

# CLIENT NEWS BRIEF

## SB 98 Impacts on Charter Schools

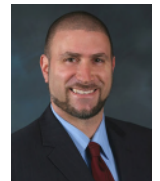
Senate Bill (SB) 98, the Budget Education Trailer Bill, signed by Governor Gavin Newsom on June 29, 2020, has several impacts specific to charter schools.

### Changes Related to Assembly Bills (AB) 1505 and 1507

SB 98 includes several provisions that amend and/or clean-up provisions of the Charter School's Act (the Act) codified under AB 1505 and AB 1507, including:

- **Renewal Criteria:** Under recent charter school reform legislation, charter schools up for renewal are separated into three categories based on their performance on the California Dashboard: "high performing," "middle performing," and "low performing." SB 98 provides that for a "high performing" or "low performing" charter school for which the two consecutive years immediately preceding renewal include the 2019-20 school year, the authorizer shall consider the charter school's performance on the Dashboard for two of the three years immediately preceding the renewal decision instead of only the two years immediately preceding the renewal decision. This means that for a charter school meeting this prerequisite, the authorizer can look back one extra year in assessing the charter school's performance on the Dashboard. The amendment is intended to solve for the absence of Dashboard data for the 2019-20 school year due to the suspension of California assessments as a result of the COVID-19 pandemic. Absent this amendment, all charter schools for which the two consecutive years immediately preceding renewal included the 2019-20 school year would have automatically been placed in the middle performing category.
- **Grounds for Denial:** SB 98 clarifies that for a material revision, the two new grounds for denial added by AB 1505 – whether the charter school will serve the interests of the entire community in which the charter school is proposing to locate, and whether or not the district is positioned to absorb the fiscal impact of the proposed charter school – may only be considered relative to the impact of the proposed material revision, and not the entire charter school program.
- **Status as a Continuing Charter School:** AB 1507 eliminated the two exemptions which permitted a charter school to locate outside the geographic boundaries of its authorizer. Pursuant to AB 1507, a charter school located outside the geographic boundaries of its authorizer pursuant to one of these exemptions prior to January 1, 2020, may be grandfathered in by either obtaining permission from the school district in which the charter school is located or by submitting its renewal petition to the charter school in which it is located, depending on the applicable grandfathering provision. AB 1507 further specified that a charter school authorized by a different authorizer because of changes in the law, and which was providing educational services to students prior to July 1, 2019, will be regarded by the California Department of

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Education (CDE) as a “continuing charter school” for all purposes, including funding determinations. SB 98 clarifies that in order for a charter school satisfying the grandfathering provisions of AB 1507 to be regarded as a “continuing charter school,” the charter school must notify the CDE by May 15 before the fiscal year in which the charter school is to be regarded as a continuing charter school.

For more details regarding AB 1505 and AB 1507, see our [2019 Client News Brief Number 49](#).

## Miscellaneous Provisions

SB 98 also makes the following changes impacting charter schools:

- A charter school is not required to request a material revision to its charter to offer distance learning pursuant to the provisions of SB 98.
- A charter school that is scheduled to open or add grade levels during the 2020-21 school year may delay opening or adding grade levels for one year without a request for material revision. Note, the charter school must have provided notice to its chartering authority and the CDE of that decision no later than July 17, 2020.
- SB 98 clarifies that the State Board of Education cannot waive the requirements of SB 126, which expressly states that charter schools and entities managing charter schools are generally subject to the Ralph M. Brown Act, the Political Reform Act of 1974, Government Code Section 1090, and the California Public Records Act. For more information regarding SB 126, see our [2019 Client News Brief Number 15](#).

## Takeaways

SB 98 makes several significant changes impacting charter schools. If you have any questions regarding the impact of SB 98 on charter schools, or regarding charter schools in general, please contact the authors of this Client News Brief or an attorney at one of our [eight offices](#) located statewide. You can also subscribe to our [podcast](#), follow us on [Facebook](#), [Twitter](#) and [LinkedIn](#) or download our [mobile app](#).