

1 ENGROSSED SENATE AMENDMENT
TO

2 ENGROSSED HOUSE
3 BILL NO. 1696

By: Denney and Jordan of the
House

4 and

5 Jolley of the Senate

6
7
8 [schools - modifying the Oklahoma Charter Schools

9 Act - ~~effective date~~ -

10 ~~emergency~~]

11
12 AUTHOR: Remove principal Senate author Senator Jolley and replace
13 principal Senate author with Senator Holt

14 AMENDMENT NO. 1. Page 1, strike the stricken title, enacting clause
15 and entire bill and insert

16 "An Act relating to charter schools; amending Section
17 1 of Enrolled Senate Bill No. 782 of the 1st Session
18 of the 55th Oklahoma Legislature, which relates to
19 charter school sponsorship; adding the governing body
20 of a city that meets certain criteria as a sponsor;
21 amending Section 2 of Enrolled Senate Bill No. 782 of
22 the 1st Session of the 55th Oklahoma Legislature,
23 which relates to charter school applications; adding
24 references to the governing body of a city as
sponsor; amending Section 6 of Enrolled Senate Bill
No. 782 of the 1st Session of the 55th Oklahoma
Legislature, which relates to charter school funding;
adding references to the governing body of a city as
a sponsor; and providing an effective date.

1 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

2 SECTION 1. AMENDATORY Section 1 of Enrolled Senate Bill
3 No. 782 of the 1st Session of the 55th Oklahoma Legislature is
4 amended to read as follows:

5 Section 3-132. A. The Oklahoma Charter Schools Act shall apply
6 only to charter schools formed and operated under the provisions of
7 the act. Charter schools shall be sponsored only as follows:

8 1. By any school district located in the State of Oklahoma,
9 provided such charter school shall only be located within the
10 geographical boundaries of the sponsoring district and subject to
11 the restrictions of Section 3-145.6 of this title;

12 2. By a technology center school district if the charter school
13 is located in a school district served by the technology center
14 school district in which all or part of the school district is
15 located in a county having more than five hundred thousand (500,000)
16 population according to the latest Federal Decennial Census;

17 3. By a technology center school district if the charter school
18 is located in a school district served by the technology center
19 school district and the school district has a school site that has
20 been identified as in need of improvement by the State Board of
21 Education pursuant to the Elementary and Secondary Education Act of
22 1965, as amended or reauthorized;

23 4. By an accredited comprehensive or regional institution that
24 is a member of The Oklahoma State System of Higher Education or a

1 community college if the charter school is located in a school
2 district in which all or part of the school district is located in a
3 county having more than five hundred thousand (500,000) population
4 according to the latest Federal Decennial Census;

5 5. By a comprehensive or regional institution that is a member
6 of The Oklahoma State System of Higher Education if the charter
7 school is located in a school district that has a school site that
8 has been identified as in need of improvement by the State Board of
9 Education pursuant to the Elementary and Secondary Education Act of
10 1965, as amended or reauthorized. In addition, the institution
11 shall have a teacher education program accredited by the Oklahoma
12 Commission for Teacher Preparation and have a branch campus or
13 constituent agency physically located within the school district in
14 which the charter school is located in the State of Oklahoma;

15 6. By a federally recognized Indian tribe, operating a high
16 school under the authority of the Bureau of Indian Affairs as of
17 November 1, 2010, if the charter school is for the purpose of
18 demonstrating native language immersion instruction, and is located
19 within its former reservation or treaty area boundaries. For
20 purposes of this paragraph, native language immersion instruction
21 shall require that educational instruction and other activities
22 conducted at the school site are primarily conducted in the native
23 language;

24

1 7. By the State Board of Education when the applicant of the
2 charter school is the Office of Juvenile Affairs or the applicant
3 has a contract with the Office of Juvenile Affairs to provide a
4 fixed rate level E, D, or D+ group home service and the charter
5 school is for the purpose of providing education services to youth
6 in the custody or supervision of the state. Not more than two
7 charter schools shall be sponsored by the Board as provided for in
8 this paragraph during the period of time beginning July 1, 2010,
9 through July 1, 2016; ~~or~~

10 8. By the State Board of Education when the applicant has first
11 been denied a charter by the local school district in which it seeks
12 to operate. In counties with fewer than five hundred thousand
13 (500,000) population, according to the latest Federal Decennial
14 Census, the State Board of Education shall not sponsor more than
15 five charter schools per year each year for the first five (5) years
16 after the effective date of this act, with not more than one charter
17 school sponsored in a single school district per year. In order to
18 authorize a charter school under this section, the State Board of
19 Education shall find evidence of all of the following:

- 20 a. a thorough and high-quality charter school application
- 21 from the applicant based on the authorizing standards
- 22 in subsection B of Section 3-134 of this title,
- 23 b. a clear demonstration of community support for the
- 24 charter school, and

1 c. the grounds and basis of objection by the school
2 district for denying the operation of the charter are
3 not supported by the greater weight of evidence and
4 the strength of the application; or

5 9. By the governing body of a city having more than three
6 hundred thousand (300,000) population according to the latest
7 Federal Decennial Census, provided such charter school shall only be
8 located within the geographical boundaries of the sponsoring city
9 and additionally only within the geographical boundaries of a school
10 district that has an average daily membership of more than thirty
11 thousand (30,000) at the time of the initial sponsorship by the
12 city. Provided, within forty-five (45) calendar days of the vote by
13 a governing body of a city to sponsor a charter as provided for in
14 this paragraph, the school board for the district in which the
15 charter school is to be located may, by a majority vote, call for a
16 special election of the people residing within the school district
17 to approve or disapprove of the charter, pursuant to Sections 13A-
18 101 through 13A-111 of Title 26 of the Oklahoma Statutes. The
19 election shall occur within one hundred twenty (120) calendar days
20 or at the first opportunity provided by law, whichever occurs first.
21 In the event that an election is called, the question presented on
22 the ballot shall read as follows, with appropriate insertions as
23 indicated: "Do you approve or disapprove of the sponsorship of the
24 public charter school known as (insert name of school) by (insert

1 name of city)?". If a majority of voters approve of the charter
2 sponsorship, the charter shall proceed. If a majority of voters
3 disapprove of the charter sponsorship, the charter shall become
4 invalid, and the city shall not sponsor a charter requested by the
5 same entity for at least three (3) years from the date of the
6 election. If the school board does not call for an election within
7 forty-five (45) calendar days as provided for in this paragraph, the
8 charter shall proceed.

9 B. An eligible non-school-district sponsor shall give priority
10 to opening charter schools that serve at-risk student populations or
11 students from low-performing traditional public schools.

12 C. An eligible non-school-district sponsor shall give priority
13 to applicants that have demonstrated a record of operating at least
14 one school or similar program that demonstrates academic success and
15 organizational viability and serves student populations similar to
16 those the proposed charter school seeks to serve. In assessing the
17 potential for quality replication of a charter school, a sponsor
18 shall consider the following factors before approving a new site or
19 school:

20 1. Evidence of a strong and reliable record of academic success
21 based primarily on student performance data, as well as other viable
22 indicators, including financial and operational success;

23 2. A sound, detailed, and well-supported growth plan;

24

1 3. Evidence of the ability to transfer successful practices to
2 a potentially different context that includes reproducing critical
3 cultural, organizational and instructional characteristics;

4 4. Any management organization involved in a potential
5 replication is fully vetted, and the academic, financial and
6 operational records of the schools it operates are found to be
7 satisfactory;

8 5. Evidence the program seeking to be replicated has the
9 capacity to do so successfully without diminishing or putting at
10 risk its current operations; and

11 6. A financial structure that ensures that funds attributable
12 to each charter school within a network and required by law to be
13 utilized by a school remain with and are used to benefit that
14 school.

15 D. For purposes of the Oklahoma Charter Schools Act, "charter
16 school" means a public school established by contract with a board
17 of education of a school district, a conversion charter school, an
18 area vocational-technical school district, a higher education
19 institution, a federally recognized Indian tribe, or the State Board
20 of Education pursuant to the Oklahoma Charter Schools Act to provide
21 learning that will improve student achievement and as defined in the
22 Elementary and Secondary Education Act of 1965, 20 U.S.C. 8065.

23 E. For the purposes of the Oklahoma Charter Schools Act,
24 "conversion charter school" means a charter school created by

1 converting all or any part of a traditional public school into a
2 charter school which may be operated by the school district board of
3 education or by an independent operating board elected by and
4 accountable to the school district board of education.

5 F. A charter school may consist of a new school site, new
6 school sites or all or any portion of an existing school site. An
7 entire school district may not become a charter school site.

8 SECTION 2. AMENDATORY Section 2 of Enrolled Senate Bill
9 No. 782 of the 1st Session of the 55th Oklahoma Legislature is
10 amended to read as follows:

11 Section 3-134. A. For written applications filed after January
12 1, 2008, prior to submission of the application to a proposed
13 sponsor seeking to establish a charter school, the applicant shall
14 be required to complete training which shall not exceed ten (10)
15 hours provided by the State Department of Education on the process
16 and requirements for establishing a charter school. The Department
17 shall develop and implement the training by January 1, 2008. The
18 Department may provide the training in any format and manner that
19 the Department determines to be efficient and effective including,
20 but not limited to, web-based training.

21 B. Except as otherwise provided for in Section 3-137 of this
22 title, an applicant seeking to establish a charter school shall
23 submit a written application to the proposed sponsor as prescribed
24 in subsection E of this section. The application shall include:

- 1 1. A mission statement for the charter school;
- 2 2. A description including, but not limited to, background
3 information of the organizational structure and the governing body
4 of the charter school;
- 5 3. A financial plan for the first five (5) years of operation
6 of the charter school and a description of the treasurer or other
7 officers or persons who shall have primary responsibility for the
8 finances of the charter school. Such person shall have demonstrated
9 experience in school finance or the equivalent thereof;
- 10 4. A description of the hiring policy of the charter school;
- 11 5. The name of the applicant or applicants and requested
12 sponsor;
- 13 6. A description of the facility and location of the charter
14 school;
- 15 7. A description of the grades being served;
- 16 8. An outline of criteria designed to measure the effectiveness
17 of the charter school;
- 18 9. A demonstration of support for the charter school from
19 residents of the school district which may include but is not
20 limited to a survey of the school district residents or a petition
21 signed by residents of the school district;
- 22 10. Documentation that the applicants completed charter school
23 training as set forth in subsection A of this section;
- 24

- 1 11. A description of the minimum and maximum enrollment planned
2 per year for each term of the charter contract;
- 3 12. The proposed calendar for the charter school and sample
4 daily schedule;
- 5 13. Unless otherwise authorized by law or regulation, a
6 description of the academic program aligned with state standards;
- 7 14. A description of the instructional design of the charter
8 school, including the type of learning environment, class size and
9 structure, curriculum overview and teaching methods;
- 10 15. The plan for using internal and external assessments to
11 measure and report student progress on the performance framework
12 developed by the applicant in accordance with subsection C of
13 Section 3-135 of this title;
- 14 16. The plans for identifying and successfully serving students
15 with disabilities, students who are English language learners and
16 students who are academically behind;
- 17 17. A description of cocurricular or extracurricular programs
18 and how they will be funded and delivered;
- 19 18. Plans and time lines for student recruitment and
20 enrollment, including lottery procedures;
- 21 19. The student discipline policies for the charter school,
22 including those for special education students;
- 23 20. An organizational chart that clearly presents the
24 organizational structure of the charter school, including lines of

1 authority and reporting between the governing board, staff, any
2 related bodies such as advisory bodies or parent and teacher
3 councils and any external organizations that will play a role in
4 managing the school;

5 21. A clear description of the roles and responsibilities for
6 the governing board, the leadership and management team for the
7 charter school and any other entities shown in the organizational
8 chart;

9 22. The leadership and teacher employment policies for the
10 charter school;

11 23. Proposed governing bylaws;

12 24. Explanations of any partnerships or contractual
13 partnerships central to the operations or mission of the charter
14 school;

15 25. The plans for providing transportation, food service and
16 all other significant operational or ancillary services;

17 26. Opportunities and expectations for parental involvement;

18 27. A detailed school start-up plan that identifies tasks, time
19 lines and responsible individuals;

20 28. A description of the financial plan and policies for the
21 charter school, including financial controls and audit requirements;

22 29. A description of the insurance coverage the charter school
23 will obtain;

24

1 30. Start-up and five-year budgets with clearly stated
2 assumptions;

3 31. Start-up and first-year cash-flow projections with clearly
4 stated assumptions;

5 32. Evidence of anticipated fundraising contributions, if
6 claimed in the application;

7 33. A sound facilities plan, including backup or contingency
8 plans if appropriate;

9 34. A requirement that the charter school governing board meet
10 at a minimum quarterly in the state and that for those charter
11 schools outside of counties with a population of five hundred
12 thousand (500,000) or more, that a majority of members are residents
13 within the geographic boundary of the sponsoring entity; and

14 35. A requirement that the charter school follow the
15 requirements of the Oklahoma Open Meeting Act and Oklahoma Open
16 Records Act.

17 C. A board of education of a public school district, public
18 body, public or private college or university, private person, or
19 private organization may contract with a sponsor to establish a
20 charter school. A private school shall not be eligible to contract
21 for a charter school under the provisions of the Oklahoma Charter
22 Schools Act.

23 D. The sponsor of a charter school is the board of education of
24 a school district, the board of education of a technology center

1 school district, a higher education institution, the State Board of
2 Education, ~~or~~ a federally recognized Indian tribe or the governing
3 body of a city which meets the criteria established in Section 3-132
4 of this title. Any board of education of a school district in the
5 state may sponsor one or more charter schools. The physical
6 location of a charter school sponsored by a board of education of a
7 school district or a technology center school district shall be
8 within the boundaries of the sponsoring school district. The
9 physical location of a charter school sponsored by the State Board
10 of Education when the applicant of the charter school is the Office
11 of Juvenile Affairs shall be where an Office of Juvenile Affairs
12 facility for youth is located. The physical location of a charter
13 school otherwise sponsored by the State Board of Education pursuant
14 to paragraph 8 of subsection A of Section 3-132 of this title shall
15 be in the school district in which the application originated.

16 E. An applicant for a charter school may submit an application
17 to a proposed sponsor which shall either accept or reject
18 sponsorship of the charter school within ninety (90) days of receipt
19 of the application. If the proposed sponsor rejects the
20 application, it shall notify the applicant in writing of the reasons
21 for the rejection. The applicant may submit a revised application
22 for reconsideration to the proposed sponsor within thirty (30) days
23 after receiving notification of the rejection. The proposed sponsor
24 shall accept or reject the revised application within thirty (30)

1 days of its receipt. Should the sponsor reject the application on
2 reconsideration, the applicant may appeal the decision to the State
3 Board of Education with the revised application for review pursuant
4 to paragraph 8 of subsection A of Section 3-132 of this title. The
5 State Board of Education shall hear the appeal no later than sixty
6 (60) days from the date received by the Board.

7 F. A board of education of a school district, board of
8 education of a technology center school district, higher education
9 institution, ~~or~~ federally recognized Indian tribe or the governing
10 body of a city sponsor of a charter school shall notify the State
11 Board of Education when it accepts sponsorship of a charter school.
12 The notification shall include a copy of the charter of the charter
13 school.

14 G. Applicants for charter schools proposed to be sponsored by
15 an entity other than a school district pursuant to paragraph 1 of
16 subsection A of Section 3-132 of this title may, upon rejection of
17 the revised application, proceed to binding arbitration under the
18 commercial rules of the American Arbitration Association with costs
19 of the arbitration to be borne by the proposed sponsor. Applicants
20 for charter schools proposed to be sponsored by school districts
21 pursuant to paragraph 1 of subsection A of Section 3-132 of this
22 title may not proceed to binding arbitration but may be sponsored by
23 the State Board of Education as provided in paragraph 8 of
24 subsection A of Section 3-132 of this title.

1 H. If a board of education of a technology center school
2 district, a higher education institution, the State Board of
3 Education, ~~or~~ a federally recognized Indian tribe or the governing
4 body of a city accepts sponsorship of a charter school, the
5 administrative, fiscal and oversight responsibilities of the
6 technology center school district, the higher education institution,
7 ~~or~~ the federally recognized Indian tribe or the governing body of a
8 city shall be listed in the contract. No responsibilities shall be
9 delegated to a school district unless the local school district
10 agrees to assume the responsibilities.

11 I. A sponsor of a public charter school shall have the
12 following powers and duties:

13 1. Provide oversight of the operations of charter schools in
14 the state through annual performance reviews of charter schools and
15 reauthorization of charter schools for which it is a sponsor;

16 2. Solicit and evaluate charter applications;

17 3. Approve quality charter applications that meet identified
18 educational needs and promote a diversity of educational choices;

19 4. Decline to approve weak or inadequate charter applications;

20 5. Negotiate and execute sound charter contracts with each
21 approved public charter school;

22 6. Monitor, in accordance with charter contract terms, the
23 performance and legal compliance of charter schools; and
24

1 7. Determine whether each charter contract merits renewal,
2 nonrenewal or revocation.

3 J. Sponsors shall establish a procedure for accepting,
4 approving and disapproving charter school applications in accordance
5 with subsection E of this section.

6 K. Sponsors shall be required to develop and maintain
7 chartering policies and practices consistent with recognized
8 principles and standards for quality charter authorizing as
9 established by the State Department of Education in all major areas
10 of authorizing responsibility, including organizational capacity and
11 infrastructure, soliciting and evaluating charter applications,
12 performance contracting, ongoing charter school oversight and
13 evaluation and charter renewal decision-making.

14 L. Sponsors acting in their official capacity shall be immune
15 from civil and criminal liability with respect to all activities
16 related to a charter school with which they contract.

17 SECTION 3. AMENDATORY Section 6 of Enrolled Senate Bill
18 No. 782 of the 1st Session of the 55th Oklahoma Legislature is
19 amended to read as follows

20 Section 3-142. A. For purposes of funding, a charter school
21 sponsored by a board of education of a school district shall be
22 considered a site within the school district in which the charter
23 school is located. The student membership of the charter school
24 shall be considered separate from the student membership of the

1 district in which the charter school is located for the purpose of
2 calculating weighted average daily membership pursuant to Section
3 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of
4 this title. For charter schools sponsored by a board of education
5 of a school district, the sum of the separate calculations for the
6 charter school and the school district shall be used to determine
7 the total State Aid allocation for the district in which the charter
8 school is located. A charter school shall receive from the
9 sponsoring school district, the State Aid allocation and any other
10 state-appropriated revenue generated by its students for the
11 applicable year, less up to five percent (5%) of the State Aid
12 allocation, which may be retained by the school district as a fee
13 for administrative services rendered. For charter schools sponsored
14 by the board of education of a technology center school district, a
15 higher education institution, the State Board of Education, ~~or~~ a
16 federally recognized Indian tribe or the governing body of a city,
17 and for statewide virtual charter schools sponsored by the Statewide
18 Virtual Charter School Board, the State Aid allocation for the
19 charter school shall be distributed by the State Board of Education
20 and not more than five percent (5%) of the State Aid allocation may
21 be charged by the sponsor as a fee for administrative services
22 rendered. The State Board of Education shall determine the policy
23 and procedure for making payments to a charter school. The fee for
24 administrative services as authorized in this subsection shall only

1 be assessed on the State Aid allocation amount and shall not be
2 assessed on any other appropriated amounts.

3 B. 1. The weighted average daily membership for the first year
4 of operation of a charter school shall be determined initially by
5 multiplying the actual enrollment of students as of August 1 by
6 1.333. The charter school shall receive revenue equal to that which
7 would be generated by the estimated weighted average daily
8 membership calculated pursuant to this paragraph. At midyear, the
9 allocation for the charter school shall be adjusted using the first
10 quarter weighted average daily membership for the charter school
11 calculated pursuant to subsection A of this section.

12 2. For the purpose of calculating weighted average daily
13 membership pursuant to Section 18-201.1 of this title and State Aid
14 pursuant to Section 18-200.1 of this title, the weighted average
15 daily membership for the first year of operation and each year
16 thereafter of a full-time virtual charter school shall be determined
17 by multiplying the actual enrollment of students as of August 1 by
18 1.333. The full-time virtual charter school shall receive revenue
19 equal to that which would be generated by the estimated weighted
20 average daily membership calculated pursuant to this paragraph. At
21 midyear, the allocation for the full-time virtual charter school
22 shall be adjusted using the first quarter weighted average daily
23 membership for the virtual charter school calculated pursuant to
24 subsection A of this section.

1 C. A charter school shall be eligible to receive any other aid,
2 grants or revenues allowed to other schools. A charter school
3 sponsored by the board of education of a technology center school
4 district, a higher education institution, the State Board of
5 Education, ~~or~~ a federally recognized Indian tribe or the governing
6 body of a city, shall be considered a local education agency for
7 purposes of funding. A charter school sponsored by a board of
8 education of a school district shall be considered a local education
9 agency for purposes of federal funding.

10 D. A charter school, in addition to the money received from the
11 state, may receive money from any other source. Any unexpended
12 funds may be reserved and used for future purposes. The governing
13 body of a charter school shall not levy taxes or issue bonds. If
14 otherwise allowed by law, the governing body of a charter school may
15 enter into private contracts for the purposes of borrowing money
16 from lenders. If the governing body of the charter school borrows
17 money, the charter school shall be solely responsible for repaying
18 the debt, and the state or the sponsor shall not in any way be
19 responsible or obligated to repay the debt.

20 E. Any charter school which chooses to lease property shall be
21 eligible to receive current government lease rates.

22 SECTION 4. This act shall become effective November 1, 2015."
23
24

1 Passed the Senate the 22nd day of April, 2015.

2
3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2015.

7
8 _____
9 Presiding Officer of the House
10 of Representatives

1 ENGROSSED HOUSE
2 BILL NO. 1696

By: Denney and Jordan of the
House

3 and

4 Jolley of the Senate

5
6
7 [schools - modifying the Oklahoma Charter Schools

8 Act - ~~effective date~~ -

9 ~~emergency~~]

10

11

12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 5. AMENDATORY 70 O.S. 2011, Section 3-132, as
14 last amended by Section 1, Chapter 212, O.S.L. 2013 (70 O.S. Supp.
15 2014, Section 3-132), is amended to read as follows:

16 Section 3-132. A. The Oklahoma Charter Schools Act shall apply
17 only to charter schools formed and operated under the provisions of
18 the act. Charter schools shall be sponsored only as follows:

19 1. By a any school district ~~with an average daily membership of~~
20 ~~five thousand (5,000) or more and which all or part of the school~~
21 ~~district is located in a county having more than five hundred~~
22 ~~thousand (500,000) population according to the latest Federal~~
23 ~~Decennial Census;~~

24

1 ~~2. By a school district which has a school site that has been~~
2 ~~identified as in need of improvement by the State Board of Education~~
3 ~~pursuant to the Elementary and Secondary Education Act of 1965, as~~
4 ~~amended or reauthorized~~ if the charter school is located within the
5 geographical boundaries of the school district;

6 ~~3. 2. By a technology center school district if the charter~~
7 ~~school is located in a school district served by the technology~~
8 ~~center school district and the school district has an average daily~~
9 ~~membership of five thousand (5,000) or more and which all or part of~~
10 ~~the school district is located in a county having more than five~~
11 ~~hundred thousand (500,000) population according to the latest~~
12 ~~Federal Decennial Census;~~

13 ~~4. By a technology center school district if the charter school~~
14 ~~is located in a school district served by the technology center~~
15 ~~school district and the school district has a school site that has~~
16 ~~been identified as in need of improvement by the State Board of~~
17 ~~Education pursuant to the Elementary and Secondary Education Act of~~
18 ~~1965, as amended or reauthorized;~~

19 ~~5. 3. By a~~ an accredited comprehensive or regional institution
20 that is a member of The Oklahoma State System of Higher Education or
21 community college if the charter school is located in a school
22 district ~~that has an average daily membership of five thousand~~
23 ~~(5,000) or more and which all or part of the school district is~~
24 ~~located in a county having more than five hundred thousand (500,000)~~

1 ~~population according to the latest Federal Decennial Census. In~~
2 ~~addition, the institution shall have a teacher education program~~
3 ~~accredited by the Oklahoma Commission for Teacher Preparation and~~
4 ~~have a branch campus or constituent agency physically located within~~
5 ~~the school district in which the charter school is located;~~

6 ~~6. By a comprehensive or regional institution that is a member~~
7 ~~of The Oklahoma State System of Higher Education if the charter~~
8 ~~school is located in a school district that has a school site that~~
9 ~~has been identified as in need of improvement by the State Board of~~
10 ~~Education pursuant to the Elementary and Secondary Education Act of~~
11 ~~1965, as amended or reauthorized. In addition, the institution~~
12 ~~shall have a teacher education program accredited by the Oklahoma~~
13 ~~Commission for Teacher Preparation and have a branch campus or~~
14 ~~constituent agency physically located within the school district in~~
15 ~~which the charter school is located in the state;~~

16 ~~7.~~ 4. By a federally recognized Indian tribe, operating a high
17 school under the authority of the Bureau of Indian Affairs as of
18 November 1, 2010, if the charter school is for the purpose of
19 demonstrating native language immersion instruction, and is located
20 within its former reservation or treaty area boundaries. For
21 purposes of this paragraph, native language immersion instruction
22 shall require that educational instruction and other activities
23 conducted at the school site are primarily conducted in the native
24 language; ~~or~~

1 ~~8.~~ 5. By the State Board of Education when the applicant of the
2 charter school is the Office of Juvenile Affairs or the applicant
3 has a contract with the Office of Juvenile Affairs to provide a
4 fixed rate level E, D, or D+ group home service and the charter
5 school is for the purpose of providing education services to youth
6 in the custody or supervision of the state. Not more than two
7 charter schools shall be sponsored by the Board as provided for in
8 this paragraph during the period of time beginning July 1, 2010,
9 through July 1, 2016; or

10 6. By the State Board of Education when the applicant has first
11 been denied a charter by the school district in which it seeks to
12 operate and files an appeal as provided for in subsection J of
13 Section 3-134 of this title. In counties with fewer than five
14 hundred thousand (500,000) population according to the latest
15 Federal Decennial Census, the Board shall not sponsor more than five
16 charter schools per year each year for the next five (5) years. The
17 Board shall not sponsor more than one charter school in a single
18 school district per year. In order to authorize a charter school
19 pursuant to this paragraph, the Board shall find evidence of the
20 following:

21 a. a thorough and high-quality charter school application
22 from the applicant based on the authorizing standards
23 in subsection B of Section 3-134 of this title, and
24

1 b. a clear demonstration of community support for the
2 charter school.

3 B. Except for a school district sponsor, a sponsor shall give
4 priority to opening charter schools that serve at-risk student
5 populations or students from low-performing traditional public
6 schools.

7 C. A sponsor shall give priority to applicants that have
8 demonstrated a record of operating at least one school or similar
9 program that demonstrates academic success and organizational
10 viability and serves student populations similar to those the
11 proposed charter school seeks to serve. In assessing the potential
12 for quality replication of a charter school, a sponsor shall
13 consider the following factors before approving a new site or
14 school:

15 1. Evidence of a strong and reliable record of academic success
16 based primarily on student-performance data as well as on other
17 viable indicators, including financial and operational success;

18 2. Evidence of a sound, detailed and well-supported growth
19 plan;

20 3. Evidence of the ability to transfer successful practices to
21 a potentially different context that includes replicating critical
22 cultural, organizational and instructional characteristics;

23 4. Any management organization involved in a potential
24 replication is fully vetted and the academic, financial and

1 operational records of schools operated by the applicant are found
2 to be satisfactory;

3 5. Evidence the program seeking to be replicated has the
4 capacity to do so successfully without diminishing or putting at
5 risk its current operations; and

6 6. A financial structure that ensures that funds attributable
7 to each charter school within a network and required by law to be
8 utilized by a school remain with and are used to benefit that
9 school.

10 D. For purposes of the Oklahoma Charter Schools Act, "charter
11 school" means a public school chartered, converted or established as
12 a charter school by contract with a board of education of a school
13 district, an area vocational-technical school district, a higher
14 education institution, a federally recognized Indian tribe, or the
15 State Board of Education pursuant to the Oklahoma Charter Schools
16 Act to provide learning that will improve student achievement and as
17 defined in the Elementary and Secondary Education Act of 1965, 20
18 U.S.C. 8065.

19 ~~C.~~ E. A charter school may consist of a new school site, new
20 school sites or all or any portion of an existing school site. An
21 entire school district may not become a charter school site.

22 SECTION 6. AMENDATORY 70 O.S. 2011, Section 3-134, is
23 amended to read as follows:

24

1 Section 3-134. A. For written applications filed after January
2 1, 2008, prior to submission of the application to a proposed
3 sponsor seeking to establish a charter school, the applicant shall
4 be required to complete training which shall not exceed ten (10)
5 hours provided by the State Department of Education on the process
6 and requirements for establishing a charter school. The Department
7 shall develop and implement the training by January 1, 2008. The
8 Department may provide the training in any format and manner that
9 the Department determines to be efficient and effective including,
10 but not limited to, web-based training.

11 B. Except as otherwise provided for in Section 3-137 of this
12 title, an applicant seeking to establish a charter school shall
13 submit a written application to the proposed sponsor as prescribed
14 in subsection E of this section. The application shall include:

15 1. A mission statement for the charter school;

16 2. A description, including, but not limited to, background
17 information, of the organizational structure and the governing body
18 of the charter school;

19 3. A financial plan for the first three (3) years of operation
20 of the charter school and a description of the treasurer or other
21 officers or persons who shall have primary responsibility for the
22 finances of the charter school. Such person shall have demonstrated
23 experience in school finance or the equivalent thereof;

24 4. A description of the hiring policy of the charter school;

- 1 5. The name of the applicant or applicants and requested
2 sponsor;
- 3 6. A description of the facility and location of the charter
4 school;
- 5 7. A description of the grades being served;
- 6 8. An outline of criteria designed to measure the effectiveness
7 of the charter school;
- 8 9. A demonstration of support for the charter school from
9 residents of the school district which may include but is not
10 limited to a survey of the school district residents or a petition
11 signed by residents of the school district; ~~and~~
- 12 10. Documentation that the applicants completed charter school
13 training as set forth in subsection A of this section;
- 14 11. A description of the minimum and maximum enrollment planned
15 per year for each term of the charter contract;
- 16 12. The proposed calendar for the charter school and sample
17 daily schedule;
- 18 13. Unless otherwise authorized by law or regulation, a
19 description of the academic program aligned with state standards;
- 20 14. A description of the instructional design of the charter
21 school, including the type of learning environment, class size and
22 structure, curriculum overview and teaching methods;
- 23
- 24

1 15. The plan for using internal and external assessments to
2 measure and report student progress on the performance framework
3 developed by the applicant;

4 16. The plans for identifying and successfully serving students
5 with disabilities, students who are English-language learners and
6 students who are academically behind;

7 17. A description of cocurricular or extracurricular programs
8 and how they will be funded and delivered;

9 18. Plans and timelines for student recruitment and enrollment,
10 including lottery procedures;

11 19. The student discipline policies for the charter school,
12 including those for special-education students;

13 20. An organization chart that clearly presents the
14 organizational structure of the charter school, including lines of
15 authority and reporting between the governing board, staff, any
16 related bodies, such as advisory bodies or parent and teacher
17 councils, and any external organizations that will play a role in
18 managing the charter school;

19 21. A clear description of the roles and responsibilities for
20 the governing board, the leadership and management team for the
21 charter school and any other entities shown in the organization
22 chart;

23 22. The leadership and teacher employment policies for the
24 charter school;

- 1 23. Proposed governing bylaws;
- 2 24. Explanations of any partnerships or contractual
3 partnerships central to the operations or mission of the charter
4 school;
- 5 25. The plans for providing transportation, food service and
6 all other significant operational or ancillary services;
- 7 26. Opportunities and expectations for parent involvement;
- 8 27. A detailed school start-up plan identifying tasks,
9 timelines and responsible individuals;
- 10 28. A description of the financial plan and policies for the
11 charter school, including financial controls and audit requirements;
- 12 29. A description of the insurance coverage the charter school
13 will obtain;
- 14 30. Start-up and five-year budgets with clearly stated
15 assumptions;
- 16 31. Start-up and first-year cash-flow projections with clearly
17 stated assumptions;
- 18 32. Evidence of anticipated fundraising contributions, if
19 claimed in the application;
- 20 33. A sound facilities plan, including backup or contingency
21 plans if appropriate; and
- 22 34. A description of the meeting schedule of the governing
23 board which requires the board to meet at a minimum quarterly in the
24 state.

1 C. A board of education of a public school district, public
2 body, public or private college or university, private person, or
3 private organization may contract with a sponsor to establish a
4 charter school. A private school shall not be eligible to contract
5 for a charter school under the provisions of the Oklahoma Charter
6 Schools Act.

7 D. The sponsor of a charter school is the board of education of
8 a school district, the board of education of a technology center
9 school district, a higher education institution, the State Board of
10 Education, or a federally recognized Indian tribe which meets the
11 criteria established in Section 3-132 of this title. Any board of
12 education of a school district in the state may sponsor one or more
13 charter schools. The physical location of a charter school
14 sponsored by a board of education of a school district or a
15 technology center school district shall be within the boundaries of
16 the sponsoring school district. The physical location of a charter
17 school sponsored by the State Board of Education when the applicant
18 of the charter school is the Office of Juvenile Affairs shall be
19 where an Office of Juvenile Affairs facility for youth is located.
20 The physical location of a charter school sponsored by the Board
21 pursuant to paragraph 6 of subsection A of Section 3-132 of this
22 title shall be in the school district in which the application
23 originated.

24

1 E. An applicant for a charter school may submit an application
2 to a proposed sponsor which shall either accept or reject
3 sponsorship of the charter school within ninety (90) days of receipt
4 of the application. If the proposed sponsor rejects the
5 application, it shall notify the applicant in writing of the reasons
6 for the rejection. The applicant may submit a revised application
7 for reconsideration to the proposed sponsor within thirty (30) days
8 after receiving notification of the rejection. The proposed sponsor
9 shall accept or reject the revised application within thirty (30)
10 days of its receipt.

11 F. A board of education of a school district, board of
12 education of a technology center school district, higher education
13 institution, or federally recognized Indian tribe sponsor of a
14 charter school shall notify the State Board of Education when it
15 accepts sponsorship of a charter school. The notification shall
16 include a copy of the charter of the charter school.

17 G. If a proposed sponsor rejects the revised application for a
18 charter school, the applicant may proceed to ~~mediation or binding~~
19 ~~arbitration or both mediation and binding arbitration as provided in~~
20 ~~the Dispute Resolution Act and the rules promulgated pursuant~~
21 ~~thereto. The applicant shall contact the early settlement program~~
22 ~~for the county in which the charter school would be located. If the~~
23 ~~parties proceed to binding arbitration, a panel of three arbitrators~~
24 ~~shall be appointed by the director of the early settlement program~~

1 ~~handling the dispute.~~ The proposed sponsor shall pay the cost for
2 any ~~mediation or~~ arbitration requested pursuant to this section.

3 H. If a board of education of a technology center school
4 district, a higher education institution, the State Board of
5 Education, or a federally recognized Indian tribe accepts
6 sponsorship of a charter school, the administrative, fiscal and
7 oversight responsibilities of the technology center school district,
8 the higher education institution, or the federally recognized Indian
9 tribe shall be listed in the contract. No responsibilities shall be
10 delegated to a school district unless the local school district
11 agrees to assume the responsibilities.

12 I. A sponsor of a charter school shall have the following
13 powers and duties:

14 1. Provide oversight of the operations of charter schools in
15 the state through annual performance reviews of charter schools and
16 reauthorization of charter schools for which it is the sponsor;

17 2. Solicit and evaluate charter applications;

18 3. Approve quality charter applications that meet identified
19 educational needs and promote a diversity of educational choices;

20 4. Decline to approve weak or inadequate charter applications;

21 5. Negotiate and execute sound charter contracts with each
22 approved charter school;

23 6. Monitor, in accordance with charter contract terms, the
24 performance and legal compliance of charter schools; and

1 7. Determine whether each charter contract merits renewal,
2 nonrenewal or revocation.

3 J. Sponsors shall establish a procedure for accepting,
4 approving and disapproving charter school applications. The
5 procedure shall include a method by which an applicant for a charter
6 school may submit an application which shall either be accepted or
7 rejected within ninety (90) days of receipt of the application. If
8 the application is rejected, a sponsor shall notify the applicant in
9 writing of the reasons for the rejection. The applicant may submit
10 a revised application for reconsideration to the sponsor within
11 thirty (30) days after receiving notification of the rejection. The
12 sponsor shall accept or reject the revised application within sixty
13 (60) days of its receipt. Should the sponsor reject the application
14 on reconsideration, the applicant may appeal the decision to the
15 State Board of Education. The Board may review and accept or reject
16 the revised application. The Board shall hear the appeal and shall
17 accept or reject the revised application within sixty (60) days of
18 the date the appeal is filed.

19 K. Sponsors shall be required to develop and maintain
20 chartering policies and practices consistent with the principles and
21 standards for authorizing quality charter schools as established by
22 the Office of Educational Quality and Accountability in all major
23 areas of authorizing responsibility including organizational
24 capacity and infrastructure, soliciting and evaluating charter

1 applications, performance contracting, ongoing charter school
2 oversight and evaluation and charter renewal decision making.

3 L. Sponsors acting in their official capacity shall be immune
4 from civil and criminal liability with respect to all activities
5 related to a charter school with which they contract.

6 SECTION 7. AMENDATORY 70 O.S. 2011, Section 3-135, is
7 amended to read as follows:

8 Section 3-135. A. The sponsor of a charter school shall enter
9 into a written contract with the governing body of the charter
10 school. The contract shall incorporate the provisions of the
11 charter of the charter school and contain, but shall not be limited
12 to, the following provisions:

13 1. A description of the program to be offered by the school
14 which complies with the purposes outlined in Section ~~41~~ 3-136 of
15 this ~~act~~ title;

16 2. Admission policies and procedures;

17 3. Management and administration of the charter school,
18 including a requirement that a majority of the charter school
19 governing board are residents of the state and that the board meet
20 at a minimum quarterly at a location within the boundaries of the
21 school district in which the charter school is located or within the
22 state if the board governs multiple charter school locations;

23 4. Requirements and procedures for program and financial
24 audits;

1 5. A description of how the charter school will comply with the
2 charter requirements set forth in the Oklahoma Charter Schools Act;

3 6. Assumption of liability by the charter school; ~~and~~

4 7. The term of the contract;

5 8. A description of the high standards of expectation and rigor
6 for charter school plans and ensure that charter school plans
7 adopted meet at least certain standards;

8 9. Policies that require the charter school be as equally free
9 and open to all students as traditional public schools;

10 10. Procedures that require students enrolled in the charter
11 school to be selected by lottery to ensure fairness if more students
12 apply than a charter school has the capacity to accommodate;

13 11. Policies that require the charter school to be subject to
14 the same academic standards and expectations as existing public
15 schools; and

16 12. A description of the requirements and procedures for the
17 charter school to receive funding in accordance with statutory
18 requirements and guidelines for funding existing public schools.

19 B. A charter school shall not enter into an employment contract
20 with any teacher or other personnel until the charter school has a
21 contract with a sponsoring school district. The employment contract
22 shall set forth the personnel policies of the charter school,
23 including, but not limited to, policies related to certification,
24

1 professional development evaluation, suspension, dismissal and
2 nonreemployment, sick leave, personal business leave, emergency
3 leave, and family and medical leave. The contract shall also
4 specifically set forth the salary, hours, fringe benefits, and work
5 conditions. The contract may provide for employer-employee
6 bargaining, but the charter school shall not be required to comply
7 with the provisions of Sections 509.1 through 509.10 of ~~Title 70 of~~
8 ~~the Oklahoma Statutes~~ this title. The contract shall conform to all
9 applicable provisions set forth in Section ~~41~~ 3-136 of this ~~act~~
10 title.

11 Upon contracting with any teacher or other personnel, the
12 governing body of the charter school shall, in writing, disclose
13 employment rights of the employees in the event the charter school
14 closes or the charter is not renewed.

15 C. No charter school may begin serving students without a
16 charter contract executed in accordance with the provisions of the
17 Oklahoma Charter Schools Act and approved in an open meeting of the
18 sponsor.

19 D. The sponsor may establish reasonable preopening requirements
20 or conditions to monitor the start-up progress of newly approved
21 charter schools and ensure that each school is prepared to open
22 smoothly on the date agreed, and to ensure that each school meets
23 all building, health, safety, insurance and other legal requirements
24 for the opening of a school.

1 E. The performance provisions within the charter contract shall
2 be based on a performance framework that clearly sets forth the
3 academic and operational performance indicators, measures and
4 metrics that will guide the evaluations of the charter school by the
5 sponsor. The sponsor shall require a charter school to submit the
6 data required in this section in the identical format that is
7 required by the State Department of Education of all public schools
8 in order to avoid duplicative administrative efforts or allow a
9 charter school to provide permission to the Department to share all
10 required data with the sponsor of the charter school. The
11 performance framework shall include indicators, measures and metrics
12 for, at a minimum:

13 1. Student academic proficiency;

14 2. Student academic growth;

15 3. Achievement gaps in both proficiency and growth between
16 major student subgroups;

17 4. Student attendance;

18 5. Recurrent enrollment from year to year as determined by the
19 methodology used for public schools;

20 6. In the case of high schools, graduation rates as determined
21 by the methodology used for public schools;

22 7. In the case of high schools, postsecondary readiness;

23 8. Financial performance and sustainability; and
24

1 9. Governing board performance and stewardship, including
2 compliance with all applicable laws, regulations and terms of the
3 charter contract.

4 F. The sponsor shall not request any metric or data from a
5 charter school that is not produced or published for all school
6 sites in the same district or are under the sponsorship of the
7 sponsor, unless the metric or data is exclusive to charter schools.

8 G. A charter contract may provide for one or more schools by an
9 applicant to the extent approved by the sponsor and consistent with
10 applicable law. An applicant or the governing board of an applicant
11 may hold one or more charter contracts. Each charter school that is
12 part of a charter contract shall be separate and distinct from any
13 other charter school under the same charter school contract.

14 SECTION 8. AMENDATORY 70 O.S. 2011, Section 3-137, is
15 amended to read as follows:

16 Section 3-137. A. An approved contract for a charter school
17 shall be effective for ~~not longer than~~ five (5) years from the first
18 day of operation. A charter contract may be renewed for successive
19 five-year terms, although the sponsor may vary the term based on the
20 performance, demonstrated capacities and particular circumstances of
21 each charter school. A sponsor may grant renewal with specific
22 conditions for necessary improvements to a charter school.

23 B. Prior to the beginning of the fourth year of operation for a
24 public charter school, the sponsor shall issue a charter school

1 performance report and application renewal guidance to the charter
2 school and governing board of the charter school. The performance
3 report shall summarize the performance record to date of the charter
4 school, based on the data required by this act and the charter
5 contract, taking into consideration the percentage of at-risk
6 students enrolled in the school, and shall provide notice of any
7 weaknesses or concerns perceived by the sponsor concerning the
8 charter school that may jeopardize its position in seeking renewal
9 if not timely rectified. The charter school shall have forty-five
10 (45) days to respond to the performance report and submit any
11 corrections or clarifications for the report.

12 C. Prior to the beginning of the fifth year of operation, the
13 charter school may apply for renewal of the contract with the
14 sponsor. The application renewal guidance shall, at a minimum,
15 provide an opportunity for the public charter school to:

16 1. Present additional evidence, beyond the data contained in
17 the performance report, supporting its case for charter renewal;

18 2. Describe improvements undertaken or planned for the charter
19 school; and

20 3. Detail the plan for the next charter term for the school.

21 The application renewal guidance shall include or refer
22 explicitly to the criteria that will guide the renewal decisions of
23 the sponsor, which shall be based on the performance framework set
24

1 forth in the charter contract and consistent with the Oklahoma
2 Charter Schools Act.

3 D. The sponsor may deny the request for renewal if it
4 determines the charter school has failed to complete the obligations
5 of the contract or comply with the provisions of the Oklahoma
6 Charter Schools Act. A sponsor shall give written notice of its
7 intent to deny the request for renewal at least eight (8) months
8 prior to expiration of the contract. In making charter renewal
9 decisions, a sponsor shall:

10 1. Ground decisions on evidence of the performance of the
11 school over the term of the charter contract in accordance with the
12 performance framework set forth in the charter contract and shall
13 take into consideration the percentage of at-risk students enrolled
14 in the school;

15 2. Grant renewal to schools that have achieved the standards,
16 targets and performance expectations as stated in the charter
17 contract, are organizationally and fiscally viable and have been
18 faithful to the terms of the contract and applicable law;

19 3. Ensure that data used in making renewal decisions are
20 available to the school and the public; and

21 4. Provide a public report summarizing the evidence basis for
22 each decision.

23 ~~B.~~ E. If a sponsor denies a request for renewal, the governing
24 board of the sponsor may proceed if requested by the charter school

1 to ~~mediation or binding arbitration or both~~ as provided for in
2 subsection G of Section 3-134 of this title.

3 ~~C.~~ F. A sponsor may terminate a contract during the term of the
4 contract for failure to meet the requirements for student
5 performance contained in the contract, failure to meet the standards
6 of fiscal management, violations of the law, or other good cause.
7 The sponsor shall give at least ninety (90) days' written notice to
8 the governing board prior to terminating the contract. The
9 governing board may request, in writing, an informal hearing before
10 the sponsor within fourteen (14) days of receiving notice. The
11 sponsor shall conduct an informal hearing before taking action. If
12 a sponsor decides to terminate a contract, the governing board may,
13 if requested by the charter school, proceed to ~~mediation or binding~~
14 ~~arbitration or both~~ as provided for in subsection G of Section 3-134
15 of this title.

16 ~~D.~~ G. 1. Beginning in the 2016-2017 school year, the State
17 Board of Education shall establish a list of public schools ranked
18 from top to bottom by school grades, as determined pursuant to
19 Section 1210.545 of this title and using the school grades for the
20 2014-2015 school year, and identify charter schools in the state
21 that are ranked in the bottom five percent (5%) of all schools.

22 2. At the time of its charter renewal, based on an average of
23 the current year and the two (2) prior operating years, a sponsor
24 may close a charter school site identified as being among the bottom

1 five percent (5%) of public schools in the state. The average of
2 the current year and two (2) prior operating years shall be
3 calculated by using the percentage ranking for each year as
4 determined pursuant to paragraph 1 of this subsection divided by
5 three.

6 3. If the school grading system is changed by the Legislature,
7 pursuant to Section 1210.545 of this title, and a charter school
8 site that was not ranked in the bottom five percent (5%) prior to
9 the change is then ranked in the bottom five percent (5%) following
10 the change, the higher of the two rankings shall be used to
11 calculate the ranking of the charter school site.

12 4. In the event that a sponsor fails to close a charter school
13 consistent with this subsection, the sponsor shall appear before the
14 State Board of Education to provide support for its decision. The
15 Board may by majority vote uphold or overturn the decision of the
16 sponsor. If the decision of the sponsor is overturned by the Board,
17 the charter school in question shall be closed.

18 5. The requirements of this subsection shall not apply to a
19 charter school that has been designated by the State Department of
20 Education as implementing an alternative education program
21 throughout the charter school.

22 H. In making a school site closure decision pursuant to
23 subsection G of this section, the Board shall consider the
24 following:

1 1. Enrollment of students with special challenges such as drug
2 or alcohol addiction, prior withdrawal from school, prior
3 incarceration or other special circumstances;

4 2. High mobility of the student population resulting from the
5 specific purpose of the charter school;

6 3. Annual improvement in the performance of students enrolled
7 in the charter school compared with the performance of students
8 enrolled in the charter school in the immediately preceding school
9 year; and

10 4. Whether a majority of students attending the charter school
11 under consideration for closure would likely revert to attending
12 public schools with lower academic achievement, as determined by the
13 school site grade on the school report card issued pursuant to
14 Section 1210.545 of this title.

15 I. If the Board has closed or transferred authorization of at
16 least twenty-five percent (25%) of the charter schools chartered by
17 one sponsor under subsection G of this section, the authority of the
18 sponsor to authorize new charter schools may be suspended by the
19 Board until the Board approves the sponsor to authorize new charter
20 schools. A determination under this section to suspend the
21 authority of a sponsor to authorize new charter schools shall
22 identify the deficiencies that, if corrected, will result in the
23 approval of the sponsor to authorize new charter schools.

1 J. If a sponsor terminates a contract or the charter school is
2 closed as provided for in subsection G of this section, the closure
3 and winding down of operations shall be conducted in accordance with
4 the following protocol:

5 1. Within two (2) calendar weeks of a final closure
6 determination, the sponsor shall meet with the governing board and
7 leadership of the charter school to establish a transition team
8 composed of school staff, applicant staff and others designated by
9 the applicant that will attend to the closure, including:

- 10 a. the transfer of students,
- 11 b. student records, and
- 12 c. school funds;

13 2. The sponsor and transition team shall communicate regularly
14 and effectively with families of students enrolled in the charter
15 school, as well as with school staff and other stakeholders, to keep
16 them apprised of key information regarding the closure of the school
17 and their options and risks;

18 3. The sponsor and transition team shall ensure that current
19 instruction of students enrolled in the charter school continues per
20 the charter agreement for the remainder of the school year;

21 4. The sponsor and transition team shall ensure that all
22 necessary and prudent notifications are issued to agencies,
23 employees, insurers, contractors, creditors, debtors and management
24 organizations; and

1 5. The governing board of the charter school shall continue to
2 meet as necessary to take actions needed to wind down school
3 operations, manage school finances, allocate resources and
4 facilitate all aspects of closure.

5 K. A sponsor shall develop revocation and nonrenewal processes
6 that are consistent with the Oklahoma Charter Schools Act and that:

7 1. Provide the public charter school with a timely notification
8 of the prospect of revocation or nonrenewal and of the reasons for
9 such possible closure;

10 2. Allow the charter school a reasonable amount of time in
11 which to prepare a response;

12 3. Provide the charter school with an opportunity to submit
13 documents and give testimony in a public hearing challenging the
14 rationale for closure and in support of the continuation of the
15 school at an orderly proceeding held for that purpose and which
16 shall be held prior to taking any final nonrenewal or revocation
17 decision related to the charter school;

18 4. Allow the charter school access to representation by counsel
19 and to call witnesses on its behalf;

20 5. Permit the recording of the proceedings; and

21 6. After a reasonable period for deliberation, require a final
22 determination be made and conveyed in writing to the charter school.

1 L. If a sponsor revokes or does not renew a charter, the
2 sponsor shall clearly state in a resolution the reasons for the
3 revocation or nonrenewal.

4 M. 1. Before a sponsor may issue a charter to a charter school
5 governing body that has had its charter terminated or has been
6 informed that its charter will not be renewed by the current
7 sponsor, the sponsor shall request to have the proposal reviewed by
8 the State Board of Education at a hearing. The Board shall conduct
9 a hearing in which the sponsor shall present information indicating
10 the proposal is substantively different in the areas of deficiency
11 identified by the current sponsor from the current proposal as set
12 forth within the charter with the current sponsor.

13 2. After conducting a hearing pursuant to this subsection, the
14 Board shall either approve or deny the proposal.

15 3. If the proposal is denied by the Board, a charter shall not
16 be issued by a sponsor to the charter school governing body.

17 N. If a contract is revoked or not renewed, the governing board
18 of the charter school may submit an application to a proposed new
19 sponsor as provided for in Section 3-134 of this title.

20 ~~E.~~ O. If a contract is not renewed or is terminated according
21 to this section, a student who attended the charter school may
22 enroll in the resident school district of the student or may apply
23 for a transfer in accordance with ~~Section 8-103 of this title~~ state
24 law.

1 SECTION 9. AMENDATORY 70 O.S. 2011, Section 3-140, as
2 last amended by Section 2, Chapter 212, O.S.L. 2013 (70 O.S. Supp.
3 2014, Section 3-140), is amended to read as follows:

4 Section 3-140. A. Except for a charter school sponsored by the
5 State Board of Education, a charter school shall enroll those
6 students whose legal residence is within the boundaries of the
7 school district in which the charter school is located and who
8 submit a timely application, or those students who transfer to the
9 district in which the charter school is located in accordance with
10 Section 8-103 or 8-104 of this title, unless the number of
11 applications exceeds the capacity of a program, class, grade level,
12 or building. Students who reside in a school district where a
13 charter school is located shall not be required to obtain a transfer
14 in order to attend a charter school in the school district of
15 residence. If capacity is insufficient to enroll all eligible
16 students, the charter school shall select students through a lottery
17 selection process. Except for a charter school sponsored by the
18 State Board of Education, a charter school shall give enrollment
19 preference to eligible students who reside within the boundaries of
20 the school district in which the charter school is located. Except
21 for a charter school sponsored by the State Board of Education, a
22 charter school created after the effective date of this act shall
23 give enrollment preference to eligible students who reside within
24 the boundaries of the school district in which the charter school is

1 located and who attend a school site that has been identified as in
2 need of improvement by the State Board of Education pursuant to the
3 Elementary and Secondary Education Act of 1965, as amended or
4 reauthorized. A charter school may limit admission to students
5 within a given age group or grade level. A charter school sponsored
6 by the State Board of Education when the applicant of the charter
7 school is the Office of Juvenile Affairs shall limit admission to
8 youth that are in the custody or supervision of the Office of
9 Juvenile Affairs.

10 B. Except for a charter school sponsored by the State Board of
11 Education, a charter school shall admit students who reside in the
12 attendance area of a school or in a school district that is under a
13 court order of desegregation or that is a party to an agreement with
14 the United States Department of Education Office for Civil Rights
15 directed towards mediating alleged or proven racial discrimination
16 unless notice is received from the resident school district that
17 admission of the student would violate the court order or agreement.

18 C. A charter school may designate a specific geographic area
19 within the school district in which the charter school is located as
20 an academic enterprise zone and may limit admissions to students who
21 reside within that area. An academic enterprise zone shall be a
22 geographic area in which sixty percent (60%) or more of the children
23 who reside in the area qualify for the free or reduced school lunch
24 program.

1 D. Except as provided in subsections B and C of this section, a
2 charter school shall not limit admission based on ethnicity,
3 national origin, gender, income level, disabling condition,
4 proficiency in the English language, measures of achievement,
5 aptitude, or athletic ability.

6 E. The sponsor of a charter school shall not restrict the
7 number of students the charter school may enroll. The capacity of
8 the charter school shall be determined annually by the governing
9 board of the charter school, taking into consideration the ability
10 of the charter school to facilitate the academic success of the
11 students, to achieve the other objectives specified in the charter
12 contract and to ensure that student enrollment does not exceed the
13 capacity of the facility or site.

14 SECTION 10. AMENDATORY 70 O.S. 2011, Section 3-142, as
15 amended by Section 3, Chapter 212, O.S.L. 2013 (70 O.S. Supp. 2014,
16 Section 3-142), is amended to read as follows:

17 Section 3-142. A. For purposes of funding, a charter school
18 sponsored by a board of education of a school district shall be
19 considered a site within the school district in which the charter
20 school is located. The student membership of the charter school
21 shall be considered separate from the student membership of the
22 district in which the charter school is located for the purpose of
23 calculating weighted average daily membership pursuant to Section
24 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of

1 this title. For charter schools sponsored by a board of education
2 of a school district, the sum of the separate calculations for the
3 charter school and the school district shall be used to determine
4 the total State Aid allocation for the district in which the charter
5 school is located. A charter school shall receive from the
6 sponsoring school district, the State Aid allocation and any other
7 state-appropriated revenue generated by its students for the
8 applicable year, less up to five percent (5%) of the State Aid
9 allocation, which may be retained by the school district as a fee
10 for administrative services rendered. For charter schools sponsored
11 by the board of education of a technology center school district, a
12 higher education institution, the State Board of Education, or a
13 federally recognized Indian tribe and for statewide virtual charter
14 schools sponsored by the Statewide Virtual Charter School Board, the
15 State Aid allocation for the charter school shall be distributed by
16 the State Board of Education and not more than five percent (5%) of
17 the State Aid allocation may be charged by the sponsor as a fee for
18 administrative services rendered. The State Board of Education
19 shall determine the policy and procedure for making payments to a
20 charter school. The fee for administrative services as authorized
21 in this subsection shall only be assessed on the State Aid
22 allocation amount and shall not be assessed on any other
23 appropriated amounts.

24

1 B. 1. The weighted average daily membership for the first year
2 of operation of a charter school shall be determined initially by
3 multiplying the actual enrollment of students as of August 1 by
4 1.333. The charter school shall receive revenue equal to that which
5 would be generated by the estimated weighted average daily
6 membership calculated pursuant to this paragraph. At midyear, the
7 allocation for the charter school shall be adjusted using the first
8 quarter weighted average daily membership for the charter school
9 calculated pursuant to subsection A of this section.

10 2. For the purpose of calculating weighted average daily
11 membership pursuant to Section 18-201.1 of this title and State Aid
12 pursuant to Section 18-200.1 of this title, the weighted average
13 daily membership for the first year of operation and each year
14 thereafter of a full-time virtual charter school shall be determined
15 by multiplying the actual enrollment of students as of August 1 by
16 1.333. The full-time virtual charter school shall receive revenue
17 equal to that which would be generated by the estimated weighted
18 average daily membership calculated pursuant to this paragraph. At
19 midyear, the allocation for the full-time virtual charter school
20 shall be adjusted using the first quarter weighted average daily
21 membership for the virtual charter school calculated pursuant to
22 subsection A of this section.

23 C. A charter school shall be eligible to receive any other aid,
24 grants or revenues allowed to other schools. A charter school

1 sponsored by the board of education of a technology center school
2 district, a higher education institution, the State Board of
3 Education, or a federally recognized Indian tribe shall be
4 considered a local education agency for purposes of funding. A
5 charter school sponsored by a board of education of a school
6 district shall be considered a local education agency for purposes
7 of federal funding.

8 D. A charter school, in addition to the money received from the
9 state, may receive money from any other source. Any unexpended
10 ~~nonstate funds, excluding local revenue,~~ may be reserved and used
11 for future purposes. If otherwise allowed by law, the governing
12 body of a charter school may enter into private contracts for the
13 purposes of borrowing money from lenders. If the governing body of
14 the charter school borrows money, the charter school shall be solely
15 responsible for repaying the debt. The state or the sponsor of the
16 charter school shall not in any way be responsible or obligated to
17 repay the debt of the charter school.

18 E. Any charter school which chooses to lease property shall be
19 eligible to receive current government lease rates.

20 ~~SECTION 11. This act shall become effective July 1, 2015.~~

21 ~~SECTION 12. It being immediately necessary for the preservation~~
22 ~~of the public peace, health and safety, an emergency is hereby~~
23 ~~declared to exist, by reason whereof this act shall take effect and~~
24 ~~be in full force from and after its passage and approval.~~

1 Passed the House of Representatives the 10th day of March, 2015.

2
3 _____
4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2015.

6
7
8 _____
9 Presiding Officer of the Senate