LEGISLATURE OF THE STATE OF IDAHO

Sixty-seventh Legislature

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Second Regular Session - 2024

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 422

BY EDUCATION COMMITTEE

AN ACT

RELATING TO PUBLIC CHARTER SCHOOLS; REPEALING SECTION 33-5201, IDAHO CODE, RELATING TO A SHORT TITLE; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5201, IDAHO CODE, TO PROVIDE A SHORT TITLE; REPEALING SECTION 33-5202, IDAHO CODE, RELATING TO LEG-ISLATIVE INTENT; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5202, IDAHO CODE, TO PROVIDE LEGISLATIVE INTENT; REPEALING SECTION 33-5202A, IDAHO CODE, RELATING TO DEFINI-TIONS; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5202A, IDAHO CODE, TO DEFINE TERMS; REPEALING SECTION 33-5203, IDAHO CODE, RELATING TO AUTHORIZATION OF CHARTER SCHOOLS AND LIMITATIONS; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5203, IDAHO CODE, TO PROVIDE FOR THE APPROVAL OF PUB-LIC CHARTER SCHOOLS; REPEALING SECTION 33-5204, IDAHO CODE, RELATING TO NONPROFIT CORPORATION LIABILITY AND INSURANCE; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5204, IDAHO CODE, TO PROVIDE FOR NONPROFIT CORPORATION LIABILITY AND INSURANCE; REPEALING SECTION 33-5204A, IDAHO CODE, RELATING TO THE APPLICABILITY OF PROFESSIONAL CODES AND STANDARDS; REPEALING SECTION 33-5205, IDAHO CODE, RELATING TO PETITIONS TO ESTABLISH PUBLIC CHARTER SCHOOLS; AMEND-ING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5205, IDAHO CODE, TO PROVIDE FOR APPLICATIONS TO ESTABLISH PUBLIC CHARTER SCHOOLS; REPEALING SECTION 33-5205A, IDAHO CODE, RELATING TO TRANSFER OF CHARTER; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5205A, IDAHO CODE, TO PROVIDE FOR TRANSFER OF CHARTER; REPEALING SECTION 33-5205B, IDAHO CODE, RELATING TO PERFOR-MANCE CERTIFICATES; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5205B, IDAHO CODE, TO PROVIDE FOR PERFOR-MANCE-BASED ACCOUNTABILITY; REPEALING SECTION 33-5205C, IDAHO CODE, RELATING TO PUBLIC CHARTER SCHOOL REPLICATION; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5205C, IDAHO CODE, TO PROVIDE FOR PUBLIC CHARTER SCHOOL REPLICATION; REPEALING SEC-TION 33-5206, IDAHO CODE, RELATING TO REQUIREMENTS AND PROHIBITIONS OF A PUBLIC CHARTER SCHOOL; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5206, IDAHO CODE, TO PROVIDE REQUIRE-MENTS FOR OPERATING A PUBLIC CHARTER SCHOOL; REPEALING SECTION 33-5207, IDAHO CODE, RELATING TO CHARTER APPEAL PROCEDURE; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5207, IDAHO CODE, TO PROVIDE FOR PUBLIC CHARTER SCHOOL FINANCIAL SUPPORT; REPEAL-ING SECTION 33-5208, IDAHO CODE, RELATING TO PUBLIC CHARTER SCHOOL FINANCIAL SUPPORT; REPEALING SECTION 33-5209A, IDAHO CODE, RELATING TO CHARTER SCHOOL ACCOUNTABILITY; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5209A, IDAHO CODE, TO PROVIDE FOR CHARTER RENEWALS; REPEALING SECTION 33-5209B, IDAHO CODE, RELATING TO CHARTER RENEWALS; REPEALING SECTION 33-5209C, IDAHO CODE, RELATING TO ENFORCEMENT, REVOCATION, AND APPEALS; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5209C, IDAHO CODE, TO PROVIDE FOR REVOCATION OF A CHARTER; REPEALING SECTION 33-5210, IDAHO CODE, RELATING TO APPLICATION OF SCHOOL LAW, ACCOUNTABILITY, AND EX-EMPTION FROM STATE RULES; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5210, IDAHO CODE, TO PROVIDE FOR THE APPLICATION OF SCHOOL LAW AND EXEMPTION FROM STATE RULES; REPEALING SECTION 33-5211, IDAHO CODE, RELATING TO TECHNICAL SUPPORT AND INFOR-MATION; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5211, IDAHO CODE, TO PROVIDE FOR TECHNICAL SUPPORT AND INFORMATION; REPEALING SECTION 33-5212, IDAHO CODE, RELATING TO SCHOOL CLOSURE AND DISSOLUTION; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5212, IDAHO CODE, TO PROVIDE FOR SCHOOL CLOSURE AND DISSOLUTION; REPEALING SECTION 33-5213, IDAHO CODE, RELAT-ING TO THE PUBLIC CHARTER SCHOOL COMMISSION; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5213, IDAHO CODE, TO PROVIDE FOR THE PUBLIC CHARTER SCHOOL COMMISSION; REPEALING SECTION 33-5214, IDAHO CODE, RELATING TO THE PUBLIC CHARTER SCHOOL AUTHORIZERS FUND; AMENDING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-5214, IDAHO CODE, TO PROVIDE FOR THE PUBLIC CHARTER SCHOOL AUTHORIZERS FUND; REPEALING SECTION 33-5215, IDAHO CODE, RELATING TO CAREER TECHNICAL REGIONAL PUBLIC CHARTER SCHOOLS; AMENDING SECTION 33-1002, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE; AMENDING SEC-TION 33-1009, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE; AMENDING SECTION 33-1612, IDAHO CODE, TO PROVIDE FOR VIRTUAL INSTRUCTION VIA THE INTERNET; AMENDING SECTION 33-1619, IDAHO CODE, TO PROVIDE FOR THE USE OF TECHNOLOGY VIA THE INTERNET AND TO PROVIDE A CORRECT CODE REFERENCE; AMENDING SECTION 33-3407, IDAHO CODE, TO PROVIDE A CORRECT CODE REFER-ENCE; AMENDING SECTION 33-5504A, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE; PROVIDING THAT CERTAIN ADMINISTRATIVE RULES SHALL BE NULL, VOID, AND OF NO FORCE AND EFFECT; AND DECLARING AN EMERGENCY.

Be It Enacted by the Legislature of the State of Idaho:

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33 SECTION 1. That Section 33-5201, Idaho Code, be, and the same is hereby repealed.

SECTION 2. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 33-5201, Idaho Code, and to read as follows:

38 33-5201. SHORT TITLE. This chapter shall be known and may be cited as the "Accelerating Public Charter Schools Act."

SECTION 3. That Section 33-5202, Idaho Code, be, and the same is hereby repealed.

SECTION 4. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 33-5202, Idaho Code, and to read as follows:

33-5202. LEGISLATIVE INTENT. It is the intent of the legislature to provide opportunities for students, parents, teachers, and community members to attend, establish, and maintain public charter schools that operate independently from the existing traditional school district structure but within the existing public school system. Public charter schools are hereby authorized as part of the state's program of public education and they shall have equal access and authority to participate in all state and federal programs to the same extent as a traditional public school, irrespective of the instructional delivery method. The legislature aims to:

(1) Improve student learning;

- (2) Increase learning opportunities for all students, with special emphasis on expanded learning experiences for students;
 - (3) Include the use of different and innovative teaching methods;
 - (4) Utilize virtual and hybrid learning;
- (5) Create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site;
- (6) Provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system:
- (7) Hold public charter schools accountable for meeting measurable student educational standards;
- (8) Reward public charter schools that meet their accountability measures with enhanced autonomy and freedom from regulatory burden; and
- (9) Foster and support charter schools through best practices, development, educational, and operational assistance.

SECTION 5. That Section $\underline{33-5202A}$, Idaho Code, be, and the same is hereby repealed.

SECTION 6. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 33-5202A, Idaho Code, and to read as follows:

33-5202A. DEFINITIONS. As used in this chapter, unless the context requires otherwise:

- (1) "Application" means the document submitted to the authorizer to request the creation of a public charter school.
 - (2) "Authorizer" means any of the following:
 - (a) A local board of trustees of a school district;
 - (b) The public charter school commission;
 - (c) An Idaho public college, university, or community college; or
 - (d) A private, nonprofit, Idaho-based, nonsectarian college or university that is accredited by the same organization that accredits Idaho public colleges and universities.
- (3) "Charter" means the grant of authority approved by the authorizer to the charter holder.
- (4) "Charter holder" means the public charter school's board of directors to which a charter is granted.
- (5) "Educational services provider" means a nonprofit or for-profit entity that contracts with a public charter school for a fee to provide

educational services and resources, including administrative support and educational design, implementation, or management.

- (6) "Founder" means a person who makes a material contribution toward the establishment of a public charter school and who is designated as such by the charter holder.
- (7) "Performance certificate" means a fixed-term, renewable certificate between a public charter school and an authorizer that outlines the negotiated roles, powers, responsibilities, and performance expectations for each party to the certificate.
- (8) "Public charter school" means a school that is authorized pursuant to this chapter to deliver public education in Idaho.
- (9) "Public charter school commission" or "commission" means the public charter school commission established pursuant to section 33-5213, Idaho Code.
- (10) "Traditional public school" means any school that is operated and controlled by a school district in this state.
- (11) "Virtual school" means a public charter school that delivers a full-time, sequential program of synchronous and/or asynchronous instruction primarily through the use of technology via the internet in a distributed environment. Schools classified as virtual must have an online component to their school with online lessons and tools for student and data management. Students enrolled in a virtual school may meet at the same location and time while receiving virtual instruction.
- SECTION 7. That Section 33-5203, Idaho Code, be, and the same is hereby repealed.
- SECTION 8. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5203, Idaho Code, and to read as follows:
- 33-5203. APPROVAL OF PUBLIC CHARTER SCHOOLS. (1) No whole school district may be converted to a charter district or any configuration that includes all schools as public charter schools.
 - (2) (a) The authorizer must receive an application no later than September 1 for a new public charter school to be eligible to begin instruction the first complete school year following receipt of the application, unless the authorizer agrees to a later date; and
 - (b) To begin operations, a newly chartered public school must be authorized by no later than January 1 of the previous school year, unless the authorizer agrees to a later date.
- (3) Any authorizer may approve a public charter school formed by creating a new public charter school or by replicating an existing public charter school. Converting an existing traditional public school to a public charter school may only be approved by the board of trustees of the school district in which the existing public school is located.
 - (4) No charter shall be approved under this chapter:
 - (a) That provides for the conversion of any existing private or parochial school to a public charter school;
 - (b) For a for-profit entity; provided, however, nothing in this section shall prevent the board of directors of a public charter school from

legally contracting with an educational service provider that provides comprehensive educational administrative and management services or with for-profit entities for the provision of products or services that aid in the operation of the school; or

- (c) By the board of trustees of a school district if the public charter school's physical location is outside the boundaries of the authorizing school district.
- (5) A charter holder may not operate enterprises unrelated to the educational purposes for which the public charter school has been authorized. In cases of related enterprises, including but not limited to daycare and after school programs, no state education funding authorized pursuant to this chapter may be used to subsidize such related enterprises.
 - (6) (a) Each authorized public charter school is hereby designated as a local education agency (LEA) as such term is defined in 34 CFR 300.28, unless the charter holder and authorizer agree that:
 - (i) Public charter schools authorized by the board of trustees of a school district may be included in that district's LEA; or
 - (ii) Entities with multiple charters may operate as a single LEA.
 - (b) Notice of an agreement pursuant to paragraph (a) of this subsection must be provided to the state department of education by no later than February 1 of the proceeding school year.
- SECTION 9. That Section 33-5204, Idaho Code, be, and the same is hereby repealed.
- SECTION 10. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5204, Idaho Code, and to read as follows:
- 33-5204. NONPROFIT CORPORATION -- LIABILITY -- INSURANCE. (1) A public charter school shall be organized and managed pursuant to the Idaho non-profit corporation act, chapter 30, title 30, Idaho Code. The board of directors of a public charter school shall be deemed public agents authorized to operate and control the public charter school.
- (2) For the purposes of section 59-1302(15), Idaho Code, a public charter school created pursuant to this chapter is deemed a governmental entity. Pursuant to the provisions of section 63-36220, Idaho Code, sales to or purchases by a public charter school are exempt from payment of the sales and use tax. Pursuant to section 63-602A(1), Idaho Code, property belonging to a public charter school is exempt from taxation. Every employee and member of the board of directors of the charter holder is subject to the provisions of and shall comply with:
 - (a) Sections 18-1351 through 18-1362, Idaho Code, on bribery and corrupt influence, except as provided by section 74-405, Idaho Code;
 - (b) Chapters 1, 2, 4, and 5, title 74, Idaho Code; and
 - (c) Professional codes and standards approved by the state board of education, including standards for ethics or conduct. In the event any code or standard pursuant to this paragraph conflicts with any other section of Idaho Code, then Idaho Code shall govern.
- (3) A public charter school may sue or be sued, may purchase, receive, hold, and convey real and personal property for school purposes, and may bor-

row money for such purposes to the same extent and on the same conditions as a traditional public school district, and its employees, directors, and officers shall enjoy the same immunities as employees, directors, and officers of traditional public school districts and other public schools, including those provided by chapter 9, title 6, Idaho Code. The authorizer that approves a public school charter has no liability for the acts, omissions, debts, or other obligations of a public charter school, except as may be provided in the charter. A local public school district has no liability for the acts, omissions, debts, or other obligations of a public charter school located in its district that has been approved by an authorizer other than the board of trustees of the local school district.

- (4) Nothing in this chapter prevents the charter holder from borrowing money to finance the purchase or lease of school building facilities, equipment, and furnishings. Subject to the terms of a contractual agreement between the board and a lender, nothing in this section shall prevent the charter holder from using the facility or its equipment and furnishings as collateral for the loan.
- (5) Public charter schools shall secure insurance for liability and property loss.
- charter school for deposit in any bank or trust company or the lending of moneys by any bank or trust company to any public charter school shall not be deemed to be a contract or other transaction pertaining to the maintenance or conduct of a public charter school and authorizer within the meaning of this section; nor shall the payment of compensation by any public charter school board of directors to any bank or trust company for services rendered in the transaction of any banking business with such public charter school board of directors be deemed the payment of any reward or compensation to any officer or director of any such bank or trust company within the meaning of this section.
- (7) Each charter holder shall adopt a policy that is consistent with section 33-507, Idaho Code, regarding the hiring of family members, to avoid any nepotism in hiring and supervision. The policy shall require, among other things, a disclosure to the board of any potential nepotism in hiring and supervision. Any party with such a conflict shall not be involved in the hiring decision or supervision of a potential employee.
- SECTION 11. That Section 33-5204A, Idaho Code, be, and the same is hereby repealed.
 - SECTION 12. That Section $\underline{33-5205}$, Idaho Code, be, and the same is hereby repealed.
 - SECTION 13. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5205, Idaho Code, and to read as follows:
 - 33-5205. APPLICATION TO ESTABLISH A PUBLIC CHARTER SCHOOL -- HEARING -- APPLICATION DECISION -- APPEAL PROCEDURE -- TERM. (1) A public charter school application may be submitted to only one (1) authorizer at a time. If an application has been denied by an authorizer or an application is with-

drawn by the applicant, then the applicant may resubmit an application to another authorizer.

- (2) (a) Authorizers shall develop a transparent application process to establish a new public charter school. The application shall require applicants to provide descriptions of the following key features of the prospective public charter school:
 - (i) The educational program, including educational philosophy, student academic proficiency and growth standards, measurement methods, any mission-specific standards that may be unique to the school, and strategies for meeting the needs of specific student populations, including English language learners, at-risk students, and special education or gifted and talented students;
 - (ii) The financial and facilities plan with a pre-opening budget, three (3) year operating budget, break-even analysis and cash flow projection, evidence of existing and anticipated funds, and projected facility costs;
 - (iii) Board capacity and governance structure, including copies of the articles of incorporation and corporate bylaws;
 - (iv) Student demand and primary attendance area, including a description of the population of students the proposed school intends to serve and the target enrollment by grade level; and
 - (v) Use of educational service providers, including the contracts, fees and terms, and recent contracts that the entity has executed with other charter schools.
- (b) Upon review of the completed application, representatives of the authorizer may request from applicants additional information actually necessary to clarify the contents.
- (3) An application for a virtual school must also contain statements describing the following:
 - (a) The learning management system by which courses will be delivered;
 - (b) The role of the online teacher, including the consistent availability of the teacher to provide guidance around course material, methods of individualized learning in the online course, and the means by which student work will be assessed;
 - (c) A plan for the provision of professional development specific to the public virtual school environment;
 - (d) The means by which public virtual school students will receive appropriate teacher-to-student interaction, including timely and frequent feedback about student progress;
 - (e) The means by which the public virtual school will verify student attendance and award course credit. Attendance at public virtual schools shall focus primarily on coursework and activities that are correlated to the Idaho state thoroughness standards;
 - (f) A plan for the provision of technical support relevant to the delivery of online courses;
 - (g) The means by which the public virtual school will provide opportunity for student-to-student interaction;
 - (h) Any financial agreement that will require an education service provider to assume a virtual school's financial risk when the virtual school does not have sufficient residual funds to pay the education ser-

vice provider, to the extent there is such an agreement. Such financial agreement will be favorably considered during the application process. Where this paragraph is applicable, the education service provider shall make its audited financial statements available unless the education service provider already makes such audited financial statements publicly available for compliance with other federal or state laws; and

- (i) A plan for ensuring equal access for all students, including the provision of necessary hardware, software, and internet connectivity required for participation in online coursework, and utilization of remote testing, proctoring, and administration procedures for state-required assessments.
- (4) The authorizer shall afford applicants a hearing prior to making a decision, with an opportunity in a public forum for local residents to learn about and provide input on each application. The authorizer shall provide each applicant with its detailed analysis of the application and grant the applicant at least fourteen (14) days to provide additional materials to address any identified deficiencies.
- (5) No later than ninety (90) days after an application is submitted, the authorizer shall decide to approve or deny the charter application, unless the applicant agrees to a later date. The authorizer shall adopt by resolution all charter approval or denial decisions in an open meeting of the authorizer's governing board and, in the case of a denial, include all reasons for denial in the resolution adopted by the governing board.
 - (a) An application may be approved by the authorizer without condition or with specific and relevant pre-opening conditions the authorizer finds necessary in the applicant's unique case to ensure the school can meet its academic and financial requirements.
 - (b) If an application is denied, then the authorizer must prepare a written notice of its decision within fourteen (14) days, including all of the reasons for the denial and a statement that explains the criteria and standards considered relevant by the authorizer in its denial, the relevant contested facts relied upon, and the rationale for the decision based on the applicable statutory provisions and factual information presented to the authorizer.
- (6) If an authorizer denies an application for the establishment of a public charter school for any reason, then such decision may be appealed to the office of administrative hearings within thirty (30) days of the date of the written decision at the request of the applicant whose request for a new charter was denied.
 - (a) The office of administrative hearings shall, within thirty (30) days of receipt of the request, review the full record regarding the charter application and convene a public hearing regarding the appeal. Within ten (10) days of the public hearing, the hearing officer shall submit a written recommendation to the authorizer and to the persons requesting the review. The recommendation by the hearing officer either to affirm or reverse the decision of the authorizer shall be based on the full record regarding the charter application, including the standards and criteria contained in this chapter. The recommendation shall be in writing and accompanied by a reasoned statement that explains the criteria and standards considered relevant, states the relevant contested

facts relied upon, and explains the rationale for the recommendations based on the applicable statutory provisions and factual information contained in the record.

- (b) Within thirty (30) days following receipt of the hearing officer's written recommendation, the authorizer shall hold a meeting open to the public for the purpose of reviewing the hearing officer's written recommendation. Within ten (10) days of such meeting, the authorizer shall either affirm or reverse its initial decision. The authorizer's decision shall be in writing and contain findings that explain the reasons for its decision.
- (c) If, upon reconsideration of a decision to deny an application for a public charter school, the authorizer:
 - (i) Reverses its initial decision and approves the public charter school application, then there shall be no further appeal; or
 - (ii) Affirms its initial decision denying the public charter school application, then the board of directors of the nonprofit corporation may appeal as set forth in chapter 52, title 67, Idaho Code.
- (d) There shall be no appeal of a decision by a local school board of trustees that denies the conversion of an existing traditional public school within that district to a public charter school or a decision by an authorizer that approves an application for a public charter school.
- (7) (a) An approved initial charter shall be granted for a term of six (6) operating years. The charter shall include the beginning and ending dates of the charter term. An approved school may delay its opening for one (1) school year to plan and prepare for the school's opening. A delay greater than one (1) school year requires an extension from the school's authorizer.
- (b) In order to incubate innovative charter schools, an authorizer may instead grant a pilot charter with an initial term of three (3) operating years to test an innovative or novel model. This pilot charter shall be used in limited instances and the authorizer must provide sufficient documentation to justify the shorter term.
- SECTION 14. That Section 33-5205A, Idaho Code, be, and the same is hereby repealed.
- SECTION 15. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5205A, Idaho Code, and to read as follows:
- 33-5205A. TRANSFER OF CHARTER. (1) A charter may be transferred to, and placed under the chartering authority of, any authorizer if the receiving authorizer and the charter holder agree to such transfer. The receiving authorizer and charter holder may agree to revisions to the charter and performance certificate as required by such transfer.
- (2) Upon request for a transfer, the current authorizer has seventy-five (75) days to approve the transfer request or to provide written justification for not approving such request.
- (3) If the current authorizer does not approve the request, then the matter may be appealed to the office of administrative hearings and be sub-

ject to judicial review as a contested case pursuant to chapter 52, title 67, Idaho Code.

SECTION 16. That Section 33-5205B, Idaho Code, be, and the same is hereby repealed.

SECTION 17. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5205B, Idaho Code, and to read as follows:

33-5205B. PERFORMANCE-BASED ACCOUNTABILITY. (1) Within seventy-five (75) days of approval of a charter application, the authorizer and the charter holder shall negotiate and execute a performance certificate that clearly sets forth the agreed-upon academic and operational performance expectations and measures, consistent with those outlined by the public charter school in its application. The performance expectations and measures set forth in the performance certificate shall include:

- (a) Student academic proficiency;
- (b) Student academic growth;

- (c) College and career readiness (for high schools);
- (d) The actual and potential at-risk and economically disadvantaged makeup of the student body population as defined in section 33-1001, Idaho Code, for all grade levels; and
- (e) Board performance and stewardship, including compliance with all applicable laws, regulations, and terms of the performance certificate.
- (2) The performance certificate shall be signed by the designated representatives of the authorizer's governing board and the charter holder.
- (3) No public charter school may commence operations without an executed performance certificate.
- (4) An authorizer shall continually monitor the performance and legal compliance of the public charter schools it oversees, including collecting and analyzing data, and may conduct prearranged site visits, if needed, to support ongoing evaluation according to the performance certificate. Every authorizer shall have the authority to conduct oversight activities that enable the authorizer to fulfill its responsibilities, including conducting appropriate inquiries and investigations, as long as those activities are consistent with the intent of this chapter and do not unduly inhibit the autonomy granted to public charter schools. If an authorizer has reason to believe that a charter holder or public charter school has violated any provision of law, it shall notify the charter holder and the entity responsible for administering said law of the possible violation.
- (5) A charter holder or the authorizer may enter into negotiations to revise a charter or performance certificate at any time. If a charter holder applies to revise its charter or performance certificate, the authorizer's review of the application shall be limited in scope solely to the proposed revisions.
- (6) The charter holder shall be responsible for promptly notifying the authorizer of the following with appropriate documentation:

(a) If the charter holder becomes aware that the school is not operating in substantial compliance with the terms and conditions of its performance certificate;

- (b) If any revisions or amendments are made to the articles of incorporation or bylaws;
- (c) If the school's accrediting body finds that the school has failed to meet or maintain full accreditation requirements;
- (d) If any complaints are filed against the school, including but not limited to lawsuits and complaints filed with the Idaho professional standards commission relating to school employees;
- (e) If there are changes to any school board members or their contact information; or
- (f) If there are any early warning signs of distress as outlined in the performance certificate, including any excessive reductions in enrollment of all students or at-risk students, excessive staff turnover, or excessive governance board turnover of the charter holder in any school year or between school years.
- SECTION 18. That Section 33-5205C, Idaho Code, be, and the same is hereby repealed.
- SECTION 19. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5205C, Idaho Code, and to read as follows:
- 33-5205C. PUBLIC CHARTER SCHOOL REPLICATION. (1) Public charter schools that have successfully completed at least one (1) renewal without condition may apply for fast-tracked replication.
- (2) Replication public charter schools must have the same operational model and serve the same, or a subset of the same, grades as the public charter school being replicated.
 - (3) An abridged application for replication shall narrowly focus on:
 - (a) A description of the capacity of the charter holder to successfully replicate an additional school;
 - (b) A description of how the charter holder will manage multiple charter schools while maintaining a high level of academic and fiscal performance in the original public charter school and the replication school; and
 - (c) Location-specific information for the new replication charter school.
- (4) Replication applications shall be considered by an authorizer within forty-five (45) days of submission unless the replication applicant agrees to a later date.
- SECTION 20. That Section 33-5206, Idaho Code, be, and the same is hereby repealed.
- SECTION 21. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 33-5206, Idaho Code, and to read as follows:

- 33-5206. REQUIREMENTS FOR OPERATING A PUBLIC CHARTER SCHOOL. (1) A public charter school shall be nonsectarian in its programs, affiliations, admission policies, employment practices, and all other operations, shall not charge tuition, levy taxes, or issue bonds, and shall not discriminate against any student on any basis prohibited by the federal or state constitution or any federal, state, or local law. Public charter schools shall comply with the federal individuals with disabilities education act. Admission to a public charter school shall not be determined according to the place of residence of the student or of the student's parent or guardian within the district.
 - (2) No board of trustees of a public school district may require:
 - (a) Any employee of the school district to be involuntarily assigned to work in a public charter school; or
 - (b) Any student enrolled in the school district to attend a public charter school.
- (3) Employment of charter school teachers and administrators shall be on written contract.
- (4) Administrators may be certified pursuant to the requirements set forth in chapter 12, title 33, Idaho Code, pertaining to traditional public schools or may hold a charter school administrator certificate, which requires that the administrator:
 - (a) Holds a bachelor's degree from an accredited four (4) year institution;
 - (b) Submits to a criminal history check as described in section 33-130, Idaho Code;
 - (c) Completes a course consisting of a minimum of three (3) semester credits in the statewide framework for teacher evaluations, which shall include a laboratory component;
 - (d) Submits a letter of support from a charter holder; and
 - (e) Has one (1) or more of the following:

- (i) Four (4) or more years of experience administering a public charter school;
- (ii) A postbaccalaureate degree and a minimum of five (5) years of experience in school administration, public administration, business administration, or military administration;
- (iii) Successful completion of a nationally recognized charter school leaders fellowship; or
- (iv) Four (4) or more years of teaching experience and a commitment from an administrator at a charter school in academic, operational, and financial good standing, according to its authorizer's most recent review, to mentor the applicant for a minimum of one (1) year.
- (5) A charter school administrator certificate is valid for five (5) years and renewable thereafter. Administrators shall be subject to oversight by the professional standards commission. Certificates may be revoked pursuant to the provisions of section 33-1208, Idaho Code. Issuance of a certificate to any applicant may be refused for such reason as would have constituted grounds for revocation.
- (6) Certified teachers in a public charter school shall be considered public school teachers. Educational experience shall accrue for service in

a public charter school and be counted by any school district for any teacher who has been employed in a public charter school. The staff of the public charter school shall be considered a separate unit for the purposes of collective bargaining.

- (7) Charter school teachers may be certified pursuant to the requirements set forth in chapter 12, title 33, Idaho Code, pertaining to traditional public school districts or may hold a charter school-specific teaching certificate.
 - (a) Criteria for a charter school-specific teaching certificate shall be in writing and require that teachers satisfy the provisions set forth in section 33-1202 1., 3., and 4., Idaho Code, and meet the following minimum educational or professional qualifications:
 - (i) Hold a bachelor's degree from an accredited institution; or
 - (ii) If instructing students in the fields of career technical education, satisfy the provisions of section 33-2205(6)(a), Idaho Code. Career technical education programs taught by teachers with a charter school-specific teaching certificate shall receive added-cost funding set forth in section 33-2215, Idaho Code, in an amount equal to programs taught by teachers with an occupational specialist teaching certificate.
 - (b) Teachers with a charter school-specific teaching certificate shall receive mentoring and professional development as approved by the charter holder.
 - (c) The state board of education shall issue charter school-specific teaching certificates to teachers upon recommendation of the individual charter school, unless denied on the grounds set forth in section 33-1208, Idaho Code.
 - (d) For teachers holding a charter school-specific teaching certificate, a charter school may substitute its own ongoing education and professional development requirements in place of those set forth in rule by the state board of education if the same number of credit hours is required as that of teachers holding a standard instructional certificate.
- (8) Public charter schools may contract with educational services providers subject to the following provisions:
 - (a) Educational services providers shall be third-party entities separate from the public charter schools with which they contract and shall not be considered governmental entities, provided that such contracts may be evaluated by the authorizer;
 - (b) No more than one-third (1/3) of the public charter school's board membership may be comprised of nonprofit educational services provider representatives. Nonprofit educational services provider representatives may not be employees of the public charter school or the educational services provider and may not hold office as president or treasurer on the public charter school's board. For-profit educational services providers may not have representatives on the public charter school's board of directors;
 - (c) Charter holders shall annually disclose any existing and potential conflicts of interest, pecuniary or otherwise, with affiliated educational services providers;

- (d) Charter holders shall retain accountability for academic, fiscal, and organizational operations and outcomes of the school and may not relinquish this responsibility to any other entity;
- (e) Contracts must ensure that school boards retain the right to terminate the contract for failure to meet defined performance standards after notice and a reasonable cure period has expired and if material deficiencies have not been cured prior to that time period expiring;
- (f) Contracts must ensure that assets purchased by educational services providers on behalf of the school, using public funds, shall remain assets of the school. The provisions of this paragraph shall not prevent educational services providers from acquiring assets using revenue acquired through management fees;
- (g) Charter holders shall consult legal counsel independent of the party with whom they are contracting for purposes of reviewing the school's management contract and facility lease or purchase agreements to ensure compliance with applicable state and federal law, including requirements that state entities not enter into contracts that obligate them beyond the terms of any appropriation of funds by the state legislature:
- (h) Charter holders must ensure that their facility contracts are separate from management contracts; and
- (i) A virtual school shall be deemed financially sufficient if there is an agreement that requires an educational services provider to assume the virtual school's financial risk when it does not have sufficient residual funds to pay the educational services provider. Where this paragraph is applicable, the educational services provider shall make its audited financial statements available, unless the educational services provider already makes such audited financial statements publicly available for compliance with other federal or state laws.
- (9) Admission procedures, including provision for over-enrollment, shall provide that the initial admission procedures for a public charter school will be determined by lottery or other random method, except as otherwise provided in this section. A charter holder shall strive to ensure that citizens in the primary attendance area are made aware of the enrollment opportunities and deadline. The public notice must include the enrollment deadline, the public charter school's total enrollment capacity for the next school year, and an advisory that all prospective students will be given the opportunity to enroll in the public charter school regardless of race, color, national origin, ethnicity, religion, gender, socioeconomic status, or special needs.
 - (a) If initial capacity is insufficient to enroll all pupils who submit a timely application, then the admission procedures may provide that preference shall be given in the following order: first, to children of founders, provided that this admission preference shall be limited to not more than ten percent (10%) of the capacity of the public charter school; second, to siblings of pupils already selected by the lottery or other random method; third, to pupils seeking to transfer from another Idaho public charter school or authorizer at which they have been enrolled for at least one (1) year, provided that this admission preference shall be subject to an existing written agreement for such prefer-

ence between the subject charter schools or authorizer; fourth, to students residing within the primary attendance area of the public charter school; and fifth, by an equitable selection process such as a lottery or other random method. A public charter school may weight the school's lottery to preference admission for the following educationally disadvantaged students: students living at or below one hundred eighty-five percent (185%) of the federal poverty level, students who are homeless or in foster care, children with disabilities as defined in section 33-2001, Idaho Code, students with limited English proficiency, and students who are at-risk as defined in section 33-1001, Idaho Code. A public charter school may include the children of full-time employees of the public charter school within the first priority group, subject to the limitations therein.

- (b) If capacity is insufficient to enroll all pupils who submit a timely application for subsequent school terms, then the admission procedures may provide that preference shall be given in the following order: first, to pupils returning to the public charter school in the second or any subsequent year of its operation; and then as provided in paragraph (a) of this subsection. The sibling preference in subsequent school years applies to siblings of a returning pupil and of a pupil selected by the lottery or other random method. A new lottery shall be conducted each year to fill vacancies that become available. A public charter school may weight the school's lottery to preference admission as provided in this paragraph and paragraph (a) of this subsection and for children who attended the public charter school within the previous three (3) school years but withdrew as a result of the relocation of a parent or guardian due to an academic sabbatical or an employer or military transfer or reassignment.
- (c) Each public charter school shall establish a process under which a child may apply for enrollment or register for courses, regardless of where such child resides at the time of application or registration, if the child is a dependent of a member of the United States armed forces who has received transfer orders to a location in Idaho and will, upon such transfer, reside in an area served by the public charter school. If capacity is insufficient as described in paragraph (a) or (b) of this subsection, a child described in this paragraph shall be treated as a student residing within the primary attendance area of the public charter school for purposes of preference. Otherwise, such children shall be included in the highest priority group for which they would otherwise be eligible.
- (d) Admission to a public charter school shall be determined by a selection process held within seven (7) days of the enrollment deadlines established by the charter holder. The selection process must take place in a public setting, the date and time of which must be noticed to the public at least forty-eight (48) hours in advance.
- (e) Within seven (7) days after conducting the selection process, the charter holder shall send an offer to the legal guardian who submitted a written request for admission on behalf of a student notifying such person that the student has been selected for admission to the public charter school. An offer must be signed by such student's parent or guardian

and returned to the public charter school by the date designated in such offer letter. Remaining students shall be notified that they may be eliqible for admission at a later date if a seat becomes available.

- (f) If a school exceeds its projected student count in a lottery and a sufficient wait list exists, the school may increase enrollment by adding additional students per grade, not to exceed the total amount of students authorized by the charter.
- SECTION 22. That Section 33-5207, Idaho Code, be, and the same is hereby repealed.
- SECTION 23. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5207, Idaho Code, and to read as follows:
- 33-5207. PUBLIC CHARTER SCHOOL FINANCIAL SUPPORT. (1) Except as otherwise provided for in this section, the state department of education shall make the following apportionment to each charter school for each fiscal year based on attendance figures submitted in a manner and time as required by the state department of education.
- (2) Per student support. Computation of support units for each public charter school shall be calculated as if it were a separate school according to the schedules in section 33-1002(4), Idaho Code, except that public charter schools with fewer than one hundred (100) secondary ADA shall use a divisor of twelve (12) and the minimum units shall not apply. No public charter school shall receive an increase in support units that exceeds the support units it received in the prior year by more than forty (40), except in cases of state declared emergencies that have been approved by the authorizer as having an impact on public education. Funding from the state educational support program shall be equal to the total distribution factor, plus the salary-based apportionment provided in chapter 10, title 33, Idaho Code. Provided, however, any public charter school that is formed by the conversion of an existing traditional public school shall be assigned divisors, pursuant to section 33-1002, Idaho Code, that are no lower than the divisors of the school district in which the traditional public school is located, for each category of pupils listed.
- (3) Special education. For each student enrolled in the public charter school who is entitled to special education services, the public charter school shall receive the state and federal funds from the exceptional child education program for that student that would have been apportioned to the school district in which the public charter school is located.
- (4) Alternative school support. Public charter schools may qualify under the provisions of sections 33-1002 and 33-1002C, Idaho Code, provided the public charter school meets the necessary statutory requirements and students qualify for attendance at an alternative school as provided by rule of the state board of education.
- (5) Transportation support. Support shall be paid to the public charter school as provided in chapter 15, title 33, Idaho Code, and section 33-1006, Idaho Code. Each public charter school shall furnish the department with an enrollment count as of the first Friday in November of public charter school students who are eligible for reimbursement of transporta-

tion costs under the provisions of this subsection and who reside more than one and one-half $(1\ 1/2)$ miles from the school. The state department of education is authorized to include in the annual appropriation to the charter school sixty percent (60%) of the estimated transportation cost. The final appropriation payment in July shall reflect reimbursements of actual costs pursuant to section 33-1006, Idaho Code. To be eligible for state reimbursement under the provisions of section 33-1006, Idaho Code, the student to be transported must reside within the public charter school's primary attendance area and must meet at least one (1) of the following criteria:

- (a) The student resides within the school district in which the public charter school is physically located; or
- (b) The student resides within fifteen (15) miles by road of the public charter school. The limitations placed by this subsection on the reimbursement of transportation costs for certain students shall not apply to public virtual schools.
- (6) Facilities funds.

- (a) The state department of education shall distribute facilities funds to public charter schools for each enrolled student in which a majority of the student's instruction is received at a facility that is owned or leased by the public charter school. Such funds shall be used to defray the costs associated with payments for real property used by the students or employees of the public charter school for educational or administrative purposes. Such funds shall be distributed from the moneys appropriated to the educational support program and shall be calculated as fifty percent (50%) of the statewide average amount of bond and plant facility funds levied per student by Idaho school districts.
- (b) For those public charter schools that do not receive facilities funds for all enrolled students, the school may submit to the state department of education a reimbursement claim for any costs for which facilities funds may be used. The state department of education shall reduce such claim by the greater of fifty percent (50%) or the percentage of the school's enrolled students for which the school receives facilities funds and shall pay the balance. Provided, however, that the total reimbursements paid to a public charter school, in combination with any facilities stipend received by the school, shall not exceed the amount of facilities funds that would have been received by the school had the school received facilities funds for all enrolled students. For the purposes of this subsection, the term "real property" shall be used as defined in section 63-201, Idaho Code.
- (7) Payment schedule. The state department of education is authorized to make an advance payment of twenty-five percent (25%) of a public charter school's estimated annual apportionment for its first year of operation, and each year thereafter, provided the public charter school is serving more grades or at least ten percent (10%) more classes than the previous year, to assist the school with initial start-up costs or payroll obligations. For a public charter school entering at least its second year of operation, the state department of education may require documentation establishing the need for such an advance payment, including comparative class schedules and proof of a commensurate increase in the number of employees.

- (a) For a public charter school to receive the advance payment, the school shall submit its anticipated fall membership for each grade level to the state department of education by June 1.
- (b) Using the figures provided by the public charter school, the state department of education shall determine an estimated annual apportionment from which the amount of the advance payment shall be calculated. Advance payment shall be made to the school on or after July 1 but no later than July 31.
- (c) All subsequent payments, taking into account the onetime advance payment made for the first year of operation, shall be made to the public charter school in the same manner as other traditional public schools in accordance with the provisions of section 33-1009, Idaho Code. A public charter school shall comply with all applicable fiscal requirements of law, except that the following provisions shall not be applicable to public charter schools: that portion of section 33-1004, Idaho Code, relating to reduction of the administrative and instructional staff allowance and the pupil service staff allowance when there is a discrepancy between the number allowed and the number actually employed; and section 33-1004E, Idaho Code, for calculation of district staff indices.
- (8) If an authorizer has reason to believe that a public charter school cannot remain fiscally sound for the remainder of its certificate term, it shall provide the state department of education with written notification of such concern. Upon receiving such notification, the state department of education shall have the authority to modify the percentage of the total appropriation to be paid to the public charter school pursuant to the provisions of section 33-1009 1., Idaho Code, such that equal percentages are paid on each of the prescribed dates.
- (9) Each public charter school shall pay an authorizer fee to its authorizer, not to initially exceed twenty thousand dollars (\$20,000), or, in the case of existing charter schools, up to a five-percent (5%) increase of the previous year's fee. Authorizers shall annually set the authorizer's fee and in doing so shall document the fees to actual expenditures associated with authorizing.
 - (10) Nothing in this chapter shall prevent a public charter school from:
 - (a) Applying for federal grant moneys or for career technical education funding of any source; or
 - (b) Receiving funding or other financial assistance for the establishment or operation of a public charter school from any private person or organization.
- (11) Each student in attendance at a public virtual school shall be funded based on either the actual hours of attendance in the public virtual school on a flexible schedule or the percentage of coursework completed, whichever is more advantageous to the school, up to the maximum of one (1) full-time equivalent student.
- (12) All federal educational funds shall be administered and distributed to public charter schools, including public virtual schools, that have been designated as a local education agency (LEA), as provided in section 33-5203, Idaho Code.

(13) Nothing in this section prohibits separate face-to-face learning activities or services. In order to be eligible for career technical education essential components funding, virtual schools may be required to offer some face-to-face instruction in order to meet industry standards, licensing requirements, work-based learning requirements, or other requirements set forth by law.

- (14) The provisions of section 33-1021, Idaho Code, shall apply to public charter schools provided for in this chapter.
- SECTION 24. That Section 33-5208, Idaho Code, be, and the same is hereby repealed.
- SECTION 25. That Section 33-5209A, Idaho Code, be, and the same is hereby repealed.
- SECTION 26. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5209A, Idaho Code, and to read as follows:
- 33-5209A. CHARTER RENEWALS. (1) A charter may be renewed for successive terms. An authorizer may grant renewal with specific written conditions for necessary improvements to a public charter school and a date by which the conditions must be met.
- (2) No later than September 1, the authorizer shall issue a public charter school performance report and charter renewal application guidance to any charter holder with a public charter school whose charter will expire the following year. The performance report shall summarize the public charter school's performance record to date, based on the performance certificate, and shall provide notice of any weaknesses or concerns that may jeopardize renewal, if not timely rectified. The charter holder shall have thirty (30) days to respond to the performance report and submit any corrections or clarifications for the report.
- (3) The renewal application guidance shall, at a minimum, provide an opportunity for the charter holder to:
 - (a) Present additional evidence, beyond the data contained in the performance report, supporting its case for charter renewal; and
 - (b) Describe improvements undertaken or planned for the school.
- (4) The renewal application guidance shall include or refer explicitly to the criteria that will guide the authorizer's renewal decisions, which shall be based on independent fiscal audits and the performance framework set forth in the performance certificate.
- (5) No later than December 15, the charter holder seeking renewal shall submit a renewal application to the authorizer pursuant to the renewal application guidance issued by the authorizer. The authorizer shall vote on the renewal application no later than March 15; if the authorizer does not vote by March 15, the application shall be deemed approved.
 - (6) In making charter renewal decisions, every authorizer shall:
 - (a) Ground its decisions in evidence of the school's performance over the term of the performance certificate;
 - (b) Ensure that data used in making renewal decisions are available to the school and the public;

- (c) Take into consideration the actual and potential at-risk and economically disadvantaged makeup of the student body population as defined in section 33-1001, Idaho Code, for all grade levels;
- (d) Provide a public report summarizing the evidence basis for each decision.
- (7) An authorizer shall renew any charter in which the public charter school met all of the terms of its performance certificate at the time of renewal for a term of twelve (12) years or, in the case of a pilot charter, a renewal term of six (6) years. An authorizer may renew for a six (6) year term or choose not to renew any charter in which the public charter school failed to meet one (1) or more of the terms of its performance certificate.
- (8) If an authorizer takes no action on a renewal, the charter shall be provisionally renewed until such time as the chartering entity takes action.
- (9) A decision not to renew a charter or to deny a revision of a charter may be appealed to the office of administrative hearings and is subject to judicial review as a contested case as set forth in chapter 52, title 67, Idaho Code.
- SECTION 27. That Section 33-5209B, Idaho Code, be, and the same is hereby repealed.
- SECTION 28. That Section 33-5209C, Idaho Code, be, and the same is hereby repealed.
- SECTION 29. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5209C, Idaho Code, and to read as follows:
- 33-5209C. REVOCATION OF A CHARTER. (1) A charter may be revoked by the authorizer if, after fair and specific notice from the authorizer, the public charter school:
 - (a) Commits a material and substantial violation of any of the terms, conditions, standards, or procedures required by this chapter or the performance certificate;
 - (b) Fails to meet generally accepted standards for fiscal management; or
 - (c) Substantially violates any material provision of law from which the public charter school was not exempted.
- (2) Revocation may not occur until the charter holder has been afforded a public hearing, unless the authorizer determines that the continued operation of the public charter school presents an imminent public safety issue, in which case the charter may be revoked immediately. Public hearings shall be conducted by the authorizer or such other person or persons appointed by the authorizer to conduct public hearings and receive evidence as a contested case in accordance with the provisions of section 67-5242, Idaho Code. Notice and opportunity to reply shall include, at a minimum, written notice setting out the basis for consideration of revocation, a period of not less than thirty (30) days within which the charter holder can reply in writing, and a public hearing within thirty (30) days of the receipt of the written reply. If a charter holder does not reply by the date set in the

notice, a public hearing shall be held no later than sixty (60) days after the date the notice was sent by the authorizing charter entity.

- (3) If an authorizer revokes a charter, the authorizer in a resolution of its governing body shall clearly state the reasons for the revocation. The authorizer shall take into consideration whether the charter school has been enrolled in the Idaho building capacity program and any progress reported by the state department of education.
- (4) Within fourteen (14) days of taking action to revoke a charter, the authorizer shall report to the state board of education the action taken and shall provide a copy of the report to the charter holder at the same time. The report shall include a copy of the authorizer's resolution setting forth the action taken, reasons for the decision, and assurances as to compliance with the requirements set forth in this chapter.
- (5) A decision to revoke a charter may be appealed to the office of administrative hearings and is subject to judicial review as a contested case as set forth in chapter 52, title 67, Idaho Code.

SECTION 30. That Section 33-5210, Idaho Code, be, and the same is hereby repealed.

- SECTION 31. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5210, Idaho Code, and to read as follows:
- 33-5210. APPLICATION OF SCHOOL LAW -- EXEMPTION FROM STATE RULES. (1) All public charter schools are under the general supervision of the state board of education.
- (2) Each public charter school shall comply with the financial reporting requirements of section 33-701 5. through 10., Idaho Code, in the same manner as those requirements are imposed upon school districts and shall comply with laws governing safety, including but not limited to sections 33-122 and 33-130, Idaho Code, and chapter 2, title 33, Idaho Code, and rules promulgated thereunder.
- (3) Other than as specified in this section, each public charter school is exempt from rules governing school districts promulgated by the state board of education, with the exception of state rules relating to:
 - (a) Teacher certification as necessitated by the provisions of section 33-5206, Idaho Code;
 - (b) Accreditation of the school as necessitated by the provisions of section 33-119, Idaho Code;
 - (c) Qualifications of a student for attendance at an alternative school as necessitated by the provisions of section 33-5207, Idaho Code; and
 - (d) Rules promulgated pursuant to section 33-1612, Idaho Code.

SECTION 32. That Section 33-5211, Idaho Code, be, and the same is hereby repealed.

SECTION 33. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 33-5211, Idaho Code, and to read as follows:

33-5211. TECHNICAL SUPPORT AND INFORMATION. (1) Upon request, the state department of education shall provide technical assistance to persons or authorizers preparing or reviewing charter applications or performance certificates and to existing public charter schools in the same manner as such assistance is provided to traditional public schools and school districts.

- (2) The state department of education shall annually offer a public charter school workshop and make a recording available to the public.
- (3) The state department of education shall collaborate with authorizers to enroll charter schools in need of improvement in support and development programs, including but not limited to the Idaho building capacity program.
- SECTION 34. That Section $\underline{33-5212}$, Idaho Code, be, and the same is hereby repealed.
- SECTION 35. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5212, Idaho Code, and to read as follows:
- 33-5212. SCHOOL CLOSURE AND DISSOLUTION. (1) Authorizers shall have a public charter school closure protocol to ensure timely notification to parents, orderly transition of students and student records to new schools, and proper disposition of school funds, property, and assets in accordance with the requirements of this chapter. The protocol shall specify tasks, timelines, and responsible parties, including delineating the respective duties of the school and the authorizer. In the event of a public charter school closure for any reason, the authorizer shall oversee and work with the closing school to ensure a smooth and orderly closure and transition for students and parents, as guided by the closure protocol. The closing school's charter holder shall be responsible for executing the school's closure.
- (2) In the event of a public charter school closure, the assets of the school shall be distributed first to satisfy outstanding payroll obligations for employees of the school, including any tax, public employee retirement system, and other employee benefit obligations, then to creditors of the school, and then to the authorizer in the case of a public charter school authorized by the board of a local school district. In the case of a public charter school authorized by any other authorizer, any remaining assets shall be distributed to the public school income fund. Assets purchased using federal funds shall be returned to the authorizer for redistribution among other public charter schools. If the assets of the school are insufficient to pay all parties to whom the school owes compensation, the prioritization of the distribution of assets may be determined by decree of a court of law.
- SECTION 36. That Section 33-5213, Idaho Code, be, and the same is hereby repealed.
- SECTION 37. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5213, Idaho Code, and to read as follows:

33-5213. PUBLIC CHARTER SCHOOL COMMISSION. (1) There is hereby created an independent public charter school commission under the state board of education. The commission is hereby authorized to appoint a director who shall serve at the pleasure of the commission and shall receive such salary as fixed by the commission. It shall be the responsibility and duty of the director acting at the direction of the commission to administer and enforce the provisions of this chapter and to foster and support charter schools through effective partnerships with other state agencies. The director shall hire such staff as may be necessary to assist in carrying out the provisions of this chapter.

- (2) The public charter school commission shall adopt policies regarding the governance and administration of the commission consistent with legislative intent and section 67-5207A, Idaho Code.
- (3) The commission shall be composed of seven (7) members appointed by the governor, subject to the advice and consent of the senate.
- (4) The term of office for commission members shall be four (4) years. In making such appointments, the governor shall consider regional balance without reference to party affiliation. 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 of the commission shall have demonstrated understanding of and commitment to charter schools as a strategy for strengthening public education by providing additional education choices from which parents can choose. Members of the commission shall hold office until the expiration of the term to which the member was appointed and until a successor has been duly appointed, unless sooner removed for cause by the governor. Whenever a vacancy occurs, the governor shall appoint a qualified person to fill the vacancy for the unexpired portion of the term.
- (5) All members of the commission shall be citizens of the United States and residents of the state of Idaho for no less than two (2) years.
- (6) The members of the commission shall elect a chair and a vice chair every two (2) years. The chair shall preside at meetings of the commission, and the vice chair shall preside at such meetings in the absence of the chair.
- (7) Each member of the commission not otherwise compensated by public moneys shall be compensated as provided in section 59-509(h), Idaho Code.
- SECTION 38. That Section 33-5214, Idaho Code, be, and the same is hereby repealed.
- SECTION 39. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5214, Idaho Code, and to read as follows:
- 33-5214. PUBLIC CHARTER SCHOOL AUTHORIZERS FUND. There is hereby created in the state treasury a fund to be known as the public charter school authorizers fund. All authorizer fees paid for public charter schools under the governance of the public charter school commission shall be deposited in this fund and be subject to appropriation.

SECTION 40. That Section 33-5215, Idaho Code, be, and the same is hereby repealed.

SECTION 41. That Section 33-1002, Idaho Code, be, and the same is hereby amended to read as follows:

- 33-1002. EDUCATIONAL SUPPORT PROGRAM. The educational support program is calculated as follows:
- (1) State Educational Support Funds. Add the state appropriation, including the moneys available in the public school income fund, together with all miscellaneous revenues to determine the total state funds.
- (2) From the total state funds subtract the following amounts needed for state support of special programs provided by a school district:
 - (a) Pupil tuition-equivalency allowances as provided in section 33-1002B, Idaho Code;
 - (b) Transportation support program as provided in section 33-1006, Idaho Code;
 - (c) Feasibility studies allowance as provided in section 33-1007A, Idaho Code;
 - (d) The approved costs for border district allowance, provided in section 33-1403, Idaho Code, as determined by the state superintendent of public instruction;
 - (e) The approved costs for exceptional child approved contract allowance, provided in subsection 2. of section 33-2004, Idaho Code, as determined by the state superintendent of public instruction;
 - (f) Salary-based apportionment calculated as provided in sections 33-1004 through 33-1004F, Idaho Code;
 - (g) Unemployment insurance benefit payments according to the provisions of section 72-1349A, Idaho Code;
 - (h) For expenditure as provided by the public school technology program;
 - (i) For employee severance payments as provided in section 33-521, Idaho Code;
 - (j) For distributions to the Idaho digital learning academy as provided in section 33-1020, Idaho Code;
 - (k) For charter school facilities funds and reimbursements paid pursuant to section $\frac{33-5208}{5}$ (5) $\frac{33-5207}{5}$, Idaho Code;
 - (1) For an online course portal as provided for in section 33-1024, Idaho Code;
 - (m) For advanced opportunities as provided for in chapter 46, title 33, Idaho Code;
 - (n) For additional math and science courses for high school students as provided in section 33-1021, Idaho Code;
 - (o) For master teacher premiums as provided in section 33-1004I, Idaho Code;
 - (p) For the support of provisions that provide a safe environment conducive to student learning and maintain classroom discipline, an allocation of three hundred dollars (\$300) per support unit;
 - (q) An amount specified in the appropriation bill for the public schools educational support program for counseling support as provided

for in section 33-1212A, Idaho Code, shall be distributed for grades 8 through 12 as follows:

- (i) For school districts and public charter schools with one hundred (100) or more students enrolled in grades 8 through 12, a pro rata distribution based on students enrolled in grades 8 through 12 or eighteen thousand dollars (\$18,000), whichever is greater;
- (ii) For school districts and public charter schools with fewer than one hundred (100) students enrolled in grades 8 through 12, one hundred eighty dollars (\$180) per student enrolled in grades 8 through 12 or nine thousand dollars (\$9,000), whichever is greater;
- (r) An amount specified in the public schools educational support program appropriation bill for literacy intervention. The disbursements made to the school districts and public charter schools shall be calculated as follows:
 - (i) Fifty percent (50%) based on average full-time equivalent enrollment of students in kindergarten through grade 3 as of the first Friday in November;
 - (ii) Fifty percent (50%) based on the number of kindergarten through grade 3 students who move a full level or who are proficient from the spring-to-spring administration of the statewide reading assessment in the prior fiscal year or, if there is not a prior spring assessment for the student, from fall to spring; and (iii) Funds will be distributed to the school district or public charter school where the student is enrolled and takes the statewide reading assessment. Any school district or public charter school that has greater than one (1) but fewer than five (5) students in kindergarten through grade 3 will receive a minimum of two thousand dollars (\$2,000). Economically disadvantaged students shall count as one and three quarters (1.75) students for the purpose of calculating the distribution of the funds in subparagraph (ii) of this paragraph.
- (s) For mastery-based education as provided for in section 33-1632, Idaho Code;
- (t) For pay for success contracting as provided in section 33-125B, Idaho Code; and
- (u) Any additional amounts as required by statute to effect administrative adjustments or as specifically required by the provisions of any bill of appropriation;

to secure the total educational support distribution funds.

- (3) Average Daily Attendance. The total state average daily attendance shall be the sum of the average daily attendance of all of the school districts of the state. The state board of education shall establish rules setting forth the procedure to determine average daily attendance and the time for, and method of, submission of such report. Average daily attendance calculation shall be carried out to the nearest hundredth. Computation of average daily attendance shall also be governed by the provisions of section 33-1003A, Idaho Code.
- (4) Support Units. The total state support units shall be determined by using the tables set out hereafter called computation of kindergarten

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support units, computation of elementary support units, computation of sec-
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2
   ondary support units, computation of exceptional education support units,
   and computation of alternative school support units. The sum of all of the
3
   total support units of all school districts of the state shall be the total
4
   state support units.
6
                COMPUTATION OF KINDERGARTEN SUPPORT UNITS
7
   Average Daily
   Attendance
8
                      Attendance Divisor
                                          Units Allowed
   41 or more....
                                          1 or more as computed
                      40......
   31 - 40.99 ADA....
10
                      -........
   26 - 30.99 ADA....
11
                      -........
                                           .85
   21 - 25.99 ADA....
12
                      -........
                                           .75
   16 - 20.99 ADA....
13
                                           . 6
                      -........
   8 - 15.99 ADA....
14
                                           .5
                      -........
   1 - 7.99 ADA....
                                          count as elementary
                      -........
                 COMPUTATION OF ELEMENTARY SUPPORT UNITS
16
   Average Daily
17
                                                  Minimum Units
18
   Attendance
                      Attendance Divisor
                                                  Allowed
   300 or more ADA.....
19
                                                  .. 15
                      ..23...grades 4,5 & 6....
20
21
                      ..22...grades 1, 2 & 3....1994-95
                      ..21...grades 1,2 & 3....1995-96
22
                      ..20...grades 1,2 & 3....1996-97
23
                        and each year thereafter.
24
25
   160 to 299.99 ADA...
                      110 to 159.99 ADA...
26
                      71.1 to 109.99 ADA...
27
                      51.7 to 71.0 ADA...
28
                      33.6 to 51.6 ADA...
29
                      16.6 to 33.5 ADA...
30
                      1.0 to 16.5 ADA...
31
                      n/a.....1.0
                 COMPUTATION OF SECONDARY SUPPORT UNITS
32
33
   Average Daily
                                                 Minimum Units
   Attendance
34
                      Attendance Divisor
                                                 Allowed
   750 or more....
35
                      400 - 749.99 ADA....
36
                      16......28
   300 - 399.99 ADA....
37
                      14.5.....22
   200 - 299.99 ADA....
38
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1 2 3 4 5	100 - 199.99 ADA 99.99 or fewer Grades 7 - 12 Grades 9 - 12 Grades 7 - 9 Grades 7 - 8	12 Units allowed as follows:	.8 .6 .1 per 14 ADA
7	COMPUTATION OF EXCEPTIONAL EDUCATION SUPPORT UNITS		
8	Average Daily		Minimum Units
9	Attendance	Attendance Divisor	Allowed
10 11	14 or more	14.5	1 or more as computed
12	12 - 13.99		. 1
13	8 - 11.99		
14	4 - 7.99		. 5
15	1 - 3.99		.25
16 17 18	COMPUTATION OF ALTERNATIVE SCHOOL SUPPORT UNITS (Computation of alternative school support units shall include grades 6 through 12)		
19 20	Pupils in Attendance	Attendance Divisor	Minimum Units Allowed
21 22	12 or more	12	1 or more as computed

In applying these tables to any given separate attendance unit, no school district shall receive less total money than it would receive if it had a lesser average daily attendance in such separate attendance unit. In applying the kindergarten table to a kindergarten program of fewer days than a full school year, the support unit allowance shall be in ratio to the number of days of a full school year. The attendance of students attending an alternative school in a school district reporting fewer than one hundred (100) secondary students in average daily attendance shall not be assigned to the alternative table if the student is from a school district reporting fewer than one hundred (100) secondary students in average daily attendance, but shall instead be assigned to the secondary table of the school district in which they are attending the alternative school, unless the alternative school in question serves students from multiple districts reporting fewer than one hundred (100) secondary students in average daily attendance. The tables for exceptional education and alternative school support units shall be applicable only for programs approved by the state department of education following rules established by the state board of education. Moneys generated from computation of support units for alternative schools shall be utilized for alternative school programs. School district administrative

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and facility costs may be included as part of the alternative school expenditures.

- (5) State Distribution Factor per Support Unit. Divide educational support program distribution funds, after subtracting the amounts necessary to pay the obligations specified in subsection (2) of this section, by the total state support units to secure the state distribution factor per support unit.
- (6) District Support Units. The number of support units for each school district in the state shall be determined as follows:
 - (a) (i) Divide the actual average daily attendance, excluding students approved for inclusion in the exceptional child educational program for the administrative schools and each of the separate schools and attendance units, by the appropriate divisor from the tables of support units in this section, then add the quotients to obtain the district's support units allowance for regular students, kindergarten through grade 12 including alternative school students. Calculations in application of this subsection shall be carried out to the nearest hundredth.
 - (ii) Divide the combined totals of the average daily attendance of all preschool, kindergarten, elementary, secondary, juvenile detention center students and students with disabilities approved for inclusion in the exceptional child program of the district by the appropriate divisor from the table for computation of exceptional education support units to obtain the number of support units allowed for the district's approved exceptional child program. Calculations for this subsection shall be carried out to the nearest hundredth when more than one (1) unit is allowed.
 - (iii) The total number of support units of the district shall be the sum of the total support units for regular students, subparagraph (i) of this paragraph, and the support units allowance for the approved exceptional child program, subparagraph (ii) of this paragraph.
 - (b) Total District Allowance Educational Program. Multiply the district's total number of support units, carried out to the nearest hundredth, by the state distribution factor per support unit and to this product add the approved amount of programs of the district provided in subsection (2) of this section to secure the district's total allowance for the educational support program.
 - (c) District Share. The district's share of state apportionment is the amount of the total district allowance, paragraph (b) of this subsection.
 - (d) Adjustment of District Share. The contract salary of every noncertificated teacher shall be subtracted from the district's share as calculated from the provisions of paragraph (c) of this subsection.
- (7) Property Tax Computation Ratio. In order to receive state funds pursuant to this section, a charter district shall utilize a school maintenance and operation property tax computation ratio for the purpose of calculating its maintenance and operation levy that is no greater than that which it utilized in tax year 1994, less four-tenths of one percent (.4%). As used herein, the term "property tax computation ratio" shall mean a ratio deter-

mined by dividing the district's certified property tax maintenance and operation budget by the actual or adjusted market value for assessment purposes as such values existed on December 31, 1993. Such maintenance and operation levy shall be based on the property tax computation ratio multiplied by the actual or adjusted market value for assessment purposes as such values existed on December 31 of the prior calendar year.

SECTION 42. That Section 33-1009, Idaho Code, be, and the same is hereby amended to read as follows:

33-1009. PAYMENTS FROM THE PUBLIC SCHOOL INCOME FUND.

- 1. a. Payments of the state general account appropriation for public school support shall be made each year by the state department of education to the public school districts of the state in four (4) payments. Payments to the districts shall be made not later than the fifteenth day of August, the fifteenth day of November, the fifteenth day of February, and the fifteenth day of May each year. The first payment by the state department of education shall be approximately fifty percent (50%) of the total general account appropriation for the fiscal year, while the second and third payments shall be approximately twenty percent (20%) each, and the fourth payment approximately ten percent (10%) respectively, except as provided for in section 33-5209C 33-5207, Idaho Code. Amounts apportioned due to a special transfer to the public school income fund to restore or reduce a deficiency in the prior year's transfer pursuant to subsection 4. of this section shall not be subject to this limitation.
- b. Payments of moneys, other than the state general account appropriation, that accrue to the public school income fund shall be made by the state department of education to the school districts of the state on the fifteenth day of November, February, May and July each year. The total amount of such payments shall be determined by the state department of education and shall not exceed the amount of moneys available and on deposit in the public school income fund at the time such payment is made.
- c. Amounts apportioned due to a special transfer to the public school income fund to restore or reduce a deficiency in the prior year's transfer pursuant to subsection 4. of this section shall not be subject to the limitation imposed by paragraphs a. and b. of this subsection.
- 2. Payments made to the school districts in August and November are advance payments for the current year and may be based upon payments from the public school income fund for the preceding school year. Each school district may receive its proportionate share of the advance payments in the same ratio that its total payment for the preceding year was to the total payments to all school districts for the preceding year.
- 3. No later than the fifteenth day of February in each year, the state department of education shall compute the state distribution factor based on the total average daily attendance through the first Friday in November. The factor will be used in payments of state funds in February and May. Attendance shall be reported in a format and at a time specified by the state department of education.

As of the thirtieth day of June of each year the state department of education shall determine final payments to be made on July fifteenth next succeeding to the several school districts from the public school income fund for the school year ended June 30. The July payments shall take into consideration:

- a. The average daily attendance of the several school districts for the twenty-eight (28) best weeks of the school year completed not later than the thirtieth of June;
- b. All funds available in the public school income fund for the fiscal year ending on the thirtieth of June;
- c. All payments distributed for the current fiscal year to the several school districts;
- d. The adjustment based on the actual amount of discretionary funds per support unit required by the provisions of section 33-1018, Idaho Code;
- e. Payments made or due for the transportation support program and the exceptional education support program. The state department of education shall apportion and direct the payment to the several school districts the moneys in the public school income fund in each year, taking into account the advance made under subsection 2. of this section, in such amounts as will provide in full for each district its support program, and not more than therefor required, and no school district shall receive less than fifty dollars (\$50.00).
- If the full amount appropriated to the public school income fund from the general account by the legislature is not transferred to the public school income fund by the end of the fiscal year, the deficiency resulting therefrom shall either be restored or reduced through a special transfer from the general account in the first sixty (60) days of the following fiscal year, or shall be calculated in computing district levies, and any additional levy shall be certified by the state superintendent of public instruction to the board of county commissioners and added to the district's maintenance and operation levy. If the deficiency is restored or reduced by special transfer, the amount so transferred shall be in addition to the amount appropriated to be transferred in such following fiscal year and shall be apportioned to each school district in the same amount as each would have received had the transfer been made in the year the deficiency occurred. The state department of education shall distribute to the school district the full amount of the special transfer as soon as practical after such transfer is made. In making the levy computations required by this subsection the state department of education shall take into account and consider the full amount of money receipted into the public school income fund from all sources for the given fiscal year. Deficits in the transfer of the appropriated amount of general account revenue to the public school income fund shall be reduced by the amount, if any, that the total amount receipted from other sources into the public school income fund exceeds the official estimated amount from those sources. The official estimate of receipts from other sources shall be the total amount stated by the legislature in the appropriation bill. The provisions of this subsection shall not apply to any transfers to or from the public education stabilization fund.
- 5. Any apportionments in any year, made to any school district, which may within the succeeding three (3) year period be found to have been in error

either of computation or transmittal, may be corrected during the three (3) year period by reduction of apportionments to any school district to which over-apportionments may have been made or received, and corresponding additions to apportionments to any school district to which under-apportionments may have been made or received.

SECTION 43. That Section 33-1612, Idaho Code, be, and the same is hereby amended to read as follows:

- 33-1612. THOROUGH SYSTEM OF PUBLIC SCHOOLS. (1) As used in this section:
 - (a) "Blended or hybrid instruction" means instruction through both in-person and virtual instruction.
 - (b) "In-person instruction" means instruction in the physical presence of an individual employed by an Idaho local education agency.
 - (c) "Virtual instruction" means synchronous or asynchronous instruction primarily through the use of technology pursuant to section 33-5202A(11), Idaho Code via the internet in a distributed environment.
- (2) The constitution of the state of Idaho, section 1, article IX, charges the legislature with the duty to establish and maintain a general, uniform, and thorough system of public, free common schools. In fulfillment of this duty, the people of the state of Idaho have long enjoyed the benefits of a public school system, supported by the legislature, which has recognized the value of education to the children of this state. In continuing recognition of the fundamental duty established by the constitution, the legislature finds it in the public interest to define thoroughness and thereby establish the basic assumptions that govern provision of a thorough system of public schools. A thorough system of public schools in Idaho is one in which:
 - (a) A safe environment conducive to learning is provided;
 - (b) Educators are empowered to maintain classroom discipline;
 - (c) The basic values of honesty, self-discipline, unselfishness, respect for authority, and the central importance of work are emphasized;
 - (d) The skills necessary to communicate effectively are taught;
 - (e) A basic curriculum necessary to enable students to enter academic or career technical postsecondary educational programs is provided;
 - (f) Students acquire the knowledge and skills necessary for meeting challenging academic achievement standards and succeeding in the workforce and in life;
 - (g) The students are introduced to current technology;
 - (h) The importance of students acquiring the skills to enable them to be responsible citizens of their homes, schools, and communities is emphasized;
 - (i) Students have the right to an uninterrupted education that covers all disciplines, including music, the arts, and physical education if such courses are offered by the local education agency;
 - (j) During a period of state or local emergency, if a school district or public charter school has to change from in-person instruction at a school facility to virtual instruction or blended or hybrid instruction, then, to the greatest extent possible and where safety require-

ments can be developed by the school district or public charter school, an in-person instruction option will be made available to students; and

- (k) Student progress is monitored and measured in all required courses of instruction.
- (3) The state board shall adopt rules, pursuant to the provisions of chapter 52, title 67, Idaho Code, and section 33-105(3), Idaho Code, to establish a thorough system of public schools with uniformity as required by the constitution, but shall not otherwise impinge upon the authority of the board of trustees of the school districts. Authority to govern the school district, vested in the board of trustees of the school district, not delegated to the state board, is reserved to the board of trustees. Fulfillment of the expectations of a thorough system of public schools will continue to depend upon the vigilance of district patrons, the dedication of school trustees and educators, the responsiveness of state rules, and meaningful oversight by the legislature.

SECTION 44. That Section 33-1619, Idaho Code, be, and the same is hereby amended to read as follows:

33-1619. VIRTUAL EDUCATION PROGRAMS. School districts may offer instruction in the manner described for a virtual school in section 33-5202A, Idaho Code via the internet in a distributed environment. For programs meeting such definition, the school district may count and report the average daily attendance of the program's students in the manner prescribed in section 33-5208(10) 33-5207, Idaho Code. School districts may also offer instruction that is a blend of virtual and traditional instruction. For such blended programs, the school district may count and report the average daily attendance of the program's students in the manner prescribed in section 33-5208(10) 33-5207, Idaho Code. Alternatively, the school district may count and report the average daily attendance of the blended program's students in the same manner as provided for traditional programs of instruction, for the days or portions of days in which such students attend a physical public school. For the balance of days or portions of days, average daily attendance may be counted in the manner prescribed in section 33-5208(10) 33-5207, Idaho Code.

SECTION 45. That Section 33-3407, Idaho Code, be, and the same is hereby amended to read as follows:

33-3407. GOVERNMENTAL ENTITY -- LIABILITY -- INSURANCE. (1) The Idaho bureau of educational services for the deaf and the blind, as provided for in this chapter, is not a single department of state government unto itself, nor is it a part of any of the twenty (20) departments of state government authorized by section 20, article IV, of the constitution of the state of Idaho, or of the departments provided for in section 67-2402, Idaho Code. It is legislative intent that the Idaho bureau of educational services for the deaf and the blind operate and be recognized not as a state agency or department, but as a governmental entity whose creation has been authorized by the state, much in the manner as other single purpose districts. For the purposes of section 59-1302(15), Idaho Code, the Idaho bureau of educational services for the deaf and the blind created pursuant to this chapter shall be deemed a

governmental entity. Pursuant to the provisions of section 63-36220, Idaho Code, sales to or purchases by the Idaho bureau of educational services for the deaf and the blind are exempt from payment of the sales and use tax. The Idaho bureau of educational services for the deaf and the blind, its employees and its board of directors are subject to the following provisions in the same manner as a traditional public school and the board of trustees of a school district:

- (a) Sections 18-1351 through 18-1362, Idaho Code, on bribery and corrupt influence, except as provided by section $\frac{33-5204A(2)}{74-405}$, Idaho Code;
- (b) Chapter 5, title 74, Idaho Code, on prohibitions against contracts with officers;
- (c) Chapter 4, title 74, Idaho Code, on ethics in government;
- (d) Chapter 2, title 74, Idaho Code, on open public meetings; and
- (e) Chapter 1, title 74, Idaho Code, on disclosure of public records.
- (2) The Idaho bureau of educational services for the deaf and the blind, its employees and its board of directors are subject to the following provisions:
 - (a) Section 33-1216, Idaho Code, on sick and other leave, or the laws, rules and policies of the state of Idaho for sick and other leave as provided for in chapter 53, title 67, Idaho Code, as determined by the board;
 - (b) Section 33-1217, Idaho Code, on accumulation of unused sick leave, or the laws, rules and policies of the state of Idaho for accumulation of unused sick leave as provided for in section 67-5333, Idaho Code, as determined by the board;
 - (c) Section 33-1218, Idaho Code, on sick leave in excess of statutory minimum amounts, or the laws, rules and policies of the state of Idaho for sick leave in excess of statutory minimum amounts as provided for in section 67-5333, Idaho Code, as determined by the board; and
 - (d) Section 33-1228, Idaho Code, on severance allowance at retirement, or the laws, rules and policies of the state of Idaho for severance allowance at retirement as provided for in section 67-5333, Idaho Code, as determined by the board.
- (3) The Idaho bureau of educational services for the deaf and the blind may sue or be sued, purchase, receive, hold and convey real and personal property for school purposes, and its employees, directors and officers shall enjoy the same immunities as employees, directors and officers of traditional public school districts and other public schools, including those provided by chapter 9, title 6, Idaho Code.
- (4) The Idaho bureau of educational services for the deaf and the blind shall be considered a state department for purposes of risk management and group insurance pursuant to chapter 57, title 67, Idaho Code, and the department of administration shall treat the bureau as such.
 - (5) It shall be unlawful for:

(a) Any director to have pecuniary interest directly or indirectly in any contract or other transaction pertaining to the maintenance or conduct of the Idaho bureau of educational services for the deaf and the blind, or to accept any reward or compensation for services rendered as a director except as may be otherwise provided in this subsection. The

board of directors of the Idaho bureau of educational services for the deaf and the blind may accept and award contracts involving the Idaho bureau of educational services for the deaf and the blind to businesses in which the director or a person related to him by blood or marriage within the second degree of consanguinity has a direct or indirect interest, provided that the procedures set forth in section 18-1361 or 18-1361A, Idaho Code, are followed. The receiving, soliciting or acceptance of moneys of the Idaho bureau of educational services for the deaf and the blind for deposit in any bank or trust company, or the lending of moneys by any bank or trust company to the Idaho bureau of educational services for the deaf and the blind, shall not be deemed to be a contract pertaining to the maintenance or conduct of the Idaho bureau of educational services for the deaf and the blind within the meaning of this section; nor shall the payment of compensation by the Idaho bureau of educational services for the deaf and the blind board of directors to any bank or trust company for services rendered in the transaction of any banking business with the Idaho bureau of educational services for the deaf and the blind board of directors be deemed the payment of any reward or compensation to any officer or director of any such bank or trust company within the meaning of this section.

- (b) The board of directors of the Idaho bureau of educational services for the deaf and the blind to enter into or execute any contract with the spouse of any member of such board, the terms of which said contract require, or shall require, the payment or delivery of any Idaho bureau of educational services for the deaf and the blind funds, moneys or property to such spouse, except as provided in section 18-1361 or 18-1361A, Idaho Code.
- (6) When any relative of any director, or relative of the spouse of a director related by affinity or consanguinity within the second degree, is to be considered for employment in the Idaho bureau of educational services for the deaf and the blind, such director shall abstain from voting in the election of such relative, and shall be absent from the meeting while such employment is being considered and determined.

SECTION 46. That Section 33-5504A, Idaho Code, be, and the same is hereby amended to read as follows:

33-5504A. GOVERNMENTAL ENTITY. (1) The Idaho digital learning academy shall be a governmental entity as provided in section 33-5502, Idaho Code. For the purposes of section 59-1302(15), Idaho Code, the Idaho digital learning academy created pursuant to this chapter shall be deemed a governmental entity. Pursuant to the provisions of section 63-36220, Idaho Code, sales to or purchases by the Idaho digital learning academy are exempt from payment of the sales and use tax. The Idaho digital learning academy, its employees and its board of directors are subject to the following provisions in the same manner as a traditional public school and the board of trustees of a school district:

(a) Sections 18-1351 through 18-1362, Idaho Code, on bribery and corrupt influence, except as provided by section $\frac{33-5204A(2)}{74-405}$, Idaho Code;

- (b) Chapter 5, title 74, Idaho Code, on prohibitions against contracts with officers;
- (c) Chapter 4, title 74, Idaho Code, on ethics in government;
- (d) Chapter 2, title 74, Idaho Code, on open public meetings;
- (e) Chapter 1, title 74, Idaho Code, on disclosure of public records;
- (f) Section 33-1216, Idaho Code, on sick and other leave;
- (g) Section 33-1217, Idaho Code, on accumulation of unused sick leave;
- (h) Section 33-1218, Idaho Code, on sick leave in excess of statutory minimum amounts; and
- (i) Section 33-1228, Idaho Code, on severance allowance at retirement.
- (2) The Idaho digital learning academy may sue or be sued, purchase, receive, hold and convey real and personal property for school purposes, and its employees, directors and officers shall enjoy the same immunities as employees, directors and officers of traditional public school districts and other public schools, including those provided by chapter 9, title 6, Idaho Code.
- (3) The Idaho digital learning academy shall secure insurance for liability and property loss.
 - (4) It shall be unlawful for:

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- (a) Any director to have pecuniary interest directly or indirectly in any contract or other transaction pertaining to the maintenance or conduct of the Idaho digital learning academy, or to accept any reward or compensation for services rendered as a director except as may be otherwise provided in this subsection (4). The board of directors of the Idaho digital learning academy may accept and award contracts involving the Idaho digital learning academy to businesses in which the director or a person related to him by blood or marriage within the second degree of consanguinity has a direct or indirect interest, provided that the procedures set forth in section 18-1361 or 18-1361A, Idaho Code, are The receiving, soliciting or acceptance of moneys of the followed. Idaho digital learning academy for deposit in any bank or trust company, or the lending of moneys by any bank or trust company to the Idaho digital learning academy, shall not be deemed to be a contract pertaining to the maintenance or conduct of the Idaho digital learning academy within the meaning of this section; nor shall the payment of compensation by the Idaho digital learning academy board of directors to any bank or trust company for services rendered in the transaction of any banking business with the Idaho digital learning academy board of directors be deemed the payment of any reward or compensation to any officer or director of any such bank or trust company within the meaning of this section.
- (b) The board of directors of the Idaho digital learning academy to enter into or execute any contract with the spouse of any member of such board, the terms of which said contract require, or will require, the payment or delivery of any Idaho digital learning academy funds, moneys or property to such spouse, except as provided in section 18-1361 or 18-1361A, Idaho Code.
- (5) When any relative of any director, or relative of the spouse of a director related by affinity or consanguinity within the second degree, is to be considered for employment in the Idaho digital learning academy, such di-

- rector shall abstain from voting in the election of such relative, and shall be absent from the meeting while such employment is being considered and determined.
- SECTION 47. The rules contained in IDAPA 08.02.04, relating to Rules Governing Public Charter Schools, shall be null, void, and of no force and effect on and after the effective date of this act.
- 7 SECTION 48. An emergency existing therefor, which emergency is hereby 8 declared to exist, this act shall be in full force and effect on and after its 9 passage and approval.