# SENATE JUDICIARY COMMITTEE Senator Thomas Umberg, Chair 2025-2026 Regular Session

SB 414 (Ashby)

Version: March 26, 2025 Hearing Date: April 29, 2025

Fiscal: Yes Urgency: No

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## **SUBJECT**

School accountability: school financial and performance audits: chartering authorities: tort liability: educational enrichment activities: flex-based instruction

## **DIGEST**

This bill reforms the law applicable to charter schools in California. This bill extends the immunities and liability protections afforded public entities and public employees to charter schools and their employees.

#### **EXECUTIVE SUMMARY**

Several key reports have recently been issued addressing issues with the oversight of charter schools in California. The reports called for improved quality of school audits, a broader anti-fraud framework, and generally stronger oversight mechanisms for charter schools in the wake of scandals and fraudulent incidents in charter schools.

As pointed out by the author, "the negative audit findings point back to a greater need for oversight, transparency, and accountability." However, the key provision of the bill within this Committee's jurisdiction adds charters schools within the definition of public entities for purposes of portions of the Government Claims Act, extending the liability law applying solely to public entities to also apply to charter schools. This bill also makes a broad set of changes to charter school law related to audit procedures, financial oversight, governance, and funding determinations. The bill replaces references throughout the Education Code of "nonclassroom-based" charter schools to "flex-based" charter schools.

This bill is sponsored by REAL Journey Academies. This bill is supported by a wide coalition of charter schools, including America's Finest Charter School and California Online Public School. It is opposed by a number of labor groups, including the California Federation of Labor Unions and the California School Employees Association.

## PROPOSED CHANGES TO THE LAW

## Existing law:

- 1) Establishes the Government Claims Act, which provides for the liability and immunity of a public entity, as defined, for its acts or omissions that cause harm to persons, and defines a public entity for these purposes. "Public entity" includes the state, the Regents of the University of California, the Trustees of the California State University and the California State University, a county, city, district, public authority, public agency, and any other political subdivision or public corporation in the State. (Gov. Code § 811.2.)
- 2) Provides that, except as otherwise provided by statute, a public entity is not liable for an injury, whether such injury arises out of an act or omission of the public entity or a public employee or any other person. The liability of a public entity is subject to any immunity of the public entity provided by statute, including this part, and is subject to any defenses that would be available to the public entity if it were a private person. (Gov. Code § 815.)
- 3) Requires each local educational agency (LEA), including charter schools, to conduct an annual independent audit by a certified public accountant (CPA) in accordance with regulations established by the State Controller. Specifies that audits must examine financial statements and compliance with applicable laws. (Ed. Code § 41020.)
- 4) Authorizes the Controller to review LEA audit reports, conduct quality control reviews of CPA firms, and disqualify auditors who fail to meet professional standards. (Ed. Code § 41020.5.)
- 5) Requires the Controller to develop and update an annual audit guide for K-12 LEAs in consultation with stakeholders. (Ed. Code § 14502.1)
- 6) Declares that charter schools are part of the public school system and subject to applicable oversight by the state, including laws relating to financial accountability. (Ed. Code § 47604.1.)
- 7) Authorizes a chartering authority to monitor the fiscal and academic performance of a charter school and take appropriate corrective action. (Ed. Code § 47604.32.)
- 8) Grants the State Board of Education (SBE) authority to take corrective action against a charter school, including revocation of the charter, in cases involving gross financial mismanagement or failure to meet performance expectations. (Ed. Code § 47604.5.)

- 9) Requires nonclassroom-based (NCB) charter schools (defined as schools where less than 80 percent of instruction occurs in person) to obtain a funding determination from the SBE to receive state apportionment. (Ed. Code § 47612.5.)
- 10) Requires LEAs offering independent study to comply with teacher-pupil ratio requirements, which differ based on instructional model. (Ed. Code § 51745.6.)
- 11) Authorizes the Controller to conduct periodic quality control reviews of audit firms that perform K-12 LEA audits and make recommendations for improvement or enforcement action. (Ed. Code § 14504.2.)

#### This bill:

- 1) Includes charter schools in the definition of "public entities" for purposes of portions of the Government Claims Act, which extends certain liability protections typically afforded to public agencies.
- Renames "nonclassroom-based" charter schools as "flex-based" charter schools and makes corresponding terminology updates in provisions relating to public meeting requirements and audit procedures.
- 3) Adds the Charter Schools Development Center and the California Charter Schools Association to the list of stakeholders consulted in the audit guide development process.
- 4) Requires CPAs conducting audits of LEAs, including charter schools, to complete 24 hours of initial training and 16 hours biennially in areas such as charter school finance, audit standards, and flex-based instructional models.
- 5) Requires a charter school's governing board to annually review its independent audit report and any related management letter during a public meeting.
- 6) Prohibits a CPA or firm from conducting school audits for three fiscal years if they receive two consecutive audit reports with significant audit findings.
- 7) Adds charter school-specific procedures that must be included in annual audits.
- 8) Clarifies that a charter school's governing board and an entity managing a charter school are obligated to respond to oversight inquiries from the chartering authority, the Superintendent of Public Instruction, or the SBE. Specifies that no person or entity shall be held liable under confidentiality or privacy laws for providing information to those entities as required thereunder.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> The author has agreed to remove this immunity provision, Section 47604.3(b).

- 9) Requires chartering authorities to:
  - a) Review charter school enrollment and attendance data.
  - b) Review a sample of credit/debit card transactions.
  - c) Notify the California Department of Education (CDE) and county superintendent of schools if they suspect fraud, misappropriation of funds, or other illegal fiscal practices.
- 10) Expands the grounds on which the SBE may revoke a charter to include gross financial mismanagement, improper use of public funds, or persistent failure to improve pupil outcomes. Requires the SBE or its designee to promptly investigate allegations of false claims or misappropriation of public funds if there is probable cause.
- 11) Requires the Legislative Analyst's Office (LAO), by October 1, 2027, to study charter authorization and oversight practices in other states, and to convene an advisory group to recommend amendments to California law, as specified.<sup>2</sup>
- 12) Limits the SBE's authority to reduce or revoke funding for flex-based charter schools to only those cases where it makes a formal finding of demonstrable financial abuse, profiteering, or grossly excessive administrative expenses, and requires the SBE, by May 31, 2027, to revise its funding determination regulations, as specified.
- 13) Clarifies that when a flex-based charter school elects to meet teacher-pupil ratio requirements by comparison to the largest unified school district in its county, the applicable ratio shall be based on the district's average daily attendance (ADA) at the second principal apportionment in the prior year and requires the largest unified school district in each county to make its ratio data available upon request.
- 14) Establishes new audit requirements that the Controller must incorporate into the annual audit guide, beginning in the 2027–28 fiscal year, as specified.
- 15) Establishes rules for contracting with educational enrichment vendors.

<sup>&</sup>lt;sup>2</sup> Amendments were agreed to in the Senate Education Committee that will be taken in this Committee. They remove this provision regarding the LAO audit and amend the vendor contracting provisions to require background checks for all vendor personnel who interact with students, regardless of supervision status.

#### **COMMENTS**

# 1. Recent incidents and resulting reports regarding charter schools

As mentioned, a number of reports have been issued in response to concerns with oversight of charter schools in California.<sup>3</sup> One particular incident played a part in the increased scrutiny, which was also one of the biggest charter school scandals in the history of the country, the Academics Arts and Action Education (A3) fraud case:

The story of the A3 online charter school empire is one of the largest charter school scandals in U.S. history. The scam had several angles, the most lucrative of which involved enrolling thousands of students who never took any classes, as Voice previously reported.

A3's 19 online charter schools raked in roughly \$400 million from the state between 2015 and 2019. Sean McManus and Jason Schrock, the ringleaders, funneled some \$80 million of that money into companies they controlled. Nine other people – including key lieutenants, an accountant and two former superintendents – were also charged for playing a role in the scheme to steal public funds.<sup>4</sup>

In response to this case, a San Diego Superior Court Judge signed a court order on granting a motion to approve the formation of a multi-agency task force, known as the Multi-Agency Charter School Audits Task Force (Task Force), to combat charter school fraud.<sup>5</sup> The Task Force's primary objective was to examine the audit functions of California charter schools and develop comprehensive guidelines to help identify financial issues or misconduct more rapidly.

The Task Force discussed the current state of California charter schools and developed recommendations intended to foster a culture of transparency and accountability by further strengthening charter school audit function components. The report concluded:

To adequately combat fraud in charter schools, it is important that all oversight agencies, in addition to the charter school audit function, implement strong internal and monitoring controls to timely identify and mitigate potential fraud.

<sup>&</sup>lt;sup>3</sup> See, e.g., Review of the Funding Determination Process for Nonclassroom-Based Charter Schools (February 2024) Legislative Analyst's Office & Fiscal Crisis and Management Programs (FCMAT), <a href="https://lao.ca.gov/reports/2024/4870/Review-Funding-Determination-Process-Nonclassroom-Charter-Schools-022924.pdf">https://lao.ca.gov/reports/2024/4870/Review-Funding-Determination-Process-Nonclassroom-Charter-Schools-022924.pdf</a>; All internet citations are current as of April 26, 2025.

<sup>&</sup>lt;sup>4</sup> Will Huntsberry, *In One of the Largest Charter School Scams in History, No One Will Serve Jail Time* (June 13, 2022) Voice of San Diego, <a href="https://voiceofsandiego.org/2022/06/13/in-one-of-the-largest-charter-school-scams-in-history-no-one-will-serve-jail-time/">https://voiceofsandiego.org/2022/06/13/in-one-of-the-largest-charter-school-scams-in-history-no-one-will-serve-jail-time/</a>.

<sup>&</sup>lt;sup>5</sup> *Audit Best Practices for Detecting and Curtailing Charter School Fraud* (September 2024) Task Force, <a href="https://www.sco.ca.gov/Files-EO/charter-school-audits-task-force-final-report.pdf">https://www.sco.ca.gov/Files-EO/charter-school-audits-task-force-final-report.pdf</a>.

These controls should begin with the charter school petition approval process, charter school accountability systems, authorizer monitoring of charter schools, and the respective oversight functions of the charter school governing board, county offices of education, CDE, and SCO. FCMAT also provides support and oversight services, including fraud audits. In addition, various other organizations support LEAs by hosting conferences, providing tools and templates, workgroup opportunities, and various other resources.

... The recommendations in this report are intended to foster a culture of transparency and accountability through further enhancing auditor expertise, authorization requirements, evaluation and compliance with the K-12 Audit Guide, audit guide procedures, and audit report disclosures for charter schools.<sup>6</sup>

## 2. Accountability for charter schools

## According to the author:

Charter schools are a part of many communities and often provide alternative educational flexibility for families with a myriad of situations; including medical conditions, special needs, and other unique circumstances. They serve as a resource for families and deliver vital educational programs to our students.

Several fiscal audits conducted by various agencies' have identified opportunities for improvement for various charter schools and charter school authorizers across the state. Most of the negative audit findings point back to a greater need for oversight, transparency, and accountability.

SB 414 addresses these issues specifically by holding charter schools responsible for internal accounting and for educational outcomes for all students. This bill incorporates recommendations from several reports, strengthening oversight and ensuring academic success. It is vital to implement strong accountability measures and establish proper oversight to ensure that students receive quality education in appropriate, safe, and stable learning environments regardless of whether a school is traditional, chartered, or a hybrid model. SB 414 puts students first and puts into law the important recommendations made through audits from several entities including the Legislative Analyst's Office and State Controller.

The relevant reports and the author's stated purpose strongly focus on increased accountability, especially in the wake of the massive A3 scandal and other fraudulent

schemes perpetrated by charter schools and their employees. While the bill carries out some of the recommendations of these reports, discussed more thoroughly in the Senate Education Committee analysis, the provision most centrally within this Committee's jurisdiction actually provides charter schools greater insulation from liability by adding charter schools to the definition of "public entity" for purposes of the Government Claims Act.

The Act provides for the liability and immunity of a public entity, as defined, for its acts or omissions that cause harm to persons, and defines a public entity for these purposes. to include the state, the Regents of the University of California, the Trustees of the California State University and the California State University, a county, city, district, public authority, public agency, and any other political subdivision or public corporation in the State.

The Government Claims Act was intended to abolish all common law or judicially declared forms of liability for public entities, except for such liability as may be required by the state or federal constitution. (*See* Gov. Code § 815, Legislative Committee Comments.) In the absence of a constitutional requirement, public entities may be held liable for tortious injury only if a statute is found declaring them to be liable. (Government Code § 815.) Moreover, under Government Code § 815(b), the immunity provisions of the Act will generally prevail over any liabilities established by statute. Essentially, sovereign immunity is the rule in California; governmental liability is limited to exceptions specifically set forth by statute. (*See Zuniga v. Housing Authority* (1995), 41 Cal.App.4th 82, 92; *see also Wright v. State of California* (2004) 122 Cal.App.4th 659, 671.)

In Courtney Knapp v. Palisades Charter High School (2007) 146 Cal.App.4th 708, a plaintiff visiting student sued Palisades Charter High School, among other parties, alleging that she had been sexually harassed, and suffered emotional distress as a result. The trial court entered summary judgment for the defendants, on the ground that the student failed to comply with and was not excused from meeting the claim presentation requirements of the Act (then known as the California Tort Claims Act). The trial court's judgment was reversed on appeal. The appellate court concluded that, as an alleged nonprofit public benefit corporation, the charter school was not a public entity under the Act, and therefore could not avail itself of the governmental immunity provisions. In making its ruling, the appellate court noted that the charter school was an independent legal entity from its chartering authority and was given substantial leeway to achieve academic results free from interference by the school district.

This bill now includes charter schools within the ambit of the Government Claims Act. This provides heightened protections for charter schools by, among other things, immunizing charter schools from liability for punitive damages even if guilty of oppression, fraud, or malice, and from other damages imposed primarily for the sake of example and by way of punishing the defendant.

A number of bills have sought to extend these protections to charter schools despite their distinctiveness from any other public entity. In fact, concerns have been repeatedly expressed by stakeholders in response to these efforts that charter schools should not be redefined as "public entities," and thus, be provided with governmental immunity from tort liability because they are not subject to the same degree of strict public and regulatory oversight as are other public entities/agencies.

AB 1868 (Walters, 2008) and SB 108 (Walters, 2009) would have specified that charter schools are "public entities" for the purposes of the Government Claims Act, but both were ultimately amended to call for review by the California Law Revision Commission (CLRC) but thereafter died. Eventually, ACR 49 (Evans, Ch. 98, Stats. 2009) approved for study by the CLRC the analysis of the legal and policy implications of treating a charter school as a public entity for the purposes of the Government Claims Act. The Commission's ultimate report, issued in the summer of 2012, identified a series of primary policy implications:

To reiterate, the policy implications of treating a charter school as a public entity under the Government Claims Act appear to be as follows:

#1 Some innocent persons injured by charter schools would not be compensated for their injuries.

#2 The combination of discretionary immunity and exemption from public school health and safety laws could lead to riskier health and safety policies in charter schools than in traditional public schools.

#3 The coupling of discretionary immunity with the possible exemption from good government laws could lead to the adoption of riskier health and safety policies in charter schools than in traditional public schools.

#4 Discretionary immunity could facilitate pedagogical innovation, by removing liability as a deterrent to experimentation.

#5 Application of the Government Claims Act to a charter school would help to preserve a charter school's scarce fiscal resources from depletion, and thereby prevent the negative consequences associated with closing a charter school, which could occur in the event of a judgment that is not covered by readily available liability insurance.

#6 Application of the Government Claims Act to a charter school would eliminate an existing disparity, in which a charter school may face uniquely public liabilities as a consequence of being part

of the public school system, without the same protections that are afforded to other public schools.<sup>7</sup>

The report also offered various alternative approaches, one of which involved drawing a distinction between "independent" charter schools formed as nonprofit corporate entities, separate from their chartering authority and "dependent" charter schools that are not legally separate from their chartering authority.

Here, the Legislature must carefully consider whether the benefits to the public outweigh the burden to injured victims who must surmount additional hurdles to seek legal recourse for their injuries.

## 3. Stakeholder positions

A massive coalition of charter schools, including California Virtual Academies, writes in support of the bill:

In March of 2024, the Legislative Analyst's Office conducted a review of the Funding Determination Process for nonclassroom-based charter schools, which had many findings and recommendations to address issues within the nonclassroom-based sector. Similarly, the State Controllers Office's Multi-Agency Charter School Audits Task Force released their review of local educational agency audits and recommendations in September of 2024.

The recommendations from these two reports, if properly implemented, would strengthen the nonclassroom-based charter sector as a whole and provide necessary safeguards to prevent future fraud, waste, and abuse. We believe that an even-handed approach to implementing these recommendations is necessary to ensure that we are providing reasonable and enhanced protections within the sector while continuing to preserve its ability to serve and educate students at a high level.

SB 414 is that even-handed approach, implementing recommendations and reforms to provide additional safeguards that are necessary while also addressing and resolving long-standing issues that have created barriers to success for nonclassroom-based charter schools and their students. The passage of SB 414 will not only enhance the public's trust in the sector but also increase its ability to serve California's public-school students well.

<sup>&</sup>lt;sup>7</sup> Charter Schools and the Government Claims Act (August 2012) CLRC, <a href="https://clrc.ca.gov/pub/Printed-Reports/Pub237-G200.pdf">https://clrc.ca.gov/pub/Printed-Reports/Pub237-G200.pdf</a>.

REAL Journey Academies, the sponsor of this bill, makes the case for the change in liability law:

It has long been recognized that the purpose of the Government Claims Act is not so much to confer "sovereign" immunity, nor to confer immunity to "democratically elected" bodies, but instead to reflect practical realities about the unique role that public agencies, including public schools, play in society and the unique nature of the functions they serve.

For example, unlike most private agencies, charter schools, like traditional school districts:

- Provide an essential public service.
- Must admit and serve all students who apply without regard to the costs or risks of serving a given student. This is among an extensive number of restrictive mandates that pose unique challenges and risks that are hard to underwrite.
- May not charge tuition/fees to help cover the costs of expensive jury awards or settlements and do not have a profit motive to cut corners on health, safety, etc.
- Are funded nearly exclusively from public funds and the public has a strong interest in protecting these limited resources.

For more background information on this issue about applicability of the Government Claims Act to charter schools, you may consult the California Law Revision Commission report on this topic [citation]. They issued a lengthy report on this topic. The argument that the Government Claims Act should apply to charter schools has only grown stronger since the report was issued, as the Legislature has since applied the open meeting law, conflict of interest laws and the Public Records Act to charter schools.

Writing in opposition, the California School Employees Association discusses this provision:

The final section of SB 414 inexplicably extends a form of sovereign immunity only reserved for public entities to charter schools. Independent charter schools in California are private corporations and not directly accountable to publicly elected officials or voters. This proposal is the equivalent of extending government liability and immunity protections to a contract vendor hired by a local city to perform a service. It will make it easier for charter schools to get away with wage theft by increasing barriers for workers to bring a liability claim against a charter school. If charter schools want to enjoy all the privileges and immunities that

SB 414 (Ashby) Page 11 of 16

government entities enjoy, then they must be democratically accountable to our communities through direct board elections.

The California Teachers Association echoes these sentiments and points to an impending case that could further complicate matters:

This is further complicated by cases currently being reviewed by the U.S. Supreme Court, *Oklahoma Charter School Board v. Drummond* and *St. Isidore of Seville Catholic Virtual School v. Drummond*. If the U.S. Supreme Court sides with the petitioners and holds that the Free Exercise Clause bars the state from refusing to authorize religious charter schools, the decision is likely to have broad repercussions. Efforts to ensure oversight and accountability could present serious and perhaps intractable operational challenges for LEAs. Among other things, clashes between religious schools' interests, the interests of the state or the interests of the public would inevitably arise if religious charter schools were allowable and granted sovereign immunity.

## **SUPPORT**

REAL Journey Academies (sponsor)

Achieve Charter School of Paradise

Alder Grove Charter School 2

All Tribes American Indian Charter School

Allegiance Steam Academy

Alma Fuerte Public School

Alpha Public Schools

Altus Schools

America's Finest Charter School

American Heritage Charter Schools

Antioch Charter Academy

Antioch Charter Academy II

Aplus+

Aspen Public Schools

Aspire Public Schools

Association of Personalized Learning Schools & Services

**Aveson Schools** 

Big Picture Educational Academy - Adult High School

**Bridges Charter School** 

Bridges Preparatory Academy

**Bright STAR Schools** 

**Brookfield Engineering Science Technology** 

California Asian Chamber of Commerce

California Charter Schools Association (CCSA)

SB 414 (Ashby) Page 12 of 16

California Creative Learning Academy

California Online Public School

California Pacific Charter Schools

California Virtual Academies

Camino Nuevo Charter Academy

Capital College & Career Academy

Charter Schools Development Center

Children's Community Charter School

Chime Institute

Circle of Independent Learning Charter School

Clarksville Charter School

Community Montessori

Compass Charter Schools of San Diego

Connecting Waters Charter Schools

Core Butte Charter School

Core Charter School

Crossroads Charter Academy

Desert Trails Preparatory Academy

**Dimensions Collaborative School** 

Dixon Montessori Charter School

Dr. Lewis Dolphin Stallworth Charter School

Edison Bethune Charter Academy

Eel River Charter School

El Sol Science and Arts Academy

**Element Education** 

**Environmental Charter Schools** 

Epic California Academy

**Equitas Academy Charter Schools** 

**Excel Academy Charter School** 

Extera Public Schools

Family Partnership Charter School

Feaster (Mae L.) Charter School

Feather River Charter School

Forest Charter School

Forest Ranch Charter

Gabriella Charter Schools

Gateway College and Career Academy

**Gateway Community Charters** 

Glacier High School Charter

Global Education Academy

Golden Eagle Charter School

Gorman Learning Center Charter School

Gorman Learning Charter Network

Granada Hills Charter

SB 414 (Ashby) Page 13 of 16

Granada Hills Charter High School

Granite Mountain Charter School

Great Valley Academy

Greater San Diego Academy Charter School

Green DOT Public Schools

**Griffin Technology Academies** 

Guajome Schools

Heritage Peak Charter School

Hightech LA

Howard Gardner Community School

Ingenium Schools

Innovations Academy

Invictus Leadership Academy

Irvine International Academy

Isana Academies

Iva High

Ivy Academia Entrepreneurial Charter School

JCS Family Charter Schools

JCS, INC.

John Muir Charter Schools

Julia Lee Performing Arts Academy

Kairos Public Schools

**Kavod Charter School** 

Kepler Neighborhood School

Kidinnu Academy

Kipp Public Schools Northern California

Lake View Charter School

Liberty Charter High School

Literacy First Charter Schools

Live Oak Charter School

Magnolia Public Schools

Mayacamas Countywide Middle School

Meadows Arts and Technology Elementary School

Method Schools

Mountain Home School Charter

Natomas Charter School

**Navigator Schools** 

New LA

New Pacific School Roseville

New Village Girls Academy

New West Charter

Nord Country School

Northwest Prep Charter School

Nova Academy Early College High School

SB 414 (Ashby) Page 14 of 16

Nova Academy-Coachella

Ocean Charter School

**Odyssey Charter Schools** 

Olive Grove Charter School

Opportunities for Learning

Options for Youth

Orange County Academy of Sciences and Arts

Orange County School of the Arts / California School of the Arts Foundation

Pacific Charter Institute

Para Los Ninos

PCA College View

Redwood Coast Montessori

River Montessori Charter School

River Oaks Academy Charter School

Rocklin Academy Family of Schools

Rocky Point Charter School

Sage Oak Charter Schools

San Diego Virtual School

Santa Rosa French-American Charter School

Scholarship Prep Charter School

Sebastopol Independent Charter

Shasta Charter Academy

Sherman Thomas Charter School

Sherwood Montessori

Springs Charter School

Stem Preparatory Schools

Success One! Charter

Summit Public Schools

Sutter Peak Charter Academy

Sycamore Creek Community Charter School

Tehama Elearning Academy

Temecula Valley Charter School

The Cottonwood School

The Foundation for Hispanic Education

The Grove School

The Language Academy of Sacramento

The Learning Choice Academy

The O'Farrell Charter Schools

Trillium Charter School

**Urban Charter Schools Collective** 

Valley Charter School

Valley International Preparatory High School

Vaughn Next Century Learning Center

Vibrant Minds Charter School

SB 414 (Ashby) Page 15 of 16

Virtual Learning Academy
Vista Charter Public Schools
Voices College Bound Language Academies
Vox Collegiate
Western Sierra Charter Schools
Westlake Charter School
William Finch Charter School
Ypi Charter Schools
Yuba County Career Preparatory Charter School

## **OPPOSITION**

California Federation of Labor Unions, AFL-CIO
California School Employees Association
California Teachers Association
CFT- a Union of Educators & Classified Professionals, AFT, AFL-CIO

## **RELATED LEGISLATION**

## **Pending Legislation:**

SB 719 (Cabaldon, 2025) makes changes to the financial and performance auditing requirements and oversight of schools in California. It imposes various requirements on entities and CPAs that conduct audits of LEAs. SB 719 is currently in the Senate Business, Professions, and Economic Development Committee.

AB 84 (Muratsuchi, 2025) seeks to implement comprehensive reforms to NCB charter school law aligned with the recommendations issued by the reports discussed above. This includes changes to auditing and accounting standards, funding determinations, authorizer oversight, and provide more oversight of school contractors and staff. AB 84 is currently in the Assembly Education Committee.

# Prior Legislation:

SB 1477 (Ashby, 2024) would have required: (1) the governing board of a charter school to review, at a public meeting, the annual audit of the charter school for the prior fiscal year, (2) auditors of NCB charter schools to perform specified actions, and (3) all LEAs to only enter into an agreement for educational enrichment activities with a vendor that is vetted and approved pursuant to prescribed criteria. SB 1477 died in the Assembly Education Committee.

SB 108 (Walters, 2009) See Comment 2.

ACR 49 (Evans, Ch. 98, Stats. 2009) See Comment 2.

SB 414 (Ashby) Page 16 of 16

AB 1868 (Walters, 2008) See Comment 2.

# **PRIOR VOTES:**