



House of Representatives *State of Utah*

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SALT LAKE CITY, UTAH 84114-5030 • (801) 538-1029
February 19, 2007

Mr. Speaker:

The Education Committee recommends **H.B. 164**, CHARTER SCHOOL AMENDMENTS, by Representative R. Bigelow, be replaced and reports a favorable recommendation on **1st Sub. H.B. 164**, CHARTER SCHOOL AMENDMENTS with the following amendments:

1. *Page 1, Lines 17 through 18:*

- 17 ▶ ~~{prohibits certain transactions and relationships relating to charter schools and~~
18 ~~provides certain penalties}~~ requires the State Board of Education to make rules relating to conflicts of interest and unethical behavior for charter schools ; and

2. *Page 16, Line 469:*

- 469 53A-1a-518. Prohibited transactions and relationships -- Definitions --
 ~~{Penalties}~~ Rulemaking .

3. *Page 17, Lines 491 through 507:*

- 491 ~~{(2) A person may not receive compensation that is conditioned in whole or in part on:~~
492 ~~—(a) the passage, defeat, or amendment of legislative action related to charter schools or~~
493 ~~charter school authorization; or~~
494 ~~—(b) the approval, modification, or denial of a charter school application by a chartering~~
495 ~~entity;~~
496 ~~—(3) A charter school officer, charter school proposer, a relative of a charter school~~
497 ~~officer, or a relative of a charter school proposer may not have a pecuniary interest, directly or~~
498 ~~indirectly, in any contract or other transaction involving that charter school,~~

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including a
499 contract or transaction pertaining to:
500 — (a) developing a charter school proposal;
501 — (b) preparing or presenting a charter school application to a charter school
authorizing
502 entity;
503 — (c) obtaining financing for a charter school facility;
504 — (d) leasing, constructing, or otherwise obtaining a charter school facility; or
505 — (e) procuring or providing management, maintenance, operational, or support
services
506 for a charter school.}
507 {~~(4)~~ (2) (a) Except as provided in Subsection {~~(4)~~ (2) (b), a
relative of a charter school officer

4. Page 18, Lines 522 through 524:

522 determined.
523 {~~(5) A person who violates a provision of Subsection (2), (3), or (4) is guilty of~~
a class C
524 misdemeanor.} =
(3) The State Board of Education or State Charter School Board may not
operate a charter school.
(4) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking
Act, the State Board of Education, in consultation with the State Charter School
Board, shall make rules that require the disclosure of conflicts of interest and
regulate unethical behavior for charter schools.

Respectfully,

Gregory H. Hughes
Committee Chair

Voting: 13-0-2

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