

State of Arizona
Senate
Fifty-second Legislature
First Regular Session
2015

SENATE BILL 1052

AN ACT

AMENDING SECTIONS 15-101 AND 15-183, ARIZONA REVISED STATUTES; RELATING TO
CHARTER SCHOOLS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-101, Arizona Revised Statutes, is amended to
3 read:

4 15-101. Definitions

5 In this title, unless the context otherwise requires:

6 1. "Accommodation school" means either:

7 (a) A school that is operated through the county board of supervisors
8 and the county school superintendent and that the county school
9 superintendent administers to serve a military reservation or territory that
10 is not included within the boundaries of a school district.

11 (b) A school that provides educational services to homeless children
12 or alternative education programs as provided in section 15-308,
13 subsection B.

14 (c) A school that is established to serve a military reservation, the
15 boundaries of which are coterminous with the boundaries of the military
16 reservation on which the school is located.

17 2. "Assessed valuation" means the valuation derived by applying the
18 applicable percentage as provided in title 42, chapter 15, article 1 to the
19 full cash value or limited property value, whichever is applicable, of the
20 property.

21 3. "Charter holder" means a person that enters into a charter with the
22 state board for charter schools. For the purposes of this paragraph,
23 "person" means an individual, partnership, corporation, association or public
24 or private organization of any kind.

25 4. "Charter school" means a public school established by contract with
26 a district governing board, the state board of education, the state board for
27 charter schools, a university under the jurisdiction of the Arizona board of
28 regents, A COLLEGE OR COMMUNITY COLLEGE THAT IS OWNED, OPERATED OR CHARTERED
29 BY AN INDIAN TRIBE, a community college district ~~with enrollment of more than~~
30 ~~fifteen thousand full-time equivalent students~~ or a group of community
31 college districts ~~with a combined enrollment of more than fifteen thousand~~
32 ~~full-time equivalent students~~ pursuant to article 8 of this chapter to
33 provide learning that will improve pupil achievement.

34 5. "Child with a disability" means a child with a disability as
35 defined in section 15-761.

36 6. "Class A bonds" means general obligation bonds approved by a vote
37 of the qualified electors of a school district at an election held on or
38 before December 31, 1998.

39 7. "Class B bonds" means general obligation bonds approved by a vote
40 of the qualified electors of a school district at an election held from and
41 after December 31, 1998.

42 8. "Competency" means a demonstrated ability in a skill at a specified
43 performance level.

44 9. "Course" means organized subject matter in which instruction is
45 offered within a given period of time and for which credit toward promotion,

1 graduation or certification is usually given. A course consists of knowledge
2 selected from a subject for instructional purposes in the schools.

3 10. "Course of study" means a list of required and optional subjects to
4 be taught in the schools.

5 11. "Dual enrollment course" means a college-level course that is
6 conducted on the campus of a high school or on the campus of a joint
7 technical education district, that is applicable to an established community
8 college academic degree or certificate program and that is transferable to a
9 university under the jurisdiction of the Arizona board of regents. A dual
10 enrollment course that is applicable to a community college occupational
11 degree or certificate program may be transferable to a university under the
12 jurisdiction of the Arizona board of regents.

13 12. "Elementary grades" means kindergarten programs and grades one
14 through eight.

15 13. "Fiscal year" means the year beginning July 1 and ending June 30.

16 14. "Governing board" means a body organized for the government and
17 management of the schools within a school district or a county school
18 superintendent in the conduct of an accommodation school.

19 15. "Lease" means an agreement for conveyance and possession of real or
20 personal property.

21 16. "Limited property value" means the value determined pursuant to
22 title 42, chapter 13, article 7. Limited property value shall be used as the
23 basis for assessing, fixing, determining and levying primary property taxes.

24 17. "Parent" means the natural or adoptive parent of a child or a
25 person who has custody of a child.

26 18. "Person who has custody" means a parent or legal guardian of a
27 child, a person to whom custody of the child has been given by order of a
28 court or a person who stands in loco parentis to the child.

29 19. "Primary property taxes" means all ad valorem taxes except for
30 secondary property taxes.

31 20. "Private school" means a nonpublic institution where instruction is
32 imparted.

33 21. "School" or "public school" means any public institution
34 established for the purposes of offering instruction to pupils in programs
35 for preschool children with disabilities, kindergarten programs or any
36 combination of elementary grades or secondary grades one through twelve.

37 22. "School district" means a political subdivision of this state with
38 geographic boundaries organized for the purpose of the administration,
39 support and maintenance of the public schools or an accommodation school.

40 23. "Secondary grades" means grades nine through twelve.

41 24. "Secondary property taxes" means ad valorem taxes used to pay the
42 principal of and the interest and redemption charges on any bonded
43 indebtedness or other lawful long-term obligation issued or incurred for a
44 specific purpose by a school district or a community college district and

1 amounts levied pursuant to an election to exceed a budget, expenditure or tax
2 limitation.

3 25. "Subject" means a division or field of organized knowledge, such as
4 English or mathematics, or a selection from an organized body of knowledge
5 for a course or teaching unit, such as the English novel or elementary
6 algebra.

7 Sec. 2. Section 15-183, Arizona Revised Statutes, is amended to read:
8 15-183. Charter schools; application; requirements; immunity;
9 exemptions; renewal of application; reprisal; fee;
10 funds

11 A. An applicant seeking to establish a charter school shall submit a
12 written application to a proposed sponsor as prescribed in subsection C of
13 this section. The application, application process and application time
14 frames shall be posted on the sponsor's website and shall include the
15 following, as specified in the application adopted by the sponsor:

- 16 1. A detailed educational plan.
- 17 2. A detailed business plan.
- 18 3. A detailed operational plan.
- 19 4. Any other materials required by the sponsor.

20 B. The sponsor of a charter school may contract with a public body,
21 private person or private organization for the purpose of establishing a
22 charter school pursuant to this article.

23 C. The sponsor of a charter school may be either a school district
24 governing board, the state board of education, the state board for charter
25 schools, a university under the jurisdiction of the Arizona board of regents,
26 A COLLEGE OR COMMUNITY COLLEGE THAT IS OWNED, OPERATED OR CHARTERED BY AN
27 INDIAN TRIBE, a community college district ~~with enrollment of more than~~
28 ~~fifteen thousand full-time equivalent students~~ or a group of community
29 college districts ~~with a combined enrollment of more than fifteen thousand~~
30 ~~full-time equivalent students~~, subject to the following requirements:

31 1. For charter schools that submit an application for sponsorship to a
32 school district governing board:

33 (a) An applicant for a charter school may submit its application to a
34 school district governing board, which shall either accept or reject
35 sponsorship of the charter school within ninety days. An applicant may
36 submit a revised application for reconsideration by the governing board. If
37 the governing board rejects the application, the governing board shall notify
38 the applicant in writing of the reasons for the rejection. The applicant may
39 request, and the governing board may provide, technical assistance to improve
40 the application.

41 (b) In the first year that a school district is determined to be out
42 of compliance with the uniform system of financial records, within fifteen
43 days of the determination of noncompliance, the school district shall notify
44 by certified mail each charter school sponsored by the school district that
45 the school district is out of compliance with the uniform system of financial

1 records. The notification shall include a statement that if the school
2 district is determined to be out of compliance for a second consecutive year,
3 the charter school will be required to transfer sponsorship to another entity
4 pursuant to subdivision (c) of this paragraph.

5 (c) In the second consecutive year that a school district is
6 determined to be out of compliance with the uniform system of financial
7 records, within fifteen days of the determination of noncompliance, the
8 school district shall notify by certified mail each charter school sponsored
9 by the school district that the school district is out of compliance with the
10 uniform system of financial records. A charter school that receives a
11 notification of school district noncompliance pursuant to this subdivision
12 shall file a written sponsorship transfer application within forty-five days
13 with the state board of education, the state board for charter schools or the
14 school district governing board if the charter school is located within the
15 geographic boundaries of that school district. A charter school that
16 receives a notification of school district noncompliance may request an
17 extension of time to file a sponsorship transfer application, and the state
18 board of education, the state board for charter schools or a school district
19 governing board may grant an extension of not more than an additional thirty
20 days if good cause exists for the extension. The state board of education
21 and the state board for charter schools shall approve a sponsorship transfer
22 application pursuant to this paragraph.

23 (d) A school district governing board shall not grant a charter to a
24 charter school that is located outside the geographic boundaries of that
25 school district.

26 (e) A school district that has been determined to be out of compliance
27 with the uniform system of financial records during either of the previous
28 two fiscal years shall not sponsor a new or transferring charter school.

29 (f) Notwithstanding any other law, a school district governing board
30 shall not grant a charter to a new charter school that begins initial
31 operations after June 30, 2013 or convert an existing district public school
32 to a charter school that begins initial operations after June 30, 2013.

33 2. The applicant may submit the application to the state board of
34 education or the state board for charter schools. Notwithstanding any other
35 law, neither the state board for charter schools nor the state board of
36 education shall grant a charter to a school district governing board for a
37 new charter school that begins initial operations after June 30, 2013 or for
38 the conversion of an existing district public school to a charter school that
39 begins initial operations after June 30, 2013. The state board of education
40 or the state board for charter schools may approve the application if the
41 application meets the requirements of this article and may approve the
42 charter if the proposed sponsor determines, within its sole discretion, that
43 the applicant is sufficiently qualified to operate a charter school and that
44 the applicant is applying to operate as a separate charter holder by
45 considering factors such as whether:

1 (a) The schools have separate governing bodies, governing body
2 membership, staff, facilities and student population.

3 (b) Daily operations are carried out by different administrators.

4 (c) The applicant intends to have an affiliation agreement for the
5 purpose of providing enrollment preferences.

6 (d) The applicant's charter management organization has multiple
7 charter holders serving varied grade configurations on one physical site or
8 nearby sites serving one community.

9 (e) It is reconstituting an existing school site population at the
10 same or new site.

11 (f) It is reconstituting an existing grade configuration from a prior
12 charter holder with at least one grade remaining on the original site with
13 the other grade or grades moving to a new site. The state board of education
14 or the state board for charter schools may approve any charter schools
15 transferring charters. The state board of education and the state board for
16 charter schools shall approve any charter schools transferring charters from
17 a school district that is determined to be out of compliance with the uniform
18 system of financial records pursuant to this section, but may require the
19 charter school to sign a new charter that is equivalent to the charter
20 awarded by the former sponsor. If the state board of education or the state
21 board for charter schools rejects the preliminary application, the state
22 board of education or the state board for charter schools shall notify the
23 applicant in writing of the reasons for the rejection and of suggestions for
24 improving the application. An applicant may submit a revised application for
25 reconsideration by the state board of education or the state board for
26 charter schools. The applicant may request, and the state board of education
27 or the state board for charter schools may provide, technical assistance to
28 improve the application.

29 3. The applicant may submit the application to a university under the
30 jurisdiction of the Arizona board of regents, [A COLLEGE OR COMMUNITY COLLEGE](#)
31 [THAT IS OWNED, OPERATED OR CHARTERED BY AN INDIAN TRIBE](#), a community college
32 district or a group of community college districts. A university, [A COLLEGE](#)
33 [OR COMMUNITY COLLEGE THAT IS OWNED, OPERATED OR CHARTERED BY AN INDIAN TRIBE](#),
34 a community college district or a group of community college districts shall
35 not grant a charter to a school district governing board for a new charter
36 school that begins initial operations after June 30, 2013 or for the
37 conversion of an existing district public school to a charter school that
38 begins initial operations after June 30, 2013. A university, [A COLLEGE OR](#)
39 [COMMUNITY COLLEGE THAT IS OWNED, OPERATED OR CHARTERED BY AN INDIAN TRIBE](#), a
40 community college district or a group of community college districts may
41 approve the application if it meets the requirements of this article and if
42 the proposed sponsor determines, in its sole discretion, that the applicant
43 is sufficiently qualified to operate a charter school.

44 4. Each applicant seeking to establish a charter school shall submit a
45 full set of fingerprints to the approving agency for the purpose of obtaining

1 a state and federal criminal records check pursuant to section 41-1750 and
2 Public Law 92-544. If an applicant will have direct contact with students,
3 the applicant shall possess a valid fingerprint clearance card that is issued
4 pursuant to title 41, chapter 12, article 3.1. The department of public
5 safety may exchange this fingerprint data with the federal bureau of
6 investigation. The criminal records check shall be completed before the
7 issuance of a charter.

8 5. All persons engaged in instructional work directly as a classroom,
9 laboratory or other teacher or indirectly as a supervisory teacher, speech
10 therapist or principal shall have a valid fingerprint clearance card that is
11 issued pursuant to title 41, chapter 12, article 3.1, unless the person is a
12 volunteer or guest speaker who is accompanied in the classroom by a person
13 with a valid fingerprint clearance card. A charter school shall not employ a
14 teacher whose certificate has been surrendered or revoked, unless the
15 teacher's certificate has been subsequently reinstated by the state board of
16 education. All other personnel shall be fingerprint checked pursuant to
17 section 15-512, or the charter school may require those personnel to obtain a
18 fingerprint clearance card issued pursuant to title 41, chapter 12,
19 article 3.1. Before employment, the charter school shall make documented,
20 good faith efforts to contact previous employers of a person to obtain
21 information and recommendations that may be relevant to a person's fitness
22 for employment as prescribed in section 15-512, subsection F. The charter
23 school shall notify the department of public safety if the charter school or
24 sponsor receives credible evidence that a person who possesses a valid
25 fingerprint clearance card is arrested for or is charged with an offense
26 listed in section 41-1758.03, subsection B. Charter schools may hire
27 personnel that have not yet received a fingerprint clearance card if proof is
28 provided of the submission of an application to the department of public
29 safety for a fingerprint clearance card and if the charter school that is
30 seeking to hire the applicant does all of the following:

31 (a) Documents in the applicant's file the necessity for hiring and
32 placement of the applicant before receiving a fingerprint clearance card.

33 (b) Ensures that the department of public safety completes a statewide
34 criminal records check on the applicant. A statewide criminal records check
35 shall be completed by the department of public safety every one hundred
36 twenty days until the date that the fingerprint check is completed or the
37 fingerprint clearance card is issued or denied.

38 (c) Obtains references from the applicant's current employer and the
39 two most recent previous employers except for applicants who have been
40 employed for at least five years by the applicant's most recent employer.

41 (d) Provides general supervision of the applicant until the date that
42 the fingerprint card is obtained.

43 (e) Completes a search of criminal records in all local jurisdictions
44 outside of this state in which the applicant has lived in the previous five
45 years.

1 (f) Verifies the fingerprint status of the applicant with the
2 department of public safety.

3 6. A charter school that complies with the fingerprinting requirements
4 of this section shall be deemed to have complied with section 15-512 and is
5 entitled to the same rights and protections provided to school districts by
6 section 15-512.

7 7. If a charter school operator is not already subject to a public
8 meeting or hearing by the municipality in which the charter school is
9 located, the operator of a charter school shall conduct a public meeting at
10 least thirty days before the charter school operator opens a site or sites
11 for the charter school. The charter school operator shall post notices of
12 the public meeting in at least three different locations that are within
13 three hundred feet of the proposed charter school site.

14 8. A person who is employed by a charter school or who is an applicant
15 for employment with a charter school, who is arrested for or charged with a
16 nonappealable offense listed in section 41-1758.03, subsection B and who does
17 not immediately report the arrest or charge to the person's supervisor or
18 potential employer is guilty of unprofessional conduct and the person shall
19 be immediately dismissed from employment with the charter school or
20 immediately excluded from potential employment with the charter school.

21 9. A person who is employed by a charter school and who is convicted
22 of any nonappealable offense listed in section 41-1758.03, subsection B or is
23 convicted of any nonappealable offense that amounts to unprofessional conduct
24 under section 15-550 shall immediately do all of the following:

25 (a) Surrender any certificates issued by the department of education.

26 (b) Notify the person's employer or potential employer of the
27 conviction.

28 (c) Notify the department of public safety of the conviction.

29 (d) Surrender the person's fingerprint clearance card.

30 D. An entity that is authorized to sponsor charter schools pursuant to
31 this article has no legal authority over or responsibility for a charter
32 school sponsored by a different entity. This subsection does not apply to
33 the state board of education's duty to exercise general supervision over the
34 public school system pursuant to section 15-203, subsection A, paragraph 1.

35 E. The charter of a charter school shall do all of the following:

36 1. Ensure compliance with federal, state and local rules, regulations
37 and statutes relating to health, safety, civil rights and insurance. The
38 department of education shall publish a list of relevant rules, regulations
39 and statutes to notify charter schools of their responsibilities under this
40 paragraph.

41 2. Ensure that it is nonsectarian in its programs, admission policies
42 and employment practices and all other operations.

43 3. Ensure that it provides a comprehensive program of instruction for
44 at least a kindergarten program or any grade between grades one and twelve,
45 except that a school may offer this curriculum with an emphasis on a specific

1 learning philosophy or style or certain subject areas such as mathematics,
2 science, fine arts, performance arts or foreign language.

3 4. Ensure that it designs a method to measure pupil progress toward
4 the pupil outcomes adopted by the state board of education pursuant to
5 section 15-741.01, including participation in the Arizona instrument to
6 measure standards test and the nationally standardized norm-referenced
7 achievement test as designated by the state board and the completion and
8 distribution of an annual report card as prescribed in chapter 7, article 3
9 of this title.

10 5. Ensure that, except as provided in this article and in its charter,
11 it is exempt from all statutes and rules relating to schools, governing
12 boards and school districts.

13 6. Ensure that, except as provided in this article, it is subject to
14 the same financial and electronic data submission requirements as a school
15 district, including the uniform system of financial records as prescribed in
16 chapter 2, article 4 of this title, procurement rules as prescribed in
17 section 15-213 and audit requirements. The auditor general shall conduct a
18 comprehensive review and revision of the uniform system of financial records
19 to ensure that the provisions of the uniform system of financial records that
20 relate to charter schools are in accordance with commonly accepted accounting
21 principles used by private business. A school's charter may include
22 exceptions to the requirements of this paragraph that are necessary as
23 determined by the district governing board, the university, [THE COLLEGE OR](#)
24 [COMMUNITY COLLEGE THAT IS OWNED, OPERATED OR CHARTERED BY AN INDIAN TRIBE,](#)
25 the community college district, the group of community college districts, the
26 state board of education or the state board for charter schools. The
27 department of education or the office of the auditor general may conduct
28 financial, program or compliance audits.

29 7. Ensure compliance with all federal and state laws relating to the
30 education of children with disabilities in the same manner as a school
31 district.

32 8. Ensure that it provides for a governing body for the charter school
33 that is responsible for the policy decisions of the charter school.
34 Notwithstanding section 1-216, if there is a vacancy or vacancies on the
35 governing body, a majority of the remaining members of the governing body
36 constitute a quorum for the transaction of business, unless that quorum is
37 prohibited by the charter school's operating agreement.

38 9. Ensure that it provides a minimum of one hundred eighty
39 instructional days before June 30 of each fiscal year unless it is operating
40 on an alternative calendar approved by its sponsor. The superintendent of
41 public instruction shall adjust the apportionment schedule accordingly to
42 accommodate a charter school utilizing an alternative calendar.

43 F. A charter school shall keep on file the resumes of all current and
44 former employees who provide instruction to pupils at the charter school.
45 Resumes shall include an individual's educational and teaching background and

1 experience in a particular academic content subject area. A charter school
2 shall inform parents and guardians of the availability of the resume
3 information and shall make the resume information available for inspection on
4 request of parents and guardians of pupils enrolled at the charter school.
5 This subsection does not require any charter school to release personally
6 identifiable information in relation to any teacher or employee, including
7 the teacher's or employee's address, salary, social security number or
8 telephone number.

9 G. The charter of a charter school may be amended at the request of
10 the governing body of the charter school and on the approval of the sponsor.

11 H. Charter schools may contract, sue and be sued.

12 I. The charter is effective for fifteen years from the first day of
13 the fiscal year as specified in the charter, subject to the following:

14 1. At least eighteen months before the expiration of the charter, the
15 sponsor shall notify the charter school that the charter school may apply for
16 renewal and shall make the renewal application available to the charter
17 school. A charter school that elects to apply for renewal shall file a
18 complete renewal application at least fifteen months before the expiration of
19 the charter. A sponsor shall give written notice of its intent not to renew
20 the charter school's request for renewal to the charter school at least
21 twelve months before the expiration of the charter. The sponsor shall make
22 data used in making renewal decisions available to the school and the public
23 and shall provide a public report summarizing the evidence basis for each
24 decision. The sponsor may deny the request for renewal if, in its judgment,
25 the charter holder has failed to do any of the following:

26 (a) Meet or make sufficient progress toward the academic performance
27 expectations set forth in the performance framework.

28 (b) Meet the operational performance expectations set forth in the
29 performance framework or any improvement plans.

30 (c) Complete the obligations of the contract.

31 (d) Comply with this article or any provision of law from which the
32 charter school is not exempt.

33 2. A charter operator may apply for early renewal. At least nine
34 months before the charter school's intended renewal consideration, the
35 operator of the charter school shall submit a letter of intent to the sponsor
36 to apply for early renewal. The sponsor shall review fiscal audits and
37 academic performance data for the charter school that are annually collected
38 by the sponsor, review the current contract between the sponsor and the
39 charter school and provide the qualifying charter school with a renewal
40 application. On submission of a complete application, the sponsor shall give
41 written notice of its consideration of the renewal application. The sponsor
42 may deny the request for early renewal if, in the sponsor's judgment, the
43 charter holder has failed to do any of the following:

44 (a) Meet or make sufficient progress toward the academic performance
45 expectations set forth in the performance framework.

1 (b) Meet the operational performance expectations set forth in the
2 performance framework or any improvement plans.

3 (c) Complete the obligations of the contract.

4 (d) Comply with this article or any provision of law from which the
5 charter school is not exempt.

6 3. A sponsor shall review a charter at five-year intervals using a
7 performance framework adopted by the sponsor and may revoke a charter at any
8 time if the charter school breaches one or more provisions of its charter or
9 if the sponsor determines that the charter holder has failed to do any of the
10 following:

11 (a) Meet or make sufficient progress toward the academic performance
12 expectations set forth in the performance framework.

13 (b) Meet the operational performance expectations set forth in the
14 performance framework or any improvement plans.

15 (c) Comply with this article or any provision of law from which the
16 charter school is not exempt.

17 4. At least sixty days before the effective date of the proposed
18 revocation, the sponsor shall give written notice to the operator of the
19 charter school of its intent to revoke the charter. Notice of the sponsor's
20 intent to revoke the charter shall be delivered personally to the operator of
21 the charter school or sent by certified mail, return receipt requested, to
22 the address of the charter school. The notice shall incorporate a statement
23 of reasons for the proposed revocation of the charter. The sponsor shall
24 allow the charter school at least sixty days to correct the problems
25 associated with the reasons for the proposed revocation of the charter. The
26 final determination of whether to revoke the charter shall be made at a
27 public hearing called for such purpose.

28 J. The charter may be renewed for successive periods of twenty years.

29 K. A charter school that is sponsored by the state board of education,
30 the state board for charter schools, a university, **A COLLEGE OR COMMUNITY**
31 **COLLEGE THAT IS OWNED, OPERATED OR CHARTERED BY AN INDIAN TRIBE**, a community
32 college district or a group of community college districts may not be located
33 on the property of a school district unless the district governing board
34 grants this authority.

35 L. A governing board or a school district employee who has control
36 over personnel actions shall not take unlawful reprisal against another
37 employee of the school district because the employee is directly or
38 indirectly involved in an application to establish a charter school. A
39 governing board or a school district employee shall not take unlawful
40 reprisal against an educational program of the school or the school district
41 because an application to establish a charter school proposes the conversion
42 of all or a portion of the educational program to a charter school. For the
43 purposes of this subsection, "unlawful reprisal" means an action that is
44 taken by a governing board or a school district employee as a direct result

1 of a lawful application to establish a charter school and that is adverse to
2 another employee or an education program and:

3 1. With respect to a school district employee, results in one or more
4 of the following:

5 (a) Disciplinary or corrective action.

6 (b) Detail, transfer or reassignment.

7 (c) Suspension, demotion or dismissal.

8 (d) An unfavorable performance evaluation.

9 (e) A reduction in pay, benefits or awards.

10 (f) Elimination of the employee's position without a reduction in
11 force by reason of lack of monies or work.

12 (g) Other significant changes in duties or responsibilities that are
13 inconsistent with the employee's salary or employment classification.

14 2. With respect to an educational program, results in one or more of
15 the following:

16 (a) Suspension or termination of the program.

17 (b) Transfer or reassignment of the program to a less favorable
18 department.

19 (c) Relocation of the program to a less favorable site within the
20 school or school district.

21 (d) Significant reduction or termination of funding for the program.

22 M. Charter schools shall secure insurance for liability and property
23 loss. The governing body of a charter school that is sponsored by the state
24 board of education or the state board for charter schools may enter into an
25 intergovernmental agreement or otherwise contract to participate in an
26 insurance program offered by a risk retention pool established pursuant to
27 section 11-952.01 or 41-621.01 or the charter school may secure its own
28 insurance coverage. The pool may charge the requesting charter school
29 reasonable fees for any services it performs in connection with the insurance
30 program.

31 N. Charter schools do not have the authority to acquire property by
32 eminent domain.

33 O. A sponsor, including members, officers and employees of the
34 sponsor, is immune from personal liability for all acts done and actions
35 taken in good faith within the scope of its authority.

36 P. Charter school sponsors and this state are not liable for the debts
37 or financial obligations of a charter school or persons who operate charter
38 schools.

39 Q. The sponsor of a charter school shall establish procedures to
40 conduct administrative hearings on determination by the sponsor that grounds
41 exist to revoke a charter. Procedures for administrative hearings shall be
42 similar to procedures prescribed for adjudicative proceedings in title 41,
43 chapter 6, article 10. Except as provided in section 41-1092.08, subsection
44 H, final decisions of the state board of education and the state board for

1 charter schools from hearings conducted pursuant to this subsection are
2 subject to judicial review pursuant to title 12, chapter 7, article 6.

3 R. The sponsoring entity of a charter school shall have oversight and
4 administrative responsibility for the charter schools that it sponsors. In
5 implementing its oversight and administrative responsibilities, the sponsor
6 shall ground its actions in evidence of the charter holder's performance in
7 accordance with the performance framework adopted by the sponsor. The
8 performance framework shall be publicly available, shall be placed on the
9 sponsoring entity's website and shall include:

10 1. The academic performance expectations of the charter school and the
11 measurement of sufficient progress toward the academic performance
12 expectations.

13 2. The operational expectations of the charter school, including
14 adherence to all applicable laws and obligations of the charter contract.

15 3. Intervention and improvement policies.

16 S. Charter schools may pledge, assign or encumber their assets to be
17 used as collateral for loans or extensions of credit.

18 T. All property accumulated by a charter school shall remain the
19 property of the charter school.

20 U. Charter schools may not locate a school on property that is less
21 than one-fourth mile from agricultural land regulated pursuant to section
22 3-365, except that the owner of the agricultural land may agree to comply
23 with the buffer zone requirements of section 3-365. If the owner agrees in
24 writing to comply with the buffer zone requirements and records the agreement
25 in the office of the county recorder as a restrictive covenant running with
26 the title to the land, the charter school may locate a school within the
27 affected buffer zone. The agreement may include any stipulations regarding
28 the charter school, including conditions for future expansion of the school
29 and changes in the operational status of the school that will result in a
30 breach of the agreement.

31 V. A transfer of a charter to another sponsor, a transfer of a charter
32 school site to another sponsor or a transfer of a charter school site to a
33 different charter shall be completed before the beginning of the fiscal year
34 that the transfer is scheduled to become effective. An entity that sponsors
35 charter schools may accept a transferring school after the beginning of the
36 fiscal year if the transfer is approved by the superintendent of public
37 instruction. The superintendent of public instruction shall have the
38 discretion to consider each transfer during the fiscal year on a case by case
39 basis. If a charter school is sponsored by a school district that is
40 determined to be out of compliance with this title, the uniform system of
41 financial records or any other state or federal law, the charter school may
42 transfer to another sponsoring entity at any time during the fiscal year. A
43 charter holder seeking to transfer sponsors shall comply with the current
44 charter terms regarding assignment of the charter. A charter holder

1 transferring sponsors shall notify the current sponsor that the transfer has
2 been approved by the new sponsor.

3 W. Notwithstanding subsection V of this section, a charter holder on
4 an improvement plan must notify parents or guardians of registered students
5 of the intent to transfer the charter and the timing of the proposed
6 transfer. On the approved transfer, the new sponsor shall enforce the
7 improvement plan but may modify the plan based on performance.

8 X. Notwithstanding subsection Y of this section, the state board for
9 charter schools shall charge a processing fee to any charter school that
10 amends its contract to participate in Arizona online instruction pursuant to
11 section 15-808. The charter Arizona online instruction processing fund is
12 established consisting of fees collected and administered by the state board
13 for charter schools. The state board for charter schools shall use monies in
14 the fund only for the processing of contract amendments for charter schools
15 participating in Arizona online instruction. Monies in the fund are
16 continuously appropriated.

17 Y. The sponsoring entity may not charge any fees to a charter school
18 that it sponsors unless the sponsor has provided services to the charter
19 school and the fees represent the full value of those services provided by
20 the sponsor. On request, the value of the services provided by the sponsor
21 to the charter school shall be demonstrated to the department of education.

22 Z. Charter schools may enter into an intergovernmental agreement with
23 a presiding judge of the juvenile court to implement a law related education
24 program as defined in section 15-154. The presiding judge of the juvenile
25 court may assign juvenile probation officers to participate in a law related
26 education program in any charter school in the county. The cost of juvenile
27 probation officers who participate in the program implemented pursuant to
28 this subsection shall be funded by the charter school.

29 AA. The sponsor of a charter school shall modify previously approved
30 curriculum requirements for a charter school that wishes to participate in
31 the board examination system prescribed in chapter 7, article 6 of this
32 title.

33 BB. If a charter school decides not to participate in the board
34 examination system prescribed in chapter 7, article 6 of this title, pupils
35 enrolled at that charter school may earn a Grand Canyon diploma by obtaining
36 a passing score on the same board examinations.

37 CC. Notwithstanding subsection Y of this section, a sponsor of charter
38 schools may charge a new charter application processing fee to any applicant.
39 The application fee shall fully cover the cost of application review and any
40 needed technical assistance. Authorizers may approve policies that allow a
41 portion of the fee to be returned to the applicant whose charter is approved.

42 DD. A charter school may choose to provide a preschool program for
43 children with disabilities pursuant to section 15-771.

44 EE. Pursuant to the prescribed graduation requirements adopted by the
45 state board of education, the governing body of a charter school operating a

1 high school may approve a rigorous computer science course that would fulfill
2 a mathematics course required for graduation from high school. The governing
3 body may approve a rigorous computer science course only if the rigorous
4 computer science course includes significant mathematics content and the
5 governing body determines the high school where the rigorous computer science
6 course is offered has sufficient capacity, infrastructure and qualified
7 staff, including competent teachers of computer science.

8 FF. A charter school may permit the use of school property, including
9 school buildings, grounds, buses and equipment, by any person, group or
10 organization for any lawful purpose, including A recreational, educational,
11 political, economic, artistic, moral, scientific, social, religious or other
12 civic or governmental purpose. The charter school may charge a reasonable
13 fee for the use of the school property.

14 GG. A charter school and its employees, including the governing body,
15 or chief administrative officer, are immune from civil liability with respect
16 to all decisions made and actions taken to allow the use of school property,
17 unless the charter school or its employees are guilty of gross negligence or
18 intentional misconduct. This subsection does not limit any other immunity
19 provisions that are prescribed by law.