2019 Changes to California’s Charter School Laws

Renewals

In 2019, the Legislature enacted the most substantial changes to California’s charter school laws since passage of the original California Charter Schools Act in 1992. These changes resulted from increased demands from district and charter parents, educators, administrators, and school board members, as communities throughout California faced the significant impacts of unregulated charter school growth, as well as increasing concerns that charter schools do not serve all students.

The most significant changes to the charter school renewal process are in AB 1505, which aligns charter school renewals with California’s K-12 accountability system — the California School Dashboard (Dashboard). These changes in AB 1505 create three tiers for charter school renewals:

<table>
<thead>
<tr>
<th>Bottom Tier</th>
<th>Middle Tier</th>
<th>Top Tier</th>
</tr>
</thead>
<tbody>
<tr>
<td>No renewal is the default</td>
<td>5-year renewal is possible</td>
<td>5-7-year renewal is the default</td>
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</table>

**Criteria:**

1. **All red and orange (lowest level) indicators schoolwide, or**
2. **Same or lower than the statewide average schoolwide and lower than statewide average on a majority of the state’s lowest-performing subgroups**

*Possible 2-year renewal if the charter school is taking meaningful steps to address the underlying cause(s) of low Dashboard indicators.*

**Criteria:**

1. **Considering all dashboard indicators for all student subgroups, and**
2. **Charter school does not fit criteria for Bottom Tier or Top Tier**

**Criteria:**

1. **All blue and green (top level) indicators schoolwide, or**
2. **Same or higher than the statewide average schoolwide and higher than the statewide average on a majority of the state’s lowest-performing subgroups**

AB 1505 also removes outdated and vague language around acceptable performance data, and instead requires the State Board of Education (SBE) to adopt “verified data,” by January 1, 2021 that chartering authorities must consider when assessing renewals of Bottom Tier and Middle Tier charter schools. Use of verified data is limited to a defined transition period, at the end of which all charter schools will be held accountable to the Dashboard. Bottom Tier charter schools may use verified data until June 30, 2025; Middle Tier charter schools may use verified data until January 1, 2026. (Subsection 47607 and 47607.2)

In addition to aligning charter school renewals with state standards, the following additional changes were made in 2019 that impact charter school renewals:
Differentiated Assistance
*(Effective July 1, 2020)*

AB 1505 requires that charter schools receive differentiated assistance and intervention for academic concerns on the same terms and timelines as school districts. This provision applies starting in July 1, 2022 to currently operating charter schools. A charter school receiving differentiated assistance and intervention is not eligible to be placed in the Top Tier for renewal.

### Charters Must Serve ALL Students
*(Effective Various Dates, as Noted)*

Three changes to the law have renewal implications for charter schools that are not serving all students. Those include:

- **AB 1505** strengthens existing law by requiring charter school petitions (including renewal petitions) to contain a description of how the petitioner will achieve a balance of English learners and students with disabilities, along with a racial and ethnic balance that is reflective of the school district (or county, in the case of countywide schools). *(Effective July 1, 2020)*

- **AB 1505** also allows authorizers considering charter school renewals to assess whether a charter school is excluding some students in a way that may result in the artificial inflation of the charter school’s performance on the California School Dashboard. To reach a finding that a charter school is excluding some students, authorizers may request data from the California Department of Education (CDE), which is described in detail in the law. *(Effective July 1, 2020)*

- **SB 75**, the 2019 Education Omnibus Trailer Bill, states with no ambiguities that a “charter school shall not discourage a pupil from enrolling or seeking to enroll in a charter school for any reason...,” and “[a] charter school shall not encourage a pupil currently attending the charter school to disenroll from the charter school or transfer to another school for any reason....” SB 75 also prohibits charter schools from requesting or requiring that a pupil’s records be submitted to the charter school prior to enrollment, including the IEP of a student with disabilities. The bill establishes a complaint process that allows parents to report discrimination to the authorizer. *(Effective Immediately)*

### Extended Petition Timelines
*(Effective July 1, 2020)*

AB 1505 gives charter school authorizers additional time to do their due diligence on new and renewal charter school petitions by allowing 60 days (previously 30 days for school districts) from receiving a petition until a public hearing is held, and allowing 90 days (previously 60 days for school districts) from receiving a petition until a vote is taken. The law continues to allow a 30-day extension of this timeline (up to 120 days total) by mutual agreement.

### Governance & Fiscal Issues
*(Effective July 1, 2020)*

AB 1505 permits a chartering authority to deny renewal for substantial governance or fiscal issues, regardless of academic performance. *(Effective July 1, 2020)*

SB 126 requires charter school and charter school management organization governing boards to comply with the same transparency laws that traditional school district governing boards follow:
Governance & Fiscal Issues (cont’d)

- California’s open meeting laws (the Ralph M. Brown Act and the Bagley-Keene Open Meetings Act). Meetings of charter school governing bodies must be open and public.

- The California Public Records Act. Charter schools must make their records available for the public to inspect and make copies available upon request.

- California Government Code 1090. Charter board members are prohibited from being financially interested in any contract made by them in their official capacity, or by any board or body of which they are a member. SB 126 applies Government Code 1090 to charter schools but makes one exemption to allow employees of charter schools to be members of a charter school’s governing board. (Subsection 47604.1 (b) (3))

- The Political Reform Act of 1974. Charter school governing bodies must adopt a conflict of interest code that requires some employees and governing board members to file statements of economic interest to disclose investments, business positions, real property, or sources of income that may lead to conflicts of interest (Form 700s).

SB 126 also requires that charter school governing body meetings be recorded and posted on the charter school’s website, as well as establishing requirements regarding charter school governing board meeting locations. *(Effective January 1, 2020)*

SBE-Authorized Charter Schools *(Effective July 1, 2020)*

Under AB 1505, the State Board of Education (SBE) will no longer be a chartering authority. Therefore, charter schools currently operating under a charter approved by the SBE on appeal must apply to the district where the charter school is physically located for renewal. If denied, the charter may appeal to the SBE. If the local decision is overturned, the SBE will assign oversight and authorization to either the district or the county, in consultation with the charter school.

Similarly, statewide benefit charter schools are eliminated under AB 1505. Existing schools may be renewed one time by the SBE, which will then assign authorization to either the district or the county, in consultation with the charter school.

Charters Located Outside their Authorizing District or County *(Effective January 1, 2020)*

Previously a charter school that could not find a suitable facility inside its chartering district, or needed a temporary facility during construction, could locate outside its the district, but within the same county. This exemption has been removed by AB 1507. Charter schools that are operating under this exemption prior to January 1, 2020 may continue to operate at that location until their next renewal. At that time, they are required to either obtain approval in writing from the district where the charter is operating to continue at that location or apply to the district where they are physically located for renewal.
Fiscal Impact Does Not Apply Unless Requesting Expansion (Effective July 1, 2020)

AB 1505 requires charter schools requesting to add grade levels or additional sites concurrently with their renewal to submit those requests as material revisions to their charter. While authorizers are not permitted to consider the fiscal impact of charter school renewals on other district schools, programs and services, they are able to consider these issues with expansion requests.

These changes represent a significant overhaul of existing laws, and it is important that they are implemented correctly from the start. Use our new rapid response hotline for questions or to report new charter school petitions or requests to expand in your district:

(650) 525-4362 charterquestions@cta.org www.cta.org/charters