**Sec. 14.03.250. Application for charter school.** (a) A local school board shall prescribe an application procedure for the establishment of a charter school in that school district. The application procedure must include provisions for an academic policy committee consisting of parents of students attending the school, teachers, and school employees and a proposed form for a contract between a charter school and the local school board, setting out the contract elements required under [AS 14.03.255](http://www.legis.state.ak.us/basis/statutes.asp#14.03.255)(c).

(b) A decision of a local school board approving or denying an application for a charter school must be in writing, must be issued within 60 days after the application, and must include all relevant findings of fact and conclusions of law.

(c) If a local school board approves an application for a charter school, the local school board shall forward the application to the state Board of Education and Early Development for review and approval.

(d) If a local school board denies an application for a charter school, the applicant may appeal the denial to the commissioner. The appeal to the commissioner shall be filed not later than 60 days after the local school board issues its written decision of denial. The commissioner shall review the local school board's decision to determine whether the findings of fact are supported by substantial evidence and whether the decision is contrary to law. A decision of the commissioner upholding the denial by the local school board may be appealed within 30 days to the state Board of Education and Early Development.

(e) If the commissioner approves a charter school application, the commissioner shall forward the application to the state Board of Education and Early Development for review and approval. The application shall be forwarded not later than 30 days after the commissioner issues a written decision. The state Board of Education and Early Development shall exercise independent judgment in evaluating the application.

(f) A local school board that denied an application for a charter school

approved by the state board on appeal shall operate the charter school as provided in

[AS 14.03.255](http://www.legis.state.ak.us/basis/statutes.asp#14.03.255) - 14.03.290.

[This statute applies to charter school applications filed with a local school board on or after July 1, 2014.]

**Sec. 14.03.253. Charter school application appeal.** (a) In an appeal to the commissioner under [AS 14.03.250](http://www.legis.state.ak.us/basis/statutes.asp#14.03.250), the commissioner shall review the record before the local school board. The commissioner may request written supplementation of the record from the applicant or the local school board. The commissioner may

(1) remand the appeal to the local school board for further review;

(2) approve the charter school application and forward the application to the state Board of Education and Early Development with or without added conditions; or

(3) uphold the decision denying the charter school application; if the commissioner upholds a local school board's decision to deny a charter school application and the applicant appeals to the State Board of Education and Early Development, the commissioner shall immediately forward the application and record to the state Board of Education and Early Development.

(b) In an appeal to the state Board of Education and Early Development of a denial of a charter school application under (a)(3) of this section, the state board shall determine, based on the record, whether the commissioner's findings are supported by substantial evidence and whether the decision is contrary to law. The state board shall issue a written decision within 90 days after an appeal.

[This statute applies to charter school applications filed with a local school board on or after July 1, 2014.]

**Sec. 14.03.255. Organization and operation of a charter school.** (a) A charter school operates as a school in the local school district except that the charter school (1) is exempt from the local school district's textbook, program, curriculum, and scheduling requirements; (2) is exempt from [AS 14.14.130](http://www.legis.state.ak.us/basis/statutes.asp#14.14.130)(c); the principal of the charter school shall be selected by the academic policy committee and shall select, appoint, or otherwise supervise employees of the charter school; and (3) operates under the charter school's annual program budget as set out in the contract between the local school board and the charter school under (c) of this section. A local school board may exempt a charter school from other local school district requirements if the exemption is set out in the contract. A charter school is subject to tests required by the department.   
   (b) A charter school shall  
        (1) keep financial records of the charter school;  
        (2) oversee the operation of the charter school to ensure that the terms of the contract required by (c) of this section are being met;  
        (3) meet regularly with parents and with teachers of the charter school to review, evaluate, and improve operations of the charter school; and  
        (4) meet with the academic policy committee at least once each year to monitor progress in achieving the committee's policies and goals.  
   (c) A charter school shall operate under a contract between the charter school and the local school board. A contract must contain the following provisions:  
        (1) a description of the educational program;  
        (2) specific levels of achievement for the education program;  
        (3) admission policies and procedures;  
        (4) administrative policies;  
        (5) a statement of the charter school's funding allocation from the local school board and costs assignable to the charter school program budget;  
        (6) the method by which the charter school will account for receipts and expenditures;  
        (7) the location and description of the facility;  
        (8) the name of the teacher, or teachers, who, by agreement between the charter school and the teacher, will teach in the charter school;  
        (9) the teacher-to-student ratio;  
        (10) the number of students served;  
        (11) the term of the contract, not to exceed a term of 10 years;  
        (12) a termination clause providing that the contract may be terminated by the local school board for the failure of the charter school to meet educational achievement goals or fiscal management standards, or for other good cause;  
        (13) a statement that the charter school will comply with all state and federal requirements for receipt and use of public money;  
        (14) other requirements or exemptions agreed upon by the charter school and the local school board.  
(d) A school district shall offer to a charter school the right of first refusal for a lease of space in an existing school district facility or in a facility within the school district that is not currently being used as a public school, if the chief school administrator determines the facility meets requirements for health and safety applicable to public buildings or other public schools in the district. If the school district requires lease payments by a charter school, the school district shall negotiate a lease agreement with the charter school for an amount that does not exceed the true operational costs calculated on a square foot basis for space leased under this subsection.

**Sec. 14.03.260. Funding for charter school.** (a) A local school board shall provide an approved charter school with an annual program budget. The budget shall be not less than the amount generated by the students enrolled in the charter school less administrative costs retained by the local school district, determined by applying the indirect cost rate approved by the department up to four percent. Costs directly related to charter school facilities, including rent, utilities, and maintenance, may not be included in an annual program budget for the purposes of calculating the four percent cap on administrative costs under this subsection. A local school board shall provide a charter school with a report itemizing the administrative costs retained by the local school board under this section. The "amount generated by students enrolled in the charter school" is to be determined in the same manner as it would be for a student enrolled in another public school in that school district and includes funds generated by grants, appropriations, federal impact aid, the required local contribution, the local contribution under [AS 14.17.410](http://www.legis.state.ak.us/basis/statutes.asp#14.17.410)(c), special needs under [AS 14.17.420](http://www.legis.state.ak.us/basis/statutes.asp#14.17.420)(a)(1), and secondary school vocational and technical instruction under [AS 14.17.420](http://www.legis.state.ak.us/basis/statutes.asp#14.17.420)(a)(3). A school district shall direct state aid under [AS 14.11](http://www.legis.state.ak.us/basis/statutes.asp#14.11) for the construction or major maintenance of a charter school facility to the charter school that generated the state aid, subject to the same terms and conditions that apply to state aid under

[AS 14.11](http://www.legis.state.ak.us/basis/statutes.asp#14.11) for construction or major maintenance of a school facility that is not a charter school.   
   (b) The program budget of a charter school is to be used for operating expenses of the educational program of the charter school, including purchasing textbooks, classroom materials, and instructional aids.  
   (c) The charter school shall provide the financial and accounting information requested by the local school board or the Department of Education and Early Development and shall cooperate with the local school district or the department in complying with the requirements of

[AS 14.17.910](http://www.legis.state.ak.us/basis/statutes.asp#14.17.910).  
   (d) The expenses of housing nonresident students who attend the charter school, including room, board, and other reasonable housing expenses, may not be paid for with state money but may be paid for with funds contributed by sources other than the state.

***Sec. 14.03.263. Charter school grant program. [Repealed, Sec. 1 ch 100 SLA***

***2003].***    Repealed or Renumbered

**Sec. 14.03.264. Charter school grant program.** (a) A charter school that is established on or after the effective date of this section may receive a one-time grant from the department equal to the amount of $500 for each student enrolled in the school on October 1 of the first year in which the school applies for the grant. The charter school shall use a grant received under this section to provide educational services. In this subsection, "educational services" includes curriculum development, program development, and special education services.

(b) The department shall establish by regulation procedures for the application

for and expenditure of grant funds under (a) of this section.

(c) If the amount appropriated in a fiscal year for the charter school grant program is insufficient to meet the amounts authorized under (a) of this section, the department shall reduce pro rata the per pupil grant amount by the necessary percentage as determined by the department. If a charter school grant is reduced under this subsection, the charter school may apply to the department in a subsequent fiscal year for the balance of the grant amount.

**Sec. 14.03.265. Admission.** (a) The program of a charter school may be designed to serve  
        (1) students within an age group or grade level;  
        (2) students who will benefit from a particular teaching method or curriculum; or  
        (3) nonresident students, including providing domiciliary services for students who need those services, if approved by the board.  
   (b) A charter school shall enroll all eligible students who submit a timely application, unless the number of those applications exceeds the capacity of the program, class, grade level, or building. In the event of an excess of those applications, the charter school and the local school board shall attempt to accommodate all of those applicants by considering providing additional classroom space and assigning additional teachers from the district to the charter school. If it is not possible to accommodate all eligible students who submit a timely application, students shall be accepted by random drawing. A school board may not require a student to attend a charter school.  
   (c) In addition to other requirements of law, a charter school shall be nonsectarian.

**Sec. 14.03.270. Teacher or employee transfers, evaluations, and negotiated agreements.**    (a) A teacher or employee may not be assigned to a charter school unless the teacher or employee consents to the assignment.  
   (b) All provisions of an existing negotiated agreement or collective bargaining agreement applicable to a teacher or employee of a district apply to that teacher or employee if employed at a charter school in that district, unless the district and the bargaining unit representing the teacher or employee agree to an exemption.  
   (c) A teacher in a charter school shall be evaluated in an equivalent manner as all other teachers in the district, except that if there is no administrator assigned to the charter school, the local school board, with the agreement of the charter school, shall designate a school district administrator in that district to evaluate a teacher in a charter school.

**Sec. 14.03.275. Contracts; duration.** A contract for a charter school may be for a term of no more than 10 years.

**Sec. 14.03.280. Regulations.** The state Board of Education and Early Development may adopt regulations under [AS 44.62](http://www.legis.state.ak.us/basis/statutes.asp#44.62) (Administrative Procedure Act) necessary to implement

[AS 14.03.250](http://www.legis.state.ak.us/basis/statutes.asp#14.03.250) - 14.03.290.

**Sec. 14.03.290. Definitions.** In [AS 14.03.250](http://www.legis.state.ak.us/basis/statutes.asp#14.03.250) - 14.03.290,  
        (1) "academic policy committee" means the group designated to supervise the academic operation of a charter school and to ensure the fulfillment of the mission of a charter school;  
        (2) "charter school" means a school established under [AS 14.03.250](http://www.legis.state.ak.us/basis/statutes.asp#14.03.250) - 14.03.290 that operates within a public school district;  
        (3) "local school board" means a borough or city school board or a school board of a regional educational attendance area;  
        (4) "parent" means a biological, adoptive, or foster parent, or an adult who acts as guardian of a child and makes decisions related to the child's safety, education, and welfare;  
        (5) "teacher" means a person who serves a school district in a teaching, counseling, or administrative capacity and is required to be certificated in order to hold the position.

**Sec. 14.07.165 Duties.** The [State Board of Education and Early Development] shall adopt

(4) regulations requiring approval by the board before a charter school, state boarding school, or a public school may provide domiciliary services;

**Sec.** [**AS 14.09.010**](http://www.legis.state.ak.us/basis/statutes.asp#14.09.010) is amended by adding new subsections to read:

(e) A school district that provides transportation services under this section

shall provide transportation services to students attending a charter school operated by

the district under a policy adopted by the district. The policy must

(1) be developed with input solicited from individuals involved with

the charter school, including staff, students, and parents;

(2) at a minimum, provide transportation services for students enrolled

in the charter school on a space available basis along the regular routes that the

students attending schools in an attendance area in the district are transported; and

(3) be approved by the department.

(f) If a school district fails to adopt a policy under (e) of this section, the

school district shall allocate the amount received for each student under (a) of this

section to each charter school operated by the district based on the number of students

enrolled in the charter school.

(g) Nothing in (e) of this section requires a school district to establish

dedicated transportation routes for the exclusive use of students enrolled in a charter

school or authorizes a charter school to opt out of a policy adopted by a school district

for the purpose of acquiring transportation funding.

**Sec.** [**AS 14.17.450**](http://www.legis.state.ak.us/basis/statutes.asp#14.17.450)**(d)** is amended to read:

(d) If a charter school has a student count of at least 75 but less than 150 for the current year and is in the first three years of operation or had a student count of at least 75 in the previous year of operation,

(1) the adjusted student count for the school shall be calculated by multiplying the student count by the student rate for a school that has a student count of 150; and

(2) not later than February 15, the charter school shall submit for approval of the governing board of the district a plan for the following school year that includes a statement about whether the school will continue to operate if the student count remains the same that year and, if so, a projection of the funding anticipated from the state and other sources, a proposed budget, and a description of anticipated changes to the school staff, program, and curriculum; if the school intends to close if the student count remains the same the following year, the plan must describe transfer plans for students, staff, facilities, and materials.