

HOUSE BILL 219 Charter School Omnibus Guidance Document

Unless otherwise stated, the guidelines listed become law for the 2023-2024 academic year. This guidance document is a resource for understanding new legislation and does not constitute legal advice.

Purpose

In August 2023, the North Carolina General Assembly approved and enacted Omnibus Bill 219, affecting various charter school laws that were immediately enacted. This guidance document provides an overview of the Bill and laws to be considered when determining enrollment and eligibility for students and families seeking charter school participation and decision-making of the NC Charter School Review Board.

Overview

- Prohibits the consideration of Impact Statements in charter approvals and renewals process (*Part 1*).
- Requires consideration of student subgroup performance in some renewals (*Part 1*).
- Eliminates growth restrictions for charters that are not low-performing (part 2).
- Allows charter schools to enroll out-of-state and foreign exchange students (*Part 3*).
- Allows pre-lottery priority admissions to charters that have articulation agreements with preschools
- Allows priority admissions to children of active duty military (Part 4).
- Prohibits local boards of education from discriminating against charter school students (Part 5).
- Counties may provide property taxes to fund charter school capital needs (Part 6).
- Establishes a pilot program to allow Central Park Schools for Children in Durham to expand the weighted lottery to include factors to assist EDS, including walk zones (Part 7).
- Provides for conforming changes if House Bill 618 (Charter School Review Board) becomes law (Part 8).

Part I: Charter School Review Board

- The Charter School Review Board decides whether to grant, renew, amend, or terminate a charter.
- The Review Board will not consider any alleged impact on the local district(s) during their review of charter approvals, renewals, amendments, or terminations.
- The Office of Charter Schools will notify any districts submitting impact statements of this new legislation and will no longer solicit impact feedback.

Revised Ten-year Renewal Statute

- Charter schools that provide services to targeted subgroups can now compare subgroup academic outcomes to that of the same subgroup of students within the local school administrative unit where the school is located as a measure of academic performance.

Part 2: Charters to Increase Enrollment

- If a charter school has been identified as low-performing under G.S. 115C-218.94, any increase over 20% of the previous year's max ADM is considered a material revision and subject to approval by the Review Board.
- All charter schools may increase their maximum authorized enrollment during their second year of operation and annually based on the charter application. The maximum authorized enrollment may only be updated once per year and shall not decrease based on actual enrollment.

Part 3: Allow Charter Schools to Admit Out-of-State Students and Foreign Exchange Students

- Any charter school that is unable to fill its current enrollment with students qualified under the laws of NC for admission to a public school may enroll out of state students. *Effective for the 2024-2025 academic year.*
- The number of out-of-state students cannot exceed ten percent of the total enrollment in the charter school. The charter school **must** charge the out-of-state student tuition amount of at least 50% of the total per pupil allocation for the county where the charter school is located and the per pupil State allocation for that school year. Total tuition can not exceed 100% of the total per-pupil allocation from the local and State funds for that school year.
- Only two foreign exchange students per high school grades 9-12 can be enrolled per school year at the charter school.

- Foreign exchange students do not count towards the enrollment capacity for any program, class, building, or grade level for grades 9-12. Foreign exchange students are not included in the lottery process used by the charter school for enrollment purposes.
- The charter school **may** charge foreign exchange student tuition amount of at least 50% of the total per pupil allocation for the county where the charter school is located and the per pupil State allocation for that school year. Total tuition can not exceed 100% of the total per-pupil allocation from the local and State funds for that school year.

Part 4: Add Admissions Preferences for Graduates of Certain Pre-K Programs and for Children of Military Families

- Allows enrollment priority for students enrolled at least 75 consecutive days of the prior semester in a preschool program, and where there is a written enrollment articulation agreement between the preschool and charter school. Cannot exceed 10% of total enrollment.
- Allows enrollment priority for students whose parent or legal guardian is on active military duty.

Part 5: Prohibits Discrimination of Charter School Students

- A local board of education shall not discriminate against a student's current or prior enrollment in a charter school when families apply for any school or special program operated by the LEA.

Part 6: Authorized counties to provide Capital Funds to Charter Schools

- Allows counties to use property taxes to directly appropriate capital funds to charter schools. Charter schools may use funds to acquire property (for school site, playgrounds, or athletic fields), construction and renovation (physical and vocational educational purposes, libraries, auditoriums, gym), and furnishings and equipment (instructional apparatus, technology, business machines).
- Charter schools receiving the above funding would receive a security interest evidenced by a promissory note and deed of trust. Funds acquired to improve a property could be subordinate to other liens and released if the charter paid back the capital funds provided.
- A county could also lease real property to charters. If a charter school is dissolved, any assets purchased with county capital funds become the county's property.

Part 7: Allow the Central Park School for Children in Durham County to Conduct a Weighted Admissions Lottery Pilot Program (*applies to the 2024-2025 academic year*)

- Allows weighted lotteries as part of the charter admission process to allow certain factors relevant to the school's mission.
- Central Park School for Children Charter in Durham County will establish a pilot for up to 4 years to include additional lottery weighting factors while preserving existing weights related to admissions for economically disadvantaged students, including walk zones.
- Under the pilot program, CPSC charter must report to the Office of Charter Schools a description of the pilot procedures, the differences in past and current processes, and the number of students admitted under the pilot.
- A report is due annually by June 15 to include the following components: the weighted lottery procedures and the number of students admitted under those procedures. The lottery pilot would not change the school's charter.

Part 8: Technical Correction to Review Board Stagger

- Once HB 618 becomes law, current Charter Schools Advisory Board members shall serve as initial Charter Schools Review Board members.
- Members of the General Assembly shall appoint new candidates for the Review Board members whose terms expire in 2025 (G.S. 120-121).
- Terms expire in 2027; after that, or as vacancies occur, those North Carolina Charter Schools Review Board members shall be appointed per G.S. 115C-218.

Resource

- [H219v7](#)