**A** **BILL**

TO AMEND CHAPTER 40, TITLE 59 OF THE 1976 CODE, RELATING TO CHARTER SCHOOLS, BY ADDING SECTION 59‑40‑95, TO AUTHORIZE PARTNERSHIPS TO CREATE CHARTER SCHOOLS IN THE WORKPLACE IN CERTAIN CIRCUMSTANCES.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 40, Title 59 of the 1976 Code is amended by adding:

“Section 59‑40‑95. (A) As used in this section:

(1) ‘Charter school in the workplace’ means a charter school as defined by Section 59‑40‑40 that operates under a partnership with one or more corporate partners.

(2) ‘Corporate partner’ means any legal entity authorized to transact business in this State under Title 33 of the 1976 Code.

(B)(1) A charter school in the workplace may be established by a corporate partner, when acting individually or as part of a consortium of corporations, that donates one or more of the following to the charter school:

(a) the land on which the school is built;

(b) the school building or the space the school occupies; or

(c) major renovations to the existing school building or other capital improvements, including major investments in technology.

(2) For the purposes of this subsection, a major renovation to an existing school building means changes that provide significant opportunities for substantial improvement, including, but not limited to, a structural change to the foundation, roof, floor, or interior or exterior walls, or an extension of an existing facility to increase its floor area; or an extensive alteration of an existing facility, such as a change in its function or purpose, even if the renovation does not include a structural change to the facility. A major investment in technology includes, but is not limited to, a donation of hardware, software, Internet access, Internet hardware, enterprise systems, software licenses, SMART Board technology, or audiovisual equipment. The value of a major renovation or an investment in technology is equal to at least fifty percent of the State’s per pupil allocation for charter schools for that year multiplied by the charter schools’ average daily membership.

(C) A charter school in the workplace may give enrollment priority, limited to no more than fifty percent of the school’s total enrollment, to children of permanent employees of a corporate partner. If the number of applications from these children exceeds fifty percent of the school’s total enrollment, then these children may only be accepted by a separate lottery.

(1) Each year that the charter school in the workplace provides a corporate partner with enrollment priority pursuant to subsection (C), the corporate partner and the charter school shall enter into a memorandum of understanding that specifies the duration of the priority enrollment and the methods by which the corporate partner shall support the charter school, including, but not limited to, internships for students, career counseling, academic tutoring, or enrichment activities.

(2) If a charter school in the workplace applicant agrees to provide a corporate partner with enrollment priority pursuant to subsection (C), then the charter application must describe the enrollment priority under the admission policies and procedures portion of the application pursuant to Section 59‑40‑60(F).

(3) If a corporate partner is leasing building or space to a charter school, then the charter school may only give enrollment priority pursuant to subsection (C) if the lease provides that the building or space is made available without cost and if the term of the lease is not less than the duration of the charter.

(4) Enrollment priority pursuant to subsection (C) may not be implemented in a way that displaces students who are enrolled at the school at the time the charter application or the material revision providing for priority is approved by the corporate partner.

(5) Adoption of enrollment priority described in subsection (C) is a material revision of the charter requiring approval of both parties to the contract, the charter school and the corporate partner, pursuant to Section 59‑40‑60(C).

(6) In the event that the racial composition of an applicant’s or charter school’s enrollment differs from the enrollment of the local school district where the charter school is to be located or the targeted student population of the local school district by more than twenty percent, despite its best efforts, the board of trustees or area commission from which the applicant is seeking sponsorship shall consider the applicant’s or the charter school’s recruitment efforts and racial composition of the applicant pool in determining whether the applicant or charter school is operating in a nondiscriminatory manner. A finding by the board of trustees or area commission that the applicant or charter school is operating in a racially discriminatory manner justifies the denial of a charter school application or the revocation of a charter as provided in this section or in Section 59‑40‑110, as may be applicable. A finding by the board of trustees or area commission that the applicant is not operating in a racially discriminatory manner justifies approval of the charter without regard to the racial percentage requirement if the application is acceptable in all other aspects.

(D) A person affiliated with a corporate partner is eligible for membership on the board of directors of a charter school that provides enrollment priority to corporate partners, subject to the requirements of this subsection, as follows:

(1) persons affiliated with the corporate partner may not constitute a majority of the board of directors;

(2) if the corporate partner is leasing the building or space to the school, then the lease must provide that the building or space is made available to the charter school without cost, and the term of the lease may not be less than the duration of the charter; and

(3) the requirements of Section 59‑40‑50(B)(9) regarding the election, term, and membership of a charter school’s board of directors are still met.”

SECTION 2. This act takes effect upon approval by the Governor.

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