

## Superior Court Reverses State Board of Education's Action Overturning Charter Denials; Clarifies Review Standard for Appeals

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**Written by:**

Erin M. Hamor  
Partner  
Sacramento Office  
ehamor@lozanosmith.com

Angelique A. Cramer  
Senior Counsel  
San Diego Office  
acramer@lozanosmith.com

A recent California Superior Court ruling reinforces the deference granted to local educational agencies under Assembly Bill (AB) 1505 in determining whether to grant or deny charter petitions. On June 29, 2023, the Sacramento Superior Court ruled that the State Board of Education (State Board) abused its discretion in reversing the Napa Valley Unified School District's and Napa County Board of Education's decisions denying a petition to establish Mayacamas Charter Middle School, finding "there was no proper legal basis for the State Board's decision." Considered a case of first impression, the court's ruling in *Napa Valley Unified School District v. State Board of Education* (Sacramento County Super. Ct., June 29, 2023) Case No. 80004051, clarifies the State Board's new, limited role in hearing appeals of charter petition denials following the Legislature's adoption of AB 1505.

### **Abuse of Discretion Standard Governs Charter Petition Appeals**

Effective July 1, 2020, AB 1505 modified the charter petition appeal process, permitting the State Board to reverse a local agency's denial of a charter petition *only* if the denial constitutes an "abuse of discretion" by the district or county board, or both. ([See 2019 Client News Brief Number 49.](#)) Per the Legislature, AB 1505 was intended to give "school districts greater authority to choose which charter schools are approved in their community, and to consider the fiscal impact of the charter school on the current students in the district."

The California Department of Education (CDE) later published an informational memorandum clarifying that the State Board's role in considering charter appeals is solely to determine if the district board's and the county board's denial actions were "arbitrary, capricious, entirely lacking in evidentiary support, unlawful, or procedurally unfair," a highly deferential standard.

### ***Napa Valley Unified School District v. State Board of Education***

In December 2021, the Napa Valley Unified School District Board of Education (District Board) denied the Mayacamas charter petition on multiple grounds, including the "community interest" basis for denial, which permits a would-be authorizer to consider whether a charter school will serve the interests of the entire community where it proposes to locate. The Napa County Board of Education (County Board) denied the petition on appeal in March 2022, similarly finding the charter school would have a negative fiscal impact on the District if approved.

On appeal, the State Board reversed both the District Board's and County Board's decisions and effectively granted the charter petition, finding: (1) the District Board did not provide a fair and impartial hearing process; and (2) the County Board did not provide evidentiary support to deny the petition on community interest grounds.

Subsequently, the District filed a lawsuit against the State Board challenging its approval of the charter petition, alleging the State Board improperly applied AB 1505's abuse of discretion standard in deciding the appeal, thus exceeding its new limited scope of authority to reverse a local agency's charter decision. The Superior Court unequivocally agreed.

Siding with the District, the court ruled that the State Board's decision lacked factual and legal support. The ruling confirmed that under AB 1505, the State Board may *only* overturn a charter petition denial if the agency's decision is "entirely lacking in evidentiary support." Whether the State Board itself would "conclude differently is not the appropriate test . . . [a]n abuse of discretion may be found only if no judge could reasonably reach the same challenged result."

Underpinning its ruling, the court leaned into the Legislature's intent to place chartering authority more squarely in the hands of local agencies, noting that the Legislature "*chose* to give school districts greater authority to determine which charter schools are approved in their own community," and empowered local authorities through AB 1505, such that the local agency decision "could only be set aside by a showing of abuse of discretion."

The court emphasized that the State Board "is not free to exercise its independent judgment in reviewing the evidence in the record of a charter petition appeal"—rather, it must apply the most deferential standard of review, abuse of discretion, and local agency decisions cannot be overturned absent clear evidence of abuse.

On July 12, 2023, charter petitioner Napa Foundation for Options in Education filed a Notice of Appeal in Sacramento County Superior Court, signaling its intent to challenge the Court's ruling. We will continue to monitor and provide updates regarding the status of this case in light of the pending appeal.

## Takeaways

Local agency charter petition decisions should be factually and procedurally grounded, with findings supporting one or more bases for denial under the Charter Schools Act, if such bases exist. The State Board's authority to reverse such decisions, as clarified, remains fully intact but narrow in scope, consistent with Legislative intent. While the court's ruling is not binding precedent on other courts, it does signal how California courts may address this issue in the future, if and when litigated.

If you have any questions about the review standards used for the appeal of a charter petition denial, please contact the author of this Client News Brief or an attorney at one of our [eight offices](#) located statewide. You can also subscribe to our [podcast](#), follow us on [Facebook](#), [Twitter](#) and [LinkedIn](#) or download our [mobile app](#).

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