



UTAH STATE SENATE

UTAH STATE CAPITOL COMPLEX • 320 STATE CAPITOL
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February 4, 2013

Mr. President:

The Education Committee reports a favorable recommendation on **S.B. 151**,
AUTHORIZATION OF CHARTER SCHOOLS BY HIGHER EDUCATION INSTITUTIONS,
by Senator J. S. Adams, with the following amendments:

1. *Page 1, Line 20:*

20 applications; ~~{-and-}~~ =
► modifies an annual fee for payment of a board of trustee's costs in providing oversight and technical support to a charter school; and

2. *Page 1, Line 25:*

25 ~~{None}~~ This bill provides an immediate effective date.

3. *Page 4, Lines 117 through 120:*

117 Subsection (6)(a) may not exceed the product of ~~{-~~
118 ~~—(i)}~~ 3% of the revenue the charter school receives from the state in the current
fiscal
119 year ~~{-and}~~
120 ~~—(ii) the October 1 enrollment count of the charter school for the current fiscal~~

Bill Number



SB0151

Action Class



S

Action Code



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year} .

4. Page 5, Lines 122 through 125:

122 described in Subsection (6)(a) may not exceed the product of {
123 ~~(i)}~~ 1% of the revenue a charter school receives from the state in the current fiscal
year {
124 and
125 ~~(ii) the October 1 enrollment count of the charter school for the current fiscal
year}~~ .

5. Page 5, Line 151:

151 policy governing the procedures or criteria described in Subsection (8)(a). =
Section 3. Effective date.
**If approved by two-thirds of all the members elected to each house, this bill takes
effect upon approval by the governor, or the day following the constitutional time
limit of Utah Constitution Article VII, Section 8, without the governor's signature, or
in the case of a veto, the date of veto override.**

6. Page 1, Line 17:

17 a charter school; **and**

7. Page 1, Lines 20 through 21:

20 applications {~~and~~
21 ~~prohibits a higher education institution from operating a charter school}~~ .

8. Page 1, Line 28:

28 {~~53A-1a-518, as last amended by Laws of Utah 2010, Chapter 162}~~}

Bill Number



SB0151

Action Class



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9. Page 2, Line 32 through Page 3, Line 80:

32 {~~Section 1. Section 53A-1a-518 is amended to read:~~
33 ~~—53A-1a-518. Regulated transactions and relationships -- Definitions -- Entities~~
34 ~~prohibited from operating a charter school.~~
35 ~~—(1) As used in this section:~~
36 ~~—(a) "Charter school officer" means:~~
37 ~~—(i) a member of a charter school's governing board;~~
38 ~~—(ii) a member of a board or an officer of a nonprofit corporation under which a~~
39 ~~school is organized and managed; or~~
40 ~~—(iii) the chief administrative officer of a charter school.~~
41 ~~—(b) (i) "Employment" means a position in which a person's salary, wages, pay,~~
42 ~~or~~
43 ~~compensation, whether as an employee or contractor, is paid from charter school~~
44 ~~funds.~~
45 ~~—(ii) "Employment" does not include a charter school volunteer.~~
46 ~~—(c) "Relative" means a father, mother, husband, wife, son, daughter, sister,~~
47 ~~brother,~~
48 ~~uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law,~~
49 ~~sister-in-law, son-in-law, or daughter-in-law.~~
50 ~~—(2) (a) Except as provided in Subsection (2)(b), a relative of a charter school~~
51 ~~officer~~
52 ~~may not be employed at a charter school.~~
53 ~~—(b) If a relative of a charter school officer is to be considered for employment in~~
54 ~~a~~
55 ~~charter school, the charter school officer shall:~~
56 ~~—(i) disclose the relationship, in writing, to the other charter school officers;~~
57 ~~—(ii) submit the employment decision to the charter school's governing board for~~
58 ~~the~~
59 ~~approval, by majority vote, of the charter school's governing board;~~
60 ~~—(iii) abstain from voting on the issue; and~~
61 ~~—(iv) be absent from any meeting when the employment is being considered and~~

Bill Number



SB0151

Action Class



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56 ~~determined:~~
57 ~~—(3)(a) Except as provided in Subsections (3)(b) and (3)(c), a charter school~~
58 ~~officer or a~~
59 ~~relative of a charter school officer may not have a financial interest in a contract or~~
60 ~~other~~
61 ~~transaction involving a charter school in which the charter school officer serves as a~~
62 ~~charter~~
63 ~~school officer:~~
64 ~~—(b) If a charter school's governing board considers entering into a contract or~~
65 ~~executing~~
66 ~~a transaction in which a charter school officer or a relative of a charter school officer~~
67 ~~has a~~
68 ~~financial interest, the charter school officer shall:~~
69 ~~—(i) disclose the financial interest, in writing, to the other charter school officers;~~
70 ~~—(ii) submit the contract or transaction decision to the charter school's governing~~
71 ~~board~~
72 ~~for the approval, by majority vote, of the charter school's governing board;~~
73 ~~—(iii) abstain from voting on the issue; and~~
74 ~~—(iv) be absent from any meeting when the contract or transaction is being~~
75 ~~considered~~
76 ~~and determined.~~
77 ~~—(c) The provisions in Subsection (3)(a) do not apply to a reasonable contract of~~
78 ~~employment for:~~
79 ~~—(i) the chief administrative officer of a charter school; or~~
80 ~~—(ii) a relative of the chief administrative officer of a charter school whose~~
81 ~~employment~~
82 ~~is approved in accordance with the provisions in Subsection (2):~~
83 ~~—(4) The [State Board of Education or State Charter School Board] following~~
84 ~~entities~~
85 ~~may not operate a charter school[-]:~~
86 ~~—(a) the State Board of Education;~~
87 ~~—(b) the State Charter School Board; and~~
88 ~~—(c) a higher education institution listed in Section 53B-2-101.~~

Bill Number



SB0151

Action Class



S

Action Code



SCRAMD

80 ~~Section 2~~} Section 1 . Section 53A-1a-521 is amended to read:

Respectfully,

Stuart C. Reid
Committee Chair

Voting: 6-0-2

3 SB0151.SC1.WPD anicholson/AMN AOS/CCS 2/4/13 6:11 pm

Bill Number



SB0151

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