

## SENATE BILL NO. 598

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Education

on March 7, 2022)

(Patron Prior to Substitute--Senator Pillion)

A BILL to amend and reenact §§ 22.1-349.1, 22.1-349.5, 22.1-349.6, 22.1-349.10, and 22.1-349.11 of the Code of Virginia; to amend the Code of Virginia by adding in Chapter 19.1 of Title 22.1 an article numbered 1, consisting of a section numbered 22.1-349.01, by adding a section numbered 22.1-349.6:1, and by adding in Chapter 19.1 of Title 22.1 an article numbered 3, consisting of sections numbered 22.1-349.12 through 22.1-349.24; and to repeal § 22.1-349.2 of the Code of Virginia, relating to laboratory schools; application and establishment.

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 22.1-349.1, 22.1-349.5, 22.1-349.6, 22.1-349.10, and 22.1-349.11 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 19.1 of Title 22.1 an article numbered 1, consisting of a section numbered 22.1-349.01, by adding a section numbered 22.1-349.6:1, and by adding in Chapter 19.1 of Title 22.1 an article numbered 3, consisting of sections numbered 22.1-349.12 through 22.1-349.24, as follows:**

## CHAPTER 19.1

~~COLLEGE PARTNERSHIP~~ LABORATORY SCHOOLS.Article 1.Laboratory School Fund.**§ 22.1-349.01. Laboratory School Fund established.**

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Laboratory School Fund, hereafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. Any gifts, grants, bequests, or donations from public or private sources shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the

Fund and be credited to the Fund. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purpose of awarding grants to establish or support innovative projects or curriculum in laboratory schools established in the Commonwealth pursuant to the provisions of this chapter. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the chairman of the Laboratory School Fund Board established pursuant to subsection B.

B. The Board shall establish and appoint members, with staggered terms, to the Laboratory School Fund Board (the Fund Board). The Fund Board shall consist of stakeholders including parents, business representatives, former presidents of institutions of higher education, principals, superintendents, national experts in school design, and such other members as the Board deems appropriate.

C. The Fund Board shall establish criteria for making distributions from the Fund on a competitive basis to laboratory schools established pursuant to the provisions of this chapter that request moneys from the Fund and may issue such guidelines governing the Fund as it deems necessary and appropriate, provided that the Fund Board prioritizes applicants that serve a high percentage of at-risk students.

D. The Fund Board shall employ an Laboratory School Administrator who shall assist the Fund Board in administering the Fund, reviewing grant applications, and performing such other duties as may be assigned.

## Article 2.

### College Partnership Laboratory Schools.

#### **§ 22.1-349.1. Definitions; objectives.**

A. As used in this chapter, unless the context requires a different meaning:

"At-risk student" means a student having a physical, emotional, intellectual, socioeconomic, or cultural risk factor, as defined in Board criteria, that research indicates may negatively influence educational success.

"College partnership laboratory school" means a public, nonsectarian, nonreligious school in the Commonwealth established as a new school or through the conversion of all or part of an existing school

by a public institution of higher education or ~~private~~ an eligible institution of higher education that operates a teacher education program approved by the Board as defined in § 23.1-628.

"Governing board" means the board of a college partnership laboratory school that is responsible for creating, managing, and operating the college partnership laboratory school and whose members have been selected by the institution of higher education that establishes the college partnership laboratory school. The governing board shall be under the control of the institution of higher education that establishes the college partnership laboratory school.

"Underserved community" means a geographical area that is served by public schools in which a high percentage of students are eligible to receive free or reduced-price lunch, as determined by the Board.

B. College partnership laboratory schools may be established as provided in this chapter to (i) stimulate the development of innovative programs for preschool through grade 12 students; (ii) provide opportunities for innovative instruction and assessment; (iii) provide teachers with a vehicle for establishing schools with alternative innovative instruction and school scheduling, management, and structure; (iv) encourage the use of performance-based educational programs; (v) establish high standards for both teachers and administrators; (vi) encourage greater collaboration between education providers from preschool to the postsecondary level; and (vii) develop models for replication in other public schools.

C. College partnership laboratory schools may enter into a memorandum of understanding with any individual or entity to provide apprenticeships, career training, faculty training and support, and equipment, resource, and curriculum support to carry out the provisions of this chapter. Such individual or entity shall have no management or governing authority over the college partnership laboratory school.

D. College partnership laboratory schools may enter into agreements to establish specialty schools in academic disciplines such as science, technology, engineering, mathematics, and computer science (STEM+C), language arts, or the performing arts. Such agreements may be used to create a new college partnership laboratory school or support an existing college partnership laboratory school.

**§ 22.1-349.5. College partnership laboratory school application.**

79 A. Any public institution of higher education or private institution of higher education ~~that has a~~  
80 ~~teacher education program approved by the Board~~ may submit an application for formation of a college  
81 partnership laboratory school.

82 B. Each college partnership laboratory school application shall provide or describe thoroughly all  
83 of the following essential elements of the proposed school plan:

84 1. An executive summary;

85 2. The mission and vision of the proposed college partnership laboratory school, including  
86 identification of the targeted student population;

87 3. The proposed location of the school;

88 4. The grades to be served each year for the full term of the contract;

89 5. Minimum, planned, and maximum enrollment per grade per year for the term of the contract;

90 6. Background information on the proposed founding governing board members and, if identified,  
91 the proposed school leadership and management team;

92 7. The school's proposed calendar and sample daily schedule;

93 8. A description of the academic program aligned with state standards;

94 9. A description of the school's educational program, including the type of learning environment,  
95 such as classroom-based or independent study; class size and structure; curriculum overview; and teaching  
96 methods;

97 10. The school's plan for using internal and external assessments to measure and report student  
98 progress in accordance with the Standards of Learning;

99 11. The school's plans for identifying and successfully serving students with disabilities, students  
100 who are English language learners, students who are academically behind, and gifted students, including  
101 compliance with applicable laws and regulations;

102 12. A description of co-curricular and extracurricular programs and how they will be funded and  
103 delivered;

104 13. Plans and timelines for student recruitment and enrollment, including lottery procedures if  
105 sufficient space is unavailable;

- 106 14. The school's student disciplinary policies, including disciplinary policies for special education  
107 students;
- 108 15. An organization chart that clearly presents the school's organizational structure, including lines  
109 of authority and reporting between the governing board, staff, any related bodies such as advisory bodies  
110 or parent and teacher councils, the Board, and any external organizations that will play a role in managing  
111 the school;
- 112 16. A clear description of the roles and responsibilities for the governing board, the school's  
113 leadership and management team, and any other entities shown in the organization chart;
- 114 17. ~~A staffing chart for the school's first year and a~~ full staffing plan for the term of the contract;
- 115 18. Plans for recruiting and developing school leadership and staff;
- 116 19. The school's leadership and teacher employment policies, including performance evaluation  
117 plans;
- 118 20. A plan for the placement of college partnership laboratory school students, teachers, and  
119 employees upon termination or revocation of the contract;
- 120 21. Explanation of any partnerships or contractual relationships central to the school's operations  
121 or mission;
- 122 22. The school's plans for providing transportation, food service, and all other significant  
123 operational or ancillary services;
- 124 23. Opportunities and expectations for parent involvement;
- 125 24. A detailed school start-up plan that identifies tasks, timelines, and responsible individuals;
- 126 25. A description of the school's financial plan and policies, including financial controls and audit  
127 requirements;
- 128 26. A description of the insurance coverage that the school will obtain;
- 129 27. Start-up and five-year budgets with clearly stated assumptions;
- 130 28. Start-up and ~~first year~~ five-year cash-flow projections with clearly stated assumptions;
- 131 29. Evidence of anticipated fundraising contributions, if claimed in the application;
- 132 30. A sound facilities plan, including backup or contingency plans if appropriate; ~~and~~

31. Assurances that the college partnership laboratory school (i) is nonreligious in its programs, admission policies, employment practices, and all other operations and (ii) does not charge tuition, except as described in subsection E of § 22.1-349.3;

32. A description of how the applicant will cooperate with one or more local school boards in the creation and operation of the college partnership laboratory school, including that a local school board may elect to name a member of its board to the governing board of the college partnership laboratory school; and

33. Assurances that the college partnership laboratory school will work with the State Council of Higher Education for Virginia to develop programs that may award college credits upon obtaining the appropriate certification and accreditation.

C. The purposes of the college partnership laboratory school application are to present the proposed school's academic and operational vision and plans, demonstrate the applicant's capacities to execute the proposed vision and plans, and provide the Board with a clear basis for assessing the applicant's plans and capacities. An approved college partnership laboratory school application shall not serve as the school's contract. Within 90 days of approval of a college partnership laboratory school application, the Board and the governing board of the approved school shall execute a contract that clearly sets forth the academic and operational performance expectations and measures by which the college partnership laboratory school will be judged and the administrative relationship between the Board and the college partnership laboratory school, including each party's rights and duties. The performance expectations and measures set forth in the contract shall include applicable federal and state accountability requirements. The performance provisions may be refined or amended by mutual agreement after the college partnership laboratory school is operating and has collected baseline achievement data for its enrolled students.

**§ 22.1-349.6. Review of college partnership laboratory school applications.**

A. The Board shall establish procedures for receiving, reviewing, and ruling upon applications and shall make a copy of any such procedures available to all interested parties upon request. If the Board finds that the application is incomplete, the Board shall request the necessary additional information from

the applicant. The Board's review procedures shall establish a review committee that may include experts with the operation of similar schools located in other states.

B. To provide appropriate opportunity for input from parents, teachers, and other interested parties and to obtain information to assist the Board in its evaluation of a college partnership laboratory school application, the Board may establish a procedure for public notice, comment, or hearings on such applications.

C. In reviewing and ruling upon applications pursuant to subsection A, the Board shall give substantial preference to any application from a historically black college or university, any application to establish a college partnership laboratory school in an underserved community, and any joint application submitted by an institution of higher education in partnership with one or more local school boards.

D. In reviewing and ruling upon applications pursuant to subsection A, the Board shall consider the following criteria: (i) academic performance of local school divisions in which the proposed college partnership laboratory school is located, including standardized test scores, high school graduation rates, and college entrance metrics; (ii) sustainability of the proposed application beyond the required five-year contract window; and (iii) the economic development needs of the region as defined by GO Virginia.

**§ 22.1-349.6:1. College partnership laboratory school contracts.**

When executing a contract with an approved college partnership laboratory school, the Board shall require:

1. The contract to be for a term of no less than five years;

2. The contract to include a provision that requires 100 percent of the funding for the first year, 80 percent of the funding for the second year, and 60 percent of the funding for the third year to be escrowed in the Laboratory School Fund established pursuant to § 22.1-349.01; and

3. Documented proof of control for a lease of the facilities for the duration of the contract.

**§ 22.1-349.10. Funding of college partnership laboratory schools.**

A. Each college partnership laboratory school shall receive such funds as may be appropriated by the General Assembly in accordance with the general appropriation act.

B. The governing board of a college partnership laboratory school may accept gifts, donations, or grants of any kind and spend such funds in accordance with the conditions prescribed by the donor. However, no gift, donation, or grant shall be accepted by the governing board of a college partnership laboratory school if the conditions for such funds are contrary to law or the terms of the agreement between the Board and the college partnership laboratory school.

C. Notwithstanding any other provision of law, the proportionate share of state and federal resources allocated for students with disabilities and school personnel assigned to special education programs shall be directed to college partnership laboratory schools enrolling such students. The proportionate share of moneys allocated under other federal or state categorical aid programs shall be directed to college partnership laboratory schools serving students eligible for such aid.

D. College partnership laboratory schools are eligible to apply for and receive any federal or state funds otherwise allocated for college partnership laboratory schools.

E. The collection of any tuition, room and board, and other educational and related fees from students enrolled at a college partnership laboratory school shall comply with Board regulations and shall be credited to the account of such school.

F. Each college partnership laboratory school is eligible to apply for and receive available funds from the ~~College Partnership Laboratory School Fund~~ established pursuant to § 22.1-349.01 and the institution of higher education that establishes the school.

G. For the purposes of calculating average daily membership pursuant to § 22.1-253.13:2 and distribution of local, state, and federal funding, a student enrolled at a college partnership laboratory school shall be considered a student of the local school division in which the college partnership laboratory school is located.

**§ 22.1-349.11. Immunity.**

~~A~~ In the case of a college partnership laboratory school established by a public institution of higher education, the college partnership laboratory school is immune from liability to the same extent as is the public institution of higher education that establishes the school, and the employees and volunteers in a



college partnership laboratory school are immune from liability to the same extent as are the employees of the public institution of higher education that establishes the school.

Article 3.

Innovation Laboratory Schools.

**§ 22.1-349.12. Objectives; definitions.**

A. In order to (i) increase student and educator exposure to the skills and workplaces of the future to better connect academic preparation to real-world realities; (ii) provide access to state-of-the-art teaching tools, laboratories, materials, and faculty; (iii) ensure that the latest evidence and insights from research and practice are shaping pedagogy and the approach to education; (iv) offer hands-on learning and work opportunities that make learning come alive through application; (v) align learning and career pathways toward the skills and jobs most in demand in the region; (vi) train prekindergarten through grade 12 teachers and staff with best practices and evidence to ensure that they benefit from the latest innovations in teaching and learning; and (vii) ensure that every student is prepared for life, innovation laboratory schools may be established in the Commonwealth as provided in this article.

B. As used in this article, unless the context requires a different meaning:

"At-risk student" has the same meaning as provided in § 22.1-349.1.

"Innovation laboratory school" means a public, nonreligious, or non-home-based alternative school located within a local school division. An innovation laboratory school may be created as a new public school or through the conversion of all or part of an existing public school; however, no innovation laboratory school shall be established through the conversion of a private school or a nonpublic home-based educational program. An innovation laboratory school for at-risk students may be established as a residential school.

**§ 22.1-349.13. Establishment and operation of innovation laboratory schools; requirements.**

A. Enrollment in an innovation laboratory school shall be open to any child who is deemed to reside within the relevant school division, as set forth in § 22.1-3, through a lottery process on a space-available basis, except that in the case of the conversion of all or part of an existing public school, students who attend the school or reside in the attendance area for the school and the siblings of such students shall

be given the opportunity to enroll in advance of the lottery process. A waiting list shall be established if adequate space is not available to accommodate all students whose parents have requested to be entered in the lottery process. Such waiting list shall also be prioritized through a lottery process and parents shall be informed of their student's position on the list.

B. An innovation laboratory school shall be administered and managed by a governing board consisting of at least seven but no more than 11 members and composed of a teacher in the school, an administrator in the school, a parent of a student enrolled in the school, community sponsors, management team members, and such other members as may be set out in the innovation laboratory school contract pursuant to § 22.1-349.15.

C. Pursuant to the innovation laboratory school's contract, the innovation laboratory school shall be responsible for its own operations, including such budget preparation, contracts for services, and personnel matters as are specified in the contract. An innovation laboratory school may negotiate and contract with a school division, the governing board of a public institution of higher education, or any third party for the use of a school building and grounds, the operation and maintenance thereof, and the provision of any service, activity, or undertaking that the innovation laboratory school is required to perform in order to carry out the educational program described in its contract.

D. As negotiated by contract, the local school board may allow an innovation laboratory school to use vacant or unused properties or real estate owned by the school board. In no event shall an innovation laboratory school be required to pay rent for space that is deemed available, as negotiated by contract, in school division facilities. All other costs for the operation and maintenance of the facilities used by the innovation laboratory school shall be subject to negotiation between the innovation laboratory school and the school division.

E. No innovation laboratory school shall charge tuition.

**§ 22.1-349.14. Applicability of other laws, regulations, policies, and procedures.**

A. Innovation laboratory schools are subject to all federal laws and authorities as set forth in this article and the contract with the local school board.

265 B. Innovation laboratory schools are subject to the same civil rights, health, and safety  
266 requirements applicable to other public schools in the Commonwealth, except as otherwise provided in  
267 this article.

268 C. Except as otherwise provided in subsection D and pursuant to the innovation laboratory school's  
269 contract, innovation laboratory schools are subject to the student assessment and accountability  
270 requirements applicable to other public schools in the Commonwealth and shall be counted in the  
271 determination of the relevant school division's accreditation rating, but nothing in this article precludes an  
272 innovation laboratory school from establishing additional student assessment measures that go beyond  
273 state requirements if the school's authorizer approves such measures.

274 D. Pursuant to the innovation laboratory school's contract, the innovation laboratory school may  
275 (i) operate free from specified school division policies and state regulations and (ii) be granted flexibility  
276 in school scheduling, including any such flexibility available to public schools pursuant to § 22.1-79.1 or  
277 any other state statute or regulation, and as a public school, shall be subject to the requirements of the  
278 Standards of Quality, including the Standards of Learning and the Standards of Accreditation, with the  
279 exception of the provisions of § 22.1-253.13:1; subsection A, subsections C through M, and subsection O  
280 of § 22.1-253.13:2; subsections A through E and subsection G of § 22.1-253.13:3; subsections D, E, and  
281 F of § 22.1-253.13:4; §§ 22.1-253.13:5 and 22.1-253.13:6; subsections C, D, and E of § 22.1-253.13:7;  
282 and § 22.1-253.13:8.

283 E. Governing boards of innovation laboratory schools are subject to and shall comply with the  
284 Virginia Freedom of Information Act (§ 2.2-3700 et seq.).

285 F. No innovation laboratory school shall discriminate against any individual on the basis of  
286 disability, race, creed, color, sex, sexual orientation, gender identity, national origin, religion, ancestry, or  
287 need for special education services or any other unlawful basis, and each innovation laboratory school  
288 shall be subject to any court-ordered desegregation plan in effect for the school division.

289 G. No innovation laboratory school shall discriminate against any student on the basis of limited  
290 proficiency in English, and each innovation laboratory school shall provide students who have limited

proficiency in English with appropriate services designed to teach such students English and the general curriculum, consistent with federal civil rights laws.

H. No innovation laboratory school shall engage in any sectarian practices in its educational program, admissions or employment policies, or operations.

**§ 22.1-349.15. Contracts for innovation laboratory schools.**

A. Within 90 days of approval by the local school board of an application to establish an innovation laboratory school pursuant to § 22.1-349.16, the local school board and the governing board of the approved innovation laboratory school shall execute a contract that clearly sets forth (i) the academic and operational performance expectations and measures by which the innovation laboratory school will be judged and (ii) the administrative relationship between the local school board and innovation laboratory school, including each party's rights and duties. Such 90-day period may be extended by a period not to exceed 30 days by mutual agreement of the parties. Such performance expectations and measures shall include applicable federal and state accountability requirements and may be refined or amended by mutual agreement after the innovation laboratory school has collected baseline achievement data for its enrolled students.

B. The academic and operational performance expectations and measures in the contract shall be based on a performance framework that clearly sets forth the academic and operational performance indicators, measures, and metrics that will guide the local school board's evaluations of each innovation laboratory school. The performance framework shall include indicators, measures, and metrics for:

1. Student academic proficiency;

2. Student academic growth;

3. Achievement gaps in both proficiency and growth between the major student subgroups based on gender, race, poverty status, special education status, English language learner status, and gifted status;

4. Attendance;

5. Recurrent annual enrollment;

6. Postsecondary education readiness of high school students;

7. Financial performance and sustainability; and

8. The performance and stewardship of the governing board, including compliance with all applicable laws, regulations, and terms of the contract.

C. The performance framework shall allow the inclusion of additional rigorous, valid, and reliable indicators proposed by an innovation laboratory school to augment external evaluations of its performance, provided that the local school board approves the quality and rigor of such indicators and such indicators are consistent with the purposes of this article.

D. The performance framework shall require the disaggregation of all student performance data by major student subgroups based on gender, race, poverty status, special education status, English language learner status, and gifted status.

E. Annual performance targets shall be set by each innovation laboratory school and the local school board and shall be designed to help each school meet applicable federal, state, and local school board expectations.

F. The contract shall be signed by the chairman of the local school board and the president or chairman of the innovation laboratory school's governing board. Within 10 days of executing a contract, the local school board shall submit to the Board written notification of the contract execution, including a copy of the executed contract and any attachments.

G. No innovation laboratory school shall commence operations without a contract executed in accordance with this section and approved in an open meeting of the local school board.

H. If the application proposes a program to increase the educational opportunities for at-risk students, including those proposals for residential innovation laboratory schools for at-risk students, the local school board or relevant school boards, as the case may be, on behalf of the innovation laboratory school, shall also request that the Board approve an Individual School Accreditation Plan for the evaluation of the performance of the school as authorized by the Standards of Accreditation pursuant to 8VAC20-131-420 D of the Virginia Administrative Code.

I. Any material revision of the terms of the contract may be made only with the approval of the local school board or relevant school boards and the governing board of the innovation laboratory school.

**§ 22.1-349.16. Application.**

A. Any management team consisting of at least three members and including at least one experienced school administrator, at least one experienced teacher, and any community member within the local school division may, either alone or in partnership with institutions of higher education or businesses, submit an application to the local school board for the formation of an innovation laboratory school.

B. The innovation laboratory school application shall be a proposed contract and shall include:

1. An executive summary.

2. A mission statement of the innovation laboratory school that is consistent with the principles of the Standards of Quality, including identification of the targeted academic program of study.

3. The location or geographic area proposed for the innovation laboratory school.

4. The grades to be served each year for the full term of the contract.

5. Minimum, planned, and maximum enrollment per grade level per year for the term of the contract.

6. Evidence of need and community support for the proposed innovation laboratory school.

7. Background information on the proposed founding governing board members and, if identified, the proposed innovation laboratory school leadership and management team.

8. The innovation laboratory school's proposed calendar and a sample daily schedule.

9. A description of the academic program that is aligned with the Standards of Learning.

10. A description of (i) the innovation laboratory school's instructional design, including the type of learning environment, such as classroom-based or independent study, class size and structure, curriculum overview, and teaching methods, and (ii) how such instructional design is unique and distinct from all others presently being offered in all other schools at the same grade level in the local school division.

11. The innovation laboratory school's plans for identifying and successfully serving students with disabilities, students who are English language learners, students who lag behind academically, and gifted students, including compliance with applicable laws and regulations.

- 371 12. A description of cocurricular or extracurricular programs and how such programs will be  
372 funded and delivered.
- 373 13. Plans and timelines for student recruitment and enrollment, including lottery procedures.
- 374 14. The innovation laboratory school's student discipline policies, including discipline policies for  
375 special education students.
- 376 15. An organization chart that clearly presents the innovation laboratory school's organizational  
377 structure, including lines of authority and reporting between the governing board; staff; any related bodies,  
378 such as advisory bodies or parent and teacher councils; and any external organizations that will play a role  
379 in managing the innovation laboratory school.
- 380 16. A clear description of the roles and responsibilities for the governing board, the innovation  
381 laboratory school's leadership and management team, and any other entities shown in the organization  
382 chart.
- 383 17. A staffing chart for the innovation laboratory school's first year and a staffing plan for the term  
384 of the contract.
- 385 18. Plans for recruiting and developing the innovation laboratory school's leadership and staff.
- 386 19. The innovation laboratory school's leadership and teacher employment policies.
- 387 20. Proposed governing bylaws.
- 388 21. Explanations of any partnerships or contractual relationships central to the innovation  
389 laboratory school's operations or mission.
- 390 22. The innovation laboratory school's plans for providing transportation, food service, and all  
391 other significant operational and ancillary services.
- 392 23. A statement of opportunities and expectations for parent involvement.
- 393 24. A detailed innovation laboratory school start-up plan that identifies tasks, timelines, and  
394 responsible individuals.
- 395 25. A description of the innovation laboratory school's financial plan and policies, including  
396 financial controls and audit requirements.
- 397 26. A description of the insurance coverage that the innovation laboratory school will obtain.

398 27. Start-up and five-year budgets with clearly stated assumptions.

399 28. Start-up and first-year cash-flow projections with clearly stated assumptions.

400 29. A description of the duties of the innovation laboratory school's foundation, as required  
401 pursuant to subsection F of § 22.1-349.22.

402 30. Evidence of anticipated fundraising contributions, if claimed in the application.

403 31. A sound facilities plan, including backup or contingency plans, if appropriate.

404 32. Assurances that the innovation laboratory school (i) is nonreligious in its programs, admission  
405 policies, employment practices, and all other operations and (ii) does not charge tuition.

406 33. Disclosure of any ownership or financial interest in the innovation laboratory school by the  
407 applicant and the governing board, administrators, and other personnel of the proposed innovation  
408 laboratory school and a requirement that the successful applicant and the governing board, administrators,  
409 and other personnel of the innovation laboratory school shall have a continuing duty to disclose such  
410 interests during the term of any contract.

411 **§ 22.1-349.17. Review of innovation laboratory school applications.**

412 A. Each local school board shall establish procedures for receiving, reviewing, and ruling upon  
413 innovation laboratory school applications, post such procedures on its website, and make a copy of such  
414 procedures available to all interested parties upon request. If any such board finds the innovation  
415 laboratory school application is incomplete, the board shall request the necessary information from the  
416 applicant.

417 B. Each local school board that receives a complete innovation laboratory school application shall:

418 1. Submit any questions on the application to the applicant no later than 30 days after the date of  
419 receipt of the application. Any such applicant shall respond in writing to such questions no later than 15  
420 days after the date of receipt of such questions, but such period may be extended by mutual agreement of  
421 the parties; and

422 2. Submit to the applicant a written ruling upon such application no later than 90 days after the  
423 date of receipt of the application, but such period may be extended by mutual agreement of the parties.



C. To provide appropriate opportunity for input from parents, teachers, citizens, and other interested parties and to obtain information to assist local school boards in their decisions to grant or deny an innovation laboratory school application, local school boards shall establish a procedure for public notice and to receive comment on innovation laboratory school applications. A local school board shall give at least 14 days' notice of its intent to receive public comment on an application.

**§ 22.1-349.18. Reconsideration and technical assistance.**

A. If a local school board denies an innovation laboratory school application, or revokes or fails to renew a contract, it shall provide to the applicant or grantee its reasons, in writing, for such decision, and it shall post such reasons on its website. An innovation laboratory school applicant whose application was denied, or a grantee whose contract was revoked or not renewed, shall be entitled to petition the local school board for reconsideration. The petition for reconsideration shall be filed no later than 60 days from the date the innovation laboratory school application is denied or the contract is revoked or fails to be renewed. Such reconsideration shall be decided within 60 days of the filing of the petition.

B. Each local school board shall establish a process for reviewing petitions of reconsideration, which shall include an opportunity for public comment. The petition of reconsideration may include an amended application based on the reasons given by the local school board for such decision.

C. Prior to seeking reconsideration, an applicant or grantee may seek technical assistance from the Superintendent to address the reasons for denial, revocation, or nonrenewal.

D. Upon reconsideration, the decision of a local school board to grant or deny an innovation laboratory school application or to revoke or fail to renew a contract shall be final and not subject to appeal, but the local school board shall again provide to the applicant or grantee its reasons, in writing, for such decision, and it shall post such reasons on its website.

E. Nothing in this section shall prohibit an applicant whose application has been denied or a grantee whose contract has been revoked or not renewed from submitting a new application, pursuant to § 22.1-349.16.

**§ 22.1-349.19. Innovation laboratory school restrictions.**

450 A. Local school boards may establish innovation laboratory schools within the school division.  
451 Priority shall be given to innovation laboratory school applications designed to increase the educational  
452 opportunities of at-risk students, and local school boards shall seek to ensure that at least one-half of the  
453 innovation laboratory schools per division shall be designed for at-risk students; however, the one-half  
454 requirement shall not apply in cases in which an existing public school is converted into an innovation  
455 laboratory school that serves the same community as the existing public school, nor shall such innovation  
456 laboratory school conversions be counted in the determination of school division compliance with the  
457 one-half requirement.

458 B. Local school boards shall report the grant or denial of innovation laboratory school applications  
459 or the renewal of innovation laboratory school contracts to the Board and shall specify the maximum  
460 number of innovation laboratory schools that may be authorized, if any; the number of applications granted  
461 or denied and the number of contracts renewed; and whether an innovation laboratory school is designed  
462 to increase the educational opportunities of at-risk students.

463 C. Nothing in this article shall be construed to prevent a school that is the only school in the  
464 division from applying to become an innovation laboratory school.

465 **§ 22.1-349.20. Innovation laboratory school term; renewals and revocations.**

466 A. A contract may be approved or renewed for a period not to exceed five school years. An  
467 innovation laboratory school renewal application submitted to the local school board shall contain:

468 1. A report on the progress of the innovation laboratory school in achieving the goals, objectives,  
469 program and performance standards for students, and such other conditions and terms as the local school  
470 board may require upon granting initial approval of the application.

471 2. A financial statement, on forms prescribed by the Board, that discloses the costs of  
472 administration, instruction, and other spending categories for the innovation laboratory school and that  
473 has been concisely and clearly written to enable the local school board and the public to compare such  
474 costs to those of other schools or comparable organizations.

475 B. Local school boards may revoke a contract if the innovation laboratory school:

1. Violates the conditions, standards, or procedures established in the innovation laboratory school application;

2. Fails to meet or make reasonable progress toward achievement of the content standards or student performance standards identified in the application;

3. Fails to meet generally accepted standards of fiscal management; or

4. Violates any provision of law from which the innovation laboratory school was not specifically exempted.

C. Nothing in this section shall be construed to restrict the authority of local school boards to decline to renew a contract.

**§ 22.1-349.21. Employment of professional, licensed personnel.**

A. At the discretion of the local school board, innovation laboratory school personnel may be employees of the local school board granting the contract. Any personnel not employed by the local school board shall remain subject to the provisions of §§ 22.1-296.1, 22.1-296.2, and 22.1-296.4.

B. Professional, licensed education personnel may volunteer for assignment to an innovation laboratory school. Assignment to an innovation laboratory school shall be for one contract year. Upon request of the employee and the recommendation of the governing board of the innovation laboratory school, reassignment to the innovation laboratory school may occur on an annual basis.

C. Local school boards may employ such health, mental health, social services, and other related personnel to serve in residential innovation laboratory schools for at-risk students as set forth in the contract between such local school board and the residential innovation laboratory school; however, nothing herein shall require a local school board to fund the residential or other services provided by a residential innovation laboratory school.

**§ 22.1-349.22. Funding of innovation laboratory schools; services provided.**

A. For the purposes of this article, students enrolled in an innovation laboratory school shall be included in the average daily membership of the relevant school division and shall be reported in fall membership for purposes of calculating the state and local shares required to fund the Standards of Quality.

503        B. Insofar as constitutionally valid, a local school board may establish by contract an agreement  
504 stating the conditions for funding the innovation laboratory school, including funding for the educational  
505 program to be provided by a residential innovation laboratory school for at-risk students. In accordance  
506 with subsection D, the per pupil funding provided to the innovation laboratory school by the local school  
507 board shall be commensurate with the average school-based costs of educating the students in the existing  
508 schools in the division or divisions unless the cost of operating the innovation laboratory school is less  
509 than that average school-based cost.

510        C. Services provided to the innovation laboratory school by the local school board may include  
511 food services; custodial and maintenance services; curriculum, media, and library services; warehousing  
512 and merchandising; and such other services not prohibited by the provisions of this article or state and  
513 federal laws.

514        D. Any educational and related fees collected from students enrolled at an innovation laboratory  
515 school shall be credited to the account of such innovation laboratory school established by the relevant  
516 local school board.

517        E. Notwithstanding any other provision of law, the proportionate share of state and federal  
518 resources allocated for students with disabilities and school personnel assigned to special education  
519 programs shall be directed to innovation laboratory schools enrolling such students. The proportionate  
520 share of moneys allocated under other federal or state categorical aid programs shall be directed to  
521 innovation laboratory schools serving students eligible for such aid.

522        F. The governing board of an innovation laboratory school shall establish a foundation as a  
523 nonstock, nonprofit corporation for the purposes of soliciting or accepting gifts or donations, applying for  
524 or accepting grants, or otherwise raising funds of any kind for the innovation laboratory school.

525        G. The governing board of an innovation laboratory school is authorized to accept gifts, donations,  
526 or grants of any kind made to the innovation laboratory school and to spend such funds in accordance with  
527 the conditions prescribed by the donor. However, no gift, donation, or grant shall be accepted by the  
528 governing board of an innovation laboratory school or its foundation if the conditions for such funds are

529 contrary to law or the terms of the contract between the local school board and the innovation laboratory  
530 school.

531 H. The Department shall provide technical assistance to local school boards relating to receipt,  
532 review, and ruling upon applications for innovation laboratory schools.

533 **§ 22.1-349.23. Report of innovation laboratory schools.**

534 The Board shall report the number of innovation laboratory schools established in the  
535 Commonwealth, as well as the number of contracts denied, in its annual report to the Governor and the  
536 General Assembly pursuant to § 22.1-18.

537 **§ 22.1-349.24. Immunity.**

538 Innovation laboratory schools shall be immune from liability to the same extent as all other public  
539 schools in the Commonwealth, and the employees and volunteers in an innovation laboratory school are  
540 immune from liability to the same extent as the employees and volunteers in any other public school.

541 **2. That § 22.1-349.2 of the Code of Virginia is repealed.**

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