SENATE BILL 22-197

INTRODUCED

LLS NO. 22-0970.02 Alana Rosen x2606

SENATE SPONSORSHIP
Coleman and Hansen,

HOUSE SPONSORSHIP
(None),

Senate Committees
Education

A BILL FOR AN ACT
CONCERNING AUTHORIZING ALTERNATIVE GOVERNANCE FOR INNOVATION SCHOOL ZONES.

Bill Summary
(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

The bill allows an innovation school zone (innovation zone) to use an alternative governance structure by which the school district board of education (local school board) delegates management of schools within the innovation zone to another organization and the organization forms a partnership with the local school board. An innovation zone is required to submit information regarding the alternative governance structure in
the innovation zone's innovation plan to the local school board.

The bill requires that the local school board and an innovation zone that has an alternative governance structure, or a school within the innovation zone, use a dispute resolution process to resolve disagreements that may arise. The bill outlines the dispute resolution process.

The bill requires a local school board to review the level of performance of an innovation zone that uses alternative governance, and each school within the innovation zone, at the same time.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 22-32.5-102, add (3) as follows:

22-32.5-102. Legislative declaration. (3) The General Assembly further declares that:

(a) Since the "Innovation Schools Act of 2008" was passed, innovations have been used to leverage outcomes for students and support creative school models to meet the needs of students, educators, and families;

(b) The cornerstone of innovation work is empowering educators to be part of the design process, helping to develop an innovation plan and voting to approve the school's plan and any revisions to the innovation plan;

(c) The "Innovation Schools Act of 2008" identifies areas of innovation that schools are encouraged to explore, including innovations in governance;

(d) Local school boards and innovation school zones have implemented alternative governance models for innovation school zones and schools within the innovation school zones, including delegation of management from a local school board to a nonprofit organization affiliated with an innovation
SCHOOL ZONE;

(e) INNOVATION SCHOOLS WERE DESIGNED AS AN OPPORTUNITY FOR SCHOOLS THAT OPERATE WITHIN THEIR SCHOOL DISTRICT TO EXERCISE AUTONOMY AND FLEXIBILITY TO ADAPT TO MEET THE NEEDS OF SCHOOLS AND STUDENTS WHOM INNOVATION SCHOOLS SERVE;

(f) IF DISPUTES ARISE BETWEEN AN INNOVATION SCHOOL ZONE AS A WHOLE, OR A SCHOOL WITHIN THE INNOVATION SCHOOL ZONE, AND THE LOCAL SCHOOL BOARD THAT OVERSEES THE INNOVATION SCHOOL ZONE, A FAIR AND CONSISTENT RESOLUTION PROCESS IS NEEDED TO ADDRESS THE DISPUTE; AND

(g) THE DISPUTE RESOLUTION PROCESS DESCRIBED IN THIS ARTICLE 32.5 IS MODELED FROM EXISTING STATUTORY DISPUTE RESOLUTION PROCESSES AND INTENDS TO SUPPORT BOTH PARTIES, ENCOURAGE INNOVATION SCHOOL ZONES TO PRACTICE INNOATIVE GOVERNANCE, AND ALLOW THE LOCAL SCHOOL BOARD TO REACH SOLUTIONS WITH INNOVATION SCHOOL ZONES WITH ALTERNATIVE GOVERNANCE.

SECTION 2. In Colorado Revised Statutes, 22-32.5-103, add (1.7) and (4.5) as follows:

22-32.5-103. Definitions. As used in this article 32.5, unless the context otherwise requires:

(1.7) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION CREATED IN SECTION 24-1-115.

(4.5) "INNOVATION SCHOOL ZONE WITH ALTERNATIVE GOVERNANCE" MEANS AN INNOVATION SCHOOL ZONE THAT EITHER OPERATES AS AN INNOVATION SCHOOL ZONE WITH ALTERNATIVE GOVERNANCE ON OR BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (4.5) OR SUBMITS TO ITS LOCAL SCHOOL BOARD AN INNOVATION PLAN,
WHICH THE LOCAL SCHOOL BOARD APPROVES, THAT AUTHORIZES ALTERNATIVE GOVERNANCE AND DELEGATES MANAGEMENT TO ANOTHER ORGANIZATION PURSUANT TO SECTION 22-32.5-104 (5), INCLUDING BUT NOT LIMITED TO A NONPROFIT ORGANIZATION.

SECTION 3. In Colorado Revised Statutes, 22-32.5-104, add (5) as follows:

22-32.5-104. Innovation plans - submission - contents. (5) A GROUP OF SCHOOLS THAT SUBMITS A PLAN TO CREATE AN INNOVATION SCHOOL ZONE AS PROVIDED IN THIS SECTION AND SEEKS TO BE MANAGED BY AN ORGANIZATION THAT FORMS A PARTNERSHIP WITH THE LOCAL SCHOOL BOARD MUST, IN ADDITION TO THE PROVISIONS SPECIFIED IN SUBSECTION (4) OF THIS SECTION, INCLUDE THE FOLLOWING INFORMATION IN THE INNOVATION PLAN:

(a) AN EXPLANATION OF HOW ALTERNATIVE GOVERNANCE WILL HELP ACHIEVE THE VISION AND GOALS OF THE GROUP OF SCHOOLS IN A SCHOOL DISTRICT;

(b) A DESCRIPTION OF THE ORGANIZATION AND THE ORGANIZATION'S GOVERNING BOARD AND GOVERNANCE STRUCTURE;

(c) A DESCRIPTION OF THE ROLES AND DUTIES OF THE ORGANIZATION'S GOVERNING BOARD, WHICH DUTIES MUST INCLUDE OVERSEEING THE IMPLEMENTATION OF THE INNOVATION PLAN AND SUPPORTING ACADEMIC PROGRESS;

(d) A DESCRIPTION OF THE ZONE STAFFING AND MANAGEMENT THE ORGANIZATION WOULD PROVIDE;

(e) A DESCRIPTION OF THE TERMS UNDER AND PROCESS BY WHICH A SCHOOL WITHIN AN INNOVATION SCHOOL ZONE MAY ELECT TO LEAVE THE INNOVATION SCHOOL ZONE; AND
A DESCRIPTION OF THE FINANCIAL AGREEMENT BETWEEN THE INNOVATION SCHOOL ZONE AND THE LOCAL SCHOOL BOARD, INCLUDING A METHOD FOR DETERMINING THE COST OF SERVICES THAT THE INNOVATION SCHOOL ZONE MAY PURCHASE FROM THE LOCAL SCHOOL BOARD.

SECTION 4. In Colorado Revised Statutes, add 22-32.5-110.5 as follows:

22-32.5-110.5. Dispute resolution - innovation school zones with alternative governance. (1) The local school board and an innovation school zone with alternative governance as a whole, or a school within the innovation school zone with alternative governance, shall use a dispute resolution process to resolve disagreements. In the event of a dispute, the innovation school zone shall continue to operate under the innovation plan until the conclusion of the dispute resolution process. The dispute resolution process may be used if:

(a) There is a dispute in connection with a review conducted pursuant to section 22-32.5-110;

(b) The local school board, the innovation school zone as a whole, or a school within the innovation school zone violates the approved innovation plan or supporting documents, regardless of whether the violation is related to a waiver as described in section 22-32.5-108;

(c) The local school board and innovation school zone disagree regarding the financial arrangement between the local school board and the innovation school zone, including but not limited to a change to the services or costs of services.
THE INNOVATION SCHOOL ZONE MAY PURCHASE FROM THE LOCAL SCHOOL BOARD;

(d) THE LOCAL SCHOOL BOARD VOTES TO REVOKE THE INNOVATION STATUS OF THE INNOVATION SCHOOL ZONE OR SEEKS TO REMOVE A SCHOOL WITHIN THE INNOVATION SCHOOL ZONE FROM THE ZONE; OR

(e) THE LOCAL SCHOOL BOARD PROPOSES TO REVISE THE INNOVATION PLAN IN ACCORDANCE WITH A REVIEW PURSUANT TO SECTION 22-32.5-110 (1), AND THE INNOVATION SCHOOL ZONE AS A WHOLE, OR A SCHOOL WITHIN THE INNOVATION SCHOOL ZONE, DISPUTES THE REVISIONS PROPOSED BY THE LOCAL SCHOOL BOARD ASSERTS ARE NECESSARY TO IMPROVE OR CONTINUE TO IMPROVE ACADEMIC PERFORMANCE WITHIN THE INNOVATION SCHOOL ZONE, OR A SCHOOL WITHIN THE INNOVATION SCHOOL ZONE.

(2) A NEUTRAL THIRD PARTY MUST CONDUCT THE DISPUTE RESOLUTION. THE DEPARTMENT SHALL CREATE A LIST OF NEUTRAL THIRD PARTIES WHO HAVE EXPERIENCE WITH AND AN UNDERSTANDING OF THIS ARTICLE 32.5. THE DEPARTMENT SHALL CREATE AND MAINTAIN THE LIST OF NEUTRAL THIRD PARTIES AND MAKE THE LIST AVAILABLE ON THE DEPARTMENT'S WEBSITE.

(3)(a) THE LOCAL SCHOOL BOARD AND INNOVATION SCHOOL ZONE WITH ALTERNATIVE GOVERNANCE AS A WHOLE, OR A SCHOOL WITHIN THE INNOVATION SCHOOL ZONE, SHALL MAKE A GOOD FAITH EFFORT TO REACH A RESOLUTION CONCERNING A DISAGREEMENT AS DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

(b) IF AN AGREEMENT IS NOT REACHED, THE LOCAL SCHOOL BOARD OR THE INNOVATION SCHOOL ZONE WITH ALTERNATIVE GOVERNANCE AS
A WHOLE, OR A SCHOOL WITHIN THE INNOVATION SCHOOL ZONE, MAY
INITIATE A DISPUTE RESOLUTION PROCESS AS FOLLOWS:

(I) THE LOCAL SCHOOL BOARD, THE INNOVATION SCHOOL ZONE AS
A WHOLE, OR A SCHOOL WITHIN THE INNOVATION SCHOOL ZONE MAY
INITIATE DISPUTE RESOLUTION THROUGH A WRITTEN NOTICE TO THE OTHER
PARTY AND THE STATE BOARD OF AN INTENT TO INVOKE THE DISPUTE
RESOLUTION PROCESS PURSUANT TO THIS SECTION. WRITTEN NOTICE MUST
INCLUDE, AT A MINIMUM, A BRIEF DESCRIPTION OF THE MATTER IN DISPUTE
AND THE SCOPE OF THE DISAGREEMENT BETWEEN THE PARTIES.

(II) WITHIN FIFTEEN CALENDAR DAYS AFTER RECEIPT OF THE
WRITTEN NOTICE DESCRIBED IN SUBSECTION (3)(b)(I) OF THIS SECTION,
THE LOCAL SCHOOL BOARD AND THE INNOVATION SCHOOL ZONE MUST
AGREE TO USE A DISPUTE RESOLUTION PROCESS TO RESOLVE THE DISPUTE;
EXCEPT THAT ANY FORM OF DISPUTE RESOLUTION THAT THE PARTIES
CHOOSE MUST RESULT IN FINAL WRITTEN FINDINGS BY A NEUTRAL THIRD
PARTY WITHIN SIXTY CALENDAR DAYS AFTER RECEIPT OF WRITTEN NOTICE
PURSUANT TO SUBSECTION (3)(b)(I) OF THIS SECTION;

(III) THE LOCAL SCHOOL BOARD AND INNOVATION SCHOOL ZONE
SHALL AGREE TO A NEUTRAL THIRD PARTY TO CONDUCT THE DISPUTE
RESOLUTION. THE LOCAL SCHOOL BOARD AND INNOVATION SCHOOL ZONE
MAY SELECT A NEUTRAL THIRD PARTY FROM THE LIST OF NEUTRAL THIRD
PARTIES CREATED BY THE DEPARTMENT PURSUANT TO SUBSECTION (2) OF
THIS SECTION. IF THE LOCAL SCHOOL BOARD AND INNOVATION SCHOOL
ZONE ARE UNABLE TO AGREE UPON A NEUTRAL THIRD PARTY, THE STATE
BOARD SHALL DESIGNATE A NEUTRAL THIRD PARTY FROM THE LIST OF
NEUTRAL THIRD PARTIES CREATED BY THE DEPARTMENT PURSUANT TO
SUBSECTION (2) OF THIS SECTION.
(IV) The neutral third party shall accept evidence and oral arguments from the parties as part of the deliberative process and shall reach a written determination within sixty calendar days after receipt of the written notice pursuant to subsection (3)(b)(I) of this section; and

(V) The neutral third party shall apportion between the parties all costs reasonably related to the mutually agreed upon dispute resolution process.

(4) If the local school board or the innovation school zone with alternative governance as a whole, or the school within the innovation school zone, does not act in accordance with the neutral third party's decision, the local school board or innovation school zone with alternative governance as a whole, or the school within the innovation school zone, may submit a letter to the neutral third party and the other party that provides evidence of noncompliance. If the neutral third party finds that the party is not complying, the neutral third party shall forward in writing the neutral third party's findings to the state board. The state board may enforce the neutral third party's decision by issuing a written determination to the parties.

SECTION 5. In Colorado Revised Statutes, 22-32.5-110, add (4) as follows:

22-32.5-110. District of innovation - review of innovation schools and innovation school zones - repeal. (4) (a) The local school board shall review the level of performance of an innovation school zone with alternative governance and each
SCHOOL WITHIN THE INNOVATION SCHOOL ZONE AT THE SAME TIME.

(b) If an Innovation School Zone with alternative governance has a financial agreement with a local school board pursuant to section 22-32.5-104 (5)(f), the agreement must be subject to revision only through the review process specified in subsection (1) of this section, and shall not be unilaterally revised during the three-year period between reviews.

SECTION 6. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.