:~~

~~(i) PASSES AN AUDIT BY THE STATE BOARD OF SPECIFIC FINANCIAL AND ACADEMIC STANDARDS; AND~~

~~(ii) MAKES SATISFACTORY PROGRESS TOWARD ACHIEVING THE MEASURES OF SUCCESS SET FORTH IN THE PERFORMANCE CONTRACT.~~

~~9-105.~~

~~A member of the professional staff of a public charter school shall hold the appropriate Maryland certification.~~

~~9-106.~~

~~(a) Subject to subsection (b) of this section, a public charter school shall comply with the provisions of law and regulation governing other public schools.~~

~~(b) Subject to subsection (c) of this section, a waiver of the requirements under subsection (a) of this section may be sought through an appeal to the State Board.~~

~~(c) A waiver may not be granted from provisions of law or regulation relating to:~~

~~(1) Audit requirements;~~

~~(2) The measurement of student academic achievement, including all assessments required for other public schools and other assessments mutually agreed upon by the public chartering authority and the school; or~~

~~(3) The health, safety, or civil rights of a student or an employee of the charter school.~~

1 ~~9-107.~~

2 ~~(a) A public chartering authority may not grant a charter to a public charter~~
3 ~~school whose operation would be inconsistent with any public policy initiative, court~~
4 ~~order, or federal improvement plan governing special education that is applicable to~~
5 ~~the State.~~

6 ~~(b) A public chartering authority shall ensure that the authorizing process~~
7 ~~for a public charter school and the charter application address the roles and~~
8 ~~responsibilities of the county board and the applicants and operators of the public~~
9 ~~charter school with respect to children with disabilities.~~

10 ~~(c) The public chartering authority shall ensure that, prior to opening a~~
11 ~~public charter school, the operators of the school are informed of the human, fiscal,~~
12 ~~and organizational capacity needed to fulfill the school's responsibilities related to~~
13 ~~children with disabilities.~~

14 ~~(d) The State Board shall provide technical assistance to the operators of a~~
15 ~~public charter school to help the school meet the requirements of federal and State~~
16 ~~laws, including 20 U.S.C. § 1400, et seq. and § 504 of the Rehabilitation Act of 1973, 29~~
17 ~~U.S.C. § 794.~~

18 ~~9-108.~~

19 ~~(a) [Employees] EXCEPT FOR EMPLOYEES OF A PUBLIC CHARTER~~
20 ~~SCHOOL GRANTED A CHARTER BY THE STATE BOARD UNDER § 9-103(A)(2) OF~~
21 ~~THIS TITLE, EMPLOYEES of a public charter school:~~

22 ~~(1) Are public school employees, as defined in §§ 6-401(e) and 6-501(g)~~
23 ~~of this article;~~

24 ~~(2) Are employees of a public school employer, as defined in §§~~
25 ~~6-401(f) and 6-501(h) of this article, in the county in which the public charter school is~~
26 ~~located; and~~

27 ~~(3) Shall have the rights granted under Title 6, Subtitles 4 and 5 of~~
28 ~~this article.~~

29 ~~(b) If a collective bargaining agreement under Title 6, Subtitle 4 or Subtitle 5~~
30 ~~of this article is already in existence in the county where a public charter school is~~
31 ~~located, the employee organization and the public charter school may mutually agree~~
32 ~~to negotiate amendments to the existing agreement to address the needs of the~~
33 ~~particular public charter school.~~

34 ~~9-109.~~

1 ~~(a) (1) A county board shall disburse to a public charter school an amount~~
2 ~~of county, State, and federal money for elementary, middle, and secondary students~~
3 ~~that is commensurate with the amount disbursed to other public schools in the local~~
4 ~~jurisdiction.~~

5 ~~(2) (i) THE DEPARTMENT IS AUTHORIZED TO RETAIN UP TO~~
6 ~~2% OF THE MONEY ALLOTTED TO PUBLIC CHARTER SCHOOLS THAT WERE~~
7 ~~GRANTED A CHARTER BY THE STATE BOARD UNDER § 9-103(A)(2) OF THIS~~
8 ~~TITLE TO FUND THE WORK ASSOCIATED WITH THE AUTHORIZING AND~~
9 ~~ADMINISTRATIVE SUPPORTS PROVIDED BY THE DEPARTMENT.~~

10 ~~(ii) THE MONEY RETAINED BY THE DEPARTMENT UNDER~~
11 ~~SUBPARAGRAPH (i) OF THIS PARAGRAPH SHALL BE CALCULATED USING THE~~
12 ~~SAME FORMULA THAT IS USED WHEN THE COUNTY BOARD IS ACTING AS A~~
13 ~~PRIMARY CHARTERING AUTHORITY.~~

14 ~~(b) The State Board or the county board may give surplus educational~~
15 ~~materials, supplies, furniture, and other equipment to a public charter school.~~

16 ~~9-110.~~

17 ~~(a) (1) Each county board shall develop a public charter school policy and~~
18 ~~submit it to the State Board.~~

19 ~~(2) The policy required under paragraph (1) of this subsection shall~~
20 ~~include guidelines and procedures regarding:~~

21 ~~(i) Evaluation of public charter schools;~~

22 ~~(ii) Revocation of a charter;~~

23 ~~(iii) Reporting requirements; and~~

24 ~~(iv) Financial, programmatic, or compliance audits of public~~
25 ~~charter schools.~~

26 ~~(b) The Department shall designate a staff person to function as a contact~~
27 ~~person for the Maryland Public Charter School Program.~~

28 ~~9-111.~~

29 ~~(A) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, EACH~~
30 ~~PUBLIC CHARTER SCHOOL SHALL RECEIVE AN ANNUAL PER PUPIL FACILITIES~~
31 ~~ALLOTMENT OF \$1,000, WHICH SHALL INCLUDE:~~

1 (1) ~~\$750 FOR COSTS ASSOCIATED WITH FACILITIES ACQUISITION;~~
2 ~~AND~~

3 (2) ~~\$250 FOR COSTS ASSOCIATED WITH MAINTENANCE AND~~
4 ~~IMPROVEMENT OF FACILITIES.~~

5 ~~[(a)](B) (1) EACH COUNTY BOARD SHALL COMPILE AND ANNUALLY~~
6 ~~UPDATE A LIST OF SCHOOL SITES OR BUILDINGS THAT MAY NO LONGER BE~~
7 ~~NEEDED FOR SCHOOL PURPOSES AND THE COUNTY BOARD SHALL MAKE THIS~~
8 ~~LIST AVAILABLE TO PUBLIC CHARTER SCHOOLS.~~

9 (2) ~~If, with the approval of the State Superintendent, a county board~~
10 ~~determines that a school site or building no longer is needed for school purposes and~~
11 ~~after the county commissioners or county council have provided the required notice~~
12 ~~under § 4-115 of this article, the county board shall inform the public charter schools~~
13 ~~in the county that the school site or building is available for occupation and use by a~~
14 ~~public charter school on the terms determined by the county board.~~

15 ~~[(2)](3) Each county board shall establish a procedure to determine~~
16 ~~which public charter school may occupy and use an available school site or building if~~
17 ~~more than one public charter school notifies the county board of an interest in~~
18 ~~occupying and using a school site or building.~~

19 ~~[(b)](C) A public charter school that occupies or uses a school site or~~
20 ~~building under subsection [(a)](B) of this section:~~

21 (1) ~~[may] MAY not sell, dispose of, or otherwise transfer the school~~
22 ~~site or building; AND~~

23 (2) ~~IS NOT ELIGIBLE TO RECEIVE FUNDING FOR FACILITIES~~
24 ~~ACQUISITION UNDER SUBSECTION (A)(1) OF THIS SECTION, BUT IS ELIGIBLE TO~~
25 ~~RECEIVE FUNDING FOR MAINTENANCE AND IMPROVEMENT OF FACILITIES~~
26 ~~UNDER SUBSECTION (A)(2) OF THIS SECTION.~~

27 ~~9-112.~~

28 ~~Any portion of a building or property occupied and used by a public charter~~
29 ~~school shall be exempt from property taxes under § 7-202 of the Tax Property Article~~
30 ~~for the duration of the occupation and use of the building or property as a public~~
31 ~~charter school.~~

32 ~~9-113.~~

33 (A) ~~IN THIS SECTION, "FUND" MEANS THE PUBLIC CHARTER SCHOOL~~
34 ~~FACILITY REVOLVING LOAN FUND.~~

1 ~~(B) (1) THERE IS A PUBLIC CHARTER SCHOOL FACILITY REVOLVING~~
2 ~~LOAN FUND.~~

3 ~~(2) THE FUND IS A SPECIAL, NONLAPSING FUND CONSISTING OF~~
4 ~~FUNDS APPROPRIATED IN THE STATE BUDGET AND SO DESIGNATED IN THE~~
5 ~~CAPITAL IMPROVEMENT PROGRAM OF THE PUBLIC SCHOOL CONSTRUCTION~~
6 ~~PROGRAM.~~

7 ~~(3) THE GOVERNOR SHALL PROVIDE \$400,000 IN THE CAPITAL~~
8 ~~IMPROVEMENT PROGRAM OF THE PUBLIC SCHOOL CONSTRUCTION PROGRAM~~
9 ~~FOR THE FUND.~~

10 ~~(C) THE PURPOSE OF THE FUND IS TO LEND MONEY TO APPROVED~~
11 ~~APPLICANTS FOR PUBLIC CHARTER SCHOOL FACILITIES.~~

12 ~~(D) (1) ON APPLICATION BY A PUBLIC CHARTER SCHOOL APPLICANT~~
13 ~~AND APPROVAL BY THE STATE BOARD OR ITS DESIGNEE, THE APPLICANT MAY~~
14 ~~OBTAIN A LOAN FROM THE FUND FOR THE CONSTRUCTION, PURCHASE,~~
15 ~~RENOVATION, AND MAINTENANCE OF A PUBLIC CHARTER SCHOOL FACILITY.~~

16 ~~(2) (I) IN ANY FISCAL YEAR:~~

17 ~~1. A SINGLE LOAN TO A PUBLIC CHARTER SCHOOL~~
18 ~~MAY NOT EXCEED \$100,000; AND~~

19 ~~2. AGGREGATE LOANS TO A PUBLIC CHARTER~~
20 ~~SCHOOL MAY NOT EXCEED \$150,000.~~

21 ~~(H) OVER A PERIOD OF 5 FISCAL YEARS, AGGREGATE LOANS~~
22 ~~TO A PUBLIC CHARTER SCHOOL MAY NOT EXCEED \$500,000.~~

23 ~~(E) WHEN MAKING A DETERMINATION WHETHER TO APPROVE A PUBLIC~~
24 ~~CHARTER SCHOOL FACILITY LOAN FROM THE FUND, THE STATE BOARD OR THE~~
25 ~~BOARD'S DESIGNEE SHALL CONSIDER THE FOLLOWING FACTORS:~~

26 ~~(1) THE SOUNDNESS OF THE FINANCIAL BUSINESS PLAN OF THE~~
27 ~~APPLICANT;~~

28 ~~(2) THE AVAILABILITY OF OTHER SOURCES OF FUNDING TO THE~~
29 ~~PUBLIC CHARTER SCHOOL;~~

30 ~~(3) THE GEOGRAPHIC DISTRIBUTION OF LOANS FROM THE FUND;~~

1 ~~(4) WHETHER A LOAN FROM THE FUND WILL IMPROVE THE~~
2 ~~LIKELIHOOD THAT THE PUBLIC CHARTER SCHOOL WILL RECEIVE OTHER~~
3 ~~PRIVATE OR PUBLIC FUNDING;~~

4 ~~(5) INNOVATIVE PLANS THAT THE PUBLIC CHARTER SCHOOL HAS~~
5 ~~TO USE MONEY RECEIVED FROM THE FUND TO ENHANCE OR LEVERAGE OTHER~~
6 ~~FUNDING OPPORTUNITIES, INCLUDING LOAN GUARANTEES OR OTHER TYPES OF~~
7 ~~CREDIT ENHANCEMENTS; AND~~

8 ~~(6) THE FINANCIAL NEEDS OF THE PUBLIC CHARTER SCHOOL.~~

9 ~~(F) (1) ON OR BEFORE SEPTEMBER 1 OF EACH FISCAL YEAR, THE~~
10 ~~STATE BOARD SHALL REPORT TO EACH COUNTY BOARD THE BALANCE~~
11 ~~OUTSTANDING ON ANY LOAN FROM THE FUND TO A PUBLIC CHARTER SCHOOL~~
12 ~~IN THE COUNTY.~~

13 ~~(2) (I) BEGINNING WITH THE FIRST FISCAL YEAR FOLLOWING~~
14 ~~THE FISCAL YEAR IN WHICH A PUBLIC CHARTER SCHOOL RECEIVED A LOAN~~
15 ~~FROM THE FUND, THE PUBLIC CHARTER SCHOOL SHALL REMIT TO THE STATE~~
16 ~~BOARD THE REQUIRED ANNUAL REPAYMENT AMOUNT AGREED ON BY THE~~
17 ~~STATE BOARD AND THE PUBLIC CHARTER SCHOOL.~~

18 ~~(II) A LOAN FROM THE FUND, TOGETHER WITH INTEREST IN~~
19 ~~THE AMOUNT REQUIRED BY THE STATE BOARD, SHALL BE REPAID IN EQUAL~~
20 ~~ANNUAL INSTALLMENTS OVER A PERIOD, NOT TO EXCEED 15 YEARS, AGREED TO~~
21 ~~BY THE PUBLIC CHARTER SCHOOL AND THE STATE BOARD.~~

22 ~~(III) ALL MONEY COLLECTED BY THE STATE BOARD UNDER~~
23 ~~THIS SECTION SHALL BE CREDITED TO THE FUND.~~

24 ~~(G) IF A PUBLIC CHARTER SCHOOL DEFAULTS OR IS UNABLE TO REPAY~~
25 ~~A LOAN GRANTED UNDER THIS SECTION, THE COUNTY GOVERNING BODY OR~~
26 ~~THE COUNTY BOARD IN THE COUNTY IN WHICH THE PUBLIC CHARTER SCHOOL~~
27 ~~IS LOCATED MAY BE REQUIRED TO REPAY THE REMAINING BALANCE OR~~
28 ~~INTEREST ON THE LOAN.~~

29 ~~(H) THE STATE BOARD SHALL ADOPT REGULATIONS TO IMPLEMENT~~
30 ~~THIS SECTION.~~

31 ~~Article—State Personnel and Pensions~~

1 ~~(a) Subject to the regulations adopted under § 2-503 of this subtitle, a State~~
 2 ~~employee OR AN EMPLOYEE OF A PUBLIC CHARTER SCHOOL GRANTED A~~
 3 ~~CHARTER BY THE STATE BOARD UNDER § 9-103(A)(2) OF THE EDUCATION~~
 4 ~~ARTICLE may enroll and participate in any of the health insurance or other benefit~~
 5 ~~options established under the Program.~~

6 ~~(b) The surviving spouse of a State employee OR OF AN EMPLOYEE OF A~~
 7 ~~PUBLIC CHARTER SCHOOL GRANTED A CHARTER BY THE STATE BOARD UNDER~~
 8 ~~§ 9-103(A)(2) OF THE EDUCATION ARTICLE who died while employed by the State~~
 9 ~~may enroll and participate in the health insurance benefit options established under~~
 10 ~~the Program as long as the surviving spouse:~~

11 ~~(1) is receiving an allowance under Title 29, Subtitle 2 of this article;~~
 12 ~~or~~

13 ~~(2) is the sole primary designated beneficiary and receiving a periodic~~
 14 ~~distribution of benefits under an optional retirement program under Title 30 of this~~
 15 ~~article.~~

16 ~~(c) The surviving minor child or dependent parent of a State employee OR~~
 17 ~~OF AN EMPLOYEE OF A PUBLIC CHARTER SCHOOL GRANTED A CHARTER BY THE~~
 18 ~~STATE BOARD UNDER § 9-103(A)(2) OF THE EDUCATION ARTICLE who at the~~
 19 ~~time of death was a member of the Employees' Retirement System, Employees'~~
 20 ~~Pension System, Teachers' Retirement System, or Teachers' Pension System and who~~
 21 ~~was killed while employed by the State may enroll and participate in the health~~
 22 ~~insurance benefit options established under the Program as long as the child or parent~~
 23 ~~is receiving an allowance under Title 29, Subtitle 2 of this article.~~

24 ~~23-206.~~

25 ~~(a) Except as provided in subsection (b) of this section, §§ 23-208 through~~
 26 ~~23-210 of this subtitle apply only to:~~

27 ~~(1) an employee of a day school in the State under the authority and~~
 28 ~~supervision of a county board of education or the Baltimore City Board of School~~
 29 ~~Commissioners, employed as:~~

30 ~~(i) a clerk;~~

31 ~~(ii) a helping teacher;~~

32 ~~(iii) a principal;~~

33 ~~(iv) a superintendent;~~

34 ~~(v) a supervisor; or~~

- 1 ~~(vi) a teacher;~~
- 2 ~~(2) a faculty employee of an educational institution supported by and~~
3 ~~under the control of the State;~~
- 4 ~~(3) a librarian or clerical employee of a library that is established or~~
5 ~~operates under the Education Article;~~
- 6 ~~(4) a professional or clerical employee of a community college that is~~
7 ~~established or operates under the Education Article;~~
- 8 ~~(5) a staff employee of the University System of Maryland, Morgan~~
9 ~~State University, or St. Mary's College who is a member of the Teachers' Pension~~
10 ~~System as of January 1, 1998, or who transfers from the Teachers' Retirement System~~
11 ~~on or after January 1, 1998; or~~
- 12 ~~(6) a nonfaculty employee of the Baltimore City Community College~~
13 ~~who:~~
- 14 ~~(i) is a member of the Teachers' Pension System as of October~~
15 ~~1, 2002 and does not transfer to the Employees' Pension System in accordance with §~~
16 ~~23-202.1 of this subtitle; or~~
- 17 ~~(ii) transfers from the Teachers' Retirement System on or after~~
18 ~~October 1, 2002.~~
- 19 ~~(b) Sections 23-208 and 23-209 of this subtitle do not apply to:~~
- 20 ~~(1) an individual who has elected to participate in an optional~~
21 ~~retirement program under Title 30 of this article;~~
- 22 ~~(2) an individual who is employed under a federal public service~~
23 ~~employment program;~~
- 24 ~~(3) a professional or clerical employee of the Department of Public~~
25 ~~Libraries of Montgomery County who is participating in the Employees' Retirement~~
26 ~~System of Montgomery County;~~
- 27 ~~(4) a staff employee of the University System of Maryland, Morgan~~
28 ~~State University, or St. Mary's College who becomes employed on or after January 1,~~
29 ~~1998 in a position as a staff employee of the educational institution that was eligible~~
30 ~~for membership in the Teachers' Retirement System or Teachers' Pension System~~
31 ~~under Chapter 6, § 8, paragraphs 1(a) and 2(a) of the Acts of 1994;~~

1 ~~(5) an employee who is not a member of a State system and who~~
 2 ~~accepts a position for which the budgeted hours per fiscal year are less than 500 hours~~
 3 ~~in the first fiscal year of employment; [or]~~

4 ~~(6) a nonfaculty employee of the Baltimore City Community College~~
 5 ~~who becomes employed on or after October 1, 2002, or who transfers to the Employees'~~
 6 ~~Pension System in accordance with § 23-202.1 of this subtitle; OR~~

7 ~~(7) AN EMPLOYEE OF A PUBLIC CHARTER SCHOOL GRANTED A~~
 8 ~~CHARTER BY THE STATE BOARD UNDER § 9-103(A)(2) OF THE EDUCATION~~
 9 ~~ARTICLE WHO ELECTS NOT TO PARTICIPATE IN THE TEACHERS' PENSION~~
 10 ~~SYSTEM.~~

11 ~~23-206.1.~~

12 ~~(A) MEMBERSHIP IN THE TEACHERS' PENSION SYSTEM IS OPTIONAL~~
 13 ~~FOR AN INDIVIDUAL WHO IS AN EMPLOYEE OF A PUBLIC CHARTER SCHOOL~~
 14 ~~GRANTED A CHARTER BY THE STATE BOARD UNDER § 9-103(A)(2) OF THE~~
 15 ~~EDUCATION ARTICLE.~~

16 ~~(B) INSTEAD OF MEMBERSHIP IN ANY OTHER RETIREMENT OR PENSION~~
 17 ~~SYSTEM OPERATED UNDER THE LAWS OF THE STATE OR ANY POLITICAL~~
 18 ~~SUBDIVISION OF THE STATE, AN INDIVIDUAL UNDER SUBSECTION (A) OF THIS~~
 19 ~~SECTION MAY ELECT TO JOIN THE TEACHERS' PENSION SYSTEM WITHIN 1 YEAR~~
 20 ~~OF EMPLOYMENT.~~

21 (a) There is a Task Force to Study the Improvement of Maryland Public
 22 Charter Schools.

23 (b) The Task Force consists of the following members:

24 (1) two members of the Senate of Maryland, appointed by the
 25 President of the Senate;

26 (2) two members of the House of Delegates, appointed by the Speaker
 27 of the House;

28 (3) the State Superintendent of Education, or the Superintendent's
 29 designee;

30 (4) two representatives of the Maryland Association of Boards of
 31 Education, appointed by the Executive Director; and

32 (5) the following nine members, appointed by the Governor:

- 1 (i) one additional representative of the State Department of
2 Education;
- 3 (ii) two representatives of the charter school community;
- 4 (iii) two representatives of charter school operators, one from
5 Baltimore City and one from outside of Baltimore City;
- 6 (iv) one parent of a public school student; and
- 7 (v) three representatives of public school employees, one from
8 the Baltimore Teachers Union, one from the Maryland State Education Association,
9 and one who represents administrators.
- 10 (c) The Governor shall designate the chair of the Task Force.
- 11 (d) The State Department of Education shall provide staff for the Task Force.
- 12 (e) A member of the Task Force:
- 13 (1) may not receive compensation as a member of the Task Force; but
- 14 (2) is entitled to reimbursement for expenses under the Standard
15 State Travel Regulations, as provided in the State budget.
- 16 (f) The Task Force shall:
- 17 (1) study the use of federal definitions relating to high quality charter
18 schools;
- 19 (2) evaluate the current charter school application process and
20 reauthorization process for effectiveness and fairness, including the appeals process;
- 21 (3) study whether additional authorizers are needed, what
22 organizations might be appropriate authorizers, and how that process would work
23 with county boards of education as the current authorizing authority;
- 24 (4) study whether existing government–owned buildings might be able
25 to be used for charter school facilities and how charter school facilities might be
26 funded;
- 27 (5) review procedures for ensuring the input of charter school
28 operators in appointing principals and other leadership positions for charter schools;
29 and
- 30 (6) study any other issue that the Task Force agrees to study that
31 affects Maryland’s ability to apply for the federal Charter School Grant Award

1 Program, which provides funds to State education agencies for planning and
2 development grants to charter schools.

3 (g) On or before September 30, 2013, the Task Force shall report its findings
4 and recommendations to the Governor and, in accordance with § 2-1246 of the State
5 Government Article, the General Assembly.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 July 1, 2012. It shall remain effective for a period of 2 years and, at the end of June 30,
8 2014, with no further action required by the General Assembly, this Act shall be
9 abrogated and of no further force and effect.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.