

MEMORANDUM

Staff Summary No. 6

Date: March 26, 2026

To: Members of the California School Finance Authority

From: Katrina M. Johantgen, Executive Director

Re: Approval of Resolution #26-12: Adoption of Regulations for the Charter School Revolving Loan Fund Program and Authorization of the Emergency Rulemaking Process (Action Item)

Background: The Charter School Revolving Loan Fund Program (Program) was enacted by SB 1759. Pursuant to the State’s Education Code sections 41365, 41366.5, 41366.7 and 41367, the Program provides low-interest loans to charter schools to assist meeting the purposes of the school’s approved charter. The Authority brought regulation changes to the Authority Board in December 2025 related to the legislative changes. Upon review, the Authority is proposing some additional changes related to the legislative changes. These changes are related to applicant tiebreakers, loan terms, and the addition of a Program application fee. A summary of the revisions from each section within the proposed regulations is highlighted below.

I. Section 10170.19. Application Content and Submission.

1. New (g)- Added \$500 Application Fee.

II. Section 10170.20. Application Review and Evaluation/Underwriting Criteria.

1. New (d)(4) – Added direction on additional priority ranking based on FRPM in defined Regions if Program application cycle is oversubscribed and the Authority is unable to ensure “equal representation” across Regions.
2. (e) – Removed “projected elementary school attendance area” and replaced with “Chartering Authority” regarding FRPM tiebreakers.

III. Section 10170.21. Loan Amount and Repayment Terms.

1. Original (b) – Removed due to changes.
2. Original (b)(1) – Removed due to changes
3. Original (c)-(e) – Re-lettered due removal of Original (b).
4. Original (e)/New (d) - Reworded for clarity.
5. New (e)(1) – Added to include information originally placed in Original (b) and (b)(1)

A draft of the Program’s proposed regulations is included behind this summary in the board packet. Crossed red text (e.g., ~~EXAMPLE~~) are proposed removals and underlined blue text (e.g., EXAMPLE) are proposed additions.

Recommendation: Authority staff recommends the Board adopt Resolution 26-12: Adoption of Regulations for the Charter School Revolving Loan Fund Program and Authorization of the Emergency Rulemaking Process. If approved, the Executive Director will include the Resolution demonstrating the Board approval with the rulemaking file to the Office of Administrative Law.