

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 1418

By: Bryant

COMMITTEE SUBSTITUTE

An Act relating to schools; creating the Oklahoma Charter Schools Act; stating purpose of the act; providing for application of the act; providing definition; requiring written application; providing for content of proposal; listing entities which may apply for a charter school; prohibiting private schools from applying; providing for sponsorship of a charter school; limiting location of charter school; providing application procedure; providing appeal process; providing for certain notification; requiring certain contract for charter schools; stating required provisions of contract; requiring certain officers to complete certain instruction; prohibiting employment contract until certain time; providing for certain provision in the employment contract; requiring certain disclosure; requiring certain surety bond; requiring adoption of a charter; listing certain requirements a charter school shall comply with; providing for amendment to charter; prohibiting certain actions by a charter school; providing for term of contract; providing for renewal or termination of contract; providing for enrollment of students in certain circumstances; prohibiting termination of certain employees; prohibiting unlawful reprisal against certain employees; defining unlawful reprisal; providing for retention of certain rights and benefits for certain teachers; providing for reemployment preference; providing for enrollment of students in a charter school; allowing certain limited enrollment; stating certain enrollment criteria; providing for designation of certain geographic areas for limited enrollment; prohibiting certain limits on admission; providing for transportation of students; allowing certain funding for transporting students; requiring certain information regarding transportation; providing for funding to charter schools; stating revenues a charter school will receive; providing method for determining average daily membership; allowing charter schools to receive certain funds; creating the Charter Schools Stimulus Fund; stating purpose of fund; requiring State Board of Education to adopt certain rules; requiring the State Board of Education to issue annual report; requiring charter schools to report certain information to the Office of Accountability; providing for codification; and providing an effective date.

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 3-130 of Title 70, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Charter Schools Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-131 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. The purpose of the Oklahoma Charter Schools Act is to:

1. Improve student learning;
2. Increase learning opportunities for students;
3. Encourage the use of different and innovative teaching methods;
4. Provide additional academic choices for parents and students;
5. Require the measurement of student learning and create different and innovative forms of measuring student learning;
6. Establish new forms of accountability for schools; and
7. Create new professional opportunities for teachers and administrators including the opportunity to be responsible for the learning program at the school site.

B. The purpose of this act is not to provide a means by which to keep open a school that may otherwise be closed. Applicants applying for a charter for a school which is to be otherwise closed shall be required to prove that conversion to a charter school fulfills the purposes of the act independent of closing the school. Provided nothing in this section shall be interpreted to preclude a school designated as a "high challenge school" from becoming a charter school.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-132 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Charter Schools Act shall apply only to charter schools formed and operated under the provisions of this act.

B. For purposes of the Oklahoma Charter Schools Act, "charter school" means a public school established by contract with a board of education of a school district pursuant to the act to provide learning that will improve student achievement.

C. A charter school may consist of a new school, new schools or all or any portion of an existing school.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-133 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. An applicant seeking to establish a charter school shall first submit a written proposal to the proposed sponsor as prescribed in subsection D of this section. The proposal shall include:

1. A mission statement for the charter school;
2. A description of the organizational structure and the governing body of the charter school;
3. A financial plan for the first three (3) years of operation of the charter school and a description of the treasurer or other officers or persons who shall have primary responsibility of the finances of the charter school. Such person shall have demonstrated experience in school finance or the equivalent thereof;
4. A description of the hiring policy of the charter school;
5. The name of the applicant or applicants and requested sponsor;
6. A description of the facility and location of the charter school;
7. A description of the grades being served; and
8. An outline of criteria designed to measure the effectiveness of the charter school.

B. A public school, public body, public or private college or university, private person or private organization may contract with a sponsor to establish a charter school. A private school shall not be eligible to contract for a charter school under the provisions of this act.

C. The sponsor of a charter school is the board of education of a school district. Any board of education of a school district in the state may sponsor one or more charter schools. The physical location of a charter school sponsored by a local board of education shall be within the boundaries of the sponsoring school district.

D. An applicant for a charter school may submit an application to a board of education of a school district which shall either accept or reject sponsorship of the charter school within ninety (90) days. If the board rejects the application, it shall notify the applicant in writing of the reasons for the rejection. The applicant may submit a revised application for reconsideration to the board within thirty (30) days after receiving notification of the rejection. The board shall accept or reject the revised application within thirty (30) days.

E. A board of education of a school district shall notify the State Board of Education when the board accepts sponsorship of a charter school. The notification shall include a copy of the charter of the charter school.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-134 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. The sponsor of a charter school shall enter into a written contract with the governing body of the charter school. The contract shall incorporate the provisions of the charter of the charter school and contain, but shall not be limited to, the following provisions:

1. A description of the program to be offered by the school which complies with the purposes outlined in Section 2 of this act;

2. Admission policies and procedures;

3. Management and administration of the charter school;

4. Requirements and procedures for program and financial audits;

5. How the charter school will comply with the charter requirements set forth in this act;

6. Assumption of liability by the charter school; and
7. The term of the contract.

B. The contract shall also require officers of the governing body of the charter school to complete at least twelve (12) hours of instruction on education issues within fifteen (15) months of election or appointment to the governing body as is required of members of a district board of education in Section 5-110 of Title 70 of the Oklahoma Statutes. The governing body of a charter school shall be subject to the same qualification restrictions relating to nepotism and felony convictions as members of a local school board.

C. A charter school shall not enter into an employment contract with any teacher or other personnel until the charter school has a contract with a sponsoring school district. The employment contract shall set forth the personnel policies of the charter school including, but not limited to, policies related to certification, professional development, evaluation, suspension, dismissal and nonemployment, sick leave, personal business leave, emergency leave and family and medical leave. The contract shall also specifically set forth the salary, hours, fringe benefits and work conditions. The contract shall conform to all applicable provisions set forth in Section 6 of this act. The charter school shall also conduct a felony records search of any person seeking employment with the school as authorized pursuant to Sections 5-142 and 5-142.1 of Title 70 of the Oklahoma Statutes.

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

D. The charter school shall execute a surety bond for the benefit of the sponsor of the charter school in an amount estimated by the board to be equal to the annual operating budget of the charter school plus any monies held in reserve.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-135 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. A charter school shall adopt a charter which will ensure compliance with the following:

1. A charter school shall comply with all federal, state and local rules, regulations and statutes relating to health, safety, civil rights and insurance. By January 1, 1998, the State Department of Education shall prepare a list of relevant rules, regulations and statutes which a charter school must comply with as required by this paragraph and shall annually prepare an update to the list;

2. A charter school shall be nonsectarian in its programs, admission policies, employment practices and all other operations. A sponsor may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or religious institution;

3. The charter school shall provide a comprehensive program of instruction for at least a kindergarten program or any grade between grades one and twelve. Instruction may be provided to all persons as outlined in Section 5-131 of Title 70 of the Oklahoma Statutes. A charter school may offer a curriculum which emphasizes a specific learning philosophy or style or certain subject areas such as mathematics, science, fine arts, performance arts or foreign language;

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

5. Except as provided for in this act and its charter, a charter school shall be exempt from all statutes and rules relating to schools, boards of education and school districts;

6. A charter school, to the extent possible, shall be subject to the same reporting requirements, financial audits, audit procedures and audit requirements as a school district. The State Department of Education or State Auditor and Inspector may conduct financial, program or compliance audits;

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

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

9. A charter school shall not be used as a method of providing education or generating revenue for students who are being home schooled;

10. A charter school may not charge tuition;

11. A charter school shall provide instruction each year for at least the number of days required in Section 1-109 of Title 70 of the Oklahoma Statutes;

12. A charter school shall comply with the student suspension requirements provided for in Section 24-101 of Title 70 of the Oklahoma Statutes;

13. A charter school shall be considered a school district for purposes of tort liability under the Governmental Tort Claims Act;

14. A charter school may contract with noncertified teaching personnel provided the person has at a minimum a bachelors degree, certified teachers or persons participating in an alternative certification program;

15. Employees of a charter school shall have the option to exercise or not exercise the procedures and methods set forth in Sections 509.1 through 509.10 of Title 70 of the Oklahoma Statutes relating to employer-employee relations;

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

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

18. A charter school shall comply with the Oklahoma Open Meetings Act and the Oklahoma Open Records Act; and

19. The governing body of a charter school shall be subject to the same conflict of interest requirements as a member of a local school board.

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

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

D. A charter school may enter into contracts and sue and be sued.

E. The governing body of a charter school may not levy taxes or issue bonds.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-136 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. An approved contract for a charter school shall be effective for not longer than five (5) years from the first day of operation. Prior to the beginning of the fifth year of operation, the charter school may apply for renewal of the contract with the sponsor. The sponsor may deny the request for renewal if it determines the charter school has failed to complete the obligations of the contract or comply with the act. A sponsor shall give written notice of its intent not to renew the request for renewal at least twelve (12) months prior to expiration of the contract.

B. A sponsor may terminate a contract during the term of the contract for failure to meet the requirements for student performance contained in the contract, failure to meet the standards of fiscal management, violations of the law or other good cause. The sponsor shall give at least ninety (90) days written notice to the governing board prior to terminating the contract. The governing board may request in writing an informal hearing before the sponsor within fourteen (14) days of receiving

notice. The sponsor shall conduct an informal hearing before taking action. Action by the board shall be final.

C. If a contract is not renewed or is terminated according to this section, a student who attended the charter school may enroll in the resident school district of the student or may apply for a transfer in accordance with Section 8-103 of Title 70 of the Oklahoma Statutes.

D. No teacher or other employee of the sponsoring school district shall be laid off or terminated as a result of the granting of a charter to the charter school.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-137 of Title 70, unless there is created a duplication in numbering, reads as follows:

A board of education of a school district or an employee of the district who has control over personnel actions shall not take unlawful reprisal action against an employee of the school district for the reason that the employee is directly or indirectly involved in an application to establish a charter school. As used in this section, "unlawful reprisal" means an action that is taken by a board of education or a school district employee as a direct result of a lawful application to establish a charter school and that is adverse to an employee or an education program.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-138 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. A teacher who is employed by or teaching at a charter school and who was previously employed as a teacher at a public school district shall not lose any right of certification, retirement or salary status or any other benefit provided by law due to teaching at a charter school upon returning to a public school district to teach.

B. A teacher who is employed by or teaching at a charter school and who submits an employment application to the school district where the teacher was employed immediately before

employment by or at a charter school shall be given employment preference by the school district if:

1. The teacher submits an employment application to the school district no later than three (3) years after ceasing employment with the school district; and

2. A suitable position is available at the school district.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-139 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. A charter school shall enroll those students whose legal residence is within the boundaries of the school district in which the charter school is located and who submit a timely application, or those students whose resident school districts agree to a transfer to the charter school and complete an application for transfer in accordance with Section 8-103 of Title 70 of the Oklahoma Statutes, unless the number of applications exceeds the capacity of a program, class, grade level or building. If capacity is insufficient to enroll all eligible students, the charter school shall select students through a lottery selection process. A charter school shall give enrollment preference to eligible students who reside within the boundaries of the school district in which the charter school is located. A charter school may limit admission to students within a given age group or grade level.

B. A charter school shall admit students who reside in the attendance area of a school or in a school district that is under a court order of desegregation or that is a party to an agreement with the United States Department of Education Office for Civil Rights directed towards mediating alleged or proven racial discrimination unless notice is received from the resident school district that admission of the student would violate the court order or agreement.

C. A charter school may designate a specific geographic area within the school district in which the charter school is located as an academic enterprise zone and may limit admissions to

students who reside within that area. An academic enterprise zone shall be a geographic area in which sixty percent (60%) or more of the children who reside in the area qualify for the free or reduced school lunch program.

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

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-140 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. Transportation shall be provided by the charter school in accordance with Sections 9-101 through 9-118 of Title 70 of the Oklahoma Statutes and only within the transportation boundaries of the school district in which the charter school is located.

B. A charter school shall provide the parent or guardian information regarding transportation at the time the student enrolls in the charter school.

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-141 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. For purposes of funding, a charter school shall be considered a site within the school district in which the charter school is sponsored and the enrollment of the charter school shall be included in the local school district's average daily membership. A charter school shall receive, for each student enrolled, the local school district's average local and county revenue, state dedicated revenue and state appropriated funds per average daily membership for the applicable year. The State Board of Education shall determine the policy and procedure for making payments to a charter school.

B. For the first year of operation, a charter school shall receive State Aid support equal to the average student expenditure

for the preceding school year for the district in which the school is located. The average daily membership for the first year of operation of a charter school shall be determined initially using an estimated student count based on actual registration of students before the beginning of the school year. After the first one hundred (100) days in session for the first year of operation, the charter school shall revise the average daily membership to equal the actual average daily membership of the charter school. If the average daily membership was overestimated or underestimated, the budget of the school shall be revised.

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

D. A charter school, in addition to the money received from the state, may receive money from any other source. Any unexpended nonstate funds, excluding local revenue, may be reserved and used for future purposes.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-142 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created in the State Treasury a fund to be designated the "Charter Schools Stimulus Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of monies appropriated by the Legislature, gifts, grants, devises and donations from any public or private source. The State Department of Education shall administer the fund for the purpose of providing financial support to charter school applicants and charter schools for start-up costs and costs associated with renovating or remodeling existing buildings and structures for use by a charter school.

B. The State Board of Education shall adopt rules to implement the provisions of this section, including application and notification requirements.

SECTION 14. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-143 of Title 70,

unless there is created a duplication in numbering, reads as follows:

The State Board of Education shall issue an annual report to the legislature and the Governor outlining the status of charter schools in the state. Each charter school shall annually file a report with the Office of Accountability. The report shall include such information as requested by the Office of Accountability, including but not limited to information on enrollment, testing, curriculum, finances and employees.

SECTION 15. This act shall become effective November 1, 1997.

46-1-6968

KB