

UNFINISHED BUSINESS

SENATE RULES COMMITTEE

Office of
Senate Floor Analyses
1020 N Street, Suite 524
445-6614

Bill No. SB 1448

Author: Hart (D), et al

Amended: 8/22/92

Vote Required: 21

Committee Votes:

Senate Floor Vote: Page 6276, 6/4/92

COMMITTEE: EDUCATION		
BILL NO.:	SB 1448	
DATE OF HEARING:	4-8-92	
SENATORS:	AYE	NO
Deddeh	✓	
Dills	✓	
C. Green	✓	
L. Greene	✓	
Johnson	✓	
Killea	✓	
Leslie	✓	
Torres	✓	
Morgan	✓	
Morgan (VC)	✓	
Harr (Ch)	✓	
OTAL:	6	5

COMMITTEE: APPROPRIATIONS		
BILL NO.:	SB 1448	
DATE OF HEARING:	5-27-92	
SENATORS:	AYE	NO
Alquist	✓	
Ayala	✓	
Bergeson	✓	
Davis	✓	
Dills	✓	
L. Greene	✓	
Johnson	✓	
Killea	✓	
Leslie	✓	
Leonard	✓	
Lockyer	✓	
Beverly (VC)	✓	
Presley (Ch)	✓	
OTAL:	8	4

Roll Call

The names of the absentees were called and SB 1448 was passed by the following vote:

AYES (21)—Senators Alquist, Bergeson, Beverly, Davis, Har Hill, Johnston, Keene, Killea, Kopp, Leonard, Leslie, Lockye Maddy, Morgan, Petris, Presley, Rogers, Royce, Russell, and Torre NOES (6)—Senators Dills, Cecil Green, Marks, Rosenthal Thompson, and Watson.

Bill ordered transmitted to the Assembly.

Assembly Floor Vote: 67-4, 8/25/92

SUBJECT: Charter schoolsSOURCE: Author

DIGEST: This bill establishes a procedure for any person to petition school district governing boards for approval to establish up to 100 charter schools.

Assembly Amendments:

- Specify that petitions for establishment of charter schools shall include (a) a statement of the education program of the school which identifies specified learning goals for the school, (b) procedures to check the criminal records of employees of the school and (c) provisions which give attendance preference to pupils who live within current attendance areas of schools which convert to charter schools.
- Require school districts to give preference to petitions which demonstrate the capability to provide comprehensive learning experiences to academically low achieving pupils.
- Change the appeal process, in the event the local governing board acts in an arbitrary manner to deny the charter school petition, to a county appointed panel/county board process (instead of a state board/state superintendent process).

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4. Require the State Department of Education to review the educational effectiveness of the charter school approach by January 1, 1999 and make recommendations to modify, expand, or terminate the option to establish charter schools.

Senate Floor Amendments of 6/1/92 specify that no charter school may be established which authorizes the conversion of any private school to a public charter school.

ANALYSIS: Under current law, public elementary and secondary schools are operated under the governance of school districts and county offices of education and are regulated by a variety of statutes and regulations.

This bill authorizes the creation of 100 charter public schools within a school district, with no more than 10 charter schools in any one district. The intent of the Legislature is to provide schools with an opportunity to change from rule-based to performance-based accountability systems, by freeing the charter school from most governmental regulations in exchange for stricter accountability based on performance outcomes. The major provisions of the bill include the following:

Establishing a Charter Public School. To establish a charter public school, a petition must be submitted to the governing board that:

1. Is signed by at least 10 percent of the teachers employed by the school district, or at least 50 percent of the teachers employed at one school of the district;
2. Includes a statement that the school (a) shall be nonsectarian in its programs, admission policies, employment practices, (b) shall not charge tuition, and (c) shall not discriminate; and
3. Includes a charter which describes a number of school policies and procedures, including (a) a description of the educational program, (b) the pupil outcomes that will be used and how those outcomes will be measured, (c) the governance structure, (d) admission requirements, if applicable, (e) how racial and ethnic balance will be achieved, (f) employee qualifications and rights, (g) health and safety procedures, (h) pupil suspension and expulsion procedures.

The governing board must hold a public hearing on the petition within 30 days of receiving the petition, and either grant or deny the charter within 60 days of receiving the petition. Upon approval of the petition, the petitioner shall provide written notice of that approval to the State Board of Education (SBE). Upon receipt, the SBE shall assign a number to each charter notice, with the first 100 petitions becoming effective.

Upon denial of a petition, the petitioner may submit a request for a charter for joint approval by the Superintendent of Public Instruction (SPI) and the SBE.

Terms of Operating a Charter Public School. This bill:

1. Requires a charter school to comply with all the provisions set forth in its charter, but is otherwise exempt from the laws governing school districts, except as specified in this bill;
2. Specifies that charters may be granted for five years, and may be renewed for additional five year periods, indefinitely;
3. Specifies that a charter may be revoked by the authority that granted

it if the charter school (a) committed a material violation of any of the charter provisions, (b) failed to meet pupil outcomes, (c) failed to meet generally accepted accounting standards of fiscal management, or (d) violated any provision of law;

4. Prohibits the granting of a charter petition that converts a private school to a charter public school.

Funding. This bill requires the SPI to apportion to each charter school:

1. An amount equal to the current fiscal year base revenue limit for the school district to which the charter petition was submitted;
2. For each pupil enrolled in the charter school who is entitled to special education services, the state and federal funds for special education services that would have been apportioned for that pupil;
3. Funds for specified programs, to the extent that any pupil enrolled in the charter school is eligible to participate.

Review. The bill requires the State Department of Education to review the charter school approach and, not later than January 1, 1999, to report to the Legislature with recommendations regarding that approach.

Related Legislation

AB 2585 (Eastin) also authorizes the establishment of charter schools. There are, however, differences between the two bills relating to the creation, staffing, and operation of the charter schools. AB 2585 is currently in the Assembly for concurrence. The intent is for the differences between the two bills to be ironed out in a conference committee.

Comment

Several other states, including Connecticut, Florida, Massachusetts, Michigan and Tennessee, are considering legislation to establish charter schools as a way to provide expanded educational opportunities within the public school system. Minnesota was the first state to enact a charter school law in 1991, which authorizes eight charter schools to be established in that state.

FISCAL EFFECT: Appropriation: No Fiscal Committee: Yes Local: Yes

According to the Assembly Ways and Means Committee analysis:

1. One-time mandated costs of up to \$350,000, primarily in 1993, and minor ongoing costs annually thereafter, for school districts to hold local hearings on charter school petitions. The cost will depend on the number of petitioners that submit charter proposals to local governing boards for consideration.
2. One-time costs of up to \$75,000 for the State Department of Education to review applications, and absorbable costs annually thereafter to monitor the program.
3. Unknown, but potentially major General Fund costs (Proposition 98) in 1993-94 and annually thereafter due to (a) changing the funding basis from average daily attendance to enrollment, (b) potentially extending categorical program funding

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to additional students, and (c) potential additional enrollment of pupils formerly attending private schools.

SUPPORT: (Verified 8/26/92)

State Department of Education
Church State Council
Small School District Association
California School Boards Association
California State PTA

OPPOSITION: (Verified 8/26/92)

California School Employees Association
California Teachers Association
Service Employees International Union - California State Council
California Federation of Teachers, AFT, AFL-CIO

ARGUMENTS IN SUPPORT: Proponents argue that the establishment of schools that operate independently from the existing school district structure will (1) improve pupil learning; (2) increase learning opportunities for pupils; (3) encourage the use of different and innovative teaching methods; (4) create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site; and (5) provide parents and pupils with expanded choices in the types of educational opportunities that are available within the public school system.

ARGUMENTS IN OPPOSITION: Opponents argue that charter schools would be publicly funded but exempt from state laws and regulations governing public schools.

CSEA states, "We are very concerned that, with the creation of charter schools, the rights of classified employees regarding job security, working conditions, pay and benefits would be seriously jeopardized. Equally important, the idea of charter schools as a reform rests on the assumption that the major problem with public education is over-regulation and that, therefore, the appropriate reform is deregulation. Major problems in today's schools . . . are not caused by over-regulation, but are the results of underfunding."

The California Teachers Association has concerns about (1) the possibility of creating a class of public school employees who could be hired at sub-standard wages and benefits, and without benefit of STRS coverage; and (2) ignoring the exclusive bargaining agent in the development of charter school proposals and in the process for approval of these proposals. CTA believes that failure to involve exclusive representatives formally in the reform process would be counter-productive. The association states, "We believe that reforms created mutually by all parties of interest in such matters are the most effective."

ASSEMBLY FLOOR VOTE:

MOTION: SB 1448 HART THIRD READING BY EASTIN
(AYES 67. NOES 4.) (PASS)

AYES

Allen	Alpert	Andal	Archie-Hudson
Areias	Baker	Bane	Bates
Becerra	Bentley	Boland	Bronzan
Brulte	Burton	Cannella	Chandler
Clute	Collins	Connelly	Conroy
Cortese	Eastin	Eaves	Epple
Farr	Felando	Ferguson	Frazee
Terry Friedman	Frizzelle	Gotch	Hannigan
Harvey	Hayden	Hunter	Isenberg
Jones	Katz	Kelley	Klehs
Knowles	Lancaster	Lee	Lempert
Margolin	Mays	McClintock	Moore
Mountjoy	Murray	Nolan	O'Connell
Peace	Polanco	Quackenbush	Roybal-Allard
Seastrand	Sher	Speier	Statham
Tanner	Umberg	Vasconcellos	Woodruff
Wright	Wyman	Brown	

NOES

Campbell	Hauser	Horcher	Hughes
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