

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 HOUSE BILL 2720

By: Virgin

4
5
6 AS INTRODUCED

7 An Act relating to charter schools; amending 70 O.S.
8 2011, Section 3-132, as last amended by Section 1,
9 Chapter 170, O.S.L. 2015, Sections 3-134 and 3-135,
10 as amended by Sections 2 and 3, Chapter 170, O.S.L.
11 2015, Section 3-136, as amended by Section 1, Chapter
12 277, O.S.L. 2014, Section 3-137, as amended by
13 Section 4, Chapter 170, O.S.L. 2015, Sections 3-140
14 and 3-142, as last amended by Sections 5 and 6,
15 Chapter 170, O.S.L. 2015 (70 O.S. Supp. 2015,
16 Sections 3-132, 3-134, 3-135, 3-136, 3-137, 3-140 and
17 3-142), which relate to the Oklahoma Charter Schools
18 Act; modifying definitions of a charter school and
19 conversion charter school; excluding the governing
20 board of a conversion charter school from certain
21 categories; requiring the board of education to
22 comply with certain provisions prior to converting a
23 school; requiring documents to be in writing and
24 subject to the Oklahoma Open Records Act; requiring
all votes of a board relating to converting a school
to be in open session; requiring certain
notification; exempting certain boards of education
from certain contract requirements; adding conversion
charter schools to certain exemption; prohibiting a
local education agency from converting without
complying with certain provisions; requiring a
conversion charter school to comply with certain
accountability measures; adding conversion charter
schools to charter adoption requirements; exempting
conversion charter schools from tort liability,
statement of expenditures, contracting, taxing and
property disposal requirements; exempting conversion
charter schools from certain contract duration,
contract renewal, termination and performance-
reporting requirements; adding conversion charter
schools to procedures for identifying and closing

1 certain low-performing charter schools by the State
2 Board of Education; exempting conversion charter
3 schools from certain student eligibility and
4 enrollment requirements; requiring conversion charter
5 schools to enroll certain students; exempting the
6 governing body of a conversion charter school from
7 certain taxing and bonding restrictions; providing an
8 effective date; and declaring an emergency.

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

10 SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-132, as
11 last amended by Section 1, Chapter 170, O.S.L. 2015 (70 O.S. Supp.
12 2015, Section 3-132), is amended to read as follows:

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

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

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

3. By a technology center school district if the charter school
is located in a school district served by the technology center

1 school district and the school district has a school site that has
2 been identified as in need of improvement by the State Board of
3 Education pursuant to the Elementary and Secondary Education Act of
4 1965, as amended or reauthorized;

5 4. By an accredited comprehensive or regional institution that
6 is a member of The Oklahoma State System of Higher Education or a
7 community college if the charter school is located in a school
8 district in which all or part of the school district is located in a
9 county having more than five hundred thousand (500,000) population
10 according to the latest Federal Decennial Census;

11 5. By a comprehensive or regional institution that is a member
12 of The Oklahoma State System of Higher Education if the charter
13 school is located in a school district that has a school site that
14 has been identified as in need of improvement by the State Board of
15 Education pursuant to the Elementary and Secondary Education Act of
16 1965, as amended or reauthorized. In addition, the institution
17 shall have a teacher education program accredited by the Oklahoma
18 Commission for Teacher Preparation and have a branch campus or
19 constituent agency physically located within the school district in
20 which the charter school is located in the State of Oklahoma;

21 6. By a federally recognized Indian tribe, operating a high
22 school under the authority of the Bureau of Indian Affairs as of
23 November 1, 2010, if the charter school is for the purpose of
24 demonstrating native language immersion instruction, and is located

1 within its former reservation or treaty area boundaries. For
2 purposes of this paragraph, native language immersion instruction
3 shall require that educational instruction and other activities
4 conducted at the school site are primarily conducted in the native
5 language;

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

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

- a. a thorough and high-quality charter school application from the applicant based on the authorizing standards in subsection B of Section 3-134 of this title,
- b. a clear demonstration of community support for the charter school, and
- c. the grounds and basis of objection by the school district for denying the operation of the charter are not supported by the greater weight of evidence and the strength of the application.

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

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

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

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

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

1 E. For the purposes of the Oklahoma Charter Schools Act,
2 "conversion charter school" means a ~~charter~~ school created by
3 converting all or any part of a traditional public school site into
4 a charter school which may be operated by the school district board
5 of education or by an independent operating board elected by and
6 accountable to the school district board of education.

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

10 SECTION 2. AMENDATORY 70 O.S. 2011, Section 3-134, as
11 amended by Section 2, Chapter 170, O.S.L. 2015 (70 O.S. Supp. 2015,
12 Section 3-134), is amended to read as follows:

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

23 B. Except as otherwise provided for in Section 3-137 of this
24 title, an applicant seeking to establish a charter school shall

1 submit a written application to the proposed sponsor as prescribed
2 in subsection ~~E~~ F of this section. The application shall include:

3 1. A mission statement for the charter school;

4 2. A description including, but not limited to, background
5 information of the organizational structure and the governing body
6 of the charter school;

7 3. A financial plan for the first five (5) years of operation
8 of the charter school and a description of the treasurer or other
9 officers or persons who shall have primary responsibility for the
10 finances of the charter school. Such person shall have demonstrated
11 experience in school finance or the equivalent thereof;

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

13 5. The name of the applicant or applicants and requested
14 sponsor;

15 6. A description of the facility and location of the charter
16 school;

17 7. A description of the grades being served;

18 8. An outline of criteria designed to measure the effectiveness
19 of the charter school;

20 9. A demonstration of support for the charter school from
21 residents of the school district which may include but is not
22 limited to a survey of the school district residents or a petition
23 signed by residents of the school district;

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

1 20. An organizational chart that clearly presents the
2 organizational structure of the charter school, including lines of
3 authority and reporting between the governing board, staff, any
4 related bodies such as advisory bodies or parent and teacher
5 councils and any external organizations that will play a role in
6 managing the school;

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

11 22. The leadership and teacher employment policies for the
12 charter school;

13 23. Proposed governing bylaws;

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

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

19 26. Opportunities and expectations for parental involvement;

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

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

1 29. A description of the insurance coverage the charter school
2 will obtain;

3 30. Start-up and five-year budgets with clearly stated
4 assumptions;

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

7 32. Evidence of anticipated fundraising contributions, if
8 claimed in the application;

9 33. A sound facilities plan, including backup or contingency
10 plans if appropriate;

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

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

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

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

18 E. 1. For purposes for the Oklahoma Charter School Act, the
19 governing board of a conversion charter school shall not be
20 considered an applicant or a sponsor.

21 2. Prior to the board of education of a school district
22 converting all or part of a traditional public school site to a
23 conversion charter school, the board shall with documentation
24 demonstrate and comply with paragraphs 1, 2, 6, 7, 8, 9, 10, 13, 14,

1 15, 16, 17, 19, 20, 21, 22, 23, 24, 34 and 35 of subsection B of
2 this section. All documents shall be in writing and shall be public
3 records subject to the requirements of the Oklahoma Open Records
4 Act.

5 3. All votes by the board of education of a school district
6 relating to converting all or part of a traditional public school
7 site to a conversion charter school shall be held in an open public
8 session.

9 F. An applicant for a charter school may submit an application
10 to a proposed sponsor which shall either accept or reject
11 sponsorship of the charter school within ninety (90) days of receipt
12 of the application. If the proposed sponsor rejects the
13 application, it shall notify the applicant in writing of the reasons
14 for the rejection. The applicant may submit a revised application
15 for reconsideration to the proposed sponsor within thirty (30) days
16 after receiving notification of the rejection. The proposed sponsor
17 shall accept or reject the revised application within thirty (30)
18 days of its receipt. Should the sponsor reject the application on
19 reconsideration, the applicant may appeal the decision to the State
20 Board of Education with the revised application for review pursuant
21 to paragraph 8 of subsection A of Section 3-132 of this title. The
22 State Board of Education shall hear the appeal no later than sixty
23 (60) days from the date received by the Board.

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1 ~~F.~~ G. A board of education of a school district, board of
2 education of a technology center school district, higher education
3 institution, or federally recognized Indian tribe sponsor of a
4 charter school shall notify the State Board of Education when it
5 accepts sponsorship of a charter school. The notification shall
6 include a copy of the charter of the charter school. The board of
7 education of a school district that converts a traditional public
8 school site into a conversion charter school shall notify the State
9 Board of Education of the vote to approve the conversion. The
10 notification shall include a copy of the minutes for the board
11 meeting at which the conversion was approved.

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

23 ~~H.~~ I. If a board of education of a technology center school
24 district, a higher education institution, the State Board of

1 Education, or a federally recognized Indian tribe accepts
2 sponsorship of a charter school, the administrative, fiscal and
3 oversight responsibilities of the technology center school district,
4 the higher education institution, or the federally recognized Indian
5 tribe shall be listed in the contract. No responsibilities shall be
6 delegated to a school district unless the local school district
7 agrees to assume the responsibilities.

8 ~~I.~~ J. A sponsor of a public charter school shall have the
9 following powers and duties:

- 10 1. Provide oversight of the operations of charter schools in
11 the state through annual performance reviews of charter schools and
12 reauthorization of charter schools for which it is a sponsor;
- 13 2. Solicit and evaluate charter applications;
- 14 3. Approve quality charter applications that meet identified
15 educational needs and promote a diversity of educational choices;
- 16 4. Decline to approve weak or inadequate charter applications;
- 17 5. Negotiate and execute sound charter contracts with each
18 approved public charter school;
- 19 6. Monitor, in accordance with charter contract terms, the
20 performance and legal compliance of charter schools; and
- 21 7. Determine whether each charter contract merits renewal,
22 nonrenewal or revocation.

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1 ~~J.~~ K. Sponsors shall establish a procedure for accepting,
2 approving and disapproving charter school applications in accordance
3 with subsection ~~H~~ F of this section.

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

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

15 SECTION 3. AMENDATORY 70 O.S. 2011, Section 3-135, as
16 amended by Section 3, Chapter 170, O.S.L. 2015 (70 O.S. Supp. 2015,
17 Section 3-135), is amended to read as follows:

18 Section 3-135. A. ~~The~~ Except for a board of education of a
19 school district when acting as the governing board of a conversion
20 charter school as defined in Section 3-132 of this title, the
21 sponsor of a charter school shall enter into a written contract with
22 the governing body of the charter school. The contract shall
23 incorporate the provisions of the charter of the charter school and
24 contain, but shall not be limited to, the following provisions:

- 1 1. A description of the program to be offered by the school
2 which complies with the purposes outlined in Section 3-136 of this
3 title;
- 4 2. Admission policies and procedures;
- 5 3. Management and administration of the charter school,
6 including that a majority of the charter governing board members are
7 residents of the State of Oklahoma and meet no less than quarterly
8 in a public meeting within the boundaries of the school district in
9 which the charter school is located or within the State of Oklahoma
10 in the instance of multiple charter school locations by the same
11 sponsor;
- 12 4. Requirements and procedures for program and financial
13 audits;
- 14 5. A description of how the charter school will comply with the
15 charter requirements set forth in the Oklahoma Charter Schools Act;
- 16 6. Assumption of liability by the charter school;
- 17 7. The term of the contract;
- 18 8. A description of the high standards of expectation and rigor
19 for charter school plans and assurance that charter school plans
20 adopted meet at least those standards;
- 21 9. Policies that require that the charter school be as equally
22 free and open to all students as traditional public schools;

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

4 11. Policies that require the charter school to be subject to
5 the same academic standards and expectations as existing public
6 schools; and

7 12. A description of the requirements and procedures for the
8 charter school to receive funding in accordance with statutory
9 requirements and guidelines for existing public schools.

10 B. A charter school shall not enter into an employment contract
11 with any teacher or other personnel until the charter school has a
12 contract with a sponsoring school district. The employment contract
13 shall set forth the personnel policies of the charter school,
14 including, but not limited to, policies related to certification,
15 professional development evaluation, suspension, dismissal and
16 nonreemployment, sick leave, personal business leave, emergency
17 leave, and family and medical leave. The contract shall also
18 specifically set forth the salary, hours, fringe benefits, and work
19 conditions. The contract may provide for employer-employee
20 bargaining, but the charter school including a conversion charter
21 school shall not be required to comply with the provisions of
22 Sections 509.1 through 509.10 of this title. The contract shall
23 conform to all applicable provisions set forth in Section 3-136 of
24 this title.

1 Upon contracting with any teacher or other personnel, the
2 governing body of the charter school shall, in writing, disclose
3 employment rights of the employees in the event the charter school
4 closes or the charter is not renewed.

5 No charter school may begin serving students without a charter
6 contract executed in accordance with the provisions of the Oklahoma
7 Charter Schools Act and approved in an open meeting of the sponsor.
8 The sponsor may establish reasonable preopening requirements or
9 conditions to monitor the start-up progress of newly approved
10 charter schools and ensure that each school is prepared to open
11 smoothly on the date agreed and to ensure that each school meets all
12 building, health, safety, insurance and other legal requirements for
13 the opening of a school.

14 No local education agency may convert to a charter school
15 without first complying with subsection E of Section 3-134 of this
16 title.

17 C. The performance provisions within the charter contract shall
18 be based on a performance framework that clearly sets forth the
19 academic and operational performance indicators, measures and
20 metrics that will guide the evaluations of the charter school by the
21 sponsor. The sponsor shall require a charter school to submit the
22 data required in this section in the identical format that is
23 required by the State Department of Education of all public schools
24 in order to avoid duplicative administrative efforts or allow a

1 charter school to provide permission to the Department to share all
2 required data with the sponsor of the charter school. The
3 performance framework shall include indicators, measures and metrics
4 for, at a minimum:

5 1. Student academic proficiency;

6 2. Student academic growth;

7 3. Achievement gaps in both proficiency and growth between
8 major student subgroups;

9 4. Student attendance;

10 5. Recurrent enrollment from year to year as determined by the
11 methodology used for public schools in Oklahoma;

12 6. In the case of high schools, graduation rates as determined
13 by the methodology used for public schools in Oklahoma;

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

15 8. Financial performance and sustainability; and

16 9. Governing board performance and stewardship, including
17 compliance with all applicable laws, regulations and terms of the
18 charter contract.

19 D. The sponsor shall not request any metric or data from a
20 charter school that it does not produce or publish for all school
21 sites in the district or under its sponsorship, unless the metric or
22 data is unique to a charter school.

23 E. A conversion charter school shall be required to comply with
24 all accountability measures that are required of the traditional

1 public schools in the school district according to state and federal
2 law.

3 F. A charter contract may provide for one or more schools by an
4 applicant to the extent approved by the sponsor and consistent with
5 applicable law. An applicant or the governing board of an applicant
6 may hold one or more charter contracts. Each charter school that is
7 part of a charter contract shall be separate and distinct from any
8 other charter school under the same charter contract.

9 SECTION 4. AMENDATORY 70 O.S. 2011, Section 3-136, as
10 amended by Section 1, Chapter 277, O.S.L. 2014 (70 O.S. Supp. 2015,
11 Section 3-136), is amended to read as follows:

12 Section 3-136. A. A charter school, including a conversion
13 charter school except as otherwise provided for in this section,
14 shall adopt a charter which will ensure compliance with the
15 following:

16 1. A charter school shall comply with all federal regulations
17 and state and local rules and statutes relating to health, safety,
18 civil rights and insurance. By January 1, 2000, the State
19 Department of Education shall prepare a list of relevant rules and
20 statutes which a charter school must comply with as required by this
21 paragraph and shall annually provide an update to the list;

22 2. A charter school shall be nonsectarian in its programs,
23 admission policies, employment practices, and all other operations.
24 A sponsor may not authorize a charter school or program that is

1 affiliated with a nonpublic sectarian school or religious
2 institution;

3 3. The charter school may provide a comprehensive program of
4 instruction for a prekindergarten program, a kindergarten program or
5 any grade between grades one and twelve. Instruction may be
6 provided to all persons between the ages of four (4) and twenty-one
7 (21) years. A charter school may offer a curriculum which
8 emphasizes a specific learning philosophy or style or certain
9 subject areas such as mathematics, science, fine arts, performance
10 arts, or foreign language. The charter of a charter school which
11 offers grades nine through twelve shall specifically address whether
12 the charter school will comply with the graduation requirements
13 established in Section 11-103.6 of this title. No charter school
14 shall be chartered for the purpose of offering a curriculum for deaf
15 or blind students that is the same or similar to the curriculum
16 being provided by or for educating deaf or blind students that are
17 being served by the Oklahoma School for the Blind or the Oklahoma
18 School for the Deaf;

19 4. A charter school shall participate in the testing as
20 required by the Oklahoma School Testing Program Act and the
21 reporting of test results as is required of a school district. A
22 charter school shall also provide any necessary data to the Office
23 of Accountability;

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1 5. Except as provided for in the Oklahoma Charter Schools Act
2 and its charter, a charter school shall be exempt from all statutes
3 and rules relating to schools, boards of education, and school
4 districts;

5 6. A charter school, to the extent possible, shall be subject
6 to the same reporting requirements, financial audits, audit
7 procedures, and audit requirements as a school district. The State
8 Department of Education or State Auditor and Inspector may conduct
9 financial, program, or compliance audits. A charter school shall
10 use the Oklahoma Cost Accounting System to report financial
11 transactions to the sponsoring school district;

12 7. A charter school shall comply with all federal and state
13 laws relating to the education of children with disabilities in the
14 same manner as a school district;

15 8. A charter school shall provide for a governing body for the
16 school which shall be responsible for the policies and operational
17 decisions of the charter school;

18 9. A charter school shall not be used as a method of generating
19 revenue for students who are being home schooled and are not being
20 educated at an organized charter school site;

21 10. A charter school may not charge tuition or fees;

22 11. A charter school shall provide instruction each year for at
23 least the number of days required in Section 1-109 of this title;

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1 12. A charter school shall comply with the student suspension
2 requirements provided for in Section 24-101.3 of this title;

3 13. A Except for a conversion charter school, a charter school
4 shall be considered a school district for purposes of tort liability
5 under The Governmental Tort Claims Act;

6 14. Employees of a charter school may participate as members of
7 the Teachers' Retirement System of Oklahoma in accordance with
8 applicable statutes and rules if otherwise allowed pursuant to law;

9 15. A charter school may participate in all health and related
10 insurance programs available to the employees of the sponsor of the
11 charter school;

12 16. A charter school shall comply with the Oklahoma Open
13 Meeting Act and the Oklahoma Open Records Act;

14 17. The governing body of a charter school shall be subject to
15 the same conflict of interest requirements as a member of a local
16 school board; and

17 18. No later than September 1 each year, the governing board of
18 each charter school formed pursuant to the Oklahoma Charter Schools
19 Act, except for the governing board of a conversion charter school,
20 shall prepare a statement of actual income and expenditures for the
21 charter school for the fiscal year that ended on the preceding June
22 30, in a manner compliant with Section 5-135 of this title. The
23 statement of expenditures shall include functional categories as
24 defined in rules adopted by the State Board of Education to

1 implement the Oklahoma Cost Accounting System pursuant to Section 5-
2 145 of this title. Charter schools shall not be permitted to submit
3 estimates of expenditures or prorated amounts to fulfill the
4 requirements of this paragraph.

5 B. The charter of a charter school shall include a description
6 of the personnel policies, personnel qualifications, and method of
7 school governance, and the specific role and duties of the sponsor
8 of the charter school.

9 C. The charter of a charter school may be amended at the
10 request of the governing body of the charter school and upon the
11 approval of the sponsor.

12 D. A Except for a conversion charter school, a charter school
13 may enter into contracts and sue and be sued.

14 E. The Except for the governing body of a conversion charter
15 school that is comprised entirely of the same membership as the
16 board of education of the school district in which the conversion
17 charter school is located, the governing body of a charter school
18 may not levy taxes or issue bonds.

19 F. The Except for the charter of a conversion charter school,
20 the charter of a charter school shall include a provision specifying
21 the method or methods to be employed for disposing of real and
22 personal property acquired by the charter school upon expiration or
23 termination of the charter or failure of the charter school to
24 continue operations. Except as otherwise provided, any real or

1 personal property purchased with state or local funds shall be
2 retained by the sponsoring school district. If a charter school
3 that was previously sponsored by the board of education of a school
4 district continues operation within the school district under a new
5 charter sponsored by an entity authorized pursuant to Section 3-132
6 of this title, the charter school may retain any personal property
7 purchased with state or local funds for use in the operation of the
8 charter school until termination of the new charter or failure of
9 the charter school to continue operations.

10 SECTION 5. AMENDATORY 70 O.S. 2011, Section 3-137, as
11 amended by Section 4, Chapter 170, O.S.L. 2015 (70 O.S. Supp. 2015,
12 Section 3-137), is amended to read as follows:

13 Section 3-137. A. An approved contract for a charter school
14 shall be effective for five (5) years from the first day of
15 operation. A charter contract may be renewed for successive five-
16 year terms of duration, although the sponsor may vary the term based
17 on the performance, demonstrated capacities and particular
18 circumstances of each charter school. A sponsor may grant renewal
19 with specific conditions for necessary improvements to a charter
20 school.

21 B. Prior to the beginning of the fourth year of operation of a
22 charter school, the sponsor shall issue a charter school performance
23 report and charter renewal application guidance to the school and
24 the charter school board. The performance report shall summarize

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

10 C. 1. Prior to the beginning of the fifth year of operation,
11 the charter school may apply for renewal of the contract with the
12 sponsor. The renewal application guidance shall, at a minimum,
13 provide an opportunity for the charter school to:

- 14 a. present additional evidence, beyond the data contained
15 in the performance report, supporting its case for
16 charter renewal,
- 17 b. describe improvements undertaken or planned for the
18 school, and
- 19 c. detail the plan for the next charter term for the
20 school.

21 2. The renewal application 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 and 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 used as the
22 | basis for each decision.

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

1 proceed to binding arbitration as provided for in subsection G H of
2 Section 3-134 of this title.

3 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 binding arbitration
14 as provided for in subsection G H of Section 3-134 of this title.

15 G. The provisions of subsections A through F and I through N of
16 this section shall not apply to a conversion charter school. A
17 conversion charter school shall be effective for five (5) years from
18 the first day of operation or for less than five (5) years if
19 determined by a vote of the board of education of the school
20 district. A conversion charter school may continue to operate for
21 successive five-year terms of duration subject to approval by a vote
22 of the board of education of the school district.

23 H. 1. Beginning in the 2016-2017 school year, the State Board
24 of Education shall identify charter schools including conversion

1 charter schools in the state that are ranked in the bottom five
2 percent (5%) of all public schools as determined pursuant to Section
3 1210.545 of this title.

4 2. At the time of its charter renewal, based on an average of
5 the current year and the two (2) prior operating years, a sponsor
6 may close a charter school site identified as being among the bottom
7 five percent (5%) of public schools in the state. The average of
8 the current year and two (2) prior operating years shall be
9 calculated by using the percentage ranking for each year divided by
10 three, as determined by this subsection. The governing board of a
11 conversion charter school identified as being among the bottom five
12 percent (5%) of public schools in the state may convert back to a
13 traditional public school.

14 3. If there is a change to the calculation described in Section
15 1210.545 of this title that results in a charter school site that
16 was not ranked in the bottom five percent (5%) being ranked in the
17 bottom five percent (5%), then the sponsor of a charter school or
18 the governing body of a conversion charter school shall use the
19 higher of the two rankings to calculate the ranking of the charter
20 school site.

21 4. In the event that a sponsor fails to close a charter school
22 site or in the event the governing body of a conversion charter
23 school fails to convert the conversion charter school back to a
24 traditional public school consistent with this subsection, the

1 sponsor shall appear before the State Board of Education to provide
2 support for its decision. The State Board of Education may, by
3 majority vote, uphold or overturn the decision of the sponsor of a
4 charter school or the governing body of a conversion charter school.

5 If the decision of the sponsor is overturned by the State Board of
6 Education, the Board may implement one of the following actions:

- 7 a. transfer the sponsorship of the charter school
8 identified in this paragraph to another sponsor,
- 9 b. order the closure of the charter school identified in
10 this paragraph at the end of the current school year,
11 or
- 12 c. order the reduction of any administrative fee
13 collected by the sponsor that is applicable to the
14 charter school identified in this paragraph. The
15 reduction shall become effective at the beginning of
16 the month following the month the hearing of the
17 sponsor is held by the State Board of Education.

18 If the decision of the governing body of a conversion charter
19 school is overturned by the State Board of Education, the Board may
20 require the board of education of the school district for the
21 conversion charter school to convert the conversion charter school
22 back to a traditional public school and can prohibit the approval of
23 another conversion within the same school district for a period of
24 not less than five (5) years.

1 5. A charter school that is closed by the State Board of
2 Education pursuant to paragraph 4 of this subsection shall not be
3 granted a charter by any other sponsor.

4 6. The requirements of this subsection shall not apply to a
5 charter school that has been designed by the State Department of
6 Education as implementing an alternative education program
7 throughout the charter school.

8 7. In making a school site closure decision, the State Board of
9 Education shall consider the following:

- 10 a. enrollment of students with special challenges such as
11 drug or alcohol addiction, prior withdrawal from
12 school, prior incarceration or other special
13 circumstances,
- 14 b. high mobility of the student population resulting from
15 the specific purpose of the charter school,
- 16 c. annual improvement in the performance of students
17 enrolled in the charter school compared with the
18 performance of students enrolled in the charter school
19 in the immediately preceding school year, and
- 20 d. whether a majority of students attending the charter
21 school under consideration for closure would likely
22 revert to attending public schools with lower academic
23 achievement, as demonstrated pursuant to Section
24 1210.545 of this title.

1 8. If the State Board of Education has closed or transferred
2 authorization of at least twenty-five percent (25%) of the charter
3 schools chartered by one sponsor pursuant to paragraph 4 of this
4 subsection, the authority of the sponsor to authorize new charter
5 schools may be suspended by the Board until the Board approves the
6 sponsor to authorize new charter schools. A determination under
7 this paragraph to suspend the authority of a sponsor to authorize
8 new charter schools shall identify the deficiencies that, if
9 corrected, will result in the approval of the sponsor to authorize
10 new charter schools.

11 ~~H.~~ I. If a sponsor terminates a contract or the charter school
12 is closed, the closure shall be conducted in accordance with the
13 following protocol:

14 1. Within two (2) calendar weeks of a final closure
15 determination, the sponsor shall meet with the governing board and
16 leadership of the charter school to establish a transition team
17 composed of school staff, applicant staff and others designated by
18 the applicant that will attend to the closure, including the
19 transfer of students, student records and school funds;

20 2. The sponsor and transition team shall communicate regularly
21 and effectively with families of students enrolled in the charter
22 school, as well as with school staff and other stakeholders, to keep
23 them apprised of key information regarding the closure of the school
24 and their options and risks;

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

4 4. The sponsor and transition team shall ensure that all
5 necessary and prudent notifications are issued to agencies,
6 employees, insurers, contractors, creditors, debtors and management
7 organizations; and

8 5. The governing board of the charter school shall continue to
9 meet as necessary to take actions needed to wind down school
10 operations, manage school finances, allocate resources and
11 facilitate all aspects of closure.

12 ~~I.~~ J. A sponsor shall develop revocation and nonrenewal
13 processes that are consistent with the Oklahoma Charter Schools Act
14 and that:

15 1. Provide the charter school with a timely notification of the
16 prospect of revocation or nonrenewal and of the reasons for possible
17 closure;

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

20 3. Provide the charter school with an opportunity to submit
21 documents and give testimony in a public hearing challenging the
22 rationale for closure and in support of the continuation of the
23 school at an orderly proceeding held for that purpose and prior to
24

1 taking any final nonrenewal or revocation decision related to the
2 school;

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

5 5. Permit the recording of the proceedings; and

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

8 ~~J.~~ K. If a sponsor revokes or does not renew a charter, the
9 sponsor shall clearly state in a resolution the reasons for the
10 revocation or nonrenewal.

11 ~~K.~~ L. 1. Before a sponsor may issue a charter to a charter
12 school governing body that has had its charter terminated or has
13 been informed that its charter will not be renewed by the current
14 sponsor, the sponsor shall request to have the proposal reviewed by
15 the State Board of Education at a hearing. The State Board of
16 Education shall conduct a hearing in which the sponsor shall present
17 information indicating that the proposal of the organizer is
18 substantively different in the areas of deficiency identified by the
19 current sponsor from the current proposal as set forth within the
20 charter with its current sponsor.

21 2. After the State Board of Education conducts a hearing
22 pursuant to this subsection, the Board shall either approve or deny
23 the proposal.

24

1 3. If the proposal is denied, no sponsor may issue a charter to
2 the charter school governing body.

3 ~~H.~~ M. If a contract is not renewed, the governing board of the
4 charter school may submit an application to a proposed new sponsor
5 as provided for in Section 3-134 of this title.

6 ~~M.~~ N. If a contract is not renewed or is terminated according
7 to this section, a student who attended the charter school may
8 enroll in the resident school district of the student or may apply
9 for a transfer in accordance with Section 8-103 of this title.

10 SECTION 6. AMENDATORY 70 O.S. 2011, Section 3-140, as
11 last amended by Section 5, Chapter 170, O.S.L. 2015 (70 O.S. Supp.
12 2015, Section 3-140), is amended to read as follows:

13 Section 3-140. A. Except for a charter school sponsored by the
14 State Board of Education, a charter school shall enroll those
15 students whose legal residence is within the boundaries of the
16 school district in which the charter school is located and who
17 submit a timely application, or those students who transfer to the
18 district in which the charter school is located in accordance with
19 Section 8-103 or 8-104 of this title, unless the number of
20 applications exceeds the capacity of a program, class, grade level,
21 or building. Students who reside in a school district where a
22 charter school is located shall not be required to obtain a transfer
23 in order to attend a charter school in the school district of
24 residence. If capacity is insufficient to enroll all eligible

1 students, the charter school shall select students through a lottery
2 selection process. Except for a charter school sponsored by the
3 State Board of Education, a charter school shall give enrollment
4 preference to eligible students who reside within the boundaries of
5 the school district in which the charter school is located. Except
6 for a charter school sponsored by the State Board of Education, a
7 charter school created after November 1, 2010, shall give enrollment
8 preference to eligible students who reside within the boundaries of
9 the school district in which the charter school is located and who
10 attend a school site that has been identified as in need of
11 improvement by the State Board of Education pursuant to the
12 Elementary and Secondary Education Act of 1965, as amended or
13 reauthorized. A charter school may limit admission to students
14 within a given age group or grade level. A charter school sponsored
15 by the State Board of Education when the applicant of the charter
16 school is the Office of Juvenile Affairs shall limit admission to
17 youth that are in the custody or supervision of the Office of
18 Juvenile Affairs.

19 B. Except for a charter school sponsored by the State Board of
20 Education, a charter school shall admit students who reside in the
21 attendance area of a school or in a school district that is under a
22 court order of desegregation or that is a party to an agreement with
23 the United States Department of Education Office for Civil Rights
24 directed towards mediating alleged or proven racial discrimination

1 unless notice is received from the resident school district that
2 admission of the student would violate the court order or agreement.

3 C. A charter school may designate a specific geographic area
4 within the school district in which the charter school is located as
5 an academic enterprise zone and may limit admissions to students who
6 reside within that area. An academic enterprise zone shall be a
7 geographic area in which sixty percent (60%) or more of the children
8 who reside in the area qualify for the free or reduced school lunch
9 program.

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

15 E. A sponsor of a charter school shall not restrict the number
16 of students a charter school may enroll. The capacity of the
17 charter school shall be determined annually by the governing board
18 of the charter school based on the ability of the charter school to
19 facilitate the academic success of the students, to achieve the
20 other objectives specified in the charter contract and to ensure
21 that the student enrollment does not exceed the capacity of its
22 facility or site.

23 F. The provisions of this section shall not apply to conversion
24 charter schools. A conversion charter school shall be required to

1 enroll all students eligible to enroll in the school district in
2 which the conversion charter school is located in the same capacity
3 as traditional public schools in the school district and pursuant to
4 state and federal laws.

5 SECTION 7. AMENDATORY 70 O.S. 2011, Section 3-142, as
6 last amended by Section 6, Chapter 170, O.S.L. 2015 (70 O.S. Supp.
7 2015, Section 3-142), is amended to read as follows:

8 Section 3-142. A. For purposes of funding, a charter school
9 sponsored by a board of education of a school district shall be
10 considered a site within the school district in which the charter
11 school is located. The student membership of the charter school
12 shall be considered separate from the student membership of the
13 district in which the charter school is located for the purpose of
14 calculating weighted average daily membership pursuant to Section
15 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of
16 this title. For charter schools sponsored by a board of education
17 of a school district, the sum of the separate calculations for the
18 charter school and the school district shall be used to determine
19 the total State Aid allocation for the district in which the charter
20 school is located. A charter school shall receive from the
21 sponsoring school district, the State Aid allocation and any other
22 state-appropriated revenue generated by its students for the
23 applicable year, less up to five percent (5%) of the State Aid
24 allocation, which may be retained by the school district as a fee

1 for administrative services rendered. For charter schools sponsored
2 by the board of education of a technology center school district, a
3 higher education institution, the State Board of Education, or a
4 federally recognized Indian tribe and for statewide virtual charter
5 schools sponsored by the Statewide Virtual Charter School Board, the
6 State Aid allocation for the charter school shall be distributed by
7 the State Board of Education and not more than five percent (5%) of
8 the State Aid allocation may be charged by the sponsor as a fee for
9 administrative services rendered. The State Board of Education
10 shall determine the policy and procedure for making payments to a
11 charter school. The fee for administrative services as authorized
12 in this subsection shall only be assessed on the State Aid
13 allocation amount and shall not be assessed on any other
14 appropriated amounts.

15 B. 1. The weighted average daily membership for the first year
16 of operation of a charter school shall be determined initially by
17 multiplying the actual enrollment of students as of August 1 by
18 1.333. The charter school shall receive revenue equal to that which
19 would be generated by the estimated weighted average daily
20 membership calculated pursuant to this paragraph. At midyear, the
21 allocation for the charter school shall be adjusted using the first
22 quarter weighted average daily membership for the charter school
23 calculated pursuant to subsection A of this section.

24

1 2. For the purpose of calculating weighted average daily
2 membership pursuant to Section 18-201.1 of this title and State Aid
3 pursuant to Section 18-200.1 of this title, the weighted average
4 daily membership for the first year of operation and each year
5 thereafter of a full-time virtual charter school shall be determined
6 by multiplying the actual enrollment of students as of August 1 by
7 1.333. The full-time virtual charter school shall receive revenue
8 equal to that which would be generated by the estimated weighted
9 average daily membership calculated pursuant to this paragraph. At
10 midyear, the allocation for the full-time virtual charter school
11 shall be adjusted using the first quarter weighted average daily
12 membership for the virtual charter school calculated pursuant to
13 subsection A of this section.

14 C. A charter school shall be eligible to receive any other aid,
15 grants or revenues allowed to other schools. A charter school
16 sponsored by the board of education of a technology center school
17 district, a higher education institution, the State Board of
18 Education, or a federally recognized Indian tribe shall be
19 considered a local education agency for purposes of funding. A
20 charter school sponsored by a board of education of a school
21 district shall be considered a local education agency for purposes
22 of federal funding.

23 D. A charter school, in addition to the money received from the
24 state, may receive money from any other source. Any unexpended

1 funds may be reserved and used for future purposes. ~~The~~ Except for
2 the governing body of a conversion charter school if it is composed
3 of the same members of the board of education of the school
4 district, the governing body of a charter school shall not levy
5 taxes or issue bonds. If otherwise allowed by law, the governing
6 body of a charter school may enter into private contracts for the
7 purposes of borrowing money from lenders. If the governing body of
8 the charter school borrows money, the charter school shall be solely
9 responsible for repaying the debt, and the state or the sponsor
10 shall not in any way be responsible or obligated to repay the debt.

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

13 SECTION 8. This act shall become effective July 1, 2016.

14 SECTION 9. It being immediately necessary for the preservation
15 of the public peace, health and safety, an emergency is hereby
16 declared to exist, by reason whereof this act shall take effect and
17 be in full force from and after its passage and approval.

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