

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 SENATE BILL 665

By: Dossett (J.J.)

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5
6 AS INTRODUCED

7 An Act relating to charter schools; amending Section
8 5, Chapter 367, O.S.L. 2012, as last amended by
9 Section 2, Chapter 27, O.S.L. 2020 (70 O.S. Supp.
10 2020, Section 3-145.3), which relates to the
11 Statewide Virtual Charter School Board; prohibiting
12 certain for-profit entities from applying for,
13 receiving or renewing certain application or
14 contract; amending Section 2, Chapter 272, O.S.L.
15 2019 (70 O.S. Supp. 2020, Section 5-200), which
16 relates to educational management organizations;
17 removing ability for organization to be for-profit;
18 and providing an effective date.

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

20 SECTION 1. AMENDATORY Section 5, Chapter 367, O.S.L.
21 2012, as last amended by Section 2, Chapter 27, O.S.L. 2020 (70 O.S.
22 Supp. 2020, Section 3-145.3), is amended to read as follows:

23 Section 3-145.3. A. Subject to the requirements of the
24 Oklahoma Charter Schools Act, the Statewide Virtual Charter School
25 Board shall:

26 1. Provide oversight of the operations of statewide virtual
27 charter schools in this state;

1 2. Establish a procedure for accepting, approving and
2 disapproving statewide virtual charter school applications and a
3 process for renewal or revocation of approved charter school
4 contracts which minimally meet the procedures set forth in the
5 Oklahoma Charter Schools Act. Beginning with the 2023-2024 school
6 year, for-profit management organizations or other for-profit
7 business entities shall not be eligible to apply for, receive or
8 renew a statewide virtual charter school application or contract;

9 3. Make publicly available a list of supplemental online
10 courses which have been reviewed and certified by the Statewide
11 Virtual Charter School Board to ensure that the courses are high
12 quality options and are aligned with the subject matter standards
13 adopted by the State Board of Education pursuant to Section 11-103.6
14 of this title. The Statewide Virtual Charter School Board shall
15 give special emphasis on listing supplemental online courses in
16 science, technology, engineering and math (STEM), foreign language
17 and advanced placement courses. School districts shall not be
18 limited to selecting supplemental online courses that have been
19 reviewed and certified by the Statewide Virtual Charter School Board
20 and listed as provided for in this paragraph; and

21 4. In conjunction with the Office of Management and Enterprise
22 Services, negotiate and enter into contracts with supplemental
23 online course providers to offer a state rate price to school
24 districts for supplemental online courses that have been reviewed

1 and certified by the Statewide Virtual Charter School Board and
2 listed as provided for in paragraph 3 of this subsection.

3 B. Each statewide virtual charter school which has been
4 approved and sponsored by the Board or any virtual charter school
5 for which the Board has assumed sponsorship of as provided for in
6 Section 3-145.5 of this title shall be considered a statewide
7 virtual charter school and, except as provided in subsection H of
8 this section, the geographic boundaries of each statewide virtual
9 charter school shall be the borders of the state.

10 C. Each statewide virtual charter school approved by the
11 Statewide Virtual Charter School Board shall be eligible to receive
12 federal funds generated by students enrolled in the charter school
13 for the applicable year. Each statewide virtual charter school
14 shall be considered a separate local education agency for purposes
15 of reporting and accountability.

16 D. As calculated as provided for in Section 3-142 of this
17 title, a statewide virtual charter school shall receive the State
18 Aid allocation and any other state-appropriated revenue generated by
19 students enrolled in the virtual charter school for the applicable
20 year, less up to five percent (5%) of the State Aid allocation,
21 which may be retained by the Statewide Virtual Charter School Board
22 for administrative expenses and to support the mission of the Board.
23 A statewide virtual charter school shall be eligible for any other
24 funding any other charter school is eligible for as provided for in

1 Section 3-142 of this title. Each statewide virtual charter school
2 shall be considered a separate local education agency for purposes
3 of reporting and accountability.

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

11 F. A virtual charter school governing body shall be responsible
12 for the policies that govern the operational decisions of the
13 virtual charter school. The governing body of a virtual charter
14 school shall be subject to the same conflict of interest
15 requirements as a member of a local school board including, but not
16 limited to, Sections 5-113 and 5-124 of this title. Members
17 appointed to the governing body of a virtual charter school after
18 July 1, 2019, shall be subject to the same instruction and
19 continuing education requirements as a member of a local school
20 board and pursuant to Section 5-110 of this title, complete twelve
21 (12) hours of instruction within fifteen (15) months of appointment
22 to the governing body, and pursuant to Section 5-110.1 of this
23 title, attend continuing education.

1 G. Students enrolled full-time in a statewide virtual charter
2 school sponsored by the Statewide Virtual Charter School Board shall
3 not be authorized to participate in any activities administered by
4 the Oklahoma Secondary Schools Activities Association. However, the
5 students may participate in intramural activities sponsored by a
6 statewide virtual charter school, an online provider for the charter
7 school or any other outside organization.

8 H. 1. Beginning with the 2021-2022 school year, public school
9 students who wish to enroll in a virtual charter school shall be
10 considered a transfer student from their resident school district.
11 A virtual charter school shall pre-enroll any public school student
12 whose parent expresses intent to enroll in the district. Upon pre-
13 enrollment, the State Department of Education shall initiate a
14 transfer on a form to be completed by the receiving virtual charter
15 school. Upon approval of the receiving virtual charter school, the
16 student may begin instructional activities. Upon notice that a
17 public school student has transferred to a virtual charter school,
18 the resident school district shall transmit the student's records
19 within three (3) school days.

20 2. The State Department of Education shall notify the
21 Legislature and Governor if it determines that the information
22 technology infrastructure necessary to process the transfer of
23 students to a virtual charter school is inadequate and one (1)
24 additional school year is needed for implementation.

1 3. A public school student may transfer to one statewide
2 virtual charter school at any time during a school year. For
3 purposes of this subsection, "school year" shall mean July 1 through
4 the following June 30. After one statewide virtual charter school
5 transfer during a school year, no public school student shall be
6 permitted to transfer to any other statewide virtual charter school
7 without the concurrence of both the resident school district and the
8 receiving virtual charter school. A student shall have a grace
9 period of fifteen (15) school days from the first day of enrollment
10 in a statewide virtual charter school to withdraw without academic
11 penalty and shall continue to have the option of one virtual charter
12 school transfer without the concurrence of both districts during
13 that same school year. A statewide virtual charter school student
14 that has utilized the allowable one transfer pursuant to this
15 subsection shall not be permitted to transfer to another district or
16 other statewide virtual charter school without first notifying his
17 or her resident district and initiating a new transfer. Upon
18 cancellation of a transfer the virtual charter school shall transmit
19 the student's records to the student's new school district within
20 three (3) school days. Students enrolled in a statewide virtual
21 charter school shall not be required to submit a virtual charter
22 transfer for consecutive years of enrollment. Any student enrolled
23 in a statewide virtual charter school the year prior to the

1 implementation of this section shall not be required to submit a
2 transfer in order to remain enrolled.

3 4. For purposes of this subsection, "parent" shall mean the
4 parent of the student or person having custody of the student as
5 provided for in paragraph 1 of subsection A of Section 1-113 of this
6 title.

7 I. A virtual charter school shall not accept or deny a transfer
8 based on ethnicity, national origin, gender, income level, disabling
9 condition, proficiency in the English language, measure of
10 achievement, aptitude or athletic ability.

11 J. The decision of the Statewide Virtual Charter School Board
12 to deny, nonrenew or terminate the charter contract of a statewide
13 virtual charter school may be appealed to the State Board of
14 Education within thirty (30) days of the decision by the Statewide
15 Virtual Charter School Board. The State Board of Education shall
16 act on the appeal within sixty (60) days of receipt of the request
17 from the statewide virtual charter school applicant. The State
18 Board of Education may reverse the decision of the Statewide Virtual
19 Charter School Board or may remand the matter back to the Statewide
20 Virtual Charter School Board for further proceeding as directed.

21 SECTION 2. AMENDATORY Section 2, Chapter 272, O.S.L.
22 2019 (70 O.S. Supp. 2020, Section 5-200), is amended to read as
23 follows:
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1 Section 5-200. A. As used in this section, "educational
2 management organization" means a ~~for-profit or~~ nonprofit
3 organization that receives public funds to provide administration
4 and management services for a charter school, statewide virtual
5 charter school or traditional public school.

6 B. A charter school that contracts with an educational
7 management organization shall use the Oklahoma Cost Accounting
8 System (OCAS) to report the total amount paid to an educational
9 management organization as well as itemized expenditure information
10 for the goods or services provided by the management organization as
11 defined by OCAS expenditure codes, including the total compensation
12 package of the superintendent including the base salary, insurance,
13 retirement and other fringe benefits.

14 C. Any owner of an educational management organization shall be
15 required to disclose to the governing board of the school in a
16 public meeting any ownership position in any business that contracts
17 or proposes to contract with the same public school that the
18 educational management organization is managing.

19 D. Whenever any person shall enter into a contract with any
20 school district or public charter school in the state to teach in
21 such school district or public charter school the contract shall be
22 binding on the teacher and on the board of education until the
23 teacher legally has been discharged from the teaching position or
24 released by the board of education from the contract. Except as

1 provided in Section 5-106A of Title 70 of the Oklahoma Statutes,
2 until such teacher has been thus discharged or released, the teacher
3 shall not have authority to enter into a contract with any other
4 board of education in Oklahoma for the same time covered by the
5 original contract. If upon written complaint by the board of
6 education in a district any teacher is reported to have failed to
7 obey the terms of the contract previously made and to have entered
8 into a contract with another board of education, including a public
9 charter school board of education, without having been released from
10 the former contract except as provided in Section 5-106A of Title 70
11 of the Oklahoma Statutes, the teacher, upon being found to be
12 employed full-time for another public school, including a public
13 charter school in the state, at a hearing held before the State
14 Board of Education, shall have such teacher's certificate suspended
15 for the remainder of the term for which the contract was made.

16 SECTION 3. This act shall become effective November 1, 2022.

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