

# **Task Force Report Resource**

**YMC Slides, YMC, 1090, SB 1317, AB  
1531**

# Who is YMC?

## YM&C Firm Overview



- Only charter school law firm in nation
- Partners have over 60 years collective experience working with charter schools
- 21 attorneys working with charter schools throughout state in all areas of charter school law (e.g., employment/labor, special education, nonprofits, litigation, audits, facilities etc.)
- Represent over 450 charter schools
- Conduct workshops for charter schools in all areas of legal compliance
- Public sector billing rates/no travel time charges
- Hired CDE staff who formerly reviewed appeals to the SBE.

# 1090

**Elements of Government  
Code Section 1090**  
**\*Debatable whether applicable to  
charter schools**



- A public official +
- A public contract (for sale or purchase) +
- A financial interest =

An absolute prohibition on the entire Board entering into the contract even if it is with the best vendor or at the best price (includes employees of organization)

# 1090 v. Political Reform Act

## Difference Between the Political Reform Act and Government Code Section 1090



- Political Reform Act: Disclosure and recusal avoids a violation. (Assuming the Board of Directors still consists of a quorum, it may then proceed to take action).
- Government Code Section 1090: Disclosure and recusal does NOT avoid a violation; would effectively prohibit paid employees or vendors from serving on Board

# Legislation to remove 1090

## SB 1317 (Huff)



- o **CCSA's** sponsored legislation to set forth a comprehensive package of revisions to existing governance laws to strike the right balance of transparency and flexibility to the needs of charter schools. It intends to do the following:
  - Apply Brown Act (or Bagley-Keene where appropriate) to charter schools but with the allowance of holding meetings anywhere in the state as long as a teleconference location is made available at a facility in every county in which the charter school operates.
  - Apply Public Records Act, with the additional time to reply to information requests and the ability to seek actual costs of production of records.
  - Apply Political Reform Act, with the FPPC as the "code reviewing body."

# SB 1317 Cont'd

## SB 1317 (Huff)



- Reject application of Government Code 1090 to charter schools operating as or by nonprofit corporations.
  - Impose additional approval requirements for loans and leases between the charter school and its board members.
  - Prevent authorizers from imposing additional transparency rules that are in conflict or inconsistent with these.
- 
- Last week it passed its first hurdle at the Senate Education Committee. Watch for **CCSA** Capitol Updates for the latest information.
  - Response to more onerous CTA initiatives that would impose Brown Act, PRA, Government Code 1090 to all schools and affiliated entities.

# AB 1531 is Suspended

AB 1531 was suspended on May 23, 2014. Referenced in the last slide as “a more onerous CTA sponsored initiative that would impose Brown Act, PRA, and Government Code 1090 to all schools and affiliated entities.”

AB 1531 in more detail from an email exchange with Jim Nations, CLCS Board and Task Force Member::

“I spoke with Assemblyman Chau's legislative office today about AB1531. Specifically, Diana Vazquez the assistant in charge of this legislation. According to Diana, this legislation is in its infancy. Its purpose is to provide "transparency" in the management of public charter schools. On the other hand, what she said is driving this, in large part, is questions from the IRS and CALPERS as to whether charter schools are public entities that would allow them to participate in this planned benefit programs.

Moreover, *the bill states: "It shall be the policy of the state to encourage and to promote parental, educator, and community participation in the governance of a charter school."* This would seem to favor employees and students on the board.

Diana also said Chau was also sponsoring legislation that would require all Charter schools to abide by Government Code sec. 1090 and the Brown Act, which she said is , "best practice", but not legally required (or at least unclear).”

# SUMMARY OF LAWS

**1090:** “debatable whether it applies to charter schools”

**SB 1317:** Passed first hurdle as legislation to keep 1090 (and its debatable application) from charter schools

**AB 1531:** No longer in play, so does not apply. Seems misrepresented by YMC.

**Conclusion:** According to YMC, our legal counsel, 1090 does not currently apply and legislation is underway to ensure that 1090 will not apply to charter schools.