

1 ENGROSSED SENATE
2 BILL NO. 359

By: Stanislawski of the Senate

3 and

4 Rogers of the House

5
6 An Act relating to charter schools; allowing the
7 governing board of a charter school to submit a
8 request to certain school district board of education
9 to participate in certain bond election; requiring
10 request to be considered received upon certain date;
11 requiring the request to include certain information;
12 requiring the board of education to consider the
13 request within certain time period; requiring the
14 school district board of education and the governing
15 body of the charter school to enter into certain
16 agreement if the request is approved; providing
17 criteria for agreement; directing a board of
18 education to provide a requesting charter school with
19 certain information if a request is denied; allowing
20 a question to issue bonds to include certain
21 information; allowing charter schools right of first
22 refusal to purchase or lease certain public school
23 property; and providing for codification.
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BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 3-136.1 of Title 70, unless
there is created a duplication in numbering, reads as follows:

A. The governing board of a charter school approved pursuant to
Section 3-132 of Title 70 of the Oklahoma Statutes may submit a
written request to the board of education of the school district in
which the charter school is located to participate in a local bond

1 election authorized by Section 26 of Article X of the Oklahoma
2 Constitution. The written request shall be considered received as
3 of the next regularly scheduled meeting of the school district board
4 of education. The request shall include:

5 1. A description of the capital construction to be financed by
6 the bonded indebtedness and an estimated timeline for completion;
7 and

8 2. An estimate of the total cost of completing the capital
9 construction to be financed by bond indebtedness and an explanation
10 why revenue sources other than bond indebtedness are inadequate to
11 fully finance the project.

12 B. The school district board of education shall consider the
13 request and shall issue a written response within thirty (30) days
14 of receipt to approve the request or deny the request.

15 C. If the school district board of education approves a charter
16 school's request to participate in a local bond election, prior to
17 submitting the ballot question to the voters of the school district,
18 the school district board of education and the governing board of
19 the charter school shall enter into a written agreement. The
20 agreement shall include at a minimum:

21 1. The question to be posed to electors;

22 2. A statement that the cost of submitting the ballot question
23 shall be borne by both the district and the charter school in
24 proportion to their respective portions of the total bond proceeds

1 to be received unless the parties agree to a different cost-sharing
2 agreement;

3 3. A statement that investment and interest earnings on bond
4 proceeds shall be distributed on a pro rata basis to the
5 participating charter school after the management fees have been
6 collected unless the parties agree to a different cost-sharing
7 agreement;

8 4. An agreement as to the amount, timing and process by which
9 the bond proceeds and investment and interest earnings on the
10 proceeds shall be distributed to the charter school;

11 5. A statement that construction standards for the charter
12 school's capital construction project shall meet applicable state
13 building code requirements;

14 6. A statement that construction and renovation, payment of
15 overrun costs and other capital construction project issues will be
16 managed by the charter school and the school district will be held
17 harmless; and

18 7. A plan for disposition of the property if the charter
19 school's sponsor revokes or does not renew the charter contract.
20 The plan may include conveyance of the property to the school
21 district following payments to senior secured creditors, if any.

22 D. If the school district board of education denies the charter
23 school's request, the board of education shall provide the charter
24 school with a written statement specifying the reasons for denying

1 the request. The charter school shall have an opportunity to
2 address any issues raised by the board of education and resubmit a
3 request. A revised request shall be considered part of the original
4 request for the purposes of subsection A of this section.

5 E. When a school district board of education submits to the
6 qualified electors the question of whether the board of education
7 shall be empowered to issue negotiable bonds of the school district
8 pursuant to Section 26 of Article X of the Oklahoma Constitution, it
9 may include the charter school's capital construction needs as part
10 of a ballot question for approval of bonded indebtedness to be
11 submitted by the district to the voters of the district consistent
12 with the terms of the agreement entered into pursuant to subsection
13 C of this section. Nothing in this section shall alter the
14 prohibition against a charter school's ability to independently levy
15 taxes or issue bonds as set forth in Section 3-136 of Title 70 of
16 the Oklahoma Statutes.

17 F. If a school district board of education decides to sell or
18 lease a public school property, a charter school located within the
19 school district shall have the right of first refusal to purchase or
20 lease the property at or below fair market value.

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