

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

CONFERENCE COMMITTEE  
SUBSTITUTE  
FOR ENGROSSED  
HOUSE BILL NO. 2578

By: Jones, Dank and Shumate of  
the House

and

Eason McIntyre of the  
Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to schools; amending 70 O.S. 2001, Sections 3-132, 3-134, and 3-142, as amended by Section 2, Chapter 472, O.S.L. 2004 (70 O.S. Supp. 2005, Section 3-142), which relate to the Oklahoma Charter Schools Act; deleting technology center school districts as a charter school sponsor; deleting reference to additional sponsors; modifying calculation of student membership of a charter school for certain purposes; providing for calculation of state aid allocations; changing amount received by a charter school from the sponsoring district; modifying calculation of first year weighted average daily membership; changing mid year adjustment for a charter school; repealing 70 O.S. 2001, Section 3-133, which relates to additional sponsors of charter schools; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 2001, Section 3-132, is amended to read as follows:

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

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

hundred thousand (500,000) population according to the latest Federal Decennial Census; ~~or~~

~~2. By a technology center school district only when the charter school is located in a local school district served by the technology center school district and only if the local school district has an average daily membership of five thousand (5,000) or more and which all or part of the local school district is located in a county having more than five hundred thousand (500,000) population according to the latest Federal Decennial Census.~~

~~Additional charter schools may be sponsored as provided for in Section 3-133 of this title.~~

Charter schools formed pursuant to the act shall serve as a pilot program to demonstrate the potential of expanding charter schools to other parts of the state. Any charter or enterprise school operating in the state pursuant to an agreement with the board of education of a school district on July 1, 1999, may continue to operate pursuant to that agreement or may contract with the board of education of the school district pursuant to the Oklahoma Charter Schools Act. Nothing in the Oklahoma Charter Schools Act shall prohibit a school district from applying for exemptions from certain education-related statutory requirements as provided for in the ~~Education~~ Educational Deregulation 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 ~~or an area vocational-technical school district~~ pursuant to the Oklahoma Charter Schools Act to provide learning that will improve student achievement and as defined in the Elementary and Secondary Education Act of 1965, 20 U.S.C. 8065.

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

SECTION 2. AMENDATORY 70 O.S. 2001, Section 3-134, is amended to read as follows:

Section 3-134. 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 for 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;
8. An outline of criteria designed to measure the effectiveness of the charter school; and
9. A demonstration of support for the charter school from residents of the school district which may include but is not limited to a survey of the school district residents or a petition signed by residents of the school district.

B. A board of education of a public school district, 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 the Oklahoma Charter Schools Act.

C. The sponsor of a charter school is the board of education of a local school district ~~or a technology center school district~~ which meets the criteria established in Section 3-132 of this title. ~~Any~~ The 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 board of education of a local school district ~~or a technology center school district~~ 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 ~~or a technology center school district~~ which shall either accept or reject sponsorship of the charter school within ninety (90) days of receipt of the application. 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 of its receipt.

E. A board of education of a school district ~~or a technology center 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.

F. If a board of education rejects the revised application for a charter school, the applicant may proceed to mediation or binding arbitration or both mediation and binding arbitration as provided in the Dispute Resolution Act and the rules promulgated pursuant thereto. The applicant shall contact the early settlement program for the county in which the charter school would be located. If the parties proceed to binding arbitration, a panel of three arbitrators shall be appointed by the director of the early settlement program

handling the dispute. The board of education shall pay the cost for any mediation or arbitration requested pursuant to this section.

SECTION 3. AMENDATORY 70 O.S. 2001, Section 3-142, as amended by Section 2, Chapter 472, O.S.L. 2004 (70 O.S. Supp. 2005, 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 school district in which the charter school is located ~~and the~~. The student membership of the charter school shall be included in the average daily membership of the school district considered separate from the student membership of the district in which the charter school is located for the purpose of calculating weighted average daily membership pursuant to Section 18-201.1 of this title and state aid pursuant to Section 18-200.1 of this title. The sum of the separate calculations for the charter school and the school district shall be used to determine the total state aid allocation for the district in which the charter school is located. A charter school shall receive from the sponsoring district, for each student, the 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 the State Aid revenue 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. The weighted 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~~ by multiplying the actual enrollment of students as of August 1 by 1.333. 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~~ The charter school shall receive from its sponsoring district, revenue equal to that which would be generated by the estimated weighted average daily membership calculated pursuant to this subsection. At midyear, the allocation for the charter school shall be adjusted using the first quarter weighted average daily membership for the charter school calculated pursuant to subsection A of this section.

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 4. REPEALER 70 O.S. 2001, Section 3-133, is hereby repealed.

SECTION 5. This act shall become effective July 1, 2006.

SECTION 6. 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.

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