

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 SENATE BILL 782

By: Jolley

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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 212, O.S.L. 2013 (70 O.S. Supp. 2014, Section
10 3-132), which relates to the Oklahoma Charter Schools
11 Act; modifying criteria for charter school sponsors;
12 removing certain sponsors; allowing the State Board
13 of Education to sponsor a certain number of charter
14 schools in counties with certain population; allowing
15 certain priority for charter schools; amending 70
16 O.S. 2011, Section 3-134, which relates to charter
17 applications; adding certain information required in
18 application; providing powers and duties of a charter
19 school sponsor; directing charter school sponsors to
20 establish certain policies and procedures; providing
21 immunity from liability to sponsors for certain
22 activities; amending 70 O.S. 2011, Section 3-135,
23 which relates to charter school contracts; adding
24 certain requirements for charter school contracts;
prohibiting operations without certain contract;
allowing a sponsor to establish certain requirements;
providing criteria for the establishment of
performance framework; prohibiting request for
certain data; allowing charter school contracts for
multiple schools; amending 70 O.S. 2011, Section 3-
137, which relates to contract terms; allowing
contract renewal with certain terms; requiring
issuance of certain performance report; providing
deadline for response; establishing renewal
application guidelines; providing for certain
consideration in making certain renewal decision;
directing the State Board of Education to establish a
charter school ranking list; providing options for
certain ranked charter schools; providing for certain
calculation under certain conditions; directing the
State Board of Education to consider certain

1 information; requiring a charter school sponsor to
2 appear before the State Board of Education after
3 certain decision; allowing the State Board of
4 Education to uphold or overturn certain decision;
5 exempting certain charter schools from certain
6 application; providing procedures for charter school
7 closure; directing charter school sponsors to develop
8 certain processes; requiring review of certain
9 charter proposal; amending 70 O.S. 2011, Section 3-
10 140, as last amended by Section 2, Chapter 212,
11 O.S.L. 2013 (70 O.S. Supp. 2014, Section 3-140),
12 which relates to eligibility of students; prohibiting
13 a charter school sponsor from restricting certain
14 enrollment; amending 70 O.S. 2011, Section 3-142, as
15 amended by Section 3, Chapter 212, O.S.L. 2013 (70
16 O.S. Supp. 2014, Section 3-142), which relates to
17 funding; prohibiting levying of taxes and issuance of
18 bonds; allowing charter schools to enter into certain
19 borrowing contracts; directing responsibility for
20 repayment; providing an effective date; and declaring
21 an emergency.

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

26 SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-132, as
27 last amended by Section 1, Chapter 212, O.S.L. 2013 (70 O.S. Supp.
28 2014, Section 3-132), is amended to read as follows:

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

32 1. By a any school district ~~with an average daily membership of~~
33 ~~five thousand (5,000) or more and which all or part of the school~~
34 ~~district is located in a county having more than five hundred~~

1 ~~thousand (500,000) population according to the latest Federal~~
2 ~~Decennial Census in the state of Oklahoma;~~

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

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

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

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

1 ~~located in a county having more than five hundred thousand (500,000)~~
2 ~~population according to the latest Federal Decennial Census in the~~
3 ~~state of Oklahoma.~~ In addition, the institution shall have a
4 teacher education program accredited by the ~~Oklahoma Commission for~~
5 ~~Teacher Preparation and have a branch campus or constituent agency~~
6 ~~physically located within the school district in which the charter~~
7 ~~school is located~~ Commission for Educational Quality and
8 Accountability;

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

19 ~~7.~~ 4. By a federally recognized Indian tribe, operating a high
20 school under the authority of the Bureau of Indian Affairs as of
21 November 1, 2010, if the charter school is for the purpose of
22 demonstrating native language immersion instruction, and is located
23 within its former reservation or treaty area boundaries. For
24 purposes of this paragraph, native language immersion instruction

1 shall require that educational instruction and other activities
2 conducted at the school site are primarily conducted in the native
3 language; ~~or~~

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

13 6. By the State Board of Education when the applicant has first
14 been denied a charter by the local school district in which it seeks
15 to operate. In counties with fewer than five hundred thousand
16 (500,000) population according to the latest Federal Decennial
17 Census, the State Board of Education shall not sponsor more than ten
18 (10) charter schools per year each year for the first five (5) years
19 after the effective date of this act, with not more than one charter
20 school sponsored in a single school district per year. In any year
21 the State Board of Education fails to authorize ten (10) charter
22 schools, the difference between ten (10) and the number of charters
23 authorized shall roll over into the next and each subsequent year's
24 maximum.

1 B. An eligible sponsor shall give priority to opening public
2 charter schools that serve at-risk student populations or students
3 from low-performing transitional public schools.

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

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

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

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

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

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

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

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

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

19 SECTION 2. AMENDATORY 70 O.S. 2011, Section 3-134, is
20 amended to read as follows:

21 Section 3-134. A. For written applications filed after January
22 1, 2008, prior to submission of the application to a proposed
23 sponsor seeking to establish a charter school, the applicant shall
24 be required to complete training which shall not exceed ten (10)

1 hours provided by the State Department of Education on the process
2 and requirements for establishing a charter school. The Department
3 shall develop and implement the training by January 1, 2008. The
4 Department may provide the training in any format and manner that
5 the Department determines to be efficient and effective including,
6 but not limited to, web-based training.

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

11 1. A mission statement for the charter school;

12 2. A description, including but not limited to background
13 information, of the organizational structure and the governing body
14 of the charter school;

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

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

21 5. The name of the applicant or applicants and requested
22 sponsor;

23 6. A description of the facility and location of the charter
24 school;

- 1 7. A description of the grades being served;
- 2 8. An outline of criteria designed to measure the effectiveness
3 of the charter school;
- 4 9. A demonstration of support for the charter school from
5 residents of the school district which may include but is not
6 limited to a survey of the school district residents or a petition
7 signed by residents of the school district; ~~and~~
- 8 10. Documentation that the applicants completed charter school
9 training as set forth in subsection A of this section;
- 10 11. A description of the minimum and maximum enrollment planned
11 per year for each term of the charter contract;
- 12 12. The proposed calendar for the public charter school and
13 sample daily schedule;
- 14 13. A description of the academic program aligned with state
15 standards;
- 16 14. A description of the instructional design of the public
17 charter school, including the type of learning environment, class
18 size and structure, curriculum overview, and teaching methods;
- 19 15. The plan for using internal and external assessments to
20 measure and report student progress on the performance framework
21 developed by the applicant in accordance with subsection C of
22 Section 3-135 of this title;
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- 24

1 16. The plans for identifying and successfully serving students
2 with disabilities, students who are English language learners, and
3 students who are academically behind;

4 17. A description of co-curricular or extracurricular programs
5 and how they will be funded and delivered;

6 18. Plans and timelines for student recruitment and enrollment,
7 including lottery procedures;

8 19. The student discipline policies for the public charter
9 school, including those for special education students;

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

16 21. A clear description of the roles and responsibilities for
17 the governing board, the leadership and management team for the
18 public charter school, and any other entities shown in the
19 organizational chart;

20 22. The leadership and teacher employment policies for the
21 public charter school, including performance evaluation plans;

22 23. Proposed governing bylaws;

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1 24. Explanations of any partnerships or contractual
2 partnerships central to the operations or mission of the public
3 charter school;

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

6 26. Opportunities and expectations for parental involvement;

7 27. A detailed school start-up plan that identifies tasks,
8 timelines, and responsible individuals;

9 28. A description of the financial plan and policies for the
10 public charter school, including financial controls and audit
11 requirements;

12 29. A description of the insurance coverage the public charter
13 school 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; and

20 33. A sound facilities plan, including back-up or contingency
21 plans if appropriate.

22 C. A board of education of a public school district, public
23 body, public or private college or university, private person, or
24 private organization may contract with a sponsor to establish a

1 charter school. A private school shall not be eligible to contract
2 for a charter school under the provisions of the Oklahoma Charter
3 Schools Act.

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

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

1 shall accept or reject the revised application within thirty (30)
2 days of its receipt.

3 F. A board of education of a school district, board of
4 education of a technology center school district, higher education
5 institution, or federally recognized Indian tribe sponsor of a
6 charter school shall notify the State Board of Education when it
7 accepts sponsorship of a charter school. The notification shall
8 include a copy of the charter of the charter school.

9 G. If a proposed sponsor rejects the revised application for a
10 charter school, the applicant may proceed to mediation or binding
11 arbitration or both mediation and binding arbitration as provided in
12 the Dispute Resolution Act and the rules promulgated pursuant
13 thereto. The applicant shall contact the early settlement program
14 for the county in which the charter school would be located. If the
15 parties proceed to binding arbitration, a panel of three arbitrators
16 shall be appointed by the director of the early settlement program
17 handling the dispute. The proposed sponsor shall pay the cost for
18 any mediation or arbitration requested pursuant to this section.

19 H. If a board of education of a technology center school
20 district, a higher education institution, the State Board of
21 Education, or a federally recognized Indian tribe accepts
22 sponsorship of a charter school, the administrative, fiscal and
23 oversight responsibilities of the technology center school district,
24 the higher education institution, or the federally recognized Indian

1 tribe shall be listed in the contract. No responsibilities shall be
2 delegated to a school district unless the local school district
3 agrees to assume the responsibilities.

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

6 1. Provide oversight of the operations of public charter
7 schools in the state through annual performance reviews of public
8 charter schools and reauthorization of public charter schools for
9 which it is a sponsor;

10 2. Solicit and evaluate charter applications;

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

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

14 5. Negotiate and execute sound charter contracts with each
15 approved public charter school;

16 6. Monitor, in accordance with charter contract terms, the
17 performance and legal compliance of public charter schools; and

18 7. Determine whether each charter contract merits renewal,
19 nonrenewal or revocation.

20 J. Sponsors shall establish a procedure for accepting,
21 approving, and disapproving public charter school applications. The
22 procedure shall include a method by which an applicant for a public
23 charter school may submit an application, which shall either be
24 accepted or rejected within ninety (90) days of receipt of the

1 application. If the application is rejected, a sponsor shall notify
2 the applicant in writing of the reasons for the rejection. The
3 applicant may submit a revised application for reconsideration to
4 the State Board of Education within thirty (30) days after receiving
5 notification of the rejection. The State Board of Education shall
6 accept or reject the revised application within sixty (60) days of
7 its receipt.

8 K. Sponsors shall be required to develop and maintain
9 chartering policies and practices consistent with recognized
10 principles and standards for quality charter authorizing as
11 established by the Office of Educational Quality and Accountability
12 in all major areas of authorizing responsibility, including:
13 organizational capacity and infrastructure, soliciting and
14 evaluating charter applications, performance contracting, ongoing
15 public charter school oversight and evaluation, and charter renewal
16 decision making. A sponsor shall carry out all duties under the
17 Oklahoma Charter Schools Act in a manner consistent with such
18 principles and standards with the spirit and intent of this act.

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

22 SECTION 3. AMENDATORY 70 O.S. 2011, Section 3-135, is
23 amended to read as follows:
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1 Section 3-135. A. The sponsor of a charter school shall enter
2 into a written contract with the governing body of the charter
3 school. The contract shall incorporate the provisions of the
4 charter of the charter school and contain, but shall not be limited
5 to, the following provisions:

6 1. A description of the program to be offered by the school
7 which complies with the purposes outlined in Section ~~11 of this act~~
8 3-136 of this title;

9 2. Admission policies and procedures;

10 3. Management and administration of the charter school;

11 4. Requirements and procedures for program and financial
12 audits;

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

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

16 7. The term of the contract;

17 8. High standards of expectation and rigor for public charter
18 school plans adopted, which meet at least the following standards:

19 a. require that the public charter school be as equally
20 free and open to all students as traditional public
21 schools,

22 b. require students enrolled in the charter school to be
23 selected by lottery to ensure fairness if more
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1 students apply than a school has the capacity to
2 accommodate,

3 c. require the public charter school to be subject to the
4 same academic standards and expectations as existing
5 public schools, and

6 d. provide for the public charter school to receive
7 funding based on student enrollment in accordance with
8 statutory guidelines for funding existing public
9 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 shall not be required to comply
21 with the provisions of Sections 509.1 through 509.10 of Title 70 of
22 the Oklahoma Statutes. The contract shall conform to all applicable
23 provisions set forth in Section ~~11 of this act~~ 3-136 of 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 public charter school may commence operations without a
6 charter contract executed in accordance with the provision of this
7 act and approved in an open meeting of the sponsor.

8 The sponsor may establish reasonable pre-opening requirements or
9 conditions to monitor the start-up progress of newly approved public
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
12 all building, health, safety, insurance, and other legal
13 requirements for the opening of a school.

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

1 sponsor. The performance framework shall include indicators,
2 measures, and metrics for, at a minimum:

3 1. Student academic proficiency;

4 2. Student academic growth;

5 3. Achievement gaps in both proficiency and growth between
6 major student subgroups;

7 4. Attendance;

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

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

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

13 8. Financial performance and sustainability; and

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

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

21 E. A charter contract may provide for one or more schools by an
22 applicant, to the extent approved by the sponsor and consistent with
23 applicable law. An applicant or the governing board of an applicant
24 may hold one or more charter contracts. Each public charter school

1 that is part of a charter contract shall be separate and distinct
2 from any other public charter school.

3 SECTION 4. AMENDATORY 70 O.S. 2011, Section 3-137, is
4 amended to read as follows:

5 Section 3-137. A. An approved contract for a charter school
6 shall be effective for ~~not longer than~~ five (5) years from the first
7 day of operation. A charter contract may be renewed for successive
8 five-year terms of duration, although the sponsor may vary the term
9 based on the performance, demonstrated capacities, and particular
10 circumstances of each public charter school. A sponsor may grant
11 renewal with specific conditions for necessary improvements to a
12 public charter school.

13 B. Prior to the beginning of the fifth year of operation of a
14 public charter school, the sponsor shall issue a public charter
15 school performance report and charter renewal application guidance
16 to the school. The performance report shall summarize the
17 performance record to date of the public charter school, based on
18 the data required by this act and the charter contract, and shall
19 provide notice of any weaknesses or concerns perceived by the
20 sponsor concerning the public charter school that may jeopardize its
21 position in seeking renewal if not timely rectified. The public
22 charter school shall have forty-five (45) days to respond to the
23 performance report and submit any corrections or clarifications for
24 the report.

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

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

7 2. Describe improvements undertaken or planned for the school;

8 and

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

10 The renewal application guidance shall include or refer
11 explicitly to the criteria that will guide the renewal decisions of
12 the sponsor, which shall be based on the performance framework set
13 forth in the charter contract and consistent with this act.

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

21 1. Ground decisions on evidence of the performance of the
22 school over the term of the charter contract in accordance with the
23 performance framework set forth in the charter contract;

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

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

7 4. Provide a public report summarizing the evidence basis for
8 each decision.

9 ~~B.~~ E. If a sponsor denies a request for renewal, the governing
10 board may proceed to mediation or binding arbitration or both as
11 provided for in subsection G of Section 3-134 of this title.

12 ~~C.~~ F. A sponsor may terminate a contract during the term of the
13 contract for failure to meet the requirements for student
14 performance contained in the contract, failure to meet the standards
15 of fiscal management, violations of the law, or other good cause.
16 The sponsor shall give at least ninety (90) days' written notice to
17 the governing board prior to terminating the contract. The
18 governing board may request, in writing, an informal hearing before
19 the sponsor within fourteen (14) days of receiving notice. The
20 sponsor shall conduct an informal hearing before taking action. If
21 a sponsor decides to terminate a contract, the governing board may
22 proceed to mediation or binding arbitration or both as provided for
23 in subsection G of Section 3-134 of this title.

1 G. Beginning in the 2016-2017 school year, the State Board of
2 Education shall establish a list of public schools ranked from top
3 to bottom, as determined pursuant to Section 1210.545 of this title,
4 and identify charter schools in the state that are ranked in the
5 bottom five percent (5%) of all schools.

6 1. At the time of its charter renewal, based on an average of
7 the current year and the two (2) prior operating years, a public
8 charter school site identified as being among the bottom five
9 percent (5%) of public schools in the state may not have the charter
10 site renewed by its sponsor.

11 2. If there is a change to the calculation described in Section
12 1210.545 of this title that results in a charter school site that
13 was not ranked in the bottom five percent (5%) being ranked in the
14 bottom five percent (5%), then the sponsor shall use the higher of
15 the two rankings to calculate the ranking of the public charter
16 school site.

17 3. In the event that a sponsor fails to close a public charter
18 school consistent with this subsection, the sponsor shall appear
19 before the State Board of Education to provide support for its
20 decision. The State Board of Education may, by majority vote,
21 uphold or overturn the sponsor's decision. If the sponsor's
22 decision is overturned by the State Board of Education, the State
23 Board of Education may implement one of the following actions:
24

- 1 a. transfer the sponsorship of the charter school
2 identified in this paragraph to another sponsor,
3 b. order the closure of the charter school identified in
4 this paragraph at the end of the current school year,
5 or
6 c. order the reduction of any administrative fee
7 collected by the sponsor that is applicable to the
8 charter school identified in this paragraph. The
9 reduction shall become effective at the beginning of
10 the month following the month of the sponsor's hearing
11 before the State Board of Education.

12 A charter school that is closed by the State Board of Education
13 pursuant to this paragraph may not be granted a charter by any other
14 sponsor.

15 4. The requirements of this subsection shall not apply to a
16 public charter school that has been designed by the State Department
17 of Education as implementing an alternative education program
18 throughout the public charter school.

19 5. In making its decision, the State Board of Education shall
20 consider the following:

- 21 a. enrollment of students with special challenges such as
22 drug or alcohol addiction, prior withdrawal from
23 school, prior incarceration or other special
24 circumstances,

- 1 b. high mobility of the student population resulting from
2 the specific purpose of the charter school,
3 c. annual improvement in the performance of students
4 enrolled in the charter school compared with the
5 performance of students enrolled in the charter school
6 in the immediately preceding school year, and
7 d. whether a majority of students attending the charter
8 school under consideration for closure would likely
9 revert to attending public schools with lower academic
10 achievement, as demonstrated pursuant to Section
11 1210.545 of this title.

12 6. If the State Board of Education has closed or transferred
13 authorization of at least twenty-five percent (25%) of the charter
14 schools chartered by one sponsor pursuant to paragraph 3 of this
15 subsection, the sponsor's authority to authorize new charter schools
16 may be suspended by the State Board of Education until the State
17 Board of Education approves the sponsor to authorize new charter
18 schools. A determination under this paragraph to suspend a
19 sponsor's authority to authorize new charter schools shall identify
20 the deficiencies that, if corrected, will result in the approval of
21 the sponsor to authorize new charter schools.

22 H. If a sponsor terminates a contract or the public charter
23 school is closed, the closure shall be conducted in accordance with
24 the following:

1 1. Within two (2) calendar weeks of a final closure
2 determination, the sponsor shall meet with the governing board and
3 leadership of the public charter school to establish a transition
4 team composed of school staff, applicant staff, and others
5 designated by the applicant that will attend to the closure,
6 including the transfer of students, student records, and school
7 funds;

8 2. The sponsor and transition team shall communicate regularly
9 and effectively with families of students enrolled in the public
10 charter school as well as with school staff and other stakeholders
11 to keep them apprised of key information regarding the closure of
12 the school and their options and risks;

13 3. The sponsor and transition team shall ensure that current
14 instruction of students enrolled in the public charter school
15 continues per the charter agreement for the remainder of the school
16 year;

17 4. The sponsor and transition team shall ensure that all
18 necessary and prudent notifications are issued to agencies,
19 employees, insurers, contractors, creditors, debtors, and management
20 organizations; and

21 5. The governing board of the public charter school shall
22 continue to meet as necessary to take actions needed to wind down
23 school operations, manage school finances, allocate resources, and
24 facilitate all aspects of closure.

1 I. A sponsor shall develop revocation and nonrenewal processes
2 that are consistent with this act and that:

3 1. Provide the public charter school with a timely notification
4 of the prospect of revocation or nonrenewal and of the reasons for
5 such possible closure;

6 2. Allow the public charter school a reasonable amount of time
7 in which to prepare a response;

8 3. Provide the public charter school with an opportunity to
9 submit documents and give testimony challenging the rationale for
10 closure and in support of the continuation of the school at an
11 orderly proceeding held for that purpose;

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

14 5. Permit the recording of the proceedings; and

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

17 J. If a sponsor revokes or does not renew a charter, the
18 sponsor shall clearly state in a resolution the reasons for the
19 revocation or nonrenewal.

20 K. 1. Before a sponsor may issue a charter to a charter school
21 governing body that has had its charter terminated or has been
22 informed that its charter will not be renewed by the current
23 sponsor, the sponsor shall request to have the proposal reviewed by
24 the State Board of Education at a hearing. The State Board of

1 Education shall conduct a hearing in which the sponsor shall present
2 information indicating that the organizer's proposal is
3 substantively different in the areas of deficiency identified by the
4 current sponsor from the current proposal as set forth within the
5 charter with its current sponsor.

6 2. After the State Board of Education conducts a hearing
7 pursuant to this subsection, the State Board of Education shall
8 either approve or deny the proposal.

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

11 ~~D.~~ L. If a contract is not renewed, the governing board of the
12 charter school may submit an application to a proposed new sponsor
13 as provided for in Section 3-134 of this title.

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

18 SECTION 5. AMENDATORY 70 O.S. 2011, Section 3-140, as
19 last amended by Section 2, Chapter 212, O.S.L. 2013 (70 O.S. Supp.
20 2014, Section 3-140), is amended to read as follows:

21 Section 3-140. A. Except for a charter school sponsored by the
22 State Board of Education, a charter school shall enroll those
23 students whose legal residence is within the boundaries of the
24 school district in which the charter school is located and who

1 submit a timely application, or those students who transfer to the
2 district in which the charter school is located in accordance with
3 Section 8-103 or 8-104 of this title, unless the number of
4 applications exceeds the capacity of a program, class, grade level,
5 or building. Students who reside in a school district where a
6 charter school is located shall not be required to obtain a transfer
7 in order to attend a charter school in the school district of
8 residence. If capacity is insufficient to enroll all eligible
9 students, the charter school shall select students through a lottery
10 selection process. Except for a charter school sponsored by the
11 State Board of Education, a charter school shall give enrollment
12 preference to eligible students who reside within the boundaries of
13 the school district in which the charter school is located. Except
14 for a charter school sponsored by the State Board of Education, a
15 charter school created after ~~the effective date of this act~~ November
16 1, 2010, shall give enrollment preference to eligible students who
17 reside within the boundaries of the school district in which the
18 charter school is located and who attend a school site that has been
19 identified as in need of improvement by the State Board of Education
20 pursuant to the Elementary and Secondary Education Act of 1965, as
21 amended or reauthorized. A charter school may limit admission to
22 students within a given age group or grade level. A charter school
23 sponsored by the State Board of Education when the applicant of the
24 charter school is the Office of Juvenile Affairs shall limit

1 admission to youth that are in the custody or supervision of the
2 Office of Juvenile Affairs.

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

11 C. A charter school may designate a specific geographic area
12 within the school district in which the charter school is located as
13 an academic enterprise zone and may limit admissions to students who
14 reside within that area. An academic enterprise zone shall be a
15 geographic area in which sixty percent (60%) or more of the children
16 who reside in the area qualify for the free or reduced school lunch
17 program.

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

23 E. A sponsor may not restrict the number of students a public
24 charter school may enroll. The capacity of the public charter

1 school shall be determined annually by the governing board of the
2 public charter school based on the public charter school's ability
3 to facilitate the academic success of its students, to achieve the
4 other objectives specified in the charter contract, and to ensure
5 that its student enrollment does not exceed the capacity of its
6 facility or site.

7 SECTION 6. AMENDATORY 70 O.S. 2011, Section 3-142, as
8 amended by Section 3, Chapter 212, O.S.L. 2013 (70 O.S. Supp. 2014,
9 Section 3-142), is amended to read as follows:

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

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

17 B. 1. The weighted average daily membership for the first year
18 of operation of a charter school shall be determined initially by
19 multiplying the actual enrollment of students as of August 1 by
20 1.333. The charter school shall receive revenue equal to that which
21 would be generated by the estimated weighted average daily
22 membership calculated pursuant to this paragraph. At midyear, the
23 allocation for the charter school shall be adjusted using the first
24

1 quarter weighted average daily membership for the charter school
2 calculated pursuant to subsection A of this section.

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

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

1 D. A charter school, in addition to the money received from the
2 state, may receive money from any other source. Any unexpended
3 nonstate funds, excluding local revenue, may be reserved and used
4 for future purposes. The governing body of a public charter school
5 may not levy taxes or issue bonds. If otherwise allowed by law, the
6 governing body of a public charter school may enter into private
7 contracts for the purposes of borrowing money from lenders. If the
8 governing body of the public charter school borrows money, the
9 public charter school shall be solely responsible for repaying the
10 debt, and the state or the sponsor is not in any way responsible or
11 obligated to repay the debt.

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

14 SECTION 7. This act shall become effective July 1, 2015.

15 SECTION 8. It being immediately necessary for the preservation
16 of the public peace, health and safety, an emergency is hereby
17 declared to exist, by reason whereof this act shall take effect and
18 be in full force from and after its passage and approval.

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