

**Senator Howard A. Stephenson** proposes the following substitute bill:

**CHARTER SCHOOLS AMENDMENTS**

2002 GENERAL SESSION

STATE OF UTAH

**Sponsor: Howard A. Stephenson**

**This act modifies provisions related to the State System of Public Education by increasing the number of charter schools that may be sponsored by the State Board of Education. This act requires the State Board of Education, through the superintendent of public instruction, to provide technical support to charter schools and persons seeking to establish charter schools. This act makes technical changes.**

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

**53A-1a-502**, as last amended by Chapter 259, Laws of Utah 2001

**53A-1a-505**, as last amended by Chapter 259, Laws of Utah 2001

**53A-1a-513**, as last amended by Chapter 259, Laws of Utah 2001

**53A-1a-515**, as enacted by Chapter 259, Laws of Utah 2001

ENACTS:

**53A-1a-516**, Utah Code Annotated 1953

*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **53A-1a-502** is amended to read:

**53A-1a-502. Authorization -- Creation of charter schools.**

(1) (a) The Legislature authorizes the [~~creation of up to 12 charter schools for the 2001-02 school year~~] State Board of Education to sponsor up to:

(i) § [12] 16 § charter schools; and

(ii) six New Century High Schools, magnet charter schools focused on math, science, and technology.



26 (b) (i) ~~The [number of charter schools authorized under this section shall be increased by~~  
27 ~~up to four for the 2002-03 school year, with no further increases in the number authorized under~~  
28 ~~this Subsection (1) until the program has been thoroughly evaluated by the]~~ State Board of  
29 Education ~~[and a]~~ shall evaluate the charter school program and submit an evaluation report to the  
30 Education Interim Committee by October 31, 2002.

31 (ii) The report shall include a recommendation [made to the Legislature as to] of whether  
32 or not the program should be expanded further.

33 (c) (i) The ~~[additional]~~ charter schools authorized under ~~[Subsections (1)(a) and (b)]~~  
34 Subsection (1)(a)(i) may be established only after an applicant:

35 (A) has sought and been denied sponsorship by a local school board under Section  
36 53A-1a-515; and

37 (B) subsequently seeks and is granted sponsorship by the State Board of Education under  
38 Section 53A-1a-505.

39 (ii) (A) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,  
40 the State Board of Education shall make a rule providing a timeline that would allow an applicant  
41 denied sponsorship by a local school board to apply for and receive sponsorship approval by the  
42 State Board of Education and begin planning or operating in the same school year as anticipated  
43 in its original application to the local school board.

44 (B) The timeline shall be consistent with the application and approval process set out in  
45 Section 53A-1a-515.

46 (2) Charter schools are considered to be part of the state's public education system.

47 (3) A charter school may be established by creating a new school or converting an existing  
48 public school to charter status.

49 Section 2. Section **53A-1a-505** is amended to read:

50 **53A-1a-505. Sponsors of charter schools -- Application process.**

51 (1) An applicant for a charter school shall seek sponsorship of its charter from the State  
52 Board of Education, except as otherwise provided in Section 53A-1a-515.

53 (2) (a) (i) The applicant shall also provide a copy of the application to the local school  
54 board of the school district in which the proposed charter school shall be located either before or  
55 at the same time it files its application with the state board.

56 (ii) The local board shall review the application and may offer suggestions or

57 recommendations to the applicant or the state board prior to its acting on the application.

58 (iii) The state board shall give due consideration to suggestions or recommendations made  
59 by the local school board under Subsection (2)(a)(ii).

60 (b) The State Board of Education shall review and, by majority vote, either approve or  
61 deny the application within 60 days after the application is received by the board.

62 (c) The state board's action under Subsection (2)(b) is final action subject to judicial  
63 review.

64 (3) (a) The applicant and the state board shall set forth the terms and conditions for the  
65 operation of the charter school in a written contractual agreement.

66 (b) The contract is the school's charter.

67 [~~4) The State Office of Education and the school district in which the school is to be  
68 located may provide technical assistance to an applicant upon written request.]~~

69 Section 3. Section **53A-1a-513** is amended to read:

70 **53A-1a-513. Funding for charter schools.**

71 (1) (a) A student enrolled in a charter school is considered a resident student of the school  
72 district in which the school is located for purposes of state funding, including, but not limited to,  
73 monies the student would generate as a result of qualifying for such programs as special education,  
74 students at risk, and gifted and talented.

75 (b) (i) The State Board of Education shall adopt rules to provide:

76 (A) that the school district in which a charter school student resides shall pay to the school  
77 district in which the charter school is located 1/2 of the amount by which the resident district's per  
78 student expenditure exceeds the value of the state funding under Subsection (1)(a); and

79 (B) for the distribution of monies to charter schools under this section.

80 (ii) The rules adopted pursuant to Subsection (1)(b)(i)(A) that require 1/2 rather than all  
81 of the amount take into account state school funding laws that require certain local moneys to  
82 remain within the resident district.

83 (c) The Legislature shall provide an appropriation for charter schools for each of their  
84 students equal to the lesser of 1/2 of the statewide school district average per student expenditure  
85 in excess of state funding under Subsection (1)(a) or 1/2 of the amount by which the resident  
86 district's per student expenditure exceeds the value of the state funding under Subsection (1)(a) to  
87 supplement the local monies received by a charter school under Subsection (1)(b)(i)(A).

88 (d) If a charter school is providing eligible programs or services to eligible students funded  
89 by federal monies, any eligible student enrolled in a charter school in the school district shall  
90 receive federal monies for the same level of service provided students in the schools operated by  
91 the local school board.

92 (2) (a) The board shall also adopt rules relating to the transportation of students to and  
93 from charter schools, taking into account Sections 53A-2-210 and 53A-17a-127.

94 (b) The governing body of the charter school may provide transportation through an  
95 agreement or contract with the local school board, a private provider, or with parents.

96 (3) (a) (i) The state superintendent of public instruction may allocate grants for both  
97 start-up and ongoing costs to eligible charter school applicants from monies appropriated for the  
98 implementation of this part.

99 (ii) Applications for the grants shall be filed on a form determined by the state  
100 superintendent and in conjunction with the application for a charter.

101 (iii) The amount of a grant may vary based upon the size, scope, and special circumstances  
102 of the charter school.

103 (iv) The governing board of the charter school shall use the grant to meet the expenses of  
104 the school as established in the school's charter.

105 (b) The State Board of Education shall coordinate the distribution of federal monies  
106 appropriated to help fund costs for establishing and maintaining charter schools within the state.

107 (4) (a) A charter school may receive, hold, manage and use any devise, bequest, grant,  
108 endowment, gift, or donation of any property made to the school for any of the purposes of this  
109 part.

110 (b) It is unlawful for any person affiliated with a charter school to demand or request any  
111 gift, donation, or contribution from a parent, teacher, employee, or other person affiliated with the  
112 charter school as a condition for employment or enrollment at the school or continued attendance  
113 at the school.

114 ~~[(5) (a) The State Office of Education shall publish and make available to charter school~~  
115 ~~applicants a list of vacant and unused portions of buildings that are owned by the state or by school~~  
116 ~~districts in the state and that may be suitable for the operation of a charter school.]~~

117 ~~[(b) The locally elected school board of the district in which a district owned building is~~  
118 ~~located must give its approval before the building can be placed on the list under Subsection~~

119 ~~(5)(a):]~~

120 ~~[(c) The list shall include the address and owner of each building and a short description~~  
121 ~~of the building.]~~

122 ~~[(d) Nothing in this Subsection (5) requires the owner of a building on the list to sell or~~  
123 ~~lease the building or a portion of the building to a charter school.]~~

124 Section 4. Section **53A-1a-515** is amended to read:

125 **53A-1a-515. Charters sponsored by local school boards.**

126 (1) Individuals and entities identified in Section ~~[53A-1a-505]~~ 53A-1a-504 may enter into  
127 an agreement with a local school board to establish and operate a charter school within the  
128 geographical boundaries of the school district administered by the board, subject to the same  
129 requirements established in Sections 53A-1a-504 through 53A-1a-514, except as otherwise  
130 provided in this section.

131 (2) These schools are in addition to the limited number of charter schools authorized under  
132 the sponsorship of the State Board of Education in Section 53a-1a-502.

133 (3) (a) An existing public school that converts to charter status may:

134 (i) continue to receive the same services from the school district that it received prior to  
135 its conversion; or

136 (ii) contract out for some or all of those services with other public or private providers.

137 (b) Any other charter school sponsored by a local school board may contract with the  
138 board to receive some or all of the services referred to in Subsection (3)(a).

139 (4) (a) (i) A public school that converts to a charter school under Subsection (3)(a) shall  
140 receive funding on the same basis as it did prior to its conversion to a charter school.

141 (ii) The school may also receive federal monies designated for charter schools under any  
142 federal program.

143 (b) (i) Any other charter school sponsored by a local school board shall receive funding  
144 as provided under Subsection (4)(a), except as otherwise provided in Subsection (4)(b)(ii).

145 (ii) If the charter school is not operating out of a facility owned by the school district, then  
146 the funding provisions of Section 53A-1a-513 apply.

147 (5) (a) A local school board that receives an application for a charter school under this  
148 section shall, within 45 days, either accept or reject the application.

149 (b) If the board rejects the application, it shall notify the applicant in writing of the reason

150 for the rejection.

151 (c) The applicant may submit a revised application for reconsideration by the board.

152 (d) If the local school board refuses to sponsor the applicant, ~~then~~ the applicant may seek  
153 a charter from the State Board of Education under Section 53A-1a-505.

154 (e) The local board's action under Subsection (5)(d) is final action subject to judicial  
155 review.

156 (6) A local school board is limited in the number of charter schools it may sponsor under  
157 this section as follows:

158 (a) there is no limitation on the number of existing public schools within a school district  
159 that may convert to charter status under this section; and

160 (b) the number of charter schools not converted from existing public schools is limited to  
161 an enrollment equal to 4% of the school district's student population as reported in the most recent  
162 annual statistical report required under Section 53A-3-403.

163 (7) A local school board may terminate a charter school it sponsors under this section for  
164 the same reasons and under the same procedures followed by the State Board of Education under  
165 Subsection 53A-1a-509(3).

166 Section 5. Section **53A-1a-516** is enacted to read:

167 **53A-1a-516. Technical support for charter schools.**

168 The State Board of Education through the superintendent of public instruction shall provide  
169 technical support to charter schools and persons seeking to establish charter schools by:

170 (1) identifying and promoting successful charter school models;

171 (2) facilitating the application and approval process for charter school sponsorship;

172 (3) directing charter schools and persons seeking to establish charter schools to sources  
173 of private funding and support;

174 (4) reviewing and evaluating proposals to establish charter schools for the purpose of  
175 supporting and strengthening proposals before an application for charter school sponsorship is  
176 submitted to the State Board of Education or a local school board; and

177 (5) assisting charter schools in preparing and submitting the reports required by this title  
178 to the State Board of Education.