

SENATE THIRD READING
SB 494 (Cortese)
As Amended September 9, 2025
Majority vote

SUMMARY

Extends the date for a chartering authority to consider verified data to support measures of academic performance in the charter renewal process; and extends the moratorium on new non-classroom-based (NCB) charter schools.

Major Provisions

- 1) Extends the authorization for chartering authorities to consider verified data for purposes of charter renewal in measuring academic performance of a low performing charter school that was operating on or before June 30, 2020, for the next two subsequent renewals until June 30, 2026.
- 2) Extends the authorization for chartering authorities to consider verified data in measuring academic performance of middle performing charter schools for purposes of charter renewals for the next two subsequent renewals until January 1, 2027.
- 3) Extends the moratorium on the approval of the establishment of new NCB charter schools until January 1, 2027.

COMMENTS

What is nonclassroom-based instruction? NCB-based instruction includes computer-based instruction using software modules, teacher-directed independent study, and traditional homeschool parents who enroll their children in independent study charter school programs.

A NCB-based charter school is defined as a school with less than 80% of its total average daily attendance (ADA) that is classroom-based, in which instruction takes place in a classroom setting. As of April 2021, there were 304 charter schools considered to be NCB. Of that number, 105 charter schools self-identified as providing exclusively virtual or primarily virtual instruction.

What is verified data? Existing law defines verified data, for these purposes, as data derived from nationally recognized, valid, peer-reviewed, and reliable sources that are externally produced and also includes measures of postsecondary outcomes.

Verified data is considered by the chartering authority during the charter school renewal process for schools in the low and middle performance zones. The chartering authority considers verified data (assessment data) outside the standardized California Assessment of Student Performance and Progress (CAASPP) testing program and considers renewing a charter school if the verified data show measurable increases in academic achievement or strong postsecondary outcomes. Increases in academic achievement are defined as showing one year's progress for each year in school. Strong postsecondary outcomes are defined as achieving rates of college enrollment, persistence, and completion that are equal to those of their peers. The list of approved verified data criteria was adopted by the State Board of Education (SBE).

AB 1505 (O'Donnell), Statutes of 2019, established verified data and requires charter authorizers to consider verified data for middle and low performing charters for renewal during a transition period before the SBE's student growth measure is adopted. Verified data was intended to be used only until the SBE adopted a student level growth measure, and was scheduled to sunset in 2025 and be repealed in 2026 because it was expected that the growth measure would be in place by that time.

State student-level growth model. According to the CDE, since 2015, California has invested significant time and effort in developing a student growth model that is valid, reliable, and fair. California conducted a thorough and thoughtful process of selecting the model that best meets California's needs. On May 12, 2021, the SBE approved a student-level growth model using grades four through eight growth scores. The development and adoption of this growth model was accomplished due to the input from a broad range of stakeholders, and the expertise of the CDE's assessment vendor, Educational Testing Service (ETS), and the Technical Design Group (TDG).

A growth model is a way of measuring the growth of students' assessment scores year-to-year based on their statewide assessment scores in English language arts and mathematics. Growth is different from achievement. Achievement—such as a single assessment score—shows us how much students know at the time of the assessment. Growth shows us how much students' scores grew from one grade level to the next. In an accountability system, aggregate student growth can provide a picture of average growth for students within a school, LEA, or student group. California's student-level growth model methodology uses statewide Smarter Balanced test results from students in grades four through eight, due to the fact that CAASPP assesses students in grades 3-8 and 11. The following is the anticipated data release timeline and action:

- 1) January 2025:
 - a) As of January 2025, the growth model data has been published on the dashboard.
- 2) July 2025:
 - a) The SBE approved performance standards for the growth model.
- 3) December 2025:
 - a) The performance standards for the growth model will be published on the dashboard.

NCB moratorium set to expire. The Legislature in 2019 issued a moratorium on the establishment of any new NCB charters in California. This moratorium gave time for experts from the Legislative Analyst Office (LAO) and the Fiscal Crisis and Management Assistance Team (FCMAT) to investigate these issues and propose comprehensive solutions. In addition, San Diego Superior Court Judge Robert C. Longstreth ordered the State Controller to chair a multi-agency task force to develop audit criteria and best practices for detecting and curtailing future fraud in charter schools. The NCB charter moratorium is set to expire in January 2026. This bill would extend the moratorium for one additional year.

According to the Author

“The State must enact comprehensive reforms to combat fraud before the moratorium on NCB charter schools expires. Without a negotiated solution in 2025, the Legislature must extend the

sunsets of the moratorium and verified data to allow more time for all parties to achieve a comprehensive agreement on necessary reforms.

SB 494 extends the moratorium on the establishment of new NCB charter schools for one additional year and extends the use of verified data in charter school renewal for one additional year.”

Arguments in Support

The California School Employees Association writes, “

Arguments in Opposition

None on file

FISCAL COMMENTS

None on file for this version of the bill.

VOTES

SENATE FLOOR: 27-10-3

YES: Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener
NO: Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

ABS, ABST OR NV: Allen, Hurtado, Reyes

ASM PUBLIC EMPLOYMENT AND RETIREMENT: 5-0-2

YES: McKinnor, Boerner, Elhawary, Garcia, Nguyen

ABS, ABST OR NV: Lackey, Alanis

ASM HIGHER EDUCATION: 6-3-1

YES: Fong, Boerner, Jackson, Muratsuchi, Celeste Rodriguez, Sharp-Collins

NO: DeMaio, Jeff Gonzalez, Tangipa

ABS, ABST OR NV: Patel

ASM APPROPRIATIONS: 11-3-1

YES: Wicks, Arambula, Calderon, Caloza, Elhawary, Fong, Mark González, Ahrens, Pacheco, Pellerin, Solache

NO: Sanchez, Dixon, Tangipa

ABS, ABST OR NV: Ta

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