

S T A T E O F N E W Y O R K

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I N S E N A T E

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Introduced by Sen. PERKINS -- read twice and ordered printed, and when printed to be committed to the Committee on Education -- recommitted to the Committee on Education in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the education law, in relation to charter schools

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Legislative intent. New York's charter school law was
2 enacted 14 years ago in an effort to create new learning opportunities
3 for all students, to encourage different and innovative teaching methods
4 and to provide parents and students with expanded choice within the
5 public schools. Fourteen years provides the state with enough informa-
6 tion to make judgments about changes that are needed in the law to
7 ensure the public knows how their tax dollars are being spent and to
8 ensure public schools serving the majority of students have the
9 resources needed to provide a quality education to all students. This
10 legislation is intended to clarify the transparency and accountability
11 of charter schools and provide fiscal relief to the school districts
12 where charter schools are located.

13 S 2. Subdivision 1 of section 2851 of the education law, as amended by
14 chapter 101 of the laws of 2010, is amended to read as follows:

15 1. An application to establish a charter school may be submitted by
16 teachers, parents, school administrators, community residents or any
17 combination thereof. Such application may be filed in conjunction with
18 a college, university, museum, educational institution, not-for-profit
19 corporation exempt from taxation under paragraph 3 of subsection (c) of
20 section 501 of the internal revenue code [or for-profit business or
21 corporate entity authorized to do business in New York state. Provided

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets [] is old law to be omitted.

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1 however, for-profit business or corporate entities shall not be eligible
2 to submit an application to establish a charter school pursuant to
3 subdivision nine-a of section twenty-eight hundred fifty-two of this
4 article, or operate or manage a charter school for a charter issued
5 pursuant to subdivision nine-a of section twenty-eight hundred fifty-two
6 of this article. For charter schools established in conjunction with a
7 for-profit business or corporate entity, the charter shall specify the
8 extent of the entity's participation in the management and operation of
9 the school], AND PROVIDED THAT UNDER NO CIRCUMSTANCES SHALL AN APPLICA-
10 TION TO ESTABLISH A CHARTER SCHOOL OR APPROVAL TO OPERATE A CHARTER
11 SCHOOL BE GRANTED TO A FOR-PROFIT BUSINESS OR CORPORATE ENTITY AUTHOR-
12 IZED TO DO BUSINESS IN THIS STATE NOR IN ANY MANNER WHATSOEVER SHALL
13 THEY HAVE AN INVOLVEMENT IN THE MANAGEMENT AND OPERATION OF A CHARTER
14 SCHOOL. THE APPLICATION SHALL INCLUDE THE AMOUNT OF ANY MANAGEMENT FEE
15 TO BE PAID TO ANY NOT-FOR-PROFIT CORPORATION WORKING IN CONJUNCTION WITH
16 THE APPLICANTS. SALARIES OF THE EMPLOYEES OF SUCH NOT-FOR-PROFIT CORPO-
17 RATION MAY NOT EXCEED THE SALARIES FOR COMPARABLE POSITIONS IN THE
18 SCHOOL DISTRICT OF LOCATION.

19 S 3. Paragraphs (d), (h), (p) and (v) of subdivision 2 of section 2851
20 of the education law, paragraphs (d) and (h) as added by chapter 4 of
21 the laws of 1998 and paragraphs (p) and (v) as amended by chapter 101 of
22 the laws of 2010, are amended to read as follows:

23 (d) Admission policies and procedures for the school, which shall be
24 consistent with the requirements of subdivision two of section twenty-
25 eight hundred fifty-four of this article. FOR CHARTER RENEWALS, SUCH
26 POLICIES AND PROCEDURES SHALL INCLUDE PLANS FOR ENSURING THE STUDENT
27 ENROLLMENT OF THE CHARTER SCHOOL INCLUDES A COMPARABLE PERCENTAGE OF
28 STUDENTS ON FREE LUNCH, STUDENTS WITH DISABILITIES AND ENGLISH LANGUAGE
29 LEARNERS AS THE SCHOOL DISTRICT IN WHICH THE CHARTER SCHOOL IS LOCATED.

30 (h) The rules and procedures by which students may be disciplined,
31 including but not limited to expulsion or suspension from the school,
32 which shall be consistent with the requirements of due process and with
33 federal laws and regulations governing the placement of students with
34 disabilities. SUCH RULES AND PROCEDURES SHALL INCLUDE THE PROVISION OF
35 EDUCATIONAL SERVICES TO ANY STUDENT ON LONG TERM SUSPENSION OR EXPUL-
36 SION.

37 (p) The term of the proposed charter, which shall not exceed five
38 years DURING WHICH INSTRUCTION IS PROVIDED TO PUPILS; provided however,
39 in the case of charters issued pursuant to subdivision nine-a of section
40 twenty-eight hundred fifty-two of this article the term of such proposed
41 charter shall not exceed five years in which instruction is provided to
42 pupils plus the period commencing with the effective date of the charter
43 and ending with the opening of the school for instruction.

44 (v) A code of ethics for the charter school, setting forth for the
45 guidance of its trustees, officers and employees the standards of
46 conduct expected of them including standards with respect to disclosure
47 of conflicts of interest regarding any matter brought before the board
48 of trustees. SUCH CODE OF ETHICS SHALL BE IN COMPLIANCE WITH SECTION
49 EIGHT HUNDRED SIX OF THE GENERAL MUNICIPAL LAW.

50 S 4. Paragraph (a) of subdivision 4 of section 2851 of the education
51 law, as added by chapter 4 of the laws of 1998, is amended to read as
52 follows:

53 (a) A report of the progress of the charter school in achieving the
54 educational objectives set forth in the charter. SUCH REPORT SHALL
55 INCLUDE DISAGGREGATED STUDENT PERFORMANCE DATA FOR ALL STUDENT
56 SUBGROUPS.

1 S 5. Paragraphs (c) and (d) of subdivision 2 of section 2852 of the
2 education law, paragraph (c) as amended and paragraph (d) as added by
3 section 2 of part D-2 of chapter 57 of the laws of 2007, are amended and
4 two new paragraphs (e) and (f) are added to read as follows:

5 (c) granting the application is likely to improve student learning and
6 achievement and materially further the purposes set out in subdivision
7 two of section twenty-eight hundred fifty of this article; [and]

8 (d) in a school district where the total enrollment of resident
9 students attending charter schools in the base year is greater than five
10 percent of the total public school enrollment of the school district in
11 the base year [(i) granting the application would have a significant
12 educational benefit to the students expected to attend the proposed
13 charter school or (ii) the school district in which the charter school
14 will be located consents to such application.] FOR PURPOSES OF THIS
15 PARAGRAPH, IN A CITY HAVING A POPULATION OF ONE MILLION OR MORE, THE
16 SCHOOL DISTRICT SHALL BE THE COMMUNITY SCHOOL DISTRICT;

17 (E) THE APPLICATION FOR THE CHARTER SCHOOL IS APPROVED BY THE BOARD OF
18 EDUCATION OF THE SCHOOL DISTRICT WHERE THE CHARTER SCHOOL IS TO BE
19 LOCATED; AND

20 (F) THE CHARTER ENTITY SHALL NOT APPROVE AN APPLICATION THAT WOULD
21 HAVE THE EFFECT OF INCREASING THE RACIAL ISOLATION OF A SCHOOL DISTRICT.

22 S 6. Subdivision 5-b of section 2852 of the education law, as added by
23 chapter 4 of the laws of 1998, is amended to read as follows:

24 5-b. If the board of regents returns a proposed charter to the charter
25 entity pursuant to the provisions of subdivision five-a of this section,
26 such charter entity shall reconsider the proposed charter, taking into
27 consideration the comments and recommendation of the board of regents.
28 Thereafter, the charter entity shall resubmit the proposed charter to
29 the board of regents with modifications, provided that the applicant
30 consents in writing to such modifications, resubmit the proposed charter
31 to the board of regents without modifications WITH AN EXPLANATION WHY
32 THE MODIFICATIONS ARE NOT BEING MADE, or abandon the proposed charter.
33 The board of regents shall review each such resubmitted proposed charter
34 in accordance with the provisions of subdivision five-a of this
35 section[; provided, however, that it shall be the duty of the board of
36 regents to approve and issue a proposed charter resubmitted by the char-
37 ter entity described in paragraph (b) of subdivision three of section
38 twenty-eight hundred fifty-one of this article within thirty days of the
39 resubmission of such proposed charter or such proposed charter shall be
40 deemed approved and issued at the expiration of such period].

41 S 7. Subdivision 7 of section 2852 of the education law is amended by
42 adding a new paragraph (c) to read as follows:

43 (C) WHEN A REVISION OF A CHARTER INVOLVES AN INCREASE IN ENROLLMENT
44 WHICH BRINGS TOTAL ENROLLMENT IN CHARTER SCHOOLS IN THE SCHOOL DISTRICT
45 OF LOCATION ABOVE FIVE PERCENT THE REVISION SHALL BE DENIED UNLESS THE
46 SCHOOL DISTRICT OF LOCATION APPROVES THE REVISION OR THE RESIDENTS OF
47 THE SCHOOL DISTRICT APPROVE THE REVISION THROUGH A REFERENDUM OF THE
48 ELIGIBLE VOTERS TO BE HELD IN CONJUNCTION WITH THE ANNUAL BUDGET VOTE.
49 FOR PURPOSES OF THIS PARAGRAPH IN A CITY HAVING A POPULATION OF ONE
50 MILLION OR MORE THE SCHOOL DISTRICT OF LOCATION SHALL BE THE COMMUNITY
51 SCHOOL DISTRICT WHERE THE CHARTER SCHOOL IS LOCATED.

52 S 8. Subdivision 10 of section 2852 of the education law, as added by
53 section 3 of part D-2 of chapter 57 of the laws of 2007, is amended to
54 read as follows:

55 10. Except in the case of a charter school formed by a school district
56 as a charter entity pursuant to paragraph (a) of subdivision three of

1 section twenty-eight hundred fifty-one of this article, a charter school
2 formed by approval of the regents or by operation of law on or after
3 [March] JANUARY fifteenth in any school year shall not commence instruc-
4 tion until July of the second school year next following.

5 S 9. Subdivision 2 of section 2853 of the education law, as added by
6 chapter 4 of the laws of 1998, is amended to read as follows:

7 2. The board of regents and charter entity shall oversee each school
8 approved by such entity, and may visit, examine into and inspect any
9 charter school, including the records of such school, under its over-
10 sight. Oversight by a charter entity and the board of regents shall be
11 sufficient to ensure that the charter school is in compliance with all
12 applicable laws, regulations and charter provisions. THE DEPARTMENT
13 SHALL INCLUDE CHARTER SCHOOLS IN ANY REVIEW OR AUDIT OF STATE ASSESSMENT
14 ADMINISTRATION OR SCORING.

15 S 10. Paragraph (a) of subdivision 3 of section 2853 of the education
16 law, as amended by chapter 101 of the laws of 2010, is amended to read
17 as follows:

18 (a) A charter school may be located in part of an existing public
19 school building, in space provided on a private work site, in a public
20 building or in any other suitable location, PROVIDED, HOWEVER, A CHARTER
21 SCHOOL SHALL NOT BE LOCATED IN ANY PART OF AN EXISTING SCHOOL BUILDING
22 WHEN SUCH SHARING WOULD IMPACT THE PUBLIC SCHOOL'S ABILITY TO MEET THE
23 CLASS SIZE TARGETS ESTABLISHED PURSUANT TO SECTION TWO HUNDRED ELEVEN-D
24 OF THIS CHAPTER. Provided, however, before a charter school may be
25 located in part of an existing public school building, the charter enti-
26 ty shall provide notice to the parents or guardians of the students then
27 enrolled in the existing school building and shall hold a public hearing
28 for purposes of discussing the location of the charter school. A charter
29 school may own, lease or rent its space.

30 S 11. Subdivision 3 of section 2853 of the education law is amended by
31 adding two new paragraphs (e) and (f) to read as follows:

32 (E) NOTWITHSTANDING ANY LAW TO THE CONTRARY, ANY CAPITAL FACILITY, OR
33 OTHER IMPROVEMENTS MADE IN PUBLIC SCHOOL BUILDINGS OR EQUIPMENT WITH A
34 PERIOD OF PROBABLE USEFULNESS OF FIVE OR MORE YEARS, WITH PUBLIC OR
35 PRIVATE FUNDS, TO ACCOMMODATE CHARTER SCHOOLS, SHALL REQUIRE MATCHING OR
36 COMPARABLE IMPROVEMENTS BE MADE FOR OTHER DISTRICT SCHOOLS LOCATED IN
37 THE SAME BUILDING.

38 (F) NOTWITHSTANDING ANY LAW TO THE CONTRARY, ANY CONSTRUCTION OR CAPI-
39 TAL IMPROVEMENT MADE IN ACCORDANCE WITH THIS ARTICLE SHALL BE MADE IN
40 ACCORDANCE WITH AND SUBJECT TO THE PROVISIONS OF ARTICLES EIGHT AND NINE
41 OF THE LABOR LAW.

42 S 12. Paragraphs (c) and (e) of subdivision 1 of section 2854 of the
43 education law, paragraph (c) as amended by chapter 101 of the laws of
44 2010, and paragraph (e) as added by chapter 4 of the laws of 1998, are
45 amended to read as follows:

46 (c) A charter school shall be subject to the financial audits, the
47 audit procedures, and the audit requirements set forth in the charter
48 and [shall be subject to audits of the comptroller of the state of New
49 York at his or her discretion] MAY BE SUBJECT TO AUDITS BY THE STATE
50 COMPTROLLER OR BY THE CHARTER ENTITY. Such procedures and standards
51 shall be consistent with generally accepted accounting and audit stand-
52 ards. Independent fiscal audits shall be required at least once annual-
53 ly.

54 (e) A charter school shall be subject to the provisions of articles
55 six and seven of the public officers law IN THE SAME MANNER AS PUBLIC
56 SCHOOL DISTRICTS.

1 S 13. Subdivision 1 of section 2854 of the education law is amended by
2 adding a new paragraph (g) to read as follows:

3 (G) A CHARTER SCHOOL SHALL BE SUBJECT TO THE PROVISIONS OF SECTION
4 EIGHT HUNDRED SIX OF THE GENERAL MUNICIPAL LAW.

5 S 14. Subdivision 2 of section 2854 of the education law, as added by
6 chapter 4 of the laws of 1998, paragraphs (a) and (b) as amended by
7 chapter 101 of the laws of 2010, is amended to read as follows:

8 2. Admissions; enrollment; students. (a) A charter school shall be
9 nonsectarian in its programs, admission policies, employment practices,
10 and all other operations and shall not charge tuition or fees; provided
11 that a charter school may require the payment of fees on the same basis
12 and to the same extent as other public schools. A charter school shall
13 not discriminate against any student, employee or any other person on
14 the basis of ethnicity, national origin, gender, or disability or any
15 other ground that would be unlawful if done by a school. Admission of
16 students shall not be limited on the basis of intellectual ability,
17 measures of achievement or aptitude, athletic ability, disability, race,
18 creed, gender, national origin, religion, or ancestry; provided, howev-
19 er, that nothing in this article shall be construed to prevent the
20 establishment of a single-sex charter school or a charter school
21 designed to provide expanded learning opportunities for students at-risk
22 of academic failure or students with disabilities and English language
23 learners; and provided, further, that the charter school shall [demon-
24 strate good faith efforts to] attract and retain a comparable or greater
25 enrollment of students with disabilities, English language learners, and
26 students who are eligible applicants for the free and reduced price
27 lunch program when compared to the enrollment figures for such students
28 in the school district in which the charter school is located. IF A
29 CHARTER SCHOOL IS NOT SUCCESSFUL IN ATTRACTING A COMPARABLE OR GREATER
30 ENROLLMENT OF STUDENTS WITH DISABILITIES AND LIMITED ENGLISH PROFICIENT
31 STUDENTS AS COMPARED TO THE ENROLLMENT FIGURES FOR SUCH STUDENTS IN THE
32 SCHOOL DISTRICT IN WHICH THE CHARTER SCHOOL IS LOCATED SUCH CHARTER
33 SCHOOL SHALL PROVIDE THE CHARTERING ENTITY WITH A PLAN FOR IMPROVING THE
34 ENROLLMENT OF SUCH STUDENTS IN THE FOLLOWING YEAR. FAILURE TO COMPLY
35 WITH THIS REQUIREMENT FOR TWO CONSECUTIVE YEARS SHALL BE SUBJECT TO
36 REVOCATION IN ACCORDANCE WITH SUBDIVISION ONE OF SECTION TWO THOUSAND
37 EIGHT HUNDRED FIFTY-FIVE OF THIS ARTICLE. A charter shall not be issued
38 to any school that would be wholly or in part under the control or
39 direction of any religious denomination, or in which any denominational
40 tenet or doctrine would be taught.

41 (b) Any child who is qualified under the laws of this state for admis-
42 sion to a public school is qualified for admission to a charter school.
43 Applications for admission to a charter school shall be submitted on a
44 uniform application form created by the department and shall be made
45 available by a charter school in languages predominately spoken in the
46 community in which such charter school is located. The school shall
47 enroll each eligible student who submits a timely application by the
48 first day of April each year, unless the number of applications exceeds
49 the capacity of the grade level or building. In such cases, students
50 shall be accepted from among applicants by a random selection process,
51 provided, however, that an enrollment preference shall be provided to
52 pupils WHEN THE CHARTER SCHOOL IS LOCATED WITHIN ONE MILE OF THE PUPILS'
53 RESIDENCE, PUPILS returning to the charter school in the second or any
54 subsequent year of operation and pupils residing in the school district
55 in which the charter school is located, and siblings of pupils already
56 enrolled in the charter school AND STUDENTS ON FREE LUNCH, AND STUDENTS

1 WITH DISABILITIES, AND STUDENTS WITH LIMITED ENGLISH PROFICIENCY. The
2 commissioner shall establish regulations to require that the random
3 selection process conducted pursuant to this paragraph be performed in a
4 transparent and equitable manner and to require that the time and place
5 of the random selection process be publicized in a manner consistent
6 with the requirements of section one hundred four of the public officers
7 law and be open to the public. For the purposes of this paragraph and
8 paragraph (a) of this subdivision, the school district in which the
9 charter school is located shall mean, for the city school district of
10 the city of New York, the community district in which the charter school
11 is located. THE CHARTER ENTITY IS RESPONSIBLE FOR ENSURING THE
12 SELECTION PROCESS IS CONDUCTED IN ACCORDANCE WITH THIS PARAGRAPH. IF THE
13 CHARTER ENTITY DETERMINES THE PROCESS IS NOT IN COMPLIANCE WITH THIS
14 PARAGRAPH, THE CHARTER ENTITY SHALL CONDUCT THE PROCESS.

15 (c) A charter school shall serve one or more of the grades one through
16 twelve, and shall limit admission to pupils within the grade levels
17 served. Nothing herein shall prohibit a charter school from establishing
18 a kindergarten program.

19 (d) A student may withdraw from a charter school at any time and
20 enroll in a public school. A CHARTER SCHOOL MUST PROVIDE A REPORT TO THE
21 CHARTERING ENTITY EACH YEAR INDICATING THE NUMBER OF STUDENTS LEAVING
22 THE CHARTER SCHOOL, THE MONTHS IN WHICH THE STUDENTS LEAVE THE SCHOOL,
23 THE REASON THE STUDENTS LEAVE THE SCHOOL AND THE SCHOOL THE STUDENT IS
24 CURRENTLY ATTENDING. A charter school may refuse admission to any
25 student who has been expelled or suspended from a public school until
26 the period of suspension or expulsion from the public school has
27 expired, consistent with the requirements of due process.

28 S 15. Paragraphs (b-1), (c) and (c-1) of subdivision 3 of section 2854
29 of the education law, paragraph (b-1) as amended by section 6 of part
30 D-2 of chapter 57 of the laws of 2007, and paragraphs (c) and (c-1) as
31 added by chapter 4 of the laws of 1998, are amended to read as follows:

32 (b-1) The employees of a charter school [that is not a conversion from
33 an existing public school] shall [not] be deemed members of [any] THE
34 existing collective bargaining unit representing employees of the school
35 district in which the charter school is located, and the charter school
36 and its employees shall [not] be subject to any existing collective
37 bargaining agreement between the school district and its employees.
38 [Provided, however, that (i) if the student enrollment of the charter
39 school on the first day on which the charter school commences student
40 instruction exceeds two hundred fifty or if the average daily student
41 enrollment of such school exceeds two hundred fifty students at any
42 point during the first two years after the charter school commences
43 student instruction, all employees of the school who are eligible for
44 representation under article fourteen of the civil service law shall be
45 deemed to be represented in a separate negotiating unit at the charter
46 school by the same employee organization, if any, that represents like
47 employees in the school district in which such charter school is
48 located; (ii) the provisions of subparagraph (i) of this paragraph may
49 be waived in up to ten charters issued on the recommendation of the
50 charter entity set forth in paragraph (b) of subdivision three of
51 section twenty-eight hundred fifty-one of this article; (iii) the
52 provisions of subparagraph (i) of this paragraph shall not be applicable
53 to the renewal or extension of a charter; and (iv) nothing in this
54 sentence shall be construed to subject a charter school subject to the
55 provisions of this paragraph or its employees to any collective bargain-
56 ing agreement between any public school district and its employees or to

1 make the employees of such charter school part of any negotiating unit
2 at such school district. The charter school may, in its sole discretion,
3 choose whether or not to offer the terms of any existing collective
4 bargaining to school employees.] PROVIDED, HOWEVER, THAT A MAJORITY OF
5 THE MEMBERS OF A NEGOTIATING UNIT WITHIN A CHARTER SCHOOL MAY MODIFY, IN
6 WRITING, A COLLECTIVE BARGAINING AGREEMENT FOR THE PURPOSES OF EMPLOY-
7 MENT IN THE CHARTER SCHOOL WITH THE APPROVAL OF THE BOARD OF TRUSTEES OF
8 THE CHARTER SCHOOL.

9 (c) The employees of the charter school [may] SHALL be deemed employ-
10 ees of the local school district for the purpose of providing retirement
11 benefits, including membership in the teachers' retirement system and
12 other retirement systems open to employees of public schools. The finan-
13 cial contributions for such benefits shall be the responsibility of the
14 charter school and the school's employees. The commissioner, in consul-
15 tation with the comptroller, shall develop regulations to implement the
16 provisions of this paragraph in a manner that allows charter schools to
17 provide retirement benefits to its employees in the same manner as other
18 public school employees.

19 (c-1) Reasonable access. (i) If employees of the charter school are
20 not represented, any charter school chartered pursuant to this article
21 must afford reasonable access to any employee organization during the
22 reasonable proximate period before any representation question is raised
23 IN THE SAME MANNER AS ANY PUBLIC EMPLOYER; or

24 (ii) If the employee organization is a challenging organization,
25 reasonable access must be provided to any organization seeking to repre-
26 sent employees beginning with a date reasonably proximate to a challenge
27 period. Reasonableness is defined, at a minimum, as access equal to that
28 provided to the incumbent organization.

29 S 16. Subdivision 1 of section 2855 of the education law, as amended
30 by chapter 101 of the laws of 2010, is amended to read as follows:

31 1. The charter entity, or the board of regents, [may] SHALL terminate
32 a charter upon any of the following grounds:

33 (a) When a charter school's outcome on student assessment measures
34 adopted by the board of regents falls below the level that would allow
35 the commissioner to revoke the registration of another public school,
36 and student achievement on such measures [has not shown improvement] HAS
37 NOT MET ANNUAL YEARLY PROGRESS over the preceding three school years;

38 (b) Serious violations of law;

39 (c) Material and substantial violation of the charter, including
40 fiscal mismanagement AND FAILURE TO MEET STUDENT PERFORMANCE TARGETS;

41 (d) When the public employment relations board makes a determination
42 that the charter school demonstrates a practice and pattern of egregious
43 and intentional violations of subdivision one of section two hundred
44 nine-a of the civil service law involving interference with or discrimi-
45 nation against employee rights under article fourteen of the civil
46 service law; [or]

47 (e) Repeated failure to comply with the requirement to meet or exceed
48 enrollment and retention targets of students with disabilities, English
49 language learners, and students who are eligible applicants for the free
50 and reduced price lunch program pursuant to targets established by the
51 board of regents or the board of trustees of the state university of New
52 York, as applicable. Provided, however, if no grounds for terminating a
53 charter are established pursuant to this section other than pursuant to
54 this paragraph, and the charter school demonstrates that it has made
55 extensive efforts to recruit and retain such students, including
56 outreach to parents and families in the surrounding communities, widely

1 publicizing the lottery for such school, and efforts to academically
2 support such students in such charter school, then the charter entity or
3 board of regents may retain such charter[.]; OR

4 (F) FAILURE TO ENROLL A COMPARABLE PERCENTAGE OF STUDENTS QUALIFYING
5 FOR FREE LUNCH, STUDENTS WITH DISABILITIES AND ENGLISH LANGUAGE LEARNERS
6 FOR TWO CONSECUTIVE YEARS.

7 S 17. Subdivision 1 of section 2856 of the education law, as amended
8 by chapter 378 of the laws of 2007, paragraph (a) as amended by section
9 21 of part A of chapter 58 of the laws of 2011, is amended to read as
10 follows:

11 1. (a) The enrollment of students attending charter schools shall be
12 included in the enrollment, attendance, membership and, if applicable,
13 count of students with disabilities of the school district in which the
14 pupil resides. The charter school shall report all such data to the
15 school districts of residence in a timely manner. Each school district
16 shall report such enrollment, attendance and count of students with
17 disabilities to the department. The school district of residence shall
18 pay directly to the charter school for each student enrolled in the
19 charter school who resides in the school district the charter school
20 basic tuition, which shall be:

21 (i) for school years prior to the two thousand nine--two thousand ten
22 school year and for school years following the two thousand twelve--two
23 thousand thirteen school year, an amount equal to one hundred percent of
24 the amount calculated pursuant to paragraph f of subdivision one of
25 section thirty-six hundred two of this chapter for the school district
26 for the year prior to the base year increased by the percentage change
27 in the state total approved operating expense calculated pursuant to
28 paragraph t of subdivision one of section thirty-six hundred two of this
29 chapter from two years prior to the base year to the base year;

30 (ii) for the two thousand nine--two thousand ten school year, the
31 charter school basic tuition shall be the amount payable by such
32 district as charter school basic tuition for the two thousand eight--two
33 thousand nine school year;

34 (iii) for the two thousand ten--two thousand eleven through two thou-
35 sand twelve--two thousand thirteen school years, the charter school
36 basic tuition shall be the basic tuition computed for the two thousand
37 ten--two thousand eleven school year pursuant to the provisions of
38 subparagraph (i) of this paragraph.

39 (A-1) FOR THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN SCHOOL YEAR
40 AND THEREAFTER THE STATE SHALL REIMBURSE SCHOOL DISTRICTS FOR THE LOCAL
41 SHARE OF THE CHARTER SCHOOL TUITION PAYMENT OF ANY STUDENTS ATTENDING A
42 CHARTER SCHOOL IN THE JUNE PAYMENT REQUIRED BY SECTION THREE THOUSAND
43 SIX HUNDRED NINE-A OF THIS CHAPTER. SUCH LOCAL SHARE SHALL BE CALCULATED
44 BY DEDUCTING FROM THE CHARTER SCHOOL TUITION PAYMENT THE PER PUPIL FOUN-
45 DATION AID AMOUNT ATTRIBUTABLE TO SUCH PUPIL.

46 (b) The school district shall also pay directly to the charter school
47 any federal or state aid attributable to a student with a disability
48 attending charter school in proportion to the level of services for such
49 student with a disability that the charter school provides directly or
50 indirectly. Notwithstanding anything in this section to the contrary,
51 amounts payable pursuant to this subdivision from state or local funds
52 may be reduced pursuant to an agreement between the school and the char-
53 ter entity set forth in the charter. Payments made pursuant to this
54 subdivision shall be made by the school district in six substantially
55 equal installments each year beginning on the first business day of July
56 and every two months thereafter. Amounts payable under this subdivision

1 shall be determined by the commissioner. Amounts payable to a charter
2 school in its first year of operation shall be based on the projections
3 of initial-year enrollment set forth in the charter until actual enroll-
4 ment data is reported to the school district by the charter school. SUCH
5 ACTUAL ENROLLMENT SHALL BE REPORTED TO THE SCHOOL DISTRICT PRIOR TO EACH
6 PAYMENT FOLLOWING THE INITIAL JULY PAYMENT WHICH SHALL BE BASED ON
7 PROJECTED ENROLLMENT. Such projections shall be reconciled with the
8 actual enrollment as actual enrollment data is so reported and at the
9 end of the school's first year of operation and each subsequent year
10 based on a final report of actual enrollment by the charter school, and
11 any necessary adjustments resulting from such final report shall be made
12 to payments during the school's following year of operation.

13 (c) Notwithstanding any other provision of this subdivision to the
14 contrary, payment of the federal aid attributable to a student with a
15 disability attending a charter school shall be made in accordance with
16 the requirements of section 8065-a of title twenty of the United States
17 code and sections 76.785-76.799 and 300.209 of title thirty-four of the
18 code of federal regulations.

19 S 18. Subdivisions 2 and 3 of section 2857 of the education law,
20 subdivision 2 as amended and paragraph (a-1) of subdivision 3 as added
21 by chapter 101 of the laws of 2010 and subdivision 3 as amended by
22 section 7 of part D-2 of chapter 57 of the laws of 2007, are amended to
23 read as follows:

24 2. Each charter school shall submit to the charter entity and to the
25 board of regents an annual report. Such report shall be issued no later
26 than the first day of August of each year for the preceding school year
27 AND PROVIDED TO THE SCHOOL DISTRICT WHERE THE CHARTER SCHOOL IS LOCATED
28 FOR DISPLAY ON THE SCHOOL DISTRICT WEBSITE, and shall be made publicly
29 available by such date and shall be posted on the charter school's
30 website. The annual report shall be in such form as shall be prescribed
31 by the commissioner and shall include at least the following components:

32 (a) a charter school report card, which shall include measures of the
33 comparative academic and fiscal performance of the school, as prescribed
34 by the commissioner in regulations adopted for such purpose. Such meas-
35 ures shall include, but not be limited to, graduation rates, dropout
36 rates, performance of students on standardized tests DISAGGREGATED FOR
37 SUB-GROUPS, college entry rates, total spending per pupil and adminis-
38 trative spending per pupil. Such measures shall be presented in a
39 format that is easily comparable to similar public schools. In addition,
40 the charter school shall ensure that such information is easily accessi-
41 ble to the community including making it publicly available by transmit-
42 ting it to local newspapers of general circulation and making it avail-
43 able for distribution at board of trustee meetings.

44 (b) discussion of the progress made towards achievement of the goals
45 set forth in the charter.

46 (c) a certified financial statement setting forth, by appropriate
47 categories, the revenues FROM ALL SOURCES and expenditures INCLUDING THE
48 SALARY OF THE SCHOOL LEADER AND ANY OTHER SALARIES IN EXCESS OF THE
49 REPORTING REQUIREMENTS FOR PUBLIC SCHOOL DISTRICTS CONTAINED IN SECTION
50 ONE THOUSAND SIX HUNDRED EIGHT OF THIS CHAPTER AND CONTRACTS WITH
51 CONSULTANTS AND VENDORS for the preceding school year, including a copy
52 of the most recent independent fiscal audit of the school and any audit
53 conducted by the comptroller of the state of New York.

54 (d) efforts taken by the charter school in the existing school year,
55 and a plan for efforts to be taken in the succeeding school year, to
56 meet or exceed enrollment and retention targets set by the board of

1 regents or the board of trustees of the state university of New York, as
2 applicable, of students with disabilities, English language learners,
3 and students who are eligible applicants for the free and reduced price
4 lunch program established pursuant to paragraph (e) of subdivision four
5 of section twenty-eight hundred fifty-one of this article.

6 3. The board of regents shall report annually BY DECEMBER FIRST to the
7 governor, the temporary president of the senate, and the speaker of the
8 assembly AND THE PUBLIC the following information:

9 (a) The number, distribution, and a brief description of new charter
10 schools established during the preceding year;

11 (a-1) A list including the number of charter schools closed during the
12 preceding year, and a brief description of the reasons therefor includ-
13 ing, but not limited to, non-renewal of the charter or revocation of the
14 charter;

15 (b) The department's assessment of the current and projected program-
16 matic and fiscal impact of charter schools on the delivery of services
17 by school districts;

18 (c) The academic progress of students attending charter schools, as
19 measured against comparable public and nonpublic schools with similar
20 student population characteristics [wherever practicable];

21 (d) A list of all actions taken by a charter entity on charter appli-
22 cation and the rationale for the renewal or revocation of any charters;
23 and

24 (e) Any other information regarding charter schools that the board of
25 regents deems necessary INCLUDING INFORMATION ON BEST PRACTICES OF CHAR-
26 TER SCHOOLS THAT IMPROVE STUDENT PERFORMANCE.

27 The format for this annual report shall be developed in consultation
28 with representatives of school districts and charter school officials.

29 S 19. Subparagraph (v) of paragraph a of subdivision 7 of section 1608
30 of the education law, as amended by section 4 of part A of chapter 97 of
31 the laws of 2011, is amended and a new subparagraph (vi) is added to
32 read as follows:

33 (v) the projected amount of the unappropriated unreserved fund balance
34 that will be retained if the proposed budget is adopted, the projected
35 amount of the reserved fund balance, the projected amount of the appro-
36 priated fund balance, the percentage of the proposed budget that the
37 unappropriated unreserved fund balance represents, the actual unappro-
38 priated unreserved fund balance retained in the school district budget
39 for the preceding school year, and the percentage of the school district
40 budget for the preceding school year that the actual unappropriated
41 unreserved fund balance represents[.]; AND

42 (VI) THE PROJECTED AMOUNT OF PAYMENTS TO BE MADE TO CHARTER SCHOOLS IN
43 THE NEXT SCHOOL YEAR.

44 S 20. Subparagraph (v) of paragraph a of subdivision 7 of section 1716
45 of the education law, as amended by section 5 of part A of chapter 97 of
46 the laws of 2011, is amended and a new subparagraph (vi) is added to
47 read as follows:

48 (v) the projected amount of the unappropriated unreserved fund balance
49 that will be retained if the proposed budget is adopted, the projected
50 amount of the reserved fund balance, the projected amount of the appro-
51 priated fund balance, the percentage of the proposed budget that the
52 unappropriated unreserved fund balance represents, the actual unappro-
53 priated unreserved fund balance retained in the school district budget
54 for the preceding school year, and the percentage of the school district
55 budget for the preceding school year that the actual unappropriated
56 unreserved fund balance represents[.]; AND

1 (VI) THE PROJECTED AMOUNT OF PAYMENTS TO BE MADE TO CHARTER SCHOOLS IN
2 THE NEXT SCHOOL YEAR.

3 S 21. Paragraph t of subdivision 1 of section 3602 of the education
4 law is amended by adding a new closing paragraph to read as follows:

5 NOTWITHSTANDING ANY OTHER PROVISIONS OF LAW TO THE CONTRARY, IN
6 COMPUTING APPROVED OPERATING EXPENSE PURSUANT TO THIS PARAGRAPH FOR CITY
7 SCHOOL DISTRICTS OF THOSE CITIES HAVING A POPULATION IN EXCESS OF ONE
8 HUNDRED TWENTY-FIVE THOUSAND BUT LESS THAN ONE MILLION; AN AMOUNT EQUAL
9 TO (I) THE AMOUNT COMPUTED FOR THE SCHOOL DISTRICT FOR THE TWO THOUSAND
10 SIX--TWO THOUSAND SEVEN SCHOOL YEAR PURSUANT TO FORMER SUBDIVISION THIR-
11 TY-SEVEN OF THIS SECTION AS THIS SECTION EXISTED ON JUNE THIRTIETH, TWO
12 THOUSAND SEVEN, (II) THE STATE FUNDS WHICH SUCH DISTRICT RECEIVED IN THE
13 TWO THOUSAND SIX--TWO THOUSAND SEVEN SCHOOL YEAR FOR MAGNET SCHOOL
14 GRANTS TO PUBLIC SCHOOLS, AND (III) THE STATE FUNDS WHICH SUCH DISTRICT
15 RECEIVED IN THE TWO THOUSAND SIX--TWO THOUSAND SEVEN SCHOOL YEAR FOR
16 TEACHER SUPPORT, SHALL BE ACCOUNTED FOR IN THE SAME WAY AS STATE FUNDS
17 RECEIVED FOR SUCH PURPOSE IN THE TWO THOUSAND SIX--TWO THOUSAND SEVEN
18 SCHOOL YEAR.

19 S 22. This act shall take effect immediately; provided, however, that
20 the amendments to subdivision 1 of section 2856 of the education law
21 made by section seventeen of this act shall not affect the expiration of
22 such subdivision and shall expire therewith; provided further that the
23 amendments to paragraph a of subdivision 7 of section 1608 of the educa-
24 tion law made by section nineteen of this act shall not affect the expi-
25 ration of such paragraph and shall expire therewith; and provided
26 further that the amendments to paragraph a of subdivision 7 of section
27 1716 of the education law made by section twenty of this act shall not
28 affect the expiration of such paragraph and shall expire therewith.