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CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 1994

**Introduced by Assembly Members Reyes, Alquist, and Matthews
(Coauthors: Assembly Members Cohn and Washington)**

February 15, 2002

An act to amend Sections 1628, 42100, 47602, *47604.3*, 47605, 47613.1, and 47652 of, and to add ~~Section 47605.1~~ *Sections 47604.4, 47605.1, 47605.6, and 47605.8* to, the Education Code, relating to charter schools.

LEGISLATIVE COUNSEL'S DIGEST

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

(1) Existing law; requires the governing board of each school district to approve an annual statement of all receipts and expenditures for the district for the preceding fiscal year with the county superintendent of schools.

This bill would require each charter school to approve that statement and submit it to the entity that approved the charter school and would

make other, related changes, thereby imposing a state-mandated local program.

(2) The Charter Schools Act of 1992~~;~~ authorizes a limited number of charter schools to operate in the state each school year, and, for purposes of implementing that provision, requires the State Board of Education ~~shall~~ to assign a number to each charter petition that it grants under the act.

This bill would require that each number assigned by the state board, on or after January 1, 2003, correspond to a single petition that identifies a single charter school ~~that will operate at a single schoolsite or facility.~~

(3) Existing law 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 a 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, *except as specified*, that each petition for the establishment of a charter school that is submitted to a chartering agency, or for which a renewal is sought, on or after January 1, 2003, identify a single charter school ~~that will operate at a single schoolsite or facility~~ *and would specify the geographic and site requirements for the establishment of a charter school.* The bill would modify the process by which a petitioner appeals the denial of a charter petition, to require a petitioner to appeal to a county office of education before appealing to the State Board of Education.

The 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 other public high schools and to meet college entrance requirements, the procedures to be used if the charter school closes, and would prescribe related matters.



(4) *The act requires a charter school to respond promptly to all reasonable inquiries, including, but not limited to, inquiries regarding its financial records, from its chartering authority or from the Superintendent of Public Instruction and to consult with the chartering authority or the Superintendent of Public Instruction regarding those inquiries.*

This bill would grant general authority to the county superintendent of schools to monitor the operations of a charter school located within that county, to conduct an investigation into the operations of that charter school, based on parental complaints or other information that justifies the investigation, and would limit the liability of a county superintendent of schools when conducting those activities.

(5) *Existing law authorizes a petition to be submitted directly to a county board of education for a charter school that will serve pupils for whom the county office of education would otherwise be responsible for providing direct education and services.*

This bill would also authorize a county board of education to approve a charter for the operation of a charter school that would operate at multiple sites throughout the county. The bill would prescribe the petition and approval process for such a school, the applicable requirements for operation, and other related matters.

(6) *The bill would authorize a petition for the operation of a charter school to be submitted directly to the State Board of Education, would authorize the state board to approve a petition for a charter school that would operate at multiple sites throughout the state, and would prescribe related matters.*

~~By imposing new duties on school districts, the bill would impose a state-mandated local program.~~

(7) *The bill would require that a charter school that is granted a charter from the governing board of a school district or from a county office of education after July 1, 2002, and commences providing educational services to pupils on or after July 1, 2002, shall locate only at a single school site or facility and only within the boundaries of the county in which the authorizing entity is located locate within the geographic and site limitations specified in the act, except as specified, and would prescribe related matters.*

~~(4)~~

(8) *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 a school district in which all schools have been converted to charter school in each fiscal year that a charter school so elects.

~~(5)~~

(9) 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, would make a charter school ineligible for an apportionment for a fiscal year in which instruction commenced after September 30 of that fiscal year, and would prescribe related matters.

(10) By imposing new duties on school districts county offices of education, and charter schools, the bill would impose a state-mandated local program.

~~(6)~~

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 1628 of the Education Code is amended
2 to read:



1 1628. On or before September 15 each year, the county
2 superintendent of schools shall prepare and file with the
3 Superintendent of Public Instruction, along with the statements
4 received pursuant to subdivision (b) of Section 42100, a statement
5 of all receipts and expenditures of the county office of education
6 for the preceding fiscal year. The statement shall be in a format or
7 on forms prescribed by the Superintendent of Public Instruction,
8 *in accordance with regulations adopted by the State Board of*
9 *Education*. These forms may be amended periodically by the
10 Superintendent of Public Instruction to accommodate changes in
11 statute or government reporting standards.

12 SEC. 2. Section 42100 of the Education Code is amended to
13 read:

14 42100. (a) On or before September 15, the governing board
15 of each school district shall approve, ~~on a form or forms~~ *in a format*
16 *prescribed by the Superintendent of Public Instruction*, an annual
17 statement of all receipts and expenditures of the district for the
18 preceding fiscal year and shall file the statement, along with the
19 statement received pursuant to subdivision (b), with the county
20 superintendent of schools. On or before October 15, the county
21 superintendent of schools shall verify the mathematical accuracy
22 of the statements and shall transmit a copy to the Superintendent
23 of Public Instruction.

24 (b) On or before September 15, each charter school shall
25 approve, on a form or forms prescribed by the Superintendent of
26 Public Instruction, an annual statement of all receipts and
27 expenditures of the charter school for the preceding fiscal year and
28 shall file the statement with the entity that approved the charter
29 school.

30 (c) The forms prescribed by the Superintendent of Public
31 Instruction *shall be formally adopted as regulations by the State*
32 *Board of Education, and* may be amended periodically to
33 accommodate changes in statute or government reporting
34 standards.

35 SEC. 3. Section 47602 of the Education Code is amended to
36 read:

37 47602. (a) (1) In the 1998–99 school year, the maximum
38 total number of charter schools authorized to operate in this state
39 shall be 250. In the 1999–2000 school year, and in each successive
40 school year thereafter, an additional 100 charter schools are



1 authorized to operate in this state each successive school year. For
2 the purposes of implementing this section, the State Board of
3 Education shall assign a number to each charter petition that it
4 grants pursuant to subdivision (j) of Section 47605 and to each
5 charter notice it receives pursuant to subdivision (i) and paragraph
6 (5) of subdivision (j) of Section 47605, based on the chronological
7 order in which the notice is received. Each number assigned by the
8 state board on or after January 1, 2003, shall correspond to a single
9 petition that identifies a charter school that will operate ~~as required~~
10 ~~by subdivision (a) of Section 47605 and Section 47605.1.~~ *within*
11 *the geographic and site limitations of this part. The State Board of*
12 *Education shall develop a numbering system for charter schools*
13 *that identifies each site associated with a charter school and that*
14 *operates within the existing limit on the number of charter schools.*
15 The limits contained in this paragraph may not be waived *by the*
16 *State Board of Education* pursuant to Section 33050 or any other
17 provision of law.

18 (2) By July 1, 2003, the Legislative Analyst shall, pursuant to
19 the criteria in Section 47616.5, report to the Legislature on the
20 effectiveness of the charter school approach authorized under this
21 part and recommend whether to expand or reduce the annual rate
22 of growth of charter schools authorized pursuant to this section.

23 (b) No charter shall be granted under this part that authorizes
24 the conversion of any private school to a charter school. No charter
25 school shall receive any public funds for a pupil if the pupil also
26 attends a private school that charges the pupil's family for tuition.
27 The State Board of Education shall adopt regulations to implement
28 this section.

29 SEC. 4. *Section 47604.3 of the Education Code is amended to*
30 *read:*

31 47604.3. A charter school shall promptly respond to all
32 reasonable inquiries, including, but not limited to, inquiries
33 regarding its financial records, from its chartering authority, *the*
34 *county office of education that has jurisdiction over the charter*
35 *school*, or from the Superintendent of Public Instruction and shall
36 consult with the chartering authority or the Superintendent of
37 Public Instruction regarding any inquiries.

38 SEC. 5. *Section 46704.4 is added to the Education Code, to*
39 *read:*



1 47604.4. (a) *In addition to the authority granted by Section*
2 *47604.3, a county superintendent of schools may, based upon*
3 *written complaints by parents or other information that justifies*
4 *the investigation, monitor the operations of a charter school*
5 *located within that county and conduct an investigation into the*
6 *operations of that charter school. If a county superintendent of*
7 *schools monitors or investigates a charter school pursuant to this*
8 *section, the county office of education shall not incur any liability*
9 *beyond the cost of the investigation.*

10 (b) *A charter school shall notify the county superintendent of*
11 *schools of the county in which it is located of the location of the*
12 *charter school, including the location of each site, if applicable,*
13 *prior to commencing operations.*

14 SEC. 6. Section 47605 of the Education Code is amended to
15 read:

16 47605. (a) (1) Except as set forth in paragraph (2), a petition
17 for the establishment of a charter school within any school district
18 may be circulated by any one or more persons seeking to establish
19 the charter school. A petition for the establishment of a charter
20 school shall identify a single charter school that will operate ~~at a~~
21 ~~single school site or facility, in accordance with the geographic~~
22 ~~limitations set forth in this section and Section 47605.1. The within~~
23 *the jurisdictional boundaries of that school district. A charter*
24 *school may propose to operate at multiple sites within the school*
25 *district, as long as each location is identified in the charter school*
26 *petition. The petition may be submitted to the governing board of*
27 *the school district for review after either of the following*
28 *conditions are met:*

29 (A) The petition has been signed by a number of parents or
30 guardians of pupils *within the school district* that is equivalent to
31 at least one-half of the number of pupils that the charter school
32 estimates will enroll in the school for its first year of operation.

33 (B) The petition has been signed by a number of teachers *within*
34 *the district* that is equivalent to at least one-half of the number of
35 teachers that the charter school estimates will be employed at the
36 school during its first year of operation.

37 (2) In the case of a petition for the establishment of a charter
38 school through the conversion of an existing public school, that
39 would not be eligible for a loan pursuant to subdivision (b) of
40 Section 41365, the petition may be circulated by any one or more



1 persons seeking to establish the converted charter school. The
2 petition may be submitted to the governing board of the school
3 district for review after the petition has been signed by not less than
4 50 percent of the permanent status teachers currently employed at
5 the public school to be converted.

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

12 (4) *After receiving approval of its petition, a charter school that*
13 *proposes to establish operations at one or more additional sites*
14 *within the jurisdictional boundaries of the school district shall*
15 *notify the governing board of the school district of those additional*
16 *locations, and the governing board of the school district shall*
17 *consider whether to approve those additional locations at an open,*
18 *public meeting. If the additional locations are approved by the*
19 *governing board of the school districts, they shall become an*
20 *element of the charter school's charter.*

21 (5) *Notwithstanding the requirement of subdivision (a) that a*
22 *charter school identify a single charter school that operates only*
23 *within the geographic boundaries of the school district, a charter*
24 *school that is unable to locate within the jurisdiction of the*
25 *chartering school district may establish one site outside the*
26 *boundaries of the school district, but within the county within*
27 *which that school district is located, if the school district where the*
28 *charter school proposes to operate is notified in advance of the*
29 *charter petition approval, the county superintendent of schools*
30 *and the Superintendent of Public Instruction are notified of the*
31 *location of the charter school before it commences operations and*
32 *any of the following circumstances exist:*

33 (A) *The school has attempted to locate a single site or facility*
34 *to house the entire program but such a facility or site is unavailable*
35 *in the area in which the school chooses to locate.*

36 (B) *To ease overcrowding at the primary schoolsite.*

37 (b) No later than 30 days after receiving a petition, in
38 accordance with subdivision (a), the governing board of the school
39 district shall hold a public hearing on the provisions of the charter,
40 at which time the governing board of the school district shall



1 consider the level of support for the petition by teachers employed
2 by the district, other employees of the district, and parents.
3 Following review of the petition and the public hearing, the
4 governing board of the school district shall either grant or deny the
5 charter within 60 days of receipt of the petition, provided,
6 however, that the date may be extended by an additional 30 days
7 if both parties agree to the extension. In reviewing petitions for the
8 establishment of charter schools pursuant to this section, the
9 chartering authority shall be guided by the intent of the Legislature
10 that charter schools are and should become an integral part of the
11 California educational system and that establishment of charter
12 schools should be encouraged. A school district governing board
13 shall grant a charter for the operation of a school under this part if
14 it is satisfied that granting the charter is consistent with sound
15 educational practice. The governing board of the school district
16 shall not deny a petition for the establishment of a charter school
17 unless it makes written factual findings, specific to the particular
18 petition, setting forth specific facts to support one or more of the
19 following findings:

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

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

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

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

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

30 (A) (i) A description of the educational program of the school,
31 designed, among other things, to identify those whom the school
32 is attempting to educate, what it means to be an “educated person”
33 in the 21st century, and how learning best occurs. The goals
34 identified in that program shall include the objective of enabling
35 pupils to become self-motivated, competent, and lifelong learners.
36 ¶

37 (ii) If the proposed school will serve high school pupils, a
38 description of how the charter school will inform parents about the
39 transferability of courses to other public high schools and the
40 eligibility of courses to meet college entrance requirements.



1 *Courses offered by the charter school that are accredited by the*
2 *Western Association of Schools and Colleges may be considered*
3 *transferable and courses approved by the University of California*
4 *or the California State University as creditable under the “A” to*
5 *“G” admissions criteria may be considered to meet college*
6 *entrance requirements.*

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

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

14 (D) The governance structure of the school, including, but not
15 limited to, the process to be followed by the school to ensure
16 parental involvement.

17 (E) The qualifications to be met by individuals to be employed
18 by the school.

19 (F) The procedures that the school will follow to ensure the
20 health and safety of pupils and staff. These procedures shall
21 include the requirement that each employee of the school furnish
22 the school with a criminal record summary as described in Section
23 44237.

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

28 (H) Admission requirements, if applicable.

29 (I) The manner in which annual, independent, financial audits
30 shall be conducted, which shall employ generally accepted
31 accounting principles, and the manner in which audit exceptions
32 and deficiencies shall be resolved to the satisfaction of the
33 chartering authority.

34 (J) The procedures by which pupils can be suspended or
35 expelled.

36 (K) The manner by which staff members of the charter schools
37 will be covered by the State Teachers’ Retirement System, the
38 Public Employees’ Retirement System, or federal social security.



1 (L) The public school attendance alternatives for pupils
2 residing within the school district who choose not to attend charter
3 schools.

4 (M) A description of the rights of any employee of the school
5 district upon leaving the employment of the school district to work
6 in a charter school, and of any rights of return to the school district
7 after employment at a charter school.

8 (N) The procedures to be followed by the charter school and the
9 entity granting the charter to resolve disputes relating to provisions
10 of the charter.

11 (O) A declaration whether or not the charter school shall be
12 deemed the exclusive public school employer of the employees of
13 the charter school for the purposes of the Educational Employment
14 Relations Act (Chapter 10.7 (commencing with Section 3540) of
15 Division 4 of Title 1 of the Government Code).

16 (P) A description of the procedures to be used if the charter
17 school closes. The procedures shall ensure a final audit of the
18 school to determine the disposition of all assets and liabilities of
19 the charter school, including plans for disposing of any net assets
20 and for the maintenance and transfer of pupil records.

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

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

27 (d) (1) In addition to any other requirement imposed under this
28 part, a charter school shall be nonsectarian in its programs,
29 admission policies, employment practices, and all other
30 operations, shall not charge tuition, and shall not discriminate
31 against any pupil on the basis of ethnicity, national origin, gender,
32 or disability. Except as provided in paragraph (2), admission to a
33 charter school shall not be determined according to the place of
34 residence of the pupil, or of his or her parent or guardian, within
35 this state, except that any existing public school converting
36 partially or entirely to a charter school under this part shall adopt
37 and maintain a policy giving admission preference to pupils who
38 reside within the former attendance area of that public school.

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



1 (B) However, if the number of pupils who wish to attend the
2 charter school exceeds the school's capacity, attendance, except
3 for existing pupils of the charter school, shall be determined by a
4 public random drawing. Preference shall be extended to pupils
5 currently attending the charter school and pupils who reside in the
6 district except as provided for in Section 47614.5. Other
7 preferences may be permitted by the chartering authority on an
8 individual school basis and only if consistent with the law.

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

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

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

17 (g) The governing board of a school district shall require that
18 the petitioner or petitioners provide information regarding the
19 proposed operation and potential effects of the school, including,
20 but not limited to, the facilities to be utilized by the school, the
21 manner in which administrative services of the school are to be
22 provided, and potential civil liability effects, if any, upon the
23 school and upon the school district. The description of the facilities
24 to be used by the charter school shall specify where the school
25 intends to locate. The petitioner or petitioners shall also be
26 required to provide financial statements that include a proposed
27 first-year operational budget, including startup costs, and
28 cashflow and financial projections for the first three years of
29 operation.

30 (h) In reviewing petitions for the establishment of charter
31 schools within the school district, the school district governing
32 board shall give preference to petitions that demonstrate the
33 capability to provide comprehensive learning experiences to
34 pupils identified by the petitioner or petitioners as academically
35 low achieving pursuant to the standards established by the State
36 Department of Education under Section 54032.

37 (i) Upon the approval of the petition by the governing board of
38 the school district, the petitioner or petitioners shall provide
39 written notice of that approval, including a copy of the petition, to



1 *the applicable county superintendent of schools, the State*
2 *Department of Education, and the State Board of Education.*

3 (j) (1) If the governing board of a school district denies a
4 petition, the petitioner may elect to submit the petition for the
5 establishment of a charter school to the county board of education.
6 The county board of education shall review the petition pursuant
7 to subdivision (b). If the petitioner elects to submit a petition for
8 establishment of a charter school to the county board of education
9 and the county board of education denies the petition, the
10 petitioner may file a petition for establishment of a charter school
11 with the State Board of Education, and the state board may
12 approve the petition, in accordance with subdivision (b). *Any*
13 *charter school that receives approval of its petition from a county*
14 *board of education or from the State Board of Education on appeal*
15 *shall be subject to the same requirements concerning geographic*
16 *location that it would otherwise be subject to if it receives approval*
17 *from the entity to whom it originally submits its petition. A charter*
18 *petition that is submitted to either a county board of education or*
19 *to the State Board of Education shall meet all otherwise applicable*
20 *petition requirements, including the identification of the proposed*
21 *site or sites where the charter school will operate.*

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

32 (3) A charter school for which a charter is granted by either the
33 county board of education or the State Board of Education *based*
34 *on an appeal* pursuant to this subdivision shall qualify fully as a
35 charter school for all funding and other purposes of this part.

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



1 (5) The State Board of Education shall adopt regulations
2 implementing this subdivision.

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

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

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

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

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

33 (m) A charter school shall transmit a copy of its annual,
34 independent, financial audit report for the preceding fiscal year, as
35 described in subparagraph (I) of paragraph (5) of subdivision (b),
36 to its chartering entity, *the Controller, the county superintendent*
37 *of schools of the county in which the charter school is sited, unless*
38 *the county board of education of the county in which the charter*
39 *school is sited is the chartering entity,* and the State Department of
40 Education by December 15 of each year. This subdivision shall not



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

3 ~~SEC. 5.~~

4 *SEC. 7.* Section 47605.1 is added to the Education Code, to
5 read:

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

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

26 (3) *A charter school that receives approval of its charter from*
27 *a governing board of a school district, a county office of education,*
28 *or the State Board of Education prior to July 1, 2002, but does not*
29 *commence operations until after January 1, 2003, shall be subject*
30 *to the geographic limitations of the part, in accordance with*
31 *subdivision (e).*

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

34 ~~(c) For purposes of this section, “schoolsite” or “facility”~~
35 ~~does not include any resource center, meeting space, or other~~
36 ~~satellite~~

37 (c) *Notwithstanding any other provision, a charter school may*
38 *establish a resource center, meeting space, or other satellite*
39 *facility located in a county adjacent to that in which the charter*
40 *school is authorized if the following conditions are met:*



1 (1) The facility is used exclusively for the educational support
 2 of pupils who are enrolled in nonclassroom-based independent
 3 study of the charter school.

4 (2) The charter school provides its primary educational
 5 services in, and a majority of the pupils it serves are residents of,
 6 the county in which the school is authorized.

7 ~~(d) (1) Notwithstanding subdivision (a), a charter school may~~
 8 ~~operate at up to three sites or facilities in the county in which the~~
 9 ~~authorizing entity is located, only if an additional site or facility is~~
 10 ~~necessary for any of the following reasons:~~

11 *(d) Notwithstanding subdivision (a) or subdivision (a) of*
 12 *Section 47605, a charter school that is unable to locate within the*
 13 *jurisdiction of the chartering school district may establish one site*
 14 *outside the boundaries of the school district, but within the county*
 15 *within which that school district is located, if the school district*
 16 *where the charter school proposes to operate is notified in advance*
 17 *of the charter petition approval, the county superintendent of*
 18 *schools is notified of the location of the charter school before it*
 19 *commences operations, and any of the following circumstances*
 20 *exist:*

21 ~~(A)~~

22 *(1) The school has attempted to locate a single site or facility*
 23 *to house the entire program but such a facility or site is unavailable*
 24 *in the area in which the school chooses to locate.*

25 ~~(B)~~

26 *(2) To ease overcrowding at the primary schoolsite.*

27 ~~(C) To accommodate the planned growth of the charter school~~
 28 ~~as described in the school's charter.~~

29 ~~(D) As temporary use during a construction or expansion~~
 30 ~~project.~~

31 ~~(E) To meet the terms of receiving a facility under the~~
 32 ~~provisions of Section 47614.~~

33 ~~(2) Any additional site shall be reasonably close to the primary~~
 34 ~~schoolsite to ensure that governance, management, staffing and all~~
 35 ~~other operations of the charter school are easily directed from the~~
 36 ~~primary schoolsite.~~

37 (e) (1) For charter schools granted ~~and~~ *approval of its charter*
 38 *prior to July 1, 2002, or providing educational services to pupils*
 39 *before July 1, 2002, this section shall only apply to any new*



1 educational services or schoolsites established or acquired by the
2 charter school on or after July 1, 2002.

3 (2) Notwithstanding other implementation timelines in this
4 section, by June 30, 2005, or upon the expiration of a charter that
5 is in existence on January 1, 2003, whichever is later, all charter
6 schools shall be required to comply with this section for
7 schoolsites at which education services are provided to pupils prior
8 to or after July 1, 2002, *regardless of whether the charter school*
9 *initially received approval of its charter school petition prior to*
10 *July 1, 2002.* To achieve compliance with this section, a charter
11 school shall be required to receive approval of a charter petition in
12 accordance with this section and Section 47605.

13 (3) Nothing in this section is intended to affect the authority of
14 a governmental entity to revoke a charter that is granted on or
15 before the effective date of this section.

16 ~~(d) Notwithstanding any other provision of law, the~~
17 ~~jurisdictional limitations set forth in this section shall not apply to~~
18 ~~a charter high school that provides instruction exclusively in~~
19 ~~cooperation with the California Conservation Corps or local~~
20 ~~Conservation Corps certified by the California Conservation~~
21 ~~Corps pursuant to Public Resources Code Sections 14507.5 and~~
22 ~~14406.~~

23 ~~SEC. 6.—~~

24 (f) *A charter school that submits its petition directly to a county*
25 *board of education, as authorized by Sections 47605.5 or 47605.6,*
26 *may establish charter school operations only within the*
27 *geographical boundaries of the county in which that county board*
28 *of education has jurisdiction.*

29 (g) *Notwithstanding any other provision of law, the*
30 *jurisdictional limitations set forth in this section do not apply to a*
31 *charter high school that provides instruction exclusively in*
32 *partnership with any of the following:*

33 (1) *The federal Workforce Investment Act of 1998 (29 U.S.C.*
34 *Sec. 2801 et seq.).*

35 (2) *Federally affiliated Youth Build programs.*

36 (3) *Federal job corps training or instruction provided pursuant*
37 *to a memorandum of understanding with the federal provider.*

38 (4) *The California Conservation Corps or local conservation*
39 *corps certified by the California Conservation Corps pursuant to*
40 *Sections 14507.5 or 14406 of the Public Resources Code.*

1 (5) *Instruction provided to juvenile court school pupils*
2 *pursuant to subdivision (c) of Section 42238.18 or pursuant to*
3 *Section 1981 for individuals who are placed in a residential*
4 *facility.*

5 *SEC. 8. Section 47605.6 is added to the Education Code, to*
6 *read:*

7 *47605.6. (a) (1) In addition to the authority provided by*
8 *Section 47605.5, a county board of education may also approve a*
9 *petition for the operation of a charter school that operates at*
10 *multiple sites within the jurisdictional boundaries of the county*
11 *and that provides instructional services that are not generally*
12 *provided by a county office of education. A county board of*
13 *education may only approve a countywide charter if it finds, in*
14 *addition to the other requirements of this section, that the*
15 *educational services to be provided by the charter school will offer*
16 *services to a pupil population that will benefit from those services*
17 *and that cannot be served as well by a charter school that operates*
18 *in only one school district in the county. A petition for the*
19 *establishment of a countywide charter school pursuant to this*
20 *subdivision may be circulated throughout the county by any one or*
21 *more persons seeking to establish the charter school. The petition*
22 *may be submitted to the county board of education for review after*
23 *either of the following conditions are met:*

24 *(A) The petition has been signed by a number of parents or*
25 *guardians of pupils within the county that is equivalent to at least*
26 *one-half of the number of pupils that the charter school estimates*
27 *will enroll in the school for its first year of operation and each of*
28 *the school districts where the charter school petitioner proposes to*
29 *operate a facility has received at least 30 days notice of the*
30 *petitioner's intent to operate a school pursuant to this section.*

31 *(B) The petition has been signed by a number of teachers within*
32 *the county that is equivalent to at least one-half of the number of*
33 *teachers that the charter school estimates will be employed at the*
34 *school during its first year of operation and each of the school*
35 *districts where the charter school petitioner proposes to operate a*
36 *facility has received at least 30 days notice of the petitioner's intent*
37 *to operate a school pursuant to this section.*

38 *(2) An existing public school may not be converted to a charter*
39 *school in accordance with this section.*



1 (3) After receiving approval of its petition, a charter school that
2 proposes to establish operations at additional sites within the
3 jurisdictional boundaries of the county board of education shall
4 notify the school districts where those sites will be located. The
5 charter school shall also notify the county board of education that
6 approved its charter and the county board shall consider whether
7 to approve those additional locations at an open, public meeting,
8 held no sooner than 30 days following notification of the school
9 districts where the sites will be located. If approved, the location
10 of the approved sites shall be considered an element of the school's
11 approved charter.

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

19 (b) No later than 60 days after receiving a petition, in
20 accordance with subdivision (a), the county board of education
21 shall hold a public hearing on the provisions of the charter, at
22 which time the county board of education shall consider the level
23 of support for the petition by teachers, parents or guardians, and
24 the school districts where the charter school petitioner proposes to
25 place school facilities. Following review of the petition and the
26 public hearing, the county board of education shall either grant or
27 deny the charter within 90 days of receipt of the petition. However,
28 this date may be extended by an additional 30 days if both parties
29 agree to the extension. A county board of education may impose
30 any additional requirements beyond those required by this section
31 that it considers necessary for the sound operation of a countywide
32 charter school. A county board of education may grant a charter
33 for the operation of a school under this part only if the board is
34 satisfied that granting the charter is consistent with sound
35 educational practice and that the charter school has reasonable
36 justification for why it could not be established by petition to a
37 school district pursuant to Section 47605. The county board of
38 education shall deny a petition for the establishment of a charter
39 school if the board finds, one or more of the following:

- 1 (1) *The charter school presents an unsound educational*
2 *program for the pupils to be enrolled in the charter school.*
- 3 (2) *The petitioners are demonstrably unlikely to successfully*
4 *implement the program set forth in the petition.*
- 5 (3) *The petition does not contain the number of signatures*
6 *required by subdivision (a).*
- 7 (5) *The petition does not contain an affirmation of each of the*
8 *conditions described in subdivision (d).*
- 9 (6) *The petition does not contain reasonably comprehensive*
10 *descriptions of all of the following:*
- 11 (A) *A description of the educational program of the school,*
12 *designed, among other things, to identify those whom the school*
13 *is attempting to educate, what it means to be an “educated person”*
14 *in the 21st century, and how learning best occurs. The goals*
15 *identified in that program shall include the objective of enabling*
16 *pupils to become self-motivated, competent, and lifelong learners.*
- 17 (B) *The measurable pupil outcomes identified for use by the*
18 *charter school. “Pupil outcomes,” for purposes of this part, means*
19 *the extent to which all pupils of the school demonstrate that they*
20 *have attained the skills, knowledge, and attitudes specified as*
21 *goals in the school’s educational program.*
- 22 (C) *The method by which pupil progress in meeting those pupil*
23 *outcomes is to be measured.*
- 24 (D) *The location of each charter school facility that the*
25 *petitioner proposes to operate.*
- 26 (E) *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 (F) *The qualifications to be met by individuals to be employed*
30 *by the school.*
- 31 (G) *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 (H) *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.*



1 (I) *The manner in which annual, independent, financial audits*
2 *shall be conducted, in accordance with regulations established by*
3 *the State Board of Education, and the manner in which audit*
4 *exceptions and deficiencies shall be resolved.*

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

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

10 (L) *The procedures to be followed by the charter school and the*
11 *county board of education to resolve disputes relating to provisions*
12 *of the charter.*

13 (M) *A declaration whether or not the charter school shall be*
14 *deemed the exclusive public school employer of the employees of*
15 *the charter school for the purposes of the Educational*
16 *Employment Relations Act (Chapter 10.7 (commencing with*
17 *Section 3540) of Division 4 of Title 1 of the Government Code).*

18 (7) *Any other basis that the board finds justifies the denial of the*
19 *petition.*

20 (c) *A county board of education that approves a petition for the*
21 *operation of a countywide charter may, as a condition of charter*
22 *approval, require the petitioner to enter into an agreement with a*
23 *third party, at the expense of the charter school, to oversee,*
24 *monitor, and report to the county board of education on the*
25 *operations of the charter school. The county board of education*
26 *may prescribe the aspects of the charter school's operations to be*
27 *monitored by the third party and may prescribe appropriate*
28 *requirements regarding the reporting of information concerning*
29 *the operations of the charter school to the county board of*
30 *education.*

31 (d) (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*
37 *programs.*

38 (e) (1) *In addition to any other requirement imposed under this*
39 *part, a charter school shall be nonsectarian in its programs,*
40 *admission policies, employment practices, and all other*



1 operations, shall not charge tuition, and shall not discriminate
2 against any pupil on the basis of ethnicity, national origin, gender,
3 or disability. Except as provided in paragraph (2), admission to a
4 charter school shall not be determined according to the place of
5 residence of the pupil, or of his or her parent or guardian, within
6 this state.

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

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

17 (C) In the event of a drawing, the county board of education
18 shall make reasonable efforts to accommodate the growth of the
19 charter school and, in no event, shall take any action to impede the
20 charter school from expanding enrollment to meet pupil demand.

21 (f) No county board of education shall require any employee of
22 the county or a school district to be employed in a charter school.

23 (g) No county board of education shall require any pupil
24 enrolled in a county program to attend a charter school.

25 (h) The county board of education shall require that the
26 petitioner or petitioners provide information regarding the
27 proposed operation and potential effects of the school, including,
28 but not limited to, the facilities to be utilized by the school, the
29 manner in which administrative services of the school are to be
30 provided, and potential civil liability effects, if any, upon the
31 school, any school district where the charter school may operate
32 and upon the county board of education. The petitioner or
33 petitioners shall also be required to provide financial statements
34 that include a proposed first-year operational budget, including
35 startup costs, and cash-flow and financial projections for the first
36 three years of operation.

37 (i) In reviewing petitions for the establishment of charter
38 schools within the county, the county board of education shall give
39 preference to petitions that demonstrate the capability to provide
40 comprehensive learning experiences to pupils identified by the



1 *petitioner or petitioners as academically low achievement*
2 *pursuant to the standards established by the State Department of*
3 *Education under Section 54032.*

4 (j) *Upon the approval of the petition by the county board of*
5 *education district, the petitioner or petitioners shall provide*
6 *written notice of that approval, including a copy of the petition, to*
7 *the school districts within the county, the Superintendent of Public*
8 *Instruction and to the State Board of Education.*

9 (k) *If a county board of education denies a petition, the*
10 *petitioner may not elect to submit the petition for the establishment*
11 *of the charter school to the State Board of Education.*

12 (l) *Teachers in charter schools shall be required to hold a*
13 *Commission on Teacher Credentialing certificate, permit, or other*
14 *document equivalent to that which a teacher in other public*
15 *schools would be required to hold. These documents shall be*
16 *maintained on file at the charter school and shall be subject to*
17 *periodic inspection by the chartering authority.*

18 (m) *A county board of education that approves a petition to*
19 *establish a countywide charter school under this section shall*
20 *assure that all claims by that school for the apportionment of*
21 *funds, including, but not limited to, claims of average daily*
22 *attendance, are reasonably accurate and fair.*

23 (n) *A Charter school shall transmit a copy of its annual,*
24 *independent, financial audit report for the preceding fiscal year,*
25 *as described in subparagraph (I) of paragraph (5) of subdivision*
26 *(b), to the County Office of Education, State Controller and the*
27 *State Department of Education by December 15 of each year. This*
28 *subdivision shall not apply if the audit of the charter school is*
29 *encompassed in the audit of the chartering entity pursuant to*
30 *Section 41020.*

31 *SEC. 9. Section 47605.8 is added to the Education Code, to*
32 *read:*

33 *47605.8. (a) A petition for the operation of a state charter*
34 *school may be submitted directly to the State Board of Education,*
35 *and the board shall have the authority to approve a charter for the*
36 *operation of a state charter school that may operate at multiple*
37 *sites throughout the state. The State Board of Education shall*
38 *adopt regulations, pursuant to the Administrative Procedure Act*
39 *(Chapter 5 (commencing with Section 11500) of Part 1 of Division*
40 *3 of Title 2 of the Government Code) for the implementation of this*



1 *section. Any regulations adopted pursuant to this section shall*
2 *ensure that a charter school approved pursuant to this section*
3 *meets all requirements otherwise imposed on charter schools*
4 *pursuant to this part, except that a charter school approved*
5 *pursuant to this section shall not be subject to the geographic and*
6 *site limitations otherwise imposed on charter schools.*

7 *(b) The State Board of Education may not approve a petition for*
8 *the operation of a state charter school under this section unless the*
9 *State Board of Education finds that the proposed state charter*
10 *school will provide instructional services of statewide benefit that*
11 *cannot be provided by a charter school operating in only one*
12 *school district, or only in one county. The finding of the board in*
13 *this regard shall be made part of the public record of the board's*
14 *proceedings and shall precede the approval of the charter.*

15 *(c) The State Board of Education may, as a condition of charter*
16 *petition approval, require the petitioner to enter into an agreement*
17 *with a third party, at the expense of the charter school, to oversee,*
18 *monitor, and report on, the operations of the charter school. The*
19 *State Board of Education may prescribe the aspects of the charter*
20 *school's operations to be monitored by the third party and may*
21 *prescribe appropriate requirements regarding the reporting of*
22 *information concerning the operations of the charter school to the*
23 *State Board of Education.*

24 *(d) The State Board of Education shall not be required to*
25 *approve a petition for the operation of a statewide charter school,*
26 *and may deny approval based on any of the reasons set forth in*
27 *subdivision (b) of Section 47605.5.*

28 *SEC. 10.* Section 47613.1 of the Education Code is amended
29 to read:

30 47613.1. The Superintendent of Public Instruction shall
31 make all of the following apportionments on behalf of a charter
32 school in a school district in which all schools have been converted
33 to charter schools pursuant to Section 47606, and that elects not to
34 be funded pursuant to the block grant funding model set forth in
35 Section 47633 in each fiscal year that the charter school so elects:

36 (a) From funds appropriated to Section A of the State School
37 Fund for apportionment for that fiscal year pursuant to Article 2
38 (commencing with Section 42238) of Chapter 7 of Part 24, an
39 amount for each unit of current fiscal year regular average daily
40 attendance in the charter school that is equal to the current fiscal



1 year base revenue limit for the school district to which the charter
2 petition was submitted.

3 (b) For each pupil enrolled in the charter school who is entitled
4 to special education services, the state and federal funds for special
5 education services for that pupil that would have been apportioned
6 for that pupil to the school district to which the charter petition was
7 submitted.

8 (c) Funds for the programs described in clause (i) of
9 subparagraph (B) of paragraph (1) of subdivision (a) of Section
10 54761, and Sections 63000 and 64000, to the extent that any pupil
11 enrolled in the charter school is eligible to participate.

12 ~~SEC. 7.~~

13 *SEC. 11.* Section 47652 of the Education Code is amended to
14 read:

15 47652. (a) Notwithstanding Section 41330, a charter school
16 in its first year of operation shall be eligible to receive funding for
17 the advance apportionment based on an estimate of average daily
18 attendance for the current fiscal year, as approved by the local
19 educational agency that granted its charter and the county office
20 of education in which the charter-granting agency is located. For
21 charter schools approved by the State Board of Education,
22 estimated average daily attendance shall be approved by, and
23 submitted directly to, and approved by, the State Department of
24 Education. Not later than five business days following the end of
25 the first 20 schooldays, a charter school receiving funding
26 pursuant to this section shall report to the Department of Education
27 its actual average daily attendance for that first month, and the
28 Superintendent of Public Instruction shall adjust immediately, but
29 not later than 45 days, the amount of its advance apportionment
30 accordingly.

31 (b) A charter school in its first year of operation may only
32 commence instruction within the first three months of the fiscal
33 year beginning July 1 of that year. A charter school shall not be
34 eligible for an apportionment pursuant to subdivision (a), or any
35 other apportionment for a fiscal year in which instruction
36 commenced after September 30 of that fiscal year.

37 ~~SEC. 8.~~

38 *SEC. 12.* Notwithstanding Section 17610 of the Government
39 Code, if the Commission on State Mandates determines that this
40 act contains costs mandated by the state, reimbursement to local



1 agencies and school districts for those costs shall be made pursuant
2 to Part 7 (commencing with Section 17500) of Division 4 of Title
3 2 of the Government Code. If the statewide cost of the claim for
4 reimbursement does not exceed one million dollars (\$1,000,000),
5 reimbursement shall be made from the State Mandates Claims
6 Fund.

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