

ASSEMBLY, No. 3399

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 25, 2020

Sponsored by:

Assemblyman GARY S. SCHAER

District 36 (Bergen and Passaic)

SYNOPSIS

Modifies process for renewals and revocations of charters under which charter schools operate.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning charter schools and revising various parts of
2 the statutory law.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 17 of P.L.1995, c.426 (C.18A:36A-17) is amended
8 to read as follows:

9 17. A charter granted by the commissioner pursuant to the
10 provisions of **【this act】** P.L.1995, c.426 (C.18A:36A-1 et seq.) shall
11 be granted for a four-year period and may be renewed for a five-
12 year period. The commissioner may revoke a school's charter if the
13 school has not fulfilled any condition imposed by the commissioner
14 in connection with the granting of the charter or if the school has
15 violated any provision of its charter. The commissioner may place
16 the charter school on probationary status to allow the
17 implementation of a remedial plan after which, if the plan is
18 unsuccessful, the charter may be summarily revoked. The
19 commissioner shall develop procedures and guidelines for the
20 revocation and renewal of a school's charter.

21 a. No later than August 1 of each school year, the
22 commissioner shall provide a charter renewal application and
23 guidance to each charter school whose charter will expire at the end
24 of that school year. The guidance shall include the criteria that the
25 commissioner will use in determining whether to renew a charter,
26 which shall be based on the charter agreement.

27 b. In order to determine whether a charter should be renewed,
28 no later than August 1 of each school year, the commissioner shall
29 issue a charter school performance report for each charter school
30 whose charter will expire at the end of that school year. The charter
31 school performance report shall provide a summary of the charter
32 school's performance record, based on data required in the charter
33 agreement and the charter school's progress toward other goals in
34 its charter agreement, and shall identify any matters that the
35 commissioner believes may jeopardize the renewal of the charter.
36 The charter school shall have 30 days to issue a response to the
37 performance report. The response shall include, but need not be
38 limited to:

39 (1) information not included in the performance report that may
40 support the case for the charter's renewal;

41 (2) a description of improvements that are currently being
42 undertaken or are planned to be implemented during the next term
43 upon the charter's renewal; and

44 (3) if necessary, a discussion of any discrepancies that have
45 been included in the performance report.

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.

1 c. No later than October 15 of the school year in which its
2 charter will expire, a charter school board of trustees shall submit a
3 charter school renewal application to the commissioner.

4 d. No later than 90 days after the receipt of a complete charter
5 school renewal application, the commissioner shall make a
6 determination to renew or not to renew a charter. In making this
7 determination, the commissioner shall ensure that the decision is
8 based on evidence of the charter school's performance during the
9 term of its charter in accordance with the charter agreement, and
10 that any data used in making the determination is available to the
11 charter school and the public.

12 e. No later than 30 days after a determination to renew or not
13 to renew a charter, the commissioner shall publish a report detailing
14 the reasons for the determination and shall provide the report to the
15 charter school. The report shall be posted on the Department of
16 Education's website.

17 f. The commissioner may, at any time, and after affording the
18 charter school an appropriate opportunity to be heard, revoke a
19 charter or place a charter school in probationary status if the
20 commissioner determines that a charter school has:

21 (1) committed a material and substantial violation of any of the
22 terms, conditions, or procedures required pursuant to P.L.1995,
23 c.426 (C.18A:36A-1 et seq.) or included in the charter agreement;

24 (2) failed to meet or make sufficient progress towards the
25 performance expectations established in its charter agreement;

26 (3) failed to meet generally accepted standards of fiscal
27 management; or

28 (4) violated in a material and substantial manner any provision
29 of a law, rule, or regulation from which it is not exempt.

30 g. The commissioner shall develop a procedure for revoking a
31 charter. At a minimum, the procedure shall include the following:

32 (1) the provision of timely notification to the charter school
33 board of trustees, including the reasons why revocation is being
34 considered;

35 (2) a reasonable amount of time for the charter school board of
36 trustees to develop a response to the concerns raised by the
37 commissioner;

38 (3) an orderly proceeding, which may be recorded, at which the
39 board of trustees may present information, through documents and
40 testimony, challenging the stated rationale for the possible
41 revocation of the charter. The board of trustees shall be allowed to
42 have legal representation and call witnesses at the proceedings; and

43 (4) a reasonable amount of time for the commissioner to render
44 a determination and inform the charter school in writing of that
45 determination.

46 h. No later than 30 days after a determination to revoke or not
47 to revoke a charter, the commissioner shall publish a report
48 detailing the commissioner's reasons for the determination and shall

1 provide the report to the charter school. Each report shall be posted
2 on the Department of Education's website.

3 (cf: P.L.1995, c.426, s.17)

4
5 2. Section 4 of P.L.2000, c.142 (C.18A:36A-17.1) is amended
6 to read as follows:

7 4. a. If at any time the commissioner determines that a board
8 of trustees is in jeopardy of losing its charter or an applicant is in
9 jeopardy of not being granted a charter, the commissioner shall so
10 notify the board of trustees or the applicant. The board of trustees
11 or the applicant shall, within 48 hours of receipt of such
12 notification, provide to the commissioner, in writing, a complete list
13 of the names and addresses of all students and staff currently
14 enrolled and working in the school, or in the case of an applicant, a
15 complete list of the names and addresses of all students and staff
16 intending to enroll or work at the school, so the commissioner may
17 send the appropriate notice to the parents or guardians and staff.

18 b. In the event of the closing of a charter school by the
19 commissioner, either through non-renewal or revocation of the
20 charter, the commissioner shall develop a protocol to ensure the
21 orderly transition of students and their records to the new school of
22 attendance, and the proper disposition of school funds, property,
23 and assets. The protocol shall establish specific tasks to be
24 performed, the timeframe in which the tasks shall be performed, and
25 the individuals responsible for performing the tasks. In the event
26 that a charter school closes for any reason, the commissioner shall
27 manage the closure to ensure an orderly transition for students and
28 parents.

29 c. In the event of the closing of a charter school by the
30 commissioner, either through non-renewal or revocation of the
31 charter, the assets of the charter school shall be distributed first to
32 satisfy outstanding payroll obligations for employees of the charter
33 school, then to creditors of the charter school, and then to the State
34 Treasurer to the credit of the General Fund. If the assets of the
35 charter school are insufficient to pay all parties to whom the school
36 owes compensation, the prioritization of the distribution of assets
37 may be determined by a court of competent jurisdiction.

38 (cf: P.L.2000, c.142, s.4)

39
40 3. This act shall take effect immediately.

41 42 43 STATEMENT

44
45 This bill makes changes to the State's charter school program.
46 The bill alters the charter school renewal process by requiring the
47 Commissioner of Education, no later than August 1 of each school
48 year, to provide each charter school whose charter will expire at the

1 end of that school year, with a renewal application and the criteria
2 that the commissioner will use in determining whether to renew the
3 charter. The commissioner will also issue to the charter school a
4 school performance report which will provide a summary of the
5 charter school's performance record and will identify matters that
6 the commissioner believes may jeopardize the renewal of the
7 charter.

8 Under the bill, a charter school will be required to submit a
9 charter school renewal application to the commissioner no later than
10 October 15 of the school year in which its charter will expire. No
11 later than 90 days after the receipt of the renewal application, the
12 commissioner must make a determination to renew or not renew.
13 Within 30 days of the determination on the renewal application, the
14 commissioner must publish a report detailing the reasons for the
15 determination. The report will also be posted on the Department of
16 Education's website.

17 The bill provides that the commissioner may at any time, after
18 affording the charter school an opportunity to be heard, revoke a
19 charter or place a charter school in probationary status if the charter
20 school has:

- 21 • committed a material and substantial violation of any of the
22 terms, conditions, or procedures required pursuant to the charter
23 school law or included in the charter agreement entered into by
24 the commissioner and charter school;
- 25 • failed to meet or make sufficient progress towards the
26 performance expectations established in its charter agreement;
- 27 • failed to meet generally accepted standards of fiscal
28 management; or
- 29 • violated in a material and substantial manner any provision
30 of a law, rule, or regulation from which it is not exempt.

31 The bill requires the commissioner to develop a procedure for
32 revoking a charter and includes minimum requirements for that
33 procedure. No later than 30 days after the commissioner makes a
34 determination on the revocation of a charter, he must publish a
35 report on his reasons for the determination and that report will be
36 posted on the department's website.

37 Finally, the bill provides that in the event of the closing of a
38 charter school by the commissioner either through non-renewal or
39 revocation of the charter, the commissioner must manage the
40 closure and develop a protocol to ensure the orderly transition of
41 students and their records to the new school of attendance, and the
42 proper disposition of school funds, property, and assets. The bill
43 also provides that in the event of the closing of a charter school, the
44 assets of the charter school will be distributed first to satisfy
45 outstanding payroll obligations for employees of the charter school,
46 then to creditors of the charter school, and then to the State
47 Treasurer to the credit of the General Fund.