

SCHOOL FINANCE AMENDMENTS

2010 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ron Bigelow

Senate Sponsor: Howard A. Stephenson

LONG TITLE

General Description:

This bill modifies provisions regarding the approval of an increase in charter school enrollment capacity and provides flexibility to school districts and charter schools in the use of certain program funds.

Highlighted Provisions:

This bill:

- ▶ removes a statutorily imposed cap on the maximum number of students that may be enrolled in charter schools each year;
- ▶ allows the State Board of Education to approve an increase in charter school enrollment capacity subject to the Legislature appropriating funds for the increase;
- ▶ allows a school district or charter school that receives an allocation of funds for certain programs that is less than \$10,000 to combine the funds with certain other program funds;
- ▶ describes how program funds that are combined may be used; and
- ▶ makes technical amendments.

Monies Appropriated in this Bill:

None

Other Special Clauses:

This bill takes effect on July 1, 2010.

Utah Code Sections Affected:



28 AMENDS:

29 **53A-1a-502.5**, as last amended by Laws of Utah 2009, Chapter 391

30 **53A-1a-515**, as last amended by Laws of Utah 2007, Chapter 344

31 ENACTS:

32 **53A-17a-105.5**, Utah Code Annotated 1953



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

35 Section 1. Section **53A-1a-502.5** is amended to read:

36 **53A-1a-502.5. Approval of increase in charter school enrollment capacity.**

37 ~~[(1) The State Charter School Board and local school boards may only authorize a~~
38 ~~combined maximum student capacity of:]~~

39 ~~[(a) 32,921 students for the charter schools in the 2008-09 school year; and]~~

40 ~~[(b) beginning in the 2009-10 school year, an annual increase in charter school~~
41 ~~enrollment capacity equal to 1.4% of total school district enrollment as of October 1 of the~~
42 ~~previous school year.]~~

43 ~~[(2) (a) The State Board of Education, in consultation with the State Charter School~~
44 ~~Board, shall allocate the students under Subsection (1) between the State Charter School Board~~
45 ~~and local school boards:]~~

46 ~~[(b) One-third of the student capacity described under Subsection (1)(b) shall be~~
47 ~~allocated to increase the maximum student capacity of operating charter schools:]~~

48 ~~[(c) If the operating charter schools do not use the allocation described under~~
49 ~~Subsection (2)(b), the remaining student capacity may be used by new charter schools.]~~

50 ~~[(3) An] The State Board of Education may approve an increase in charter school~~
51 ~~enrollment capacity in the 2011-12 school year or thereafter [shall receive: (a) tentative~~
52 ~~approval by the State Board of Education by November 30 of the year that is two years before~~
53 ~~the year that the increase in charter school enrollment capacity takes effect; and (b) final~~
54 ~~approval by the State Board of Education by the following April 1, subject to legislative~~
55 ~~authorization of] subject to the Legislature appropriating funds for the increase in charter~~
56 ~~school enrollment capacity.~~

57 Section 2. Section **53A-1a-515** is amended to read:

58 **53A-1a-515. Charters authorized by local school boards.**

59 (1) ~~(a)~~ Individuals and entities identified in Section 53A-1a-504 may enter into an
60 agreement with a local school board to establish and operate a charter school within the
61 geographical boundaries of the school district administered by the board.

62 ~~[(b) The charter schools described in Subsection (1)(a) are in addition to the limited~~
63 ~~number of charter schools authorized by the State Charter School Board in Section~~
64 ~~53A-1a-502.5.]~~

65 (2) (a) An existing public school that converts to charter status under a charter granted
66 by a local school board may:

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

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

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

72 (3) (a) (i) A public school that converts to a charter school under a charter granted by a
73 local school board shall receive funding:

74 (A) through the school district; and

75 (B) on the same basis as it did prior to its conversion to a charter school.

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

78 (b) (i) A local school board-authorized charter school operating in a facility owned by
79 the school district and not paying reasonable rent to the school district shall receive funding:

80 (A) through the school district; and

81 (B) on the same basis that other district schools receive funding.

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

84 (c) Subject to the provisions in Section 53A-1a-502.5, a charter school authorized by a
85 local school board shall receive funding as provided in Section 53A-1a-513.

86 (d) (i) A charter school authorized by a local school board, but not described in
87 Subsection (3)(a), (b), or (c) shall receive funding:

88 (A) through the school district; and

89 (B) on the same basis that other district schools receive funding.

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

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

94 (b) If the board rejects the application, it shall notify the applicant in writing of the
95 reason for the rejection.

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

97 (d) If the local school board refuses to authorize the applicant, the applicant may seek a
98 charter from the State Charter School Board under Section 53A-1a-505.

99 (5) The State Board of Education shall make a rule providing for a timeline for the
100 opening of a charter school following the approval of a charter school application by a local
101 school board.

102 (6) (a) After approval of a charter school application, the applicant and the local school
103 board shall set forth the terms and conditions for the operation of the charter school in a written
104 contractual agreement.

105 (b) The agreement is the school's charter.

106 (7) A local school board shall:

107 (a) annually review and evaluate the performance of charter schools authorized by the
108 local school board and hold the schools accountable for their performance;

109 (b) monitor charter schools authorized by the local school board for compliance with
110 federal and state laws, rules, and regulations; and

111 (c) provide technical support to charter schools authorized by the local school board to
112 assist them in understanding and performing their charter obligations.

113 (8) A local school board may terminate a charter school it authorizes as provided in
114 Sections 53A-1a-509 and 53A-1a-510.

115 (9) In addition to the exemptions described in Sections 53A-1a-511 and 53A-1a-512, a
116 charter school authorized by a local school board is:

117 (a) not required to separately submit a report or information required under this title to
118 the State Board of Education if the information is included in a report or information that is
119 submitted by the local school board or school district; and

120 (b) exempt from the requirement under Section 53A-1a-507 that a charter school shall

121 be organized and managed under Title 16, Chapter 6a, Utah Revised Nonprofit Corporation
122 Act.

123 Section 3. Section **53A-17a-105.5** is enacted to read:

124 **53A-17a-105.5. Flexibility in the use of program funds.**

125 (1) As used in this section, "qualifying program" means:

126 (a) the at-risk flow through program created in Section 53A-17a-121;

127 (b) the homeless and disadvantaged minority students program created in Section
128 53A-17a-121;

129 (c) the gifted and talented program created in Section 53A-17a-120;

130 (d) the advanced placement program created in Section 53A-15-101; and

131 (e) the concurrent enrollment program created in Section 53A-15-101.

132 (2) If a school district or charter school receives an allocation of state funds for a
133 qualifying program that is less than \$10,000, the school district or charter school may:

134 (a) (i) combine the funds with one or more qualifying program fund allocations each of
135 which is less than \$10,000; and

136 (ii) use the combined funds in accordance with the program requirements for any of the
137 qualifying programs that are combined; or

138 (b) (i) transfer the funds to a qualifying program for which the school district or charter
139 school received an allocation of funds that is greater than or equal to \$10,000; and

140 (ii) use the combined funds in accordance with the program requirements for the
141 qualifying program to which the funds are transferred.

142 Section 4. **Effective date.**

143 This bill takes effect on July 1, 2010.

Legislative Review Note
as of 2-18-10 6:06 AM

Office of Legislative Research and General Counsel

H.B. 149 - School Finance Amendments

Fiscal Note

2010 General Session
State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
