

Arizona State Board for Charter Schools **2009 Legislative Summary**

Please note that this legislative summary is prepared by Arizona State Board for Charter Schools staff to provide the Board and its charter schools with a brief overview of certain legislation that passed this session. This summary does not reflect a comprehensive list of education bills that were considered or passed this legislative session. For the text of these bills or the bill summaries prepared by legislative staff, please visit the Arizona State Legislature's website at www.azleg.gov.

Unless otherwise indicated, the bills below will take effect on September 30, 2009.

To assist the reader, the legislation has been grouped into categories:

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AIMS Test

House Bill 2011 – K-12; budget reconciliation

(Laws 2009, 3rd Special Session, Chapter 12)

The State Board of Education shall not require pupils to meet or exceed the standards measured by the Arizona Instrument to Measure Standards (AIMS) test in any standards other than reading, writing and mathematics in order to graduate from high school.

In addition, any additional assessments for high school pupils that are adopted by the State Board of Education must be designed to measure college and career readiness of pupils.

Further, House Bill 2011 lifts the one-year contract limit on the State Board of Education for AIMS test contracts. The law, which takes effect November 24, 2009, includes other provisions as well.

Senate Bill 1196 – Education omnibus (Laws 2009, Chapter 95)

For the purpose of satisfying high school graduation requirements, the State Board of Education may determine a minimum score on one or more nationally recognized college entrance exams that may be substituted for a passing score on the Arizona Instrument to Measure Standards (AIMS) test provided the data may be accessed free by the State. A pupil may only substitute a college entrance exam score for a passing score on the AIMS test if the pupil is in grade 12 and has taken the AIMS test each time it has been offered. The law includes other provisions as well.

Arizona National Rankings

Senate Bill 1196 - Education omnibus

(Laws 2009, Chapter 95)

Senate Bill 1196 includes the following provisions related to Arizona's national ranking:

- Requires the Arizona Department of Education (ADE) to collect, evaluate and assess existing studies
 and findings on the national rankings and overall quality of Arizona schools based on: a) academic
 productivity in the areas of reading, writing and mathematics as measured by academic progress
 indicators; and b) ratings of school quality by parents.
- Directs the ADE to search scientific literature, select a national ranking study that used the most scientifically sound methodology in its ranking process, and duplicate the data elements in the study using the most recent data available.
- Instructs the ADE to identify characteristics of the top ten states and the bottom ten states in all areas that impact the quality of education.
- Allows the ADE, in addition to the areas above, to evaluate school funding issues, including average teacher salaries.
- Requires the ADE to electronically submit an annual report, on or before December 1st, regarding its findings and present those findings at a public meeting for discussion and analysis.

Arizona Online Instruction

Senate Bill 1196 - Education omnibus

(Laws 2009, Chapter 95)

Under Senate Bill 1196, the Technology Assisted Project-Based Instruction program is renamed Arizona Online Instruction (AOI). Senate Bill 1196 includes the following provisions related to AOI:

- Removes the cap on the number of charter schools and school districts allowed to participate in AOI.
- Requires the ASBCS and the State Board of Education to jointly develop standards for the approval
 of online course providers and online schools.
- Defines "online course provider" and "online school".
- Stipulates that each new school approved to provide online instruction is on probationary status until
 the school has clearly demonstrated the academic integrity of its instruction through the actual
 improvement of the academic performance of its students.
- Directs the ASBCS and the SBE to jointly develop annual reporting mechanisms for AOI and transfers responsibility for collecting and compiling the AOI annual report to the Arizona Department of Education.
- Requires AOI to include multiple diverse assessment measures and the proctored administration of required state standardized tests.
- Removes AOI enrollment caps and stipulates all AOI pupils must reside in Arizona.
- States that AOI pupils do not incur absences for the purposes of determining average daily membership (ADM) and may generate ADM at any time between July 1st and June 30th of each fiscal year.
- Determines the ADM of an AOI pupil by dividing the number of instructional hours reported in the
 pupil's daily log by the applicable annual statutory hourly requirements with the exception of high
 school which is divided by 900 hours. (Currently, statute requires high school students receive 720
 hours of instruction annually, or 4 hours each day for 180 days.)
- Provides funding for AOI pupils as follows:
 - AOI pupils who are enrolled full-time shall be funded for online instruction at 95 percent of the base support level that would be calculated for that pupil if that pupil were enrolled as a full-time student in a non-AOI charter or district school. Additional assistance (charter school), capital outlay revenue limit (school district) and soft capital allocation limit (school district) shall be calculated in the same manner they would be calculated if the student were enrolled in a non-AOI charter or district school.
 - AOI pupils who are enrolled part-time shall be funded for online instruction at 85 percent of the base support level that would be calculated for that pupil if that pupil were enrolled as a full-time

student in a non-AOI charter or district school. Additional assistance (charter school), capital outlay revenue limit (school district) and soft capital allocation limit (school district) shall be calculated in the same manner they would be calculated if the student were enrolled in a non-AOI charter or district school.

Please continue to check the Board's website (<u>www.asbcs.az.gov</u>) for information, including any upcoming meetings, regarding the AOI online course provider and online school selection processes.

Charter Renewal

Senate Bill 1386 – Charter schools; charter renewal period

(Laws 2009, Chapter 117)

Senate Bill 1386 includes the following provisions related to charter renewal:

- Allows the charter contract to be renewed for successive periods of 20 years rather than the current 15 years.
- Permits a charter operator to apply for early renewal by submitting a letter of intent to its sponsor at least nine months prior to the charter school's intended renewal consideration.
- Directs the sponsor of the charter school seeking early renewal to review fiscal audits and academic
 performance data for the charter school that are annually collected by the sponsor, review the current
 contract between the sponsor and charter school, and provide the qualifying charter school with a
 renewal application.
- Requires the sponsor to give written notice of its consideration of the early renewal application on submission of a complete application.
- Specifies that, in addition to the detailed business plan, the application for non-early renewal must include a review of fiscal audits and academic performance data for the charter school that are annually collected by the sponsor and a review of the current contract between the sponsor and charter school.
- Clarifies that existing charter contracts are effective for 15 years from the first day of the fiscal year the charter school is in operation. (This will require further review by staff and legal counsel.)

For more information about the Board's renewal process, including early renewal, please watch for documents and upcoming meetings posted on the Board's website (www.asbcs.az.gov).

Charter School Property & Personal Property Taxes

House Bill 2346 - Charter schools; leased property

(Laws 2009, Chapter 87)

Among its provisions, House Bill 2346:

- Allows property leased to a nonprofit charter school and used for educational instruction in any grade or program through grade twelve to be classified for property tax purposes as class nine with an assessment ratio of 1 percent of assessed value.
- Provides that only the property that is actually used by the nonprofit charter school for educational instruction is in class nine.
- Requires owners of property who lease to a nonprofit charter school to file an affidavit with the county
 assessor stating that the charter school will be the sole beneficiary of the change in property
 classification and that the lease rate is comparable to other tenants or a fair market rate.
- Clarifies that property owned by a nonprofit charter school used for educational instruction in any grade or program through grade twelve is exempt from property tax.

For additional information, please contact the Arizona Charter Schools Association at (602) 944-0644.

Senate Bill 1196 - Education omnibus

(Laws 2009, Chapter 95)

Charter schools and school districts are exempted from municipal use tax on the storage, use or consumption of tangible personal property. The law includes other provisions as well.

Charter School Zoning

House Bill 2099 - Charter schools; zoning

(Laws 2009, Chapter 98)

House Bill 2099 includes the following provisions:

- Specifies that charter schools are classified as public schools for the purposes of zoning.
- Requires municipalities and counties to allow a charter school to operate at a location or in a facility where a school in a school district would be allowed to operate.
- Authorizes municipalities and counties to adopt zoning regulations that prohibit charter schools from operating in an existing single family residence located on property of less than an acre.
- Stipulates that charter schools are subject to the same level of oversight and the same ordinances, limitations and requirements applicable to a school operated by a school district.
- States that the construction and development of a charter school is subject to the building codes of the municipality or county.

For additional information, please contact the Arizona Charter Schools Association at (602) 944-0644.

Employment Policies

Senate Bill 1196 - Education omnibus

(Laws 2009, Chapter 95)

A charter school may give enrollment preference to and reserve capacity for pupils who are children of: a) employees of the school, b) employees of the charter holder, c) members of the governing body of the school, or d) directors, officers, partners or board members of the charter holder. The law includes other provisions as well.

Enrollment Policies

House Bill 2011 - K-12; budget reconciliation

(Laws 2009, 3rd Special Session, Chapter 12)

A charter school shall not adopt policies that provide employment retention priority for teachers based on tenure or seniority. The law, which takes effect November 24, 2009, includes other provisions as well.

Fingerprinting

House Bill 2031 – Schools; contractors; fingerprint clearance cards (Laws 2009, Chapter 75)

House Bill 2031 includes the following provisions related to contractors, subcontractors, vendors and their employees:

- Stipulates that contractors, subcontractors, vendors or any of their employees who are contracted to provide services on a regular basis at an individual school must obtain a valid fingerprint clearance card. (*Previously, A.R.S.* §15-512 required that they be fingerprint checked pursuant to A.R.S. §15-512.)
- Directs school district governing boards, by December 31, 2009, to adopt policies that may exempt
 from these requirements a contractor, subcontractor, vendor or any of their employees who as part of
 their normal job duties are not likely to have independent access to or unsupervised contact with
 pupils.

- Specifies that these policies must be implemented 60 days after adoption.
- Deletes the current statutory definition of "provides services on a regular basis".

The Department of Public Safety states that fingerprint clearance card application revised to reflect this statutory change should be available sometime during the week of September 14, 2009.

Additionally, House Bill 2031 provides charter schools with the same immunity from liability school districts receive under A.R.S. §15-512 if they properly implement the requirements of A.R.S. §15-183.C.4 related to fingerprinting of staff.

Further, House Bill 2031 states that a person who participates in a teacher preparation program that is approved by the State Board of Education and who does not participate in field experience or student teaching in Arizona is not required to obtain an Arizona fingerprint clearance card.

Senate Bill 1196 - Education omnibus

(Laws 2009, Chapter 95)

Senate Bill 1196 includes the following provisions related to tutors and students in teacher preparation programs:

- Requires participants in field experience or student teaching and any person contracted by the State, a charter school or school district to provide tutoring services to obtain identity verified fingerprint clearance cards.
- Clarifies that a person who participates in a teacher preparation program and who does not
 participate in field experience or student teaching in Arizona is not required to obtain an Arizona
 fingerprint clearance card.

Further, Senate Bill 1196 provides charter schools with the same immunity from liability school districts receive under A.R.S. §15-512 if they properly implement the requirements of A.R.S. §15-183.C.4 related to fingerprinting of staff. The law includes other provisions as well.

Governing Body

Senate Bill 1196 - Education omnibus

(Laws 2009, Chapter 95)

Notwithstanding A.R.S. §1-216, if there is a vacancy or vacancies on the charter school's governing body, a majority of the remaining members of the governing body constitute a quorum for the transaction of business, unless that quorum is prohibited by the charter school's operating agreement. The law includes other provisions as well.

Juvenile Probation Officers & Law-Related Education Programs

House Bill 2006 – Schools; juvenile probation officers

(Laws 2009, Chapter 14)

A charter school or school district may enter into an intergovernmental agreement with a presiding judge of the juvenile court to implement a law-related education program as defined in A.R.S. §15-154. The presiding judge may assign juvenile probation officers to participate in a law-related education program in any charter school or school district in the county. The charter school or school district must pay the costs of the juvenile probation officers that participate in the program.

Measuring Academic Gains of K-3 Pupils

Senate Bill 1196 - Education omnibus

(Laws 2009, Chapter 95)

Senate Bill 1196 establishes within the Arizona Department of Education (ADE) the Task Force for Measuring Academic Gains of K-3 Pupils ("Task Force"). The Task Force will consist of at least seven representatives from the participating schools selected by the ADE and will develop measures and tasks associated with measuring academic gains in mathematics, reading and language of pupils in kindergarten programs, grade one, grade two and grade three with a goal of reaching reading proficiency by the end of grade three.

Charter schools and school districts may voluntarily participate in the measurement of academic gains developed by the Task Force. The ADE must develop mechanisms to allow a charter school or school district that voluntarily participates in the measurement of academic gains developed by the Task Force to improve its school achievement profile if the charter school's or school district's academic gains meet the criteria developed by the ADE and approved by the State Board of Education. The law includes other provisions as well.

For additional information on the Task Force, please contact the ADE or visit ADE's website (www.ade.az.gov).

Measuring College and Career Readiness

House Bill 2011 - K-12; budget reconciliation

(Laws 2009, 3rd Special Session, Chapter 12)

House Bill 2011 establishes the nine-member Task Force on Assessments to Measure College and Career Readiness ("Task Force"). Task Force members will be selected by the State Board of Education. The Task Force will examine and evaluate existing tests that measure college and career readiness, are used for admission to postsecondary institutions, or are used by postsecondary institutions to award academic credit or placement. The Task Force is directed to recommend a process for the selection of one or more tests to be administered to pupils in grade 9 beginning in the spring of 2011 and to pupils in grade 11 beginning in the spring of 2012. The Task Force must submit a written report that contains its finding and recommendations on or before June 30, 2010. The law, which takes effect November 24, 2009, includes other provisions as well.

Open Meeting Law – Disclosure Statement

Senate Bill 1303 - Open meeting law; minutes; notices

(Laws 2009, Chapter 27)

Senate Bill 1303 stipulates that charter schools file with the Secretary of State the disclosure statement indicating where all public notices of governing body meetings will be posted. (While charter schools have been consistently advised to file the disclosure statement with the Secretary of State, this amendment clarifies the requirement. Therefore, no further action is required as a result of Senate Bill 1303 for a charter school with a current disclosure statement filed with the Secretary of State.)

School Finance

House Bill 2002 - K-12 education: budget reconciliation

(Laws 2009, 3rd Special Session, Chapter 2E)

(Pursuant to A.R.S. §15-821, a child is eligible for admission to kindergarten if the child is five years of age before September 1st. A.R.S. §15-821 does permit the governing board to admit a child, who turns five by January 1st. to kindergarten if it is to determined to be in the best interest of the child.)

Among its many provisions, this emergency measure prohibits basic state aid for the second year of kindergarten if a charter school or school district admits a child to kindergarten, after the effective date of this act, who has not reached the required age of 5 before September 1st and readmits the child to kindergarten the following school year. House Bill 2002 allows the charter school or school district to charge tuition for kindergarten students who repeat. House Bill 2002, signed July 8, 2009, is retroactive to July 1, 2009, but does not apply to pupils who were enrolled in a kindergarten program before July 1, 2009.

House Bill 2011 - K-12; budget reconciliation

(Laws 2009, 3rd Special Session, Chapter 12)

House Bill 2011 modifies the State Aid apportionment schedule for charter schools to move the payment date from the 15th of every month to the first business day of every month, except that the twelfth payment is on the last business day of June. Under the modified schedule, the first payment in the fiscal year does not occur on July 1st, but rather on August 1st. House Bill 2011 further specifies a payment schedule for fiscal year 2009-2010 for charter schools and school districts if the effective date of the act prevents the payments from being made pursuant to the new apportionment schedule.

Further, House Bill 2011 caps the average daily membership (ADM) at 1.0, unless otherwise specified in law, for a full-time high school student who is concurrently enrolled in two school districts or two charter schools or any student who is concurrently enrolled in a school district and a charter school or in Arizona Online Instruction and another school district or charter school. ADM is apportioned based on the percentage of total time that the student is enrolled in or in attendance at the school district, charter school or Arizona Online Instruction. The law, which takes effect November 24, 2009, includes other provisions as well.

Senate Bill 1196 - Education omnibus

(Laws 2009, Chapter 95)

Senate Bill 1196 eliminates the ability for a charter school to request additional state monies, if available, to fund the increased state aid due to anticipated student growth. Further, Senate Bill 1196 requires the State Board of Education to accumulate monies in the Assistance for Education Fund until those monies are sufficient to provide \$5 per pupil to charter schools and school districts. The law includes other provisions as well.

Single Gender Instruction

Senate Bill 1196 - Education omnibus

(Laws 2009, Chapter 95)

A charter school may provide instruction to pupils of a single gender with the approval of the charter school's sponsor. Further, an existing charter school may amend its charter contract to provide instruction to pupils of a single gender, and if approved by the charter school's sponsor may provide instruction to pupils of a single gender at the beginning of the next school year. The law includes other provisions as well.

Please continue to check the Board's website (<u>www.asbcs.az.gov</u>) for information, including any upcoming meetings, regarding the single gender instruction amendment and application processes.

Special Education

Senate Bill 1197 – Task force; special education

(Laws 2009, Chapter 62E)

This emergency measure establishes the nine-member Task Force on Best Practices in Special Education and Behavior Management ("Task Force") to examine, evaluate and make recommendations concerning the best practices for managing the behavior and discipline of pupils with disabilities. The Task Force must submit by August 20, 2009 a written report that contains its findings and

recommendations to the State Board of Education, Arizona State Board for Charter Schools, Governor, Speaker of the House of Representatives and President of the Senate, among others. The SBE and ASBCS shall make the best practice recommendations submitted by the task force available to all school districts and charter schools in Arizona.

On or before June 30, 2010, each charter school governing body and school district governing board must conduct a public meeting to review and consider the adoption of the Task Force's best practice recommendation. The governing body or governing board is not required to adopt the recommendations and may choose to modify the recommendations to accommodate the needs and circumstances of the charter school or school district.

The following links are provided to assist charter schools in complying with the law's requirements:

- Report from the Task Force on Best Practices in Special Education and Behavior Management
- Task Force on Best Practices in Special Education and Behavior Management website

Student Religious Liberties

House Bill 2357 – Public education; students' religious liberties (Laws 2009, Chapter 88)

Among its many provisions, House Bill 2357 prohibits a public educational institution from discriminating against students or parents on the basis of a religious viewpoint or expression and establishes an administrative process for the remedy of alleged violations of students' religious rights which must be used before a student or parent can pursue legal action. Charter schools are included in the definition of a "public educational institution".

Tuition

House Bill 2011 - K-12; budget reconciliation

(Laws 2009, 3rd Special Session, Chapter 12)

Among its many provisions, House Bill 2011 prohibits a charter school from charging tuition for pupils who are residents of Arizona. A charter school may admit pupils who are not residents of Arizona, but requires the charter school to charge tuition for those pupils in the same manner prescribed in A.R.S. §15-823.

Further, under House Bill 2011, a charter school or school district may charge tuition for full-day kindergarten in fiscal year 2009-2010 if the charter school or school district decides not to provide free full-day kindergarten instruction during fiscal year 2009-2010 due to funding reductions prescribed in this act. The law, which takes effect November 24, 2009, includes other provisions as well.