

Senator Aaron Osmond proposes the following substitute bill:

CHARTER SCHOOL AUTHORIZATION AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Aaron Osmond

House Sponsor: _____

LONG TITLE

General Description:

This bill allows a municipal legislative body to authorize a charter school located within the municipality's boundaries.

Highlighted Provisions:

This bill:

- ▶ allows a municipal legislative body to authorize a charter school to be established and operated within the municipality's boundaries, subject to the approval of the State Board of Education;
- ▶ specifies procedures for the application and approval of a charter school authorized by a municipal legislative body;
- ▶ allows a municipal legislative body to impose a fee, up to a certain amount, for costs of oversight of, and technical assistance to, a charter school;
- ▶ prescribes a municipal legislative body's responsibilities related to authorizing a charter school;
- ▶ requires a municipal legislative body to make a report to the State Board of Education and the State Charter School Board regarding the performance of a charter school authorized by the municipal legislative body; and
- ▶ allows a municipal legislative body to close a charter school authorized by the



26 municipal legislative body.

27 **Money Appropriated in this Bill:**

28 None

29 **Other Special Clauses:**

30 None

31 **Utah Code Sections Affected:**

32 AMENDS:

33 **53A-1a-501.3**, as last amended by Laws of Utah 2014, Chapter 363

34 ENACTS:

35 **53A-1a-524**, Utah Code Annotated 1953



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

38 Section 1. Section **53A-1a-501.3** is amended to read:

39 **53A-1a-501.3. Definitions.**

40 As used in this part:

41 (1) "Asset" means property of all kinds, real and personal, tangible and intangible, and
42 includes:

- 43 (a) cash;
- 44 (b) stock or other investments;
- 45 (c) real property;
- 46 (d) equipment and supplies;
- 47 (e) an ownership interest;
- 48 (f) a license;
- 49 (g) a cause of action; and
- 50 (h) any similar property.

51 (2) "Board of trustees of a higher education institution" or "board of trustees" means:

- 52 (a) the board of trustees of:
 - 53 (i) the University of Utah;
 - 54 (ii) Utah State University;
 - 55 (iii) Weber State University;
 - 56 (iv) Southern Utah University;

- 57 (v) Snow College;
- 58 (vi) Dixie State University;
- 59 (vii) Utah Valley University; or
- 60 (viii) Salt Lake Community College; or
- 61 (b) the campus board of directors of a college campus within the Utah College of
- 62 Applied Technology.

63 (3) "Charter agreement" or "charter" means an agreement made in accordance with

64 Section 53A-1a-508, that authorizes the operation of a charter school.

65 (4) "Charter school authorizer" or "authorizer" means the State Charter School Board, a

66 local school board, ~~[or]~~ the board of trustees of a higher education institution, or a municipal

67 legislative body that authorizes the establishment of a charter school.

68 (5) "Governing board" means the board that operates a charter school.

69 (6) "Municipal legislative body" means the council of a city or town in any form of

70 municipal government.

71 Section 2. Section **53A-1a-524** is enacted to read:

72 **53A-1a-524. Charter schools authorized by a municipal legislative body --**

73 **Application process -- Board of trustees responsibilities -- Reporting requirements.**

74 (1) Subject to the approval of the State Board of Education, an applicant identified in

75 Section 53A-1a-504 may enter into an agreement with a municipal legislative body authorizing

76 the applicant to establish and operate a charter school within the boundaries of the

77 municipality.

78 (2) (a) An applicant applying for authorization from a municipal legislative body to

79 establish and operate a charter school shall provide a copy of the application to the State

80 Charter School Board and the local school board of the school district in which the proposed

81 charter school will be located either before or at the same time the applicant files the

82 application with the municipal legislative body.

83 (b) The State Charter School Board and the local school board may review the

84 application and offer suggestions or recommendations to the applicant or the municipal

85 legislative body before the municipal legislative body acts on the application.

86 (c) The municipal legislative body shall give due consideration to suggestions or

87 recommendations made by the State Charter School Board or the local school board under

88 Subsection (2)(b).

89 (3) (a) Prior to submitting a charter school application to the State Board of Education
90 as required in Subsection (4)(a), the applicant and the municipal legislative body shall set forth
91 the terms and conditions for the operation of the charter school in a written charter agreement.

92 (b) The terms and conditions described in Subsection (3)(a) shall be included in the
93 charter school contract between the municipal legislative body and the charter school.

94 (4) (a) If a municipal legislative body approves an application to establish and operate
95 a charter school, the municipal legislative body shall submit the application to the State Board
96 of Education.

97 (b) The State Board of Education shall, by majority vote, approve or deny an
98 application approved by a municipal legislative body within 60 days of receipt of the
99 application.

100 (c) The State Board of Education's action under Subsection (4)(b) is final action subject
101 to judicial review.

102 (5) The State Board of Education shall make a rule providing a time line for the
103 opening of a charter school following the approval of a charter school application by a
104 municipal legislative body.

105 (6) (a) The school's charter may include a provision that the charter school pay an
106 annual fee for the municipal legislative body's costs in providing oversight of, and technical
107 support to, the charter school in accordance with Subsection (7).

108 (b) In the first two years that a charter school is in operation, an annual fee described in
109 Subsection (6)(a) may not exceed the product of 3% of the revenue the charter school receives
110 from the state in the current fiscal year.

111 (c) Beginning with the third year that a charter school is in operation, an annual fee
112 described in Subsection (6)(a) may not exceed the product of 1% of the revenue a charter
113 school receives from the state in the current fiscal year.

114 (d) An annual fee described in Subsection (6)(a) shall be:

115 (i) paid to the municipality; and

116 (ii) expended as directed by the municipal legislative body.

117 (7) A municipal legislative body shall:

118 (a) annually review and evaluate the performance of a charter school authorized by the

119 municipal legislative body and hold the school accountable for the school's performance;

120 (b) monitor a charter school authorized by the municipal legislative body for

121 compliance with federal and state laws, rules, and regulations;

122 (c) monitor a charter school authorized by the municipal legislative body for

123 performance against the minimum academic, financial, and enrollment standards set forth in

124 the charter application; and

125 (d) provide technical support to a charter school authorized by the municipal legislative

126 body to assist the school in understanding and performing the school's charter obligations.

127 (8) Before a municipal legislative body accepts a charter school application, the

128 municipal legislative body shall, in accordance with State Board of Education rules, establish

129 and make public the municipal legislative body's:

130 (a) application requirements, in accordance with Section [53A-1a-504](#);

131 (b) application process, including time lines, in accordance with this section; and

132 (c) minimum academic, financial, governance, and enrollment standards.

133 (9) A municipal legislative body shall:

134 (a) annually make a report to the State Board of Education and to the State Charter

135 School Board detailing the academic, financial, enrollment, and governance performance of the

136 charter school authorized by the municipal legislative body; and

137 (b) in the report described in Subsection (9)(a), include information that demonstrates

138 the charter school's compliance with federal and state law.

139 (c) A municipal legislative body and the charter school authorized by the municipal

140 legislative body shall collect and report information in the same format and manner as

141 information is required to be reported for charter schools authorized by the State Charter

142 School Board.

143 (10) A municipal legislative body may close a charter school authorized by the

144 municipal legislative body.