



2009 Legislative Summary

To support the charter movement in Arizona, the Association works vigorously to influence public opinion and policy. The Association successfully minimized cuts to charter schools while advancing tax and zoning and other legislation to benefit charters in the recent legislative session. The Association worked with legislators to attain the following accomplishments:

HB2346 Charter Schools; leased property. Current law allows property tax exemption for those nonprofit schools that own their property. This bill extends the property tax exemption to those nonprofit charter schools that lease their property. If a nonprofit charter school leases only part of a property (for example only part of a strip mall shopping center), the charter property qualifies for a tax exemption. The landlord MUST file an affidavit with the county assessor stating that the charter school shall be the sole beneficiary of the change in property tax classification pursuant to this section and that the lease rate that is charged to the charter school is consistent with the lease rates that are charged to other tenants of the property or a fair market rate. This bill is effective October 8, 2009.

HB2099 Charter Schools; zoning. The bill addresses zoning issues because many cities and counties treat charter schools as businesses instead of as public schools. This bill law will clarify this misinterpretation. The bill classifies charter schools as public schools for the purposes of zoning and 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. This bill is effective October 8, 2009.

Hb 2031 Schools; Contractors; Fingerprint Clearance Cards requires contractors, subcontractors, vendors, or any of their employees to have a valid fingerprint clearance card if they provide services on a regular basis on school property; and provides liability protection to those schools complying with fingerprinting requirements. Previously, district schools received exemption from civil liability for the consequences of adoption and implementation of policies and procedures for fingerprint clearance requirements unless acting grossly negligent. Now that same liability protection is extended to charter schools. This bill is effective October 8, 2009.

SB 1196 Education Omnibus. This bill (1) allows a charter school board with vacancies to achieve a quorum with a majority of the remaining members; (2) permits charter schools to give enrollment preference to children of school's employees, members of the governing board, or employees, directors, officers, partners or board members of the charter holder; (3) authorizes charter schools to provide instruction to a single gender, with permission of its sponsor; (4) allows charter schools to enter into contracts or agreements for the joint purchasing of health insurance; (5) removes the cap for charter schools and district schools that provide on-line or virtual instruction; (6) allows charter schools to be submitted as an option for the State Board of Education to consider when finding new management for a failing district school; (7) provides charter schools with the same immunity from liability school districts receive if they properly implement requirements related to the fingerprinting of staff; and (8) exempts school districts and charter schools from municipal tax on the storage, use or consumption of personal property. This bill is effective October 8, 2009.



Budget Impact:

The Association worked hard to protect charter funding. Since the legislature had to tackle FY 2009 deficits and FY 2010 during the legislative session, the Association continually educated legislators about charter school funding. The legislature was looking to cut \$16.5 million from charters over the two fiscal years. After dynamically enlightening our legislators on the impact to the 100,000 charter students, the final cut to charters was approximately \$7 million resulting in approximately a \$55 per-pupil impact. This per-pupil amount reflects both the 2009 (\$40) and proposed 2010 (+/- \$15) state budget cuts.

The FY 2010 Budget:

Increases the charter school Additional Assistance for FY 2009-10 as follows:

- For pupils in grades K-8, from \$1,474.16 to \$1,588.44
- For pupils in grades 9-12, from \$1,718.10 to \$1,851.30

Specifies the Base Level (per-pupil funding) for FY 2009-10 at \$3,267.72. (Down from \$3291.42, the actual impact will be higher depending upon a schools weighted student count.)

Finally, Prop 301 funds are dropping. These funds are NOT legislatively controlled. The Prop 301 final amount for FY 2009 will be \$259.45 per weighted student count and is roughly consistent with the state's overall decline in sales tax revenues. For FY 2010, the per-pupil amount is \$244 which can be used to calculate your Classroom Site Fund.