

AMENDED IN ASSEMBLY APRIL 9, 2002
AMENDED IN ASSEMBLY MARCH 18, 2002
CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 1994

**Introduced by Assembly ~~Member Reyes~~ *Members Reyes and
Matthews***

February 15, 2002

An act to amend Sections 47605, 47613.1, 47634, 47634.5, and 47652 of, and to add Section 47605.1 to, the Education Code, relating to charter schools.

LEGISLATIVE COUNSEL'S DIGEST

AB 1994, as amended, Reyes. Charter schools: operation.

(1) Existing law, the Charter Schools Act of 1992 (Act), permits the governing board of a school district to approve a charter school to operate independently from the existing school district structure as a method of accomplishing, among other things, improved pupil learning. Under the act, if the governing board of a school district denies petition for the establishment of a charter school, the petitioner may elect to submit the petition for the establishment of a charter school to either the county board of education or directly to the State Board of Education. The act does not expressly authorize a school district to approve a petition for a charter school that would operate outside the boundaries of the school district. Under the act, a petition for the establishment of a charter school is required to describe specified elements, including, among others, the educational program of the school and information on the facilities to be used by the charter school.

This bill would require the petition for the establishment of a charter school to describe how a charter school that will serve high school pupils will inform parents about the transferability and eligibility of courses to meet college entrance requirements, the procedures to be used if the charter school closes, an indication of whether the school will operate at multiple sites, and would prescribe related matters. By imposing new duties on school districts, the bill would impose a state-mandated local program.

The bill would ~~provide require that, on and after January 1, 2003, a charter school that is granted a charter from the governing board of a school district or from a county office of education and commences providing educational services to pupils on or after July 1, 2002, may only operate~~ *locate a schoolsite or facility only within the boundaries of that school district or county, respectively the county in which the authorizing entity is located, and would prescribe related matters.* ~~The bill would also authorize a charter school that is granted a charter from the governing board of a school district or from a county office of education, on or after January 1, 2003, to operate within the geographical boundaries of the immediately adjacent county, and would prescribe related matters.~~

(2) The act requires the Superintendent of Public Instruction, in the 1999–2000, 2000–01, and 2001–02 fiscal years, to make apportionments to a charter school that elects not to be funded pursuant to the block grant funding model set forth in the act in each fiscal year that the charter school so elects.

This bill would require the Superintendent of Public Instruction to make those apportionments in each fiscal year that a charter school so elects.

(3) The act requires that a charter school in its first year of operation be eligible to receive funding for an advanced apportionment based on an estimate of average daily attendance for the current fiscal year, approved as specified.

This bill would authorize a charter school in its first year of operation to commence instruction within the first 3 months of the fiscal year beginning July 1 of that year, and would make a charter school ineligible for an apportionment for a fiscal year in which instruction commenced after September 30 of that fiscal year.

(4) *The act requires the Superintendent of Public Instruction to annually compute a categorical block grant amount for each charter school by computing, as of June 30, 1999, the estimated statewide*



average amount of funding for other state categorical aid per unit of average daily attendance, as provided, and by following a prescribed formula.

This bill would include within the list of other state categorical aid programs, the Teenage Pregnancy Prevention Grant Program, for purposes of those calculations. The bill would also specify other state categorical aid that may not be included for purposes of those calculations. The bill would provide that commencing in the 2003 fiscal year, the Superintendent of Public Instruction shall establish 2001–02 as the new base year for funding the categorical block grant and would prescribe a formula for making that calculation in 2003 and annually thereafter.

(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 47605 of the Education Code is~~
2 ~~amended to read:~~
3 ~~47605. (a) (1) Except as set forth in paragraph (2), a petition~~
4 ~~for the establishment of a charter school within any school district~~
5 ~~may be circulated by any one or more persons seeking to establish~~
6 ~~the charter school. The petition may be submitted to the governing~~
7 ~~board of the school district for review after either of the following~~
8 ~~conditions are met:~~
9 ~~(A) The petition has been signed by a number of parents or~~
10 ~~guardians of pupils that is equivalent to at least one-half of the~~
11 ~~number of pupils that the charter school estimates will enroll in the~~
12 ~~school for its first year of operation.~~



1 ~~(B) The petition has been signed by a number of teachers that~~
2 ~~is equivalent to at least one-half of the number of teachers that the~~
3 ~~charter school estimates will be employed at the school during its~~
4 ~~first year of operation.~~

5 ~~(2) In the case of a petition for the establishment of a charter~~
6 ~~school through the conversion of an existing public school, that~~
7 ~~would not be eligible for a loan pursuant to subdivision (b) of~~
8 ~~Section 41365, the petition may be circulated by any one or more~~
9 ~~persons seeking to establish the converted charter school. The~~
10 ~~petition may be submitted to the governing board of the school~~
11 ~~district for review after the petition has been signed by not less than~~
12 ~~50 percent of the permanent status teachers currently employed at~~
13 ~~the public school to be converted.~~

14 ~~(3) A petition shall include a prominent statement that a~~
15 ~~signature on the petition means that the parent or guardian is~~
16 ~~meaningfully interested in having his or her child, or ward, attend~~
17 ~~the charter school, or in the case of a teacher's signature, means~~
18 ~~that the teacher is meaningfully interested in teaching at the charter~~
19 ~~school. The proposed charter shall be attached to the petition.~~

20 ~~(b) No later than 30 days after receiving a petition, in~~
21 ~~accordance with subdivision (a), the governing board of the school~~
22 ~~district shall hold a public hearing on the provisions of the charter,~~
23 ~~at which time the governing board of the school district shall~~
24 ~~consider the level of support for the petition by teachers employed~~
25 ~~by the district, other employees of the district, and parents.~~
26 ~~Following review of the petition and the public hearing, the~~
27 ~~governing board of the school district shall either grant or deny the~~
28 ~~charter within 60 days of receipt of the petition, provided,~~
29 ~~however, that the date may be extended by an additional 30 days~~
30 ~~if both parties agree to the extension. In reviewing petitions for the~~
31 ~~establishment of charter schools pursuant to this section, the~~
32 ~~chartering authority shall be guided by the intent of the Legislature~~
33 ~~that charter schools are and should become an integral part of the~~
34 ~~California educational system and that establishment of charter~~
35 ~~schools should be encouraged. A school district governing board~~
36 ~~shall grant a charter for the operation of a school under this part if~~
37 ~~it is satisfied that granting the charter is consistent with sound~~
38 ~~educational practice. The governing board of the school district~~
39 ~~shall not deny a petition for the establishment of a charter school~~
40 ~~unless it makes written factual findings, specific to the particular~~



1 ~~petition, setting forth specific facts to support one or more of the~~
2 ~~following findings:~~

3 ~~(1) The charter school presents an unsound educational~~
4 ~~program for the pupils to be enrolled in the charter school.~~

5 ~~(2) The petitioners are demonstrably unlikely to successfully~~
6 ~~implement the program set forth in the petition.~~

7 ~~(3) The petition does not contain the number of signatures~~
8 ~~required by subdivision (a).~~

9 ~~(4) The petition does not contain an affirmation of each of the~~
10 ~~conditions described in subdivision (d).~~

11 ~~(5) The petition does not contain reasonably comprehensive~~
12 ~~descriptions of all of the following:~~

13 ~~(A) A description of the educational program of the school,~~
14 ~~designed, among other things, to identify those whom the school~~
15 ~~is attempting to educate, what it means to be an “educated person”~~
16 ~~in the 21st century, and how learning best occurs. The goals~~
17 ~~identified in that program shall include the objective of enabling~~
18 ~~pupils to become self-motivated, competent, and lifelong learners.~~
19 ~~If the proposed school will serve high school pupils, a description~~
20 ~~of how the charter school will inform parents about the~~
21 ~~transferability and eligibility of courses to meet college entrance~~
22 ~~requirements.~~

23 ~~(B) The measurable pupil outcomes identified for use by the~~
24 ~~charter school. “Pupil outcomes,” for purposes of this part, means~~
25 ~~the extent to which all pupils of the school demonstrate that they~~
26 ~~have attained the skills, knowledge, and attitudes specified as~~
27 ~~goals in the school’s educational program.~~

28 ~~(C) The method by which pupil progress in meeting those pupil~~
29 ~~outcomes is to be measured.~~

30 ~~(D) The governance structure of the school, including, but not~~
31 ~~limited to, the process to be followed by the school to ensure~~
32 ~~parental involvement.~~

33 ~~(E) The qualifications to be met by individuals to be employed~~
34 ~~by the school.~~

35 ~~(F) The procedures that the school will follow to ensure the~~
36 ~~health and safety of pupils and staff. These procedures shall~~
37 ~~include the requirement that each employee of the school furnish~~
38 ~~the school with a criminal record summary as described in Section~~
39 ~~44237.~~



1 ~~(G) The means by which the school will achieve a racial and~~
2 ~~ethnic balance among its pupils that is reflective of the general~~
3 ~~population residing within the territorial jurisdiction of the school~~
4 ~~district to which the charter petition is submitted.~~

5 ~~(H) Admission requirements, if applicable.~~

6 ~~(I) The manner in which annual, independent, financial audits~~
7 ~~shall be conducted, which shall employ generally accepted~~
8 ~~accounting principles, and the manner in which audit exceptions~~
9 ~~and deficiencies shall be resolved to the satisfaction of the~~
10 ~~chartering authority.~~

11 ~~(J) The procedures by which pupils can be suspended or~~
12 ~~expelled.~~

13 ~~(K) The manner by which staff members of the charter schools~~
14 ~~will be covered by the State Teachers' Retirement System, the~~
15 ~~Public Employees' Retirement System, or federal social security.~~

16 ~~(L) The public school attendance alternatives for pupils~~
17 ~~residing within the school district who choose not to attend charter~~
18 ~~schools.~~

19 ~~(M) A description of the rights of any employee of the school~~
20 ~~district upon leaving the employment of the school district to work~~
21 ~~in a charter school, and of any rights of return to the school district~~
22 ~~after employment at a charter school.~~

23 ~~(N) The procedures to be followed by the charter school and the~~
24 ~~entity granting the charter to resolve disputes relating to provisions~~
25 ~~of the charter.~~

26 ~~(O) A declaration whether or not the charter school shall be~~
27 ~~deemed the exclusive public school employer of the employees of~~
28 ~~the charter school for the purposes of the Educational Employment~~
29 ~~Relations Act (Chapter 10.7 (commencing with Section 3540) of~~
30 ~~Division 4 of Title 1 of the Government Code).~~

31 ~~(P) A description of the procedures to be used if the charter~~
32 ~~school closes. The procedures shall ensure a final audit of the~~
33 ~~school to determine the disposition of all assets and liabilities of~~
34 ~~the charter school, including plans for disposing of any net assets~~
35 ~~and for the maintenance and transfer of pupils records.~~

36 ~~(e) (1) Charter schools shall meet all statewide standards and~~
37 ~~conduct the pupil assessments required pursuant to Section 60605~~
38 ~~and any other statewide standards authorized in statute or pupil~~
39 ~~assessments applicable to pupils in noncharter public schools.~~



1 ~~(2) Charter schools shall on a regular basis consult with their~~
2 ~~parents and teachers regarding the school's educational programs.~~

3 ~~(d) (1) In addition to any other requirement imposed under this~~
4 ~~part, a charter school shall be nonsectarian in its programs,~~
5 ~~admission policies, employment practices, and all other~~
6 ~~operations, shall not charge tuition, and shall not discriminate~~
7 ~~against any pupil on the basis of ethnicity, national origin, gender,~~
8 ~~or disability. Except as provided in paragraph (2), admission to a~~
9 ~~charter school shall not be determined according to the place of~~
10 ~~residence of the pupil, or of his or her parent or guardian, within~~
11 ~~this state, except that any existing public school converting~~
12 ~~partially or entirely to a charter school under this part shall adopt~~
13 ~~and maintain a policy giving admission preference to pupils who~~
14 ~~reside within the former attendance area of that public school.~~

15 ~~(2) (A) A charter school shall admit all pupils who wish to~~
16 ~~attend the school.~~

17 ~~(B) However, if the number of pupils who wish to attend the~~
18 ~~charter school exceeds the school's capacity, attendance, except~~
19 ~~for existing pupils of the charter school, shall be determined by a~~
20 ~~public random drawing. Preference shall be extended to pupils~~
21 ~~currently attending the charter school and pupils who reside in the~~
22 ~~district except as provided for in Section 47614.5. Other~~
23 ~~preferences may be permitted by the chartering authority on an~~
24 ~~individual school basis and only if consistent with the law.~~

25 ~~(C) In the event of a drawing, the chartering authority shall~~
26 ~~make reasonable efforts to accommodate the growth of the charter~~
27 ~~school and, in no event, shall take any action to impede the charter~~
28 ~~school from expanding enrollment to meet pupil demand.~~

29 ~~(e) No governing board of a school district shall require any~~
30 ~~employee of the school district to be employed in a charter school.~~

31 ~~(f) No governing board of a school district shall require any~~
32 ~~pupil enrolled in the school district to attend a charter school.~~

33 ~~(g) The governing board of a school district shall require that~~
34 ~~the petitioner or petitioners provide information regarding the~~
35 ~~proposed operation and potential effects of the school, including,~~
36 ~~but not limited to, the facilities to be utilized by the school, the~~
37 ~~manner in which administrative services of the school are to be~~
38 ~~provided, and potential civil liability effects, if any, upon the~~
39 ~~school and upon the school district. The description of the facilities~~
40 ~~to be used by the charter school shall specify where the school~~



1 ~~intends to locate and whether the school will operate on multiple~~
2 ~~sites. If the school will operate on multiple sites, the petitioner~~
3 ~~shall describe a process for notifying the district when an~~
4 ~~additional site will begin operation. The petitioner or petitioners~~
5 ~~shall also be required to provide financial statements that include~~
6 ~~a proposed first-year operational budget, including startup costs,~~
7 ~~and cashflow and financial projections for the first three years of~~
8 ~~operation.~~

9 ~~(h) In reviewing petitions for the establishment of charter~~
10 ~~schools within the school district, the school district governing~~
11 ~~board shall give preference to petitions that demonstrate the~~
12 ~~capability to provide comprehensive learning experiences to~~
13 ~~pupils identified by the petitioner or petitioners as academically~~
14 ~~low achieving pursuant to the standards established by the State~~
15 ~~Department of Education under Section 54032.~~

16 ~~(i) Upon the approval of the petition by the governing board of~~
17 ~~the school district, the petitioner or petitioners shall provide~~
18 ~~written notice of that approval, including a copy of the petition, to~~
19 ~~the State Board of Education.~~

20 ~~(j) (1) If the governing board of a school district denies a~~
21 ~~petition, the petitioner may elect to submit the petition for the~~
22 ~~establishment of a charter school to either the county board of~~
23 ~~education or directly to the State Board of Education. The county~~
24 ~~board of education or the State Board of Education, as the case may~~
25 ~~be, shall review the petition pursuant to subdivision (b). If the~~
26 ~~petitioner elects to submit a petition for establishment of a charter~~
27 ~~school to the county board of education and the county board of~~
28 ~~education denies the petition, the petitioner may file a petition for~~
29 ~~establishment of a charter school with the State Board of~~
30 ~~Education.~~

31 ~~(2) A charter school for which a charter is granted by either the~~
32 ~~county board of education or the State Board of Education~~
33 ~~pursuant to this subdivision shall qualify fully as a charter school~~
34 ~~for all funding and other purposes of this part.~~

35 ~~(3) If either the county board of education or the State Board~~
36 ~~of Education fails to act on a petition within 120 days of receipt,~~
37 ~~the decision of the governing board of the school district, to deny~~
38 ~~a petition shall, thereafter, be subject to judicial review.~~

39 ~~(4) The State Board of Education shall adopt regulations~~
40 ~~implementing this subdivision.~~



1 ~~(5) Upon the approval of the petition by the county board of~~
2 ~~education, the petitioner or petitioners shall provide written notice~~
3 ~~of that approval, including a copy of the petition to the State Board~~
4 ~~of Education.~~

5 ~~(k) (1) The State Board of Education may, by mutual~~
6 ~~agreement, designate its supervisory and oversight~~
7 ~~responsibilities for a charter school approved by the State Board~~
8 ~~of Education to any local education agency in the county in which~~
9 ~~the charter school is located or to the governing board of the school~~
10 ~~district that first denied the petition.~~

11 ~~(2) The designated local education agency shall have all~~
12 ~~monitoring and supervising authority of a chartering agency,~~
13 ~~including, but not limited to, powers and duties set forth in Section~~
14 ~~47607, except the power of revocation, which shall remain with~~
15 ~~the State Board of Education.~~

16 ~~(3) A charter school that has been granted its charter by the~~
17 ~~State Board of Education and elects to seek renewal of its charter~~
18 ~~shall, prior to expiration of the charter, submit its petition for~~
19 ~~renewal to the governing board of the school district that initially~~
20 ~~denied the charter. If the governing board of the school district~~
21 ~~denies the school's petition for renewal, the school may petition~~
22 ~~the State Board of Education for renewal of its charter.~~

23 ~~(l) Teachers in charter schools shall be required to hold a~~
24 ~~Commission on Teacher Credentialing certificate, permit, or other~~
25 ~~document equivalent to that which a teacher in other public~~
26 ~~schools would be required to hold. These documents shall be~~
27 ~~maintained on file at the charter school and shall be subject to~~
28 ~~periodic inspection by the chartering authority. It is the intent of~~
29 ~~the Legislature that charter schools be given flexibility with regard~~
30 ~~to noncore, nonecollege preparatory courses.~~

31 ~~SEC. 2. Section 47605.1 is added to the Education Code to~~
32 ~~read:~~

33 ~~47605.1. (a) (1) Notwithstanding any other provision of~~
34 ~~law, on or after January 1, 2003, a charter school that is granted a~~
35 ~~charter from the governing board of a school district may establish~~
36 ~~charter school operations only within the geographical boundaries~~
37 ~~of that school district, or within the geographical boundaries of a~~
38 ~~county that is immediately adjacent to that school district.~~

39 ~~(2) Notwithstanding any other provision on or after January 1,~~
40 ~~2003, a charter school that submits its petition directly to a county~~



1 ~~board of education, as authorized by Section 47605.5, may~~
2 ~~establish charter school operations only within the geographical~~
3 ~~boundaries of the county in which that county board of education~~
4 ~~has jurisdiction, or within the geographical boundaries of a county~~
5 ~~that is located immediately adjacent to that county.~~

6 ~~(3) Notwithstanding any other provision of law, on or after~~
7 ~~January 1, 2003, a charter school that is granted a charter by a~~
8 ~~county board of education or the State Board of Education, based~~
9 ~~on the denial of a petition by the governing board of a school~~
10 ~~district, as described in paragraphs (1) and (2) of subdivision (j) of~~
11 ~~Section 47605, may establish charter school operations only~~
12 ~~within the geographical boundaries of the school district that~~
13 ~~initially denied the petition for the charter, or within the~~
14 ~~geographical boundaries of a county that is immediately adjacent~~
15 ~~to that school district.~~

16 ~~(b) Nothing in this section is intended to affect the admission~~
17 ~~requirements contained in subdivision (d) of Section 47605.~~

18 ~~(e) (1) Nothing in this section is intended to affect the~~
19 ~~geographical location in which a charter school operates for those~~
20 ~~charter schools granted a charter on or before the effective date of~~
21 ~~this section.~~

22 ~~(2) Nothing in this section is intended to affect the authority of~~
23 ~~a governmental entity to revoke a charter that it granted on or~~
24 ~~before the effective date of this section.~~

25 *SECTION 1. Section 47605 of the Education Code is*
26 *amended to read:*

27 47605. (a) (1) Except as set forth in paragraph (2), a petition
28 for the establishment of a charter school within any school district
29 may be circulated by any one or more persons seeking to establish
30 the charter school. The petition may be submitted to the governing
31 board of the school district for review after either of the following
32 conditions are met:

33 (A) The petition has been signed by a number of parents or
34 guardians of pupils that is equivalent to at least one-half of the
35 number of pupils that the charter school estimates will enroll in the
36 school for its first year of operation.

37 (B) The petition has been signed by a number of teachers that
38 is equivalent to at least one-half of the number of teachers that the
39 charter school estimates will be employed at the school during its
40 first year of operation.



1 (2) In the case of a petition for the establishment of a charter
2 school through the conversion of an existing public school, that
3 would not be eligible for a loan pursuant to subdivision (b) of
4 Section 41365, the petition may be circulated by any one or more
5 persons seeking to establish the converted charter school. The
6 petition may be submitted to the governing board of the school
7 district for review after the petition has been signed by not less than
8 50 percent of the permanent status teachers currently employed at
9 the public school to be converted.

10 (3) A petition shall include a prominent statement that a
11 signature on the petition means that the parent or guardian is
12 meaningfully interested in having his or her child, or ward, attend
13 the charter school, or in the case of a teacher's signature, means
14 that the teacher is meaningfully interested in teaching at the charter
15 school. The proposed charter shall be attached to the petition.

16 (b) No later than 30 days after receiving a petition, in
17 accordance with subdivision (a), the governing board of the school
18 district shall hold a public hearing on the provisions of the charter,
19 at which time the governing board of the school district shall
20 consider the level of support for the petition by teachers employed
21 by the district, other employees of the district, and parents.
22 Following review of the petition and the public hearing, the
23 governing board of the school district shall either grant or deny the
24 charter within 60 days of receipt of the petition, provided,
25 however, that the date may be extended by an additional 30 days
26 if both parties agree to the extension. In reviewing petitions for the
27 establishment of charter schools pursuant to this section, the
28 chartering authority shall be guided by the intent of the Legislature
29 that charter schools are and should become an integral part of the
30 California educational system and that establishment of charter
31 schools should be encouraged. A school district governing board
32 shall grant a charter for the operation of a school under this part if
33 it is satisfied that granting the charter is consistent with sound
34 educational practice. The governing board of the school district
35 shall not deny a petition for the establishment of a charter school
36 unless it makes written factual findings, specific to the particular
37 petition, setting forth specific facts to support one or more of the
38 following findings:

39 (1) The charter school presents an unsound educational
40 program for the pupils to be enrolled in the charter school.



1 (2) The petitioners are demonstrably unlikely to successfully
2 implement the program set forth in the petition.

3 (3) The petition does not contain the number of signatures
4 required by subdivision (a).

5 (4) The petition does not contain an affirmation of each of the
6 conditions described in subdivision (d).

7 (5) The petition does not contain reasonably comprehensive
8 descriptions of all of the following:

9 (A) A description of the educational program of the school,
10 designed, among other things, to identify those whom the school
11 is attempting to educate, what it means to be an “educated person”
12 in the 21st century, and how learning best occurs. The goals
13 identified in that program shall include the objective of enabling
14 pupils to become self-motivated, competent, and lifelong learners.
15 *If the proposed school will serve high school pupils, a description*
16 *of how the charter school will inform parents about the*
17 *transferability and eligibility of courses to meet college entrance*
18 *requirements.*

19 (B) The measurable pupil outcomes identified for use by the
20 charter school. “Pupil outcomes,” for purposes of this part, means
21 the extent to which all pupils of the school demonstrate that they
22 have attained the skills, knowledge, and attitudes specified as
23 goals in the school’s educational program.

24 (C) The method by which pupil progress in meeting those pupil
25 outcomes is to be measured.

26 (D) The governance structure of the school, including, but not
27 limited to, the process to be followed by the school to ensure
28 parental involvement.

29 (E) The qualifications to be met by individuals to be employed
30 by the school.

31 (F) The procedures that the school will follow to ensure the
32 health and safety of pupils and staff. These procedures shall
33 include the requirement that each employee of the school furnish
34 the school with a criminal record summary as described in Section
35 44237.

36 (G) The means by which the school will achieve a racial and
37 ethnic balance among its pupils that is reflective of the general
38 population residing within the territorial jurisdiction of the school
39 district to which the charter petition is submitted.

40 (H) Admission requirements, if applicable.



1 (I) The manner in which annual, independent, financial audits
2 shall be conducted, which shall employ generally accepted
3 accounting principles, and the manner in which audit exceptions
4 and deficiencies shall be resolved to the satisfaction of the
5 chartering authority.

6 (J) The procedures by which pupils can be suspended or
7 expelled.

8 (K) The manner by which staff members of the charter schools
9 will be covered by the State Teachers' Retirement System, the
10 Public Employees' Retirement System, or federal social security.

11 (L) The public school attendance alternatives for pupils
12 residing within the school district who choose not to attend charter
13 schools.

14 (M) A description of the rights of any employee of the school
15 district upon leaving the employment of the school district to work
16 in a charter school, and of any rights of return to the school district
17 after employment at a charter school.

18 (N) The procedures to be followed by the charter school and the
19 entity granting the charter to resolve disputes relating to provisions
20 of the charter.

21 (O) A declaration whether or not the charter school shall be
22 deemed the exclusive public school employer of the employees of
23 the charter school for the purposes of the Educational Employment
24 Relations Act (Chapter 10.7 (commencing with Section 3540) of
25 Division 4 of Title 1 of the Government Code).

26 *(P) A description of the procedures to be used if the charter*
27 *school closes. The procedures shall ensure a final audit of the*
28 *school to determine the disposition of all assets and liabilities of*
29 *the charter school, including plans for disposing of any net assets*
30 *and for the maintenance and transfer of pupil records.*

31 (c) (1) Charter schools shall meet all statewide standards and
32 conduct the pupil assessments required pursuant to Section 60605
33 and any other statewide standards authorized in statute or pupil
34 assessments applicable to pupils in noncharter public schools.

35 (2) Charter schools, shall on a regular basis, consult with their
36 parents and teachers regarding the school's educational programs.

37 (d) (1) In addition to any other requirement imposed under this
38 part, a charter school shall be nonsectarian in its programs,
39 admission policies, employment practices, and all other
40 operations, shall not charge tuition, and shall not discriminate



1 against any pupil on the basis of ethnicity, national origin, gender,
2 or disability. Except as provided in paragraph (2), admission to a
3 charter school shall not be determined according to the place of
4 residence of the pupil, or of his or her parent or guardian, within
5 this state, except that any existing public school converting
6 partially or entirely to a charter school under this part shall adopt
7 and maintain a policy giving admission preference to pupils who
8 reside within the former attendance area of that public school.

9 (2) (A) A charter school shall admit all pupils who wish to
10 attend the school.

11 (B) However, if the number of pupils who wish to attend the
12 charter school exceeds the school's capacity, attendance, except
13 for existing pupils of the charter school, shall be determined by a
14 public random drawing. Preference shall be extended to pupils
15 currently attending the charter school and pupils who reside in the
16 district except as provided for in Section 47614.5. Other
17 preferences may be permitted by the chartering authority on an
18 individual school basis and only if consistent with the law.

19 (C) In the event of a drawing, the chartering authority shall
20 make reasonable efforts to accommodate the growth of the charter
21 school and, in no event, shall take any action to impede the charter
22 school from expanding enrollment to meet pupil demand.

23 (e) No governing board of a school district shall require any
24 employee of the school district to be employed in a charter school.

25 (f) No governing board of a school district shall require any
26 pupil enrolled in the school district to attend a charter school.

27 (g) The governing board of a school district shall require that
28 the petitioner or petitioners provide information regarding the
29 proposed operation and potential effects of the school, including,
30 but not limited to, the facilities to be utilized by the school, the
31 manner in which administrative services of the school are to be
32 provided, and potential civil liability effects, if any, upon the
33 school and upon the school district. *The description of the facilities*
34 *to be used by the charter school shall specify where the school*
35 *intends to locate and whether the school will operate on multiple*
36 *sites. If the school will operate on multiple sites, the petitioner*
37 *shall describe a process for notifying the district when an*
38 *additional site will begin operation. The petitioner or petitioners*
39 *shall also be required to provide financial statements that include*
40 *a proposed first-year operational budget, including startup costs,*



1 and cash-flow and financial projections for the first three years of
2 operation.

3 (h) In reviewing petitions for the establishment of charter
4 schools within the school district, the school district governing
5 board shall give preference to petitions that demonstrate the
6 capability to provide comprehensive learning experiences to
7 pupils identified by the petitioner or petitioners as academically
8 low achieving pursuant to the standards established by the State
9 Department of Education under Section 54032.

10 (i) Upon the approval of the petition by the governing board of
11 the school district, the petitioner or petitioners shall provide
12 written notice of that approval, including a copy of the petition, to
13 the State Board of Education.

14 (j) (1) If the governing board of a school district denies a
15 petition, the petitioner may elect to submit the petition for the
16 establishment of a charter school to either the county board of
17 education or directly to the State Board of Education. The county
18 board of education or the State Board of Education, as the case may
19 be, shall review the petition pursuant to subdivision (b). If the
20 petitioner elects to submit a petition for establishment of a charter
21 school to the county board of education and the county board of
22 education denies the petition, the petitioner may file a petition for
23 establishment of a charter school with the State Board of
24 Education.

25 (2) In assuming its role as a chartering agency, the State Board
26 of Education shall develop criteria to be used for the review and
27 approval of charter school petitions presented to the State Board
28 of Education. The criteria shall address all elements required for
29 charter approval, as identified in subdivision (b) of Section 47605
30 and shall define “reasonably comprehensive” as used in
31 paragraph (5) of subdivision (b) of Section 47605 in a way that is
32 consistent with the intent of the Charter Schools Act of 1992. Upon
33 satisfactory completion of the criteria, the State Board of
34 Education shall adopt the criteria on or before June 30, 2001.

35 (3) A charter school for which a charter is granted by either the
36 county board of education or the State Board of Education
37 pursuant to this subdivision shall qualify fully as a charter school
38 for all funding and other purposes of this part.

39 (4) If either the county board of education or the State Board
40 of Education fails to act on a petition within 120 days of receipt,



1 the decision of the governing board of the school district, to deny
2 a petition shall, thereafter, be subject to judicial review.

3 (5) The State Board of Education shall adopt regulations
4 implementing this subdivision.

5 (6) Upon the approval of the petition by the county board of
6 education, the petitioner or petitioners shall provide written notice
7 of that approval, including a copy of the petition to the State Board
8 of Education.

9 (k) (1) The State Board of Education may, by mutual
10 agreement, designate its supervisory and oversight
11 responsibilities for a charter school approved by the State Board
12 of Education to any local education agency in the county in which
13 the charter school is located or to the governing board of the school
14 district that first denied the petition.

15 (2) The designated local education agency shall have all
16 monitoring and supervising authority of a chartering agency,
17 including, but not limited to, powers and duties set forth in Section
18 47607, except the power of revocation, which shall remain with
19 the State Board of Education.

20 (3) A charter school that has been granted its charter by the
21 State Board of Education and elects to seek renewal of its charter
22 shall, prior to expiration of the charter, submit its petition for
23 renewal to the governing board of the school district that initially
24 denied the charter. If the governing board of the school district
25 denies the school's petition for renewal, the school may petition
26 the State Board of Education for renewal of its charter.

27 (l) Teachers in charter schools shall be required to hold a
28 Commission on Teacher Credentialing certificate, permit, or other
29 document equivalent to that which a teacher in other public
30 schools would be required to hold. These documents shall be
31 maintained on file at the charter school and shall be subject to
32 periodic inspection by the chartering authority. It is the intent of
33 the Legislature that charter schools be given flexibility with regard
34 to noncore, noncollege preparatory courses.

35 (m) A charter school shall transmit a copy of its annual,
36 independent, financial audit report for the preceding fiscal year, as
37 described in subparagraph (I) of paragraph (5) of subdivision (b),
38 to its chartering entity and the State Department of Education by
39 December 15 of each year. This subdivision shall not apply if the



1 audit of the charter school is encompassed in the audit of the
2 chartering entity pursuant to Section 41020.

3 *SEC. 2. Section 47605.1 is added to the Education Code, to*
4 *read:*

5 *47605.1. (a) (1) Notwithstanding any other provision of law,*
6 *a charter school that is granted a charter from the governing board*
7 *of a school district or county office of education and commences*
8 *providing educational services to pupils on or after July 1, 2002,*
9 *shall may locate a schoolsite or facility only within the*
10 *geographical boundaries of the county in which the authorizing*
11 *entity is located.*

12 *(2) Notwithstanding any other provision of law, a charter*
13 *school that is granted a charter by the State Board of Education,*
14 *and commences providing educational services to pupils on or*
15 *after July 1, 2002, based on the denial of a petition by the*
16 *governing board of a school district or county board of education,*
17 *as described in paragraphs (1) and (2) of subdivision (j) of Section*
18 *47605, may locate a schoolsite or facility only within the*
19 *geographical boundaries of the county in which the chartering*
20 *entity that initially denied the petition for the charter is located.*

21 *(b) Nothing in this section is intended to affect the admission*
22 *requirements contained in subdivision (d) of Section 47605.*

23 *(c) (1) For charter schools granted and providing educational*
24 *services to pupils before July 1, 2002, this section shall only apply*
25 *to any new educational services or schoolsites established or*
26 *acquired by the charter school on or after July 1, 2002.*

27 *(2) Notwithstanding other implementation timelines in this*
28 *section, by July 1, 2004, all charter schools shall be required to*
29 *comply with this section for schoolsites at which education*
30 *services are provided to pupils prior to or after July 1, 2002.*

31 *(3) Nothing in this section is intended to affect the authority of*
32 *a governmental entity to revoke a charter that is granted on or*
33 *before the effective date of this section.*

34 *SEC. 3. Section 47613.1 of the Education Code is amended*
35 *to read:*

36 *47613.1. The Superintendent of Public Instruction shall*
37 *make all of the following apportionments on behalf of a charter*
38 *school that elects not to be funded pursuant to the block grant*
39 *funding model set forth in Section 47633 in each fiscal year that*
40 *the charter school so elects:*



1 (a) From funds appropriated to Section A of the State School
2 Fund for apportionment for that fiscal year pursuant to Article 2
3 (commencing with Section 42238) of Chapter 7 of Part 24, an
4 amount for each unit of current fiscal year regular average daily
5 attendance in the charter school that is equal to the current fiscal
6 year base revenue limit for the school district to which the charter
7 petition was submitted.

8 (b) For each pupil enrolled in the charter school who is entitled
9 to special education services, the state and federal funds for special
10 education services for that pupil that would have been apportioned
11 for that pupil to the school district to which the charter petition was
12 submitted.

13 (c) Funds for the programs described in clause (i) of
14 subparagraph (B) of paragraph (1) of subdivision (a) of Section
15 54761, and Sections 63000 and 64000, to the extent that any pupil
16 enrolled in the charter school is eligible to participate.

17 SEC. 4. *Section 47634 of the Education Code is amended to*
18 *read:*

19 47634. The Superintendent of Public Instruction shall
20 annually compute a categorical block grant amount for each
21 charter school as follows:

22 (a) The superintendent shall compute, as of June 30, 1999, the
23 estimated statewide average amount of funding for other state
24 categorical aid per unit of average daily attendance received by
25 school districts in 1998–99, for each of four grade level ranges:
26 kindergarten and grades 1, 2, and 3; grades 4, 5, and 6; grades 7 and
27 8; and grades 9 to 12, inclusive. For purposes of this computation,
28 other state categorical aid is limited to the following programs:

29 (1) The Agricultural ~~Vocational~~ *Career Technical* Education
30 Incentive Program, as set forth in Article 7.5 (commencing with
31 Section 52460) of Chapter 9 of Part 28.

32 (2) Apprentice education established pursuant to Article 8
33 (commencing with Section 8150) of Chapter 1 of Part 6.

34 (3) The *Marian Bergeson* Beginning Teacher Support and
35 Assessment System as set forth in Article 4.5 (commencing with
36 Section 44279.1) of Chapter 2 of Part 25.

37 (4) College preparation programs as set forth in Chapter 8
38 (commencing with Section 60830) of Part 33, the Academic
39 Improvement and Achievement Act as set forth in Chapter 12
40 (commencing with Section 11020) of Part 7, and the advanced



- 1 placement program as set forth in Chapter 8.3 (commencing with
2 Section 52240) of Part 28.
- 3 (5) Community day schools as set forth in Article 3
4 (commencing with Section 48660) of Chapter 4 of Part 27.
- 5 (6) The Demonstration Programs in Intensive Instruction as set
6 forth in Chapter 4 (commencing with Section 58600) of Part 31.
- 7 (7) The School-Based Pupil Motivation and Maintenance
8 Program and Dropout Recovery Act, as set forth in Article 7
9 (commencing with Section 54720) of Chapter 9 of Part 29.
- 10 (8) The Early Intervention for School Success Program, as set
11 forth in Article 4.5 (commencing with Section 54685) of Chapter
12 9 of Part 29.
- 13 (9) Education Technology pursuant to Article 15 (commencing
14 with Section 51870.5) of Chapter 5 of Part 28.
- 15 (10) Foster youth programs pursuant to Chapter 11.3
16 (commencing with Section 42920) of Part 24.
- 17 (11) Gifted and talented pupil programs pursuant to Chapter 8
18 (commencing with Section 52200) of Part 28.
- 19 (12) The Healthy Start Support Services for Children Act, as
20 set forth in Chapter 5 (commencing with Section 8800) of Part 6.
- 21 (13) High-risk first-time offenders programs pursuant to
22 Chapter 2 (commencing with Section 47760) of Part 26.95.
- 23 (14) The General Fund contribution to the State Instructional
24 Material Fund pursuant to Article 3 (commencing with Section
25 60240) of Chapter 2 of Part 33.
- 26 (15) Intersegmental programs for kindergarten and grades 1 to
27 12, inclusive, funded by Item 6110-230-0001 of Section 2.00 of
28 the Budget Act of 1998.
- 29 (16) Proposition 98 educational programs pursuant to Item
30 6110-231-0001 of Section 2.00 of the Budget Act of 1998.
- 31 (17) The California Mentor Teacher Program, as set forth in
32 Article 4 (commencing with Section 44490) of Chapter 3 of Part
33 25.
- 34 (18) The Miller-Unruh Basic Reading Act of 1965, as set forth
35 in Chapter 2 (commencing with Section 54100) of Part 29.
- 36 (19) The Morgan-Hart Class Size Reduction Act of 1989, as set
37 forth in Chapter 6.8 (commencing with Section 52080) of Part 28.
- 38 (20) Opportunity schools pursuant to Article 2 (commencing
39 with Section 48630) of Chapter 4 of Part 27.



- 1 (21) Partnership academies pursuant to Article 5 (commencing
2 with Section 54690) of Chapter 9 of Part 29.
- 3 (22) Mathematics staff development pursuant to Chapter 3.25
4 (commencing with Section 44695) and Chapter 3.33
5 (commencing with Section 44720) of Part 25.
- 6 (23) Improvement of elementary and secondary education
7 pursuant to Chapter 6 (commencing with Section 52000) of Part
8 28.
- 9 (24) The School Community Policing Partnership Act of 1998,
10 as set forth in Article 6 (commencing with Section 32296) of
11 Chapter 2.5 of Part 19.
- 12 (25) The School/Law Enforcement partnership funded by Item
13 6110-226-0001 of Section 2.00 of the Budget Act of 1998.
- 14 (26) Specialized secondary schools pursuant to Chapter 6
15 (commencing with Section 58800) of Part 31.
- 16 (27) School personnel staff development and resource centers
17 pursuant to Chapter 3.1 (commencing with Section 44670) of Part
18 25.
- 19 (28) Supplemental grant funding, not otherwise included in the
20 programs described above, provided by Item 6110-230-0001 of
21 Section 2.00 of the Budget Act of 1998.
- 22 (29) Academic progress and counseling review pursuant to
23 Section 48431.6.
- 24 (30) The Schiff-Bustamante Standards-Based Instructional
25 Materials Program as set forth in Chapter 3.5 (commencing with
26 Section 60450) of Part 33.
- 27 (31) The Elementary School Intensive Reading Program, as set
28 forth in Chapter 16 (commencing with Section 53025) of Part 28.
- 29 (32) The California Public School Library Protection Act, as
30 set forth in Article 6 (commencing with Section 18175) of Chapter
31 2 of Part 11.
- 32 (33) The California Peer Assistance and Review Program for
33 Teachers, as set forth in Article 4.5 (commencing with Section
34 44500) of Chapter 3 of Part 25.
- 35 (34) *The Teenage Pregnancy Prevention Grant Program, as set*
36 *forth in Chapter 6.7 (commencing with Section 8920) of Part 6.*
- 37 (35) *Discretionary programs and funding sources for*
38 *kindergarten and grades 1 to 12, inclusive, established on or after*
39 *July 1, 1999, for which the enacting legislation does not expressly*
40 *permit or require charter schools to apply separately in order to*



1 *participate in the program and for which the funds count toward*
2 *meeting the requirements of Section 8 of Article XVI of the*
3 *California Constitutions, irrespective of the fiscal year in which*
4 *the funds are counted.*

5 Notwithstanding any other ~~provision of law~~, charter schools that
6 have received a block grant pursuant to this section shall not be
7 eligible to receive separate funding for programs enumerated in
8 ~~paragraphs (1) to (33), inclusive, or any other state categorical aid~~
9 ~~programs established on or after July 1, 1999, that are included in~~
10 ~~the calculation made pursuant to this subdivision and for which~~
11 ~~charter schools are not required to apply separately this~~
12 ~~subdivision.~~

13 (b) For purposes of the computation prescribed by subdivision
14 (a), other state categorical aid may not include any of the
15 following:

16 (1) Programs for which a charter school is required to apply
17 separately:

18 ~~(2)~~, *including, but not limited to, all discretionary state*
19 *categorical aid programs and funding sources that are not listed*
20 *in subdivision (a) and that meet one of the following criteria:*

21 (A) *The program was established on or after July 1, 1999, and*
22 *the enacting legislation expressly permits or requires a charter*
23 *school to apply separately in order to participate in the program.*

24 (B) *The program was established prior to July 1, 1999, and a*
25 *charter school is eligible to apply and participate in the program.*

26 (2) *State programs for which participation by a charter school*
27 *is expressly required.*

28 (3) *General purpose funding, including, but not limited to,*
29 *revenue limit funding and charter school general purpose*
30 *entitlement funding.*

31 (4) *Federal funds.*

32 (5) *Other state-funded programs, including:*

33 (A) *Programs that support, or are provided in lieu of, capital*
34 *expenses including, but not limited to, programs for year-round*
35 *education, deferred maintenance, school construction,*
36 *modernization, and portable classrooms.*

37 ~~(3)~~

38 (B) *Funding for court-ordered or voluntary desegregation*
39 *programs.*

40 ~~(4)~~



1 (C) Special education programs.

2 ~~(5)~~

3 (D) Economic Impact Aid.

4 ~~(6)~~

5 (E) Lottery funds.

6 (c) The superintendent shall annually adjust each of the
7 resulting four amounts computed pursuant to subdivision (a) by
8 the cumulative percentage change from the 1998–99 fiscal year,
9 as annually calculated by the Director of Finance pursuant to
10 *subdivisions (a) and (b) of Section 47634.5, in the total amount of*
11 *state funding per unit of average daily attendance received by*
12 *K–12 local educational agencies for purposes that apply toward*
13 *meeting the requirements of Section 8 of Article XVI of the*
14 *California Constitution, exclusive of funding for adult education,*
15 *child development programs, special education, Economic Impact*
16 *Aid, revenue limits for school districts and county offices of*
17 *education, and programs for which a charter school is required to*
18 *apply separately. Commencing in 2003, the superintendent shall*
19 *establish 2001–02 as the new base year for funding the categorical*
20 *block grant. Annually thereafter, the superintendent shall adjust*
21 *the 2001–02 base year funding amounts by the cumulative*
22 *percentage change calculated pursuant to subdivision (c) of*
23 *Section 47634.5.*

24 (d) The superintendent shall multiply each of the four amounts
25 computed in subdivision (c) by the charter school's average daily
26 attendance in the corresponding grade level ranges.

27 (e) The superintendent shall compute the statewide average
28 amount of funding per identified educationally disadvantaged
29 pupil received by school districts in the current year pursuant to
30 Article 2 (commencing with Section 54020) of Chapter 1 of Part
31 29. This amount shall be multiplied by the number of
32 educationally disadvantaged pupils enrolled in the charter school.
33 The resulting amount may, if greater than zero, not be less than the
34 minimum amount of Economic Impact Aid funding to which a
35 school district of similar size would be entitled pursuant to Section
36 54031. For purposes of this subdivision, a pupil who is eligible for
37 subsidized meals pursuant to Section 49552 and is identified as an
38 English language learner pursuant to subdivision (a) of Section
39 306 shall count as two pupils.



1 (f) The superintendent shall add the amounts computed in
2 subdivisions (d) and (e). The resulting amount shall be the charter
3 school's categorical block grant that the superintendent shall
4 apportion to each charter school from funds appropriated for this
5 purpose in the annual Budget Act or another statute.

6 (g) Notwithstanding any other provision of law, a charter
7 school is not eligible to apply for funding under any of the
8 programs the funding of which is included in the computation of
9 the categorical block grant. The Superintendent of Public
10 Instruction shall annually provide each charter school with a list
11 of these programs and shall ensure that a charter school receives
12 timely notification of the opportunity to apply for programs
13 administered by the State Department of Education that are
14 excluded from the categorical block grant.

15 (h) It is the intent of the Legislature to fully fund the categorical
16 block grant and to appropriate additional funding that may be
17 needed in order to compensate for unanticipated increases in
18 average daily attendance in charter schools.

19 (i) Categorical block grant funding may be used for any
20 purpose determined by the governing body of the charter school.

21 *SEC. 5. Section 47634.5 of the Education Code is amended to*
22 *read:*

23 47634.5. (a) The Director of Finance shall compute and
24 provide to the Superintendent of Public Instruction within 30 days
25 of the enactment of the Budget Act of 1999 the percentage change
26 calculated based on the Budget Act of 1999 and accompanying
27 statutes in the following:

28 (1) The total amount of state funding per unit of average daily
29 attendance received by kindergarten and grades 1 to 12, inclusive,
30 local educational agencies in 1998–99 for purposes that apply
31 toward meeting the requirements of Section 8 of Article XVI of the
32 California Constitution for any fiscal year, exclusive of funding
33 for school district revenue limits, county offices of education,
34 adult education, child development programs, special education,
35 Economic Impact Aid, and programs for which a charter school is
36 required to apply separately.

37 (2) The total amount of state funding per unit of average daily
38 attendance appropriated in the Budget Act of 1999 and related
39 implementing legislation for kindergarten and grades 1 to 12,
40 inclusive, local educational agencies for purposes which count



1 toward meeting the requirements of Section 8 of Article XVI of the
2 California Constitution for any fiscal year, exclusive of funding
3 for school district revenue limits, charter schools' general-purpose
4 entitlements, county offices of education, adult education, child
5 development programs, special education, Economic Impact Aid,
6 and programs for which a charter school is required to apply
7 separately.

8 (b) Commencing in 2000, the Director of Finance shall
9 annually compute and provide as part of the May revision to the
10 Governor's Budget the percentage change in the following:

11 (1) The total amount of state funding per unit of average daily
12 attendance received by kindergarten and grades 1 to 12, inclusive,
13 local educational agencies in 1998–99 for purposes which count
14 toward meeting the requirements of Section 8 of Article XVI of the
15 California Constitution for any fiscal year, exclusive of funding
16 for school district revenue limits, county offices of education,
17 adult education, child development programs, special education,
18 Economic Impact Aid, and programs for which a charter school is
19 required to apply separately.

20 (2) The total amount of state funding per unit of average daily
21 attendance proposed to be appropriated in the following year for
22 kindergarten and grades 1 to 12, inclusive, local educational
23 agencies in the budget year for purposes which count toward
24 meeting the requirements of Section 8 of Article XVI of the
25 California Constitution for any fiscal year, exclusive of funding
26 for school district revenue limits, charter schools' general-purpose
27 entitlements, county offices of education, adult education, child
28 development programs, special education, Economic Impact Aid,
29 and programs for which a charter school is required to apply
30 separately.

31 (c) *On or before December 1, 2003, and annually thereafter, the*
32 *Director of Finance shall compute and provide to the*
33 *Superintendent of Public Instruction the percentage change in*
34 *funding per unit of average daily attendance that was*
35 *appropriated to local education agencies during the 2001–02 base*
36 *year to the current fiscal year by following the method described*
37 *in subparagraphs (A) and (B), calculated based on the*
38 *appropriations in the current year Budget Act and accompanying*
39 *statutes.*



1 (A) *The Director of Finance shall compute the 2001–02 base*
2 *year funding for programs that are included in the categorical*
3 *block grant, as follows:*

4 (1) *Sum the total amount of state funding appropriated to local*
5 *education agencies in 2001–02 for programs that were included in*
6 *the charter school categorical block grant pursuant to subdivision*
7 *(a) of Section 47634.*

8 (2) *Divide the sum computed in paragraph (1) by the total*
9 *number of units of average daily attendance reported in 2001–02*
10 *by local education agencies for kindergarten and grades 1 to 12,*
11 *inclusive, pursuant to Section 14022.3.*

12 (B) *Calculate the current year funding programs that are*
13 *included in the categorical block grant by computing the*
14 *following:*

15 (1) *Sum the total amount of the state funding appropriated to*
16 *local education agencies in the current fiscal year for programs*
17 *that are to be included in the charter school categorical block*
18 *grant pursuant to subdivision (a) of Section 47634.*

19 (2) *Divide the sum computed in paragraph (1) by the number*
20 *of units of average daily attendance reported in the current fiscal*
21 *year by local education agencies for kindergarten and grades 1 to*
22 *12, inclusive, pursuant to Section 14022.3.*

23 SEC. 6. Section 47652 of the Education Code is amended to
24 read:

25 47652. (a) Notwithstanding Section 41330, a charter school
26 in its first year of operation shall be eligible to receive funding for
27 the advance apportionment based on an estimate of average daily
28 attendance for the current fiscal year, as approved by the local
29 educational agency that granted its charter and the county office
30 of education in which the charter-granting agency is located. Not
31 later than five business days following the end of the first 20
32 schooldays, a charter school receiving funding pursuant to this
33 section shall report to the Department of Education its actual
34 average daily attendance for that first month, and the
35 Superintendent of Public Instruction shall adjust immediately, but
36 not later than 45 days, the amount of its advance apportionment
37 accordingly.

38 (b) A charter school in its first year of operation may only
39 commence instruction within the first three months of the fiscal
40 year beginning July 1 of that year. A charter school shall not be



1 eligible for an apportionment for a fiscal year in which instruction
2 commenced after September 30 of that fiscal year.
3 ~~SEC. 5.—~~
4 *SEC. 7.* Notwithstanding Section 17610 of the Government
5 Code, if the Commission on State Mandates determines that this
6 act contains costs mandated by the state, reimbursement to local
7 agencies and school districts for those costs shall be made pursuant
8 to Part 7 (commencing with Section 17500) of Division 4 of Title
9 2 of the Government Code. If the statewide cost of the claim for
10 reimbursement does not exceed one million dollars (\$1,000,000),
11 reimbursement shall be made from the State Mandates Claims
12 Fund.

