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**HOUSE BILL 1971**

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**State of Washington 64th Legislature 2015 Regular Session**

**By** Representatives Fey, Clibborn, Gregory, and Pollet

AN ACT Relating to charter schools; and amending RCW 28A.710.030, 28A.710.070, and 28A.710.080.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec.**  RCW 28A.710.030 and 2013 c 2 s 203 are each amended to read as follows:

(1) To carry out its duty to manage and operate the charter school and carry out the terms of its charter contract, a charter school board may:

(a) Hire, manage, and discharge any charter school employee in accordance with the terms of this chapter and that school's charter contract;

(b) Receive and disburse funds for the purposes of the charter school;

(c) Enter into contracts with any school district, educational service district, or other public or private entity for the provision of real property, equipment, goods, supplies, and services, including educational instructional services and including for the management and operation of the charter school to the same extent as other noncharter public schools, as long as the charter school board maintains oversight authority over the charter school. Contracts for management operation of the charter school may only be with nonprofit organizations;

(d) Rent, lease, purchase, or own real property. All charter contracts and contracts with other entities must include provisions regarding the disposition of the property if the charter school fails to open as planned or closes, or if the charter contract is revoked or not renewed;

(e) Issue secured and unsecured debt, including pledging, assigning, or encumbering its assets to be used as collateral for loans or extensions of credit to manage cash flow, improve operations, or finance the acquisition of real property or equipment: PROVIDED, That the public charter school may not pledge, assign, or encumber any public funds received or to be received pursuant to RCW 28A.710.220. The debt is not a general, special, or moral obligation of the state, the charter school authorizer, the school district in which the charter school is located, or any other political subdivision or agency of the state. Neither the full faith and credit nor the taxing power of the state or any political subdivision or agency of the state may be pledged for the payment of the debt;

(f) Solicit, accept, and administer for the benefit of the charter school and its students, gifts, grants, and donations from individuals or public or private entities, excluding from sectarian or religious organizations. Charter schools may not accept any gifts or donations the conditions of which violate this chapter or other state laws; ((~~and~~))

(g) Issue diplomas to students who meet state high school graduation requirements established under RCW 28A.230.090. A charter school board may establish additional graduation requirements; and

(h) Contract for an independent performance audit of the school to be conducted the year immediately following the school's first full school year of operation with all the grades fully phased-in and student enrollment at the level for which the charter school is approved. The performance audit must be conducted in accordance with United States general accounting office government auditing standards. A performance audit in compliance with this section does not inhibit the state auditor's office from conducting a performance audit of the school.

(2) A charter school board may not levy taxes or issue tax-backed bonds. A charter school board may not acquire property by eminent domain.

**Sec.**  RCW 28A.710.070 and 2013 c 2 s 208 are each amended to read as follows:

(1)(a) The Washington charter school commission is established as an independent state agency whose mission is to authorize high quality public charter schools ((~~throughout the state~~)), particularly schools designed to expand opportunities for at-risk students, and to ensure the highest standards of accountability and oversight for these schools.

(b) The commission may authorize charter schools located anywhere in the state, except in a school district in which at least three charter schools have been authorized by the commission but the charter schools have not fully phased‑in all the grades or student enrollment for which the charter schools are approved. The moratorium on approving additional charter schools within the school district must be removed if the charter school commission determines that:

(i) There have been no financial or performance audit findings for any of the charter schools within the district resulting in recommendations by the state auditor's office; or

(ii) There have been financial or performance audit findings for any of the charter schools within the district resulting in recommendations by the state auditor's office but the commission determines that the school has taken actions sufficient to satisfactorily comply with the recommendations.

(c) The commission shall, through its management, supervision, and enforcement of the charter contracts, administer the portion of the public common school system consisting of the charter schools it authorizes as provided in this chapter, in the same manner as a school district board of directors, through its management, supervision, and enforcement of the charter contracts, and pursuant to applicable law, administers the charter schools it authorizes.

(2)(a) The commission shall consist of nine members, no more than five of whom shall be members of the same political party.

(b) Until the effective date of this section, three members shall be appointed by the governor; three members shall be appointed by the president of the senate; and three members shall be appointed by the speaker of the house of representatives. The appointing authorities shall assure diversity among commission members, including representation from various geographic areas of the state and shall assure that at least one member is a parent of a Washington public school student.

(c) After the effective date of this section, as the terms of the commission members expire, the successor members shall be appointed by the governor and be subject to confirmation by the senate. The governor shall assure diversity among commission members, including representation from various geographic areas of the state and shall assure that at least one member is a parent of a Washington public school student.

(3) Members appointed to the commission shall collectively possess strong experience and expertise in public and nonprofit governance; management and finance; public school leadership, assessment, curriculum, and instruction; and public education law. All members shall have demonstrated an understanding of ((~~and commitment to~~)) charter schooling as a strategy for strengthening public education.

(4) Members shall be appointed to four‑year, staggered terms((~~, with initial appointments from each of the appointing authorities consisting of one member appointed to a one-year term, one member appointed to a two-year term, and one member appointed to a three-year term, all of whom thereafter~~))and may be reappointed for a four-year term. No member may serve more than two consecutive terms. ((~~Initial appointments must be made no later than ninety days after December 6, 2012.~~))

(5) Whenever a vacancy on the commission exists, the ((~~original appointing authority~~))governor must appoint a member for the remaining portion of the term within no more than thirty days.

(6) Commission members shall serve without compensation but may be reimbursed for travel expenses as authorized in RCW 43.03.050 and 43.03.060.

(7) Operational and staff support for the commission shall be provided by the office of the governor until the commission has sufficient resources to hire or contract for separate staff support, who shall reside within the office of the governor for administrative purposes only.

(8) RCW 28A.710.090 and 28A.710.120 do not apply to the commission.

**Sec.**  RCW 28A.710.080 and 2013 c 2 s 207 are each amended to read as follows:

The following entities are eligible to be authorizers of charter schools:

(1) The Washington charter school commission established under RCW 28A.710.070, for charter schools located anywhere in the state, in accordance with RCW 28A.710.070; and

(2) School district boards of directors that have been approved by the state board of education under RCW 28A.710.090 before authorizing a charter school, for charter schools located within the school district's own boundaries.

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