

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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HOUSE BILL 319*

Short Title: Charter School Law Changes .-AB (Public)

Sponsors: Representatives Bonner, Preston, Warren, Yongue (Primary Sponsors);
Alexander, Crawford, Gorman, Hilton, C. Johnson, L. Johnson, Lucas,
Luebke, McLawhorn, and Tolson.

Referred to: Education.

March 6, 2003

A BILL TO BE ENTITLED

AN ACT TO AMEND THE LAW REGARDING CHARTER SCHOOLS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 115C-238.29D(d) reads as rewritten:

"(d) The State Board of Education may grant the initial charter for a period not to exceed ~~five~~10 years and may renew the charter upon the request of the chartering entity for subsequent periods not to exceed ~~five~~10 years each. The State Board of Education shall review the operations of each charter school at least once every five years to ensure that the school is meeting the expected academic, financial, and governance standards.

A material revision of the provisions of a charter application shall be made only upon the approval of the State Board of Education.

It shall not be considered a material revision of a charter application and shall not require the prior approval of the State Board for a charter school to increase its enrollment during the charter school's second year of operation and annually thereafter (i) by up to ten percent (10%) of the school's previous year's enrollment or (ii) in accordance with planned growth as authorized in the charter. Other enrollment growth shall be considered a material revision of the charter application, and the State Board may approve such additional enrollment growth of greater than ten percent (10%) only if the State Board finds that:

- (1) The actual enrollment of the charter school is within ten percent (10%) of its maximum authorized enrollment;
- (2) The charter school has commitments for ninety percent (90%) of the requested maximum growth;
- (3) The board of education of the local school administrative unit in which the charter school is located has had an opportunity to be heard by the State Board of Education on any adverse impact the proposed growth

1 would have on the unit's ability to provide a sound basic education to
2 its students;

3 (4) The charter school is not currently identified as low-performing;

4 (5) The charter school meets generally accepted standards of fiscal
5 management; and

6 (6) It is otherwise appropriate to approve the enrollment growth."

7 **SECTION 2.** G.S. 135-3(8)c. reads as rewritten:

8 "c. **(Effective until June 30, 2004 – See note)** Should a
9 beneficiary who retired on an early or service retirement
10 allowance under this Chapter be reemployed, or otherwise
11 engaged to perform services, by an employer participating in
12 the Retirement System on a part-time, temporary, interim, or on
13 a fee-for-service basis, whether contractual or otherwise, and if
14 such beneficiary earns an amount during the 12-month period
15 immediately following the effective date of retirement or in any
16 calendar year which exceeds fifty percent (50%) of the reported
17 compensation, excluding terminal payments, during the 12
18 months of service preceding the effective date of retirement, or
19 twenty thousand dollars (\$20,000), whichever is greater, as
20 hereinafter indexed, then the retirement allowance shall be
21 suspended as of the first day of the month following the month
22 in which the reemployment earnings exceed the amount above,
23 for the balance of the calendar year. The retirement allowance
24 of the beneficiary shall be reinstated as of January 1 of each
25 year following suspension. The amount that may be earned
26 before suspension shall be increased on January 1 of each year
27 by the ratio of the Consumer Price Index to the Index one year
28 earlier, calculated to the nearest tenth of a percent (1/10 of 1%).

29 The computation of postretirement earnings of a beneficiary
30 under this sub-subdivision, G.S. 135-3(8)c., who has been
31 retired at least six months and has not been employed in any
32 capacity, except as a substitute teacher or a part-time tutor, with
33 a public school for at least six months immediately preceding
34 the effective date of reemployment, shall not include earnings
35 while the beneficiary is employed to teach on a substitute,
36 interim, or permanent basis in a public ~~school-school~~ or a
37 charter school. The Department of Public Instruction shall
38 certify to the Retirement System that a beneficiary is employed
39 to teach by a local school administrative unit or a charter school
40 under the provisions of this sub-subdivision and as a retired
41 teacher as the term is defined under the provisions of G.S.
42 115C-325(a)(5a).

1 Beneficiaries employed under this sub-subdivision are not
2 entitled to any benefits otherwise provided under this Chapter
3 as a result of this period of employment."

4 **SECTION 3.** G.S. 115C-325(a)(5a) reads as rewritten:

5 "(5a) **(Effective until June 30, 2004)** "Retired teacher" means a beneficiary
6 of the Teachers' and State Employees' Retirement System of North
7 Carolina who has been retired at least six months, has not been
8 employed in any capacity, other than as a substitute teacher or a
9 part-time tutor, with a local board of education or a charter school for
10 at least six months, immediately preceding the effective date of
11 reemployment, is determined by a local board of education or a charter
12 school to have had satisfactory performance during the last year of
13 employment by a local board of ~~education, education or the charter~~
14 school, and who is employed to teach as provided in G.S. 135-3(8)c. A
15 retired teacher at a school other than a charter school shall be treated
16 the same as a probationary teacher except that (i) a retired teacher is
17 not eligible for career status and (ii) the performance of a retired
18 teacher who had attained career status prior to retirement shall be
19 evaluated in accordance with a local board of education's policies and
20 procedures applicable to career teachers."

21 **SECTION 4.** G.S. 115C-238.29F(e)(1) reads as rewritten:

22 "(1) An employee of a charter school is not an employee of the local school
23 administrative unit in which the charter school is located. The charter
24 school's board of directors shall employ and contract with necessary
25 teachers to perform the particular service for which they are employed
26 in the school; at least seventy-five percent (75%) of these teachers in
27 grades kindergarten through five, at least fifty percent (50%) of these
28 teachers in grades six through eight, and at least fifty percent (50%) of
29 these teachers in grades nine through 12 shall hold teacher certificates.
30 All teachers in grades six through 12 who are teaching in the core
31 subject areas of mathematics, science, social studies, and language arts
32 shall be college graduates.

33 The board also may employ necessary employees who are not
34 required to hold teacher certificates to perform duties other than
35 teaching and may contract for other services. The board may discharge
36 teachers and noncertificated employees."

37 **SECTION 5.** Section 1 of this act is effective when it becomes law and
38 applies to charters granted or renewed on or after that date. Sections 2 and 3 of this act
39 become effective July 1, 2003, and expire June 30, 2004. Section 4 of this act is
40 effective when it becomes law and applies to persons employed by charter schools for
41 the 2003-2004 and subsequent school years.