

1 **CHARTER SCHOOL AGREEMENTS AND RENEWALS**

2 2022 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: V. Lowry Snow**

5 Senate Sponsor: _____

7 **LONG TITLE**

8 **General Description:**

9 This bill amends provisions related to charter agreements and the expiration and
10 renewal of charter agreements.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ establishes the duration of charter agreements, including renewals;
- 14 ▶ requires the State Board of Education to make rules regarding requirements for
15 charter authorizers and charter agreements;
- 16 ▶ requires charter agreements to include certain components regarding performance
17 metrics and expiration;
- 18 ▶ requires charter authorizers and charter schools to modify charter agreements to
19 bring agreements into compliance; and
- 20 ▶ makes technical changes.

21 **Money Appropriated in this Bill:**

22 None

23 **Other Special Clauses:**

24 This bill provides revisor instructions.

25 **Utah Code Sections Affected:**

26 AMENDS:

27 **53G-5-205**, as last amended by Laws of Utah 2020, Chapter 408



28 **53G-5-303**, as last amended by Laws of Utah 2019, Chapter 293

29 **Utah Code Sections Affected by Revisor Instructions:**

30 **53G-5-303**, as last amended by Laws of Utah 2019, Chapter 293



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

33 Section 1. Section **53G-5-205** is amended to read:

34 **53G-5-205. Charter school authorizers -- Power and duties -- Charter application**
35 **minimum standard.**

36 (1) The following entities are eligible to authorize charter schools:

37 (a) the State Charter School Board;

38 (b) a local school board; or

39 (c) a board of trustees of an institution in the state system of higher education as
40 described in Section **53B-1-102**.

41 (2) A charter school authorizer shall, in conjunction with the charter contract term as
42 needed:

43 (a) [~~annually~~] review and evaluate the performance of charter schools authorized by the
44 authorizer and hold a charter school accountable for the school's performance; and

45 (b) monitor charter schools authorized by the authorizer for compliance with federal
46 and state laws, rules, and regulations.

47 (3) A charter school authorizer may:

48 (a) authorize and promote the establishment of charter schools, subject to the
49 provisions in this part;

50 (b) make recommendations on legislation and rules pertaining to charter schools to the
51 Legislature and state board, respectively;

52 (c) make recommendations to the state board on the funding of charter schools;

53 (d) provide technical support to charter schools and persons seeking to establish charter
54 schools by:

55 (i) identifying and promoting successful charter school models;

56 (ii) facilitating the application and approval process for charter school authorization;

57 (iii) directing charter schools and persons seeking to establish charter schools to
58 sources of funding and support;

59 (iv) reviewing and evaluating proposals to establish charter schools for the purpose of
60 supporting and strengthening proposals before an application for charter school authorization is
61 submitted to a charter school authorizer; or

62 (v) assisting charter schools to understand and carry out their charter obligations; or

63 (e) provide technical support, as requested, to another charter school authorizer relating
64 to charter schools.

65 (4) Within 60 days after an authorizer's approval of an application for a new charter
66 school, the state board may direct an authorizer to do the following if the authorizer or charter
67 school applicant failed to follow statutory or state board rule requirements made in accordance
68 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:

69 (a) reconsider the authorizer's approval of an application for a new charter school; and

70 (b) correct deficiencies in the charter school application or authorizer's application
71 process as described in statute or state board rule, made in accordance with Title 63G, Chapter
72 3, Utah Administrative Rulemaking Act, before approving the new application.

73 (5) The state board shall, in accordance with Title 63G, Chapter 3, Utah Administrative
74 Rulemaking Act, make rules establishing minimum standards that a charter school authorizer is
75 required to apply when:

76 (a) evaluating a charter school application; or

77 (b) monitoring charter school compliance.

78 (6) The minimum standards described in Subsection (5) shall include:

79 (a) reasonable consequences for an authorizer that fails to comply with statute or state
80 board rule;

81 (b) a process for an authorizer to review:

82 (i) the skill and expertise of a proposed charter school's governing board; and

83 (ii) the functioning operation of the charter school governing board of an authorized
84 charter school;

85 (c) a process for an authorizer to review the financial viability of a proposed charter
86 school and of an authorized charter school; and

87 (d) a process to evaluate:

88 (i) how well an authorizer's authorized charter school complies with the charter
89 school's charter agreement;

90 (ii) whether an authorizer's authorized charter school maintains reasonable academic
91 standards; and

92 (iii) standards that an authorizer is required to meet to demonstrate the authorizer's
93 capacity to oversee, monitor, and evaluate the charter schools the authorizer authorizes.

94 Section 2. Section 53G-5-303 is amended to read:

95 **53G-5-303. Charter agreement -- Content -- Modification.**

96 (1) As used in this section, "satellite charter school" means a charter school affiliated
97 with an operating charter school, which has the same charter school governing board and a
98 similar program of instruction, but has a different school number than the affiliated charter.

99 (2) (a) A charter agreement:

100 [~~(a)~~] (i) is a contract between the charter school applicant and the charter school
101 authorizer;

102 [~~(b)~~] (ii) shall describe the rights and responsibilities of each party; [~~and~~]

103 [~~(c)~~] (iii) shall allow for the operation of the applicant's proposed charter school[-]; and

104 (iv) subject to Subsection (2)(b), is for a term of five years.

105 (b) Notwithstanding Subsection (2)(a)(iv):

106 (i) a high-performing charter school may enter into a renewal charter agreement with a
107 term of up to 10 years; and

108 (ii) the following may enter into a charter agreement with a term of less than five years:

109 (A) a low-performing charter school on renewal; and

110 (B) a new charter school.

111 (c) (i) A charter authorizer shall ensure that a charter agreement renewal is based on
112 objective performance measurements in academics, charter mission, enrollment, financial
113 viability, and governance.

114 (ii) The state board shall make rules, in accordance with Title 63G, Chapter 3, Utah
115 Administrative Rulemaking Act, to establish requirements for charter authorizers in relation to
116 charter agreements and renewals.

117 (3) A charter agreement shall include:

118 (a) the name of:

119 (i) the charter school; and

120 (ii) the charter school applicant;

- 121 (b) the mission statement and purpose of the charter school;
- 122 (c) the charter school's opening date;
- 123 (d) the grade levels the charter school will serve;
- 124 (e) (i) subject to Section 53G-6-504, the maximum number of students a charter school
- 125 will serve; or
- 126 (ii) for an operating charter school with satellite charter schools, the maximum number
- 127 of students of all satellite charter schools collectively served by the operating charter school;
- 128 (f) a description of the structure of the charter school governing board, including:
- 129 (i) the number of charter school governing board members;
- 130 (ii) how members of the charter school governing board are appointed; and
- 131 (iii) charter school governing board members' terms of office;
- 132 (g) assurances that:
- 133 (i) the charter school governing board will comply with:
- 134 (A) the charter school's bylaws;
- 135 (B) the charter school's articles of incorporation; and
- 136 (C) applicable federal law, state law, and state board rules;
- 137 (ii) the charter school governing board will meet all reporting requirements described
- 138 in Section 53G-5-404; and
- 139 (iii) except as provided in Part 6, Charter School Credit Enhancement Program, neither
- 140 the authorizer nor the state, including an agency of the state, is liable for the debts or financial
- 141 obligations of the charter school or a person who operates the charter school;
- 142 (h) which administrative rules the state board will waive for the charter school;
- 143 (i) minimum financial standards for operating the charter school;
- 144 (j) minimum standards for student achievement; [~~and~~]
- 145 (k) signatures of the charter school authorizer and the charter school governing board
- 146 members[;];
- 147 (l) minimum standards to measure the charter mission;
- 148 (m) minimum standards for the performance of the charter school governing board; and
- 149 (n) the date of expiration of the charter agreement.
- 150 (4) (a) Except as provided in Subsection (4)(b), a charter agreement may not be
- 151 modified except by mutual agreement between the charter school authorizer and the charter

152 school governing board.

153 (b) A charter school governing board may modify the charter school's charter
154 agreement without the mutual agreement described in Subsection (4)(a) to include an
155 enrollment preference described in Subsection [53G-6-502\(4\)\(g\)](#).

156 (c) Except as provided in Subsection (4)(d)(ii), no later than January 1, 2023, each
157 charter school and charter school authorizer shall modify a charter agreement in effect on the
158 effective date of this bill that does not include all of the components required under Subsection
159 (3) to bring the agreement into full compliance.

160 (d) For a charter authorizer with 10 or more charter schools, the authorizer shall ensure
161 that the following percentage of the authorizer's agreements include all of the components
162 required under Subsection (3):

163 (i) no later than July 1, 2023, 20%;

164 (ii) no later than July 1, 2024, 40%;

165 (iii) no later than July 1, 2025, 60%;

166 (iv) no later than July 1, 2026, 80%; and

167 (v) no later than July 1, 2027, 100%.

168 Section 3. **Revisor instructions.**

169 The Legislature intends that the Office of Legislative Research and General Counsel, in
170 preparing the Utah Code database for publication, replace the reference in Section [53G-5-303](#)
171 from "the effective date of this bill" to the bill's actual effective date.