

ENROLLED SENATE
BILL NO. 713

By: Williams of the Senate

and

Roberts of the House

An Act relating to schools; amending 70 O.S. 2001, Sections 3-137, as amended by Section 6, Chapter 434, O.S.L. 2003, and 3-142 (70 O.S. Supp. 2003, Section 3-137), which relate to the Oklahoma Charter Schools Act; modifying notification time period for nonrenewal of contract; removing certain funding calculation method for first year of operation of charter school; amending 70 O.S. 2001, Section 3-144, which relates to the Charter Schools Incentive Fund; authorizing State Department of Education to allocate certain funds on a per-pupil basis; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 2001, Section 3-137, as amended by Section 6, Chapter 434, O.S.L. 2003 (70 O.S. Supp. 2003, Section 3-137), is amended to read as follows:

Section 3-137. A. An approved contract for a charter school shall be effective for not longer than three (3) years from the first day of operation. Prior to the beginning of the third 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 provisions of the Oklahoma Charter Schools Act. A sponsor shall give written notice of its intent to deny the request for renewal at least ~~sixty (60) days~~ eight (8) months prior to expiration of the contract.

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

C. 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~~ 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. If a sponsor decides to terminate a contract, the governing board may proceed to mediation or binding arbitration or both as provided for in subsection F of Section 3-134 of this title.

D. 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 this title.

SECTION 2. AMENDATORY 70 O.S. 2001, Section 3-142, is amended to read as follows:

Section 3-142. A. For purposes of funding, a charter school shall be considered a site within the ~~local~~ school district in which the charter school is located and the student membership of the charter school shall be included in the average daily membership of the ~~local~~ school district. A charter school shall receive, for each student, the ~~local~~ school district's average local and county revenue which is chargeable in the State Aid formula, state dedicated revenue, and state-appropriated funds per average daily membership generated by its students for the applicable year, less up to five percent (5%) of the total, which may be retained by the school district as a fee for administrative services rendered. 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 school district in which the charter 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 nine (9) weeks 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 3. AMENDATORY 70 O.S. 2001, Section 3-144, is amended to read as follows:

Section 3-144 A. There is hereby created in the State Treasury a fund to be designated the "Charter Schools Incentive Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all 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. The State Department of Education is authorized to allocate funds on a per-pupil basis for purposes of providing matching funds for the federal State Charter School Facilities Incentive Grants Program created pursuant to the No Child Left Behind Act, 20 USCA, Section 7221d.

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

SECTION 4. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 25th day of May, 2004.

Presiding Officer of the Senate

Passed the House of Representatives the 27th day of May, 2004.

Presiding Officer of the House
of Representatives

