

1 ENGROSSED SENATE
2 BILL NO. 2100

By: Ford and Jolley of the
Senate

3 and

4 Jones of the House

5
6
7 [schools - School District Deregulation Pilot

8 Program - codification -

9 effective date]

10

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

12 SECTION 1. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 3-132.1 of Title 70, unless
14 there is created a duplication in numbering, reads as follows:

15 A. 1. The State Board of Education shall establish a School
16 District Deregulation Pilot Program. Notwithstanding the provisions
17 of subsection C of Section 3-132 of Title 70 of the Oklahoma
18 Statutes, a maximum of ten school districts shall be selected to
19 participate in the pilot program. Two districts that apply for the
20 pilot program and meet the criteria established pursuant to
21 subsection C of this section shall be selected from each of the
22 following categories:

23 a. large school district located in a large city,

24 b. small school district located in a large city,

- c. large school district located in a midsize city,
- d. small school district located in a midsize city, and
- e. a school district located in a small city.

2. A large school district shall be defined as having an average daily membership of more than five hundred twenty-nine (529) students. A small school district shall have an average daily membership of five hundred twenty-nine (529) or fewer students. The designations for large, midsize and small cities shall be according to the United States Census Bureau's most recent population estimates designated as follows:

- a. large city - population of fifty thousand (50,000) or greater,
- b. midsize city - population greater than five thousand (5,000) but less than fifty thousand (50,000), and
- c. small city - population of five thousand (5,000) or less.

B. A district board of education that desires to participate in the pilot program shall submit an application to the State Board of Education pursuant to the provisions of Section 3-134 of Title 70 of the Oklahoma Statutes.

C. 1. The School District Deregulation Committee is hereby created for the purpose of establishing criteria for selection and approval of applicants for the School District Deregulation Pilot Program. The membership of the Committee shall be as follows:

- a. the State Superintendent of Public Instruction, or designee,
 - b. the Chancellor of the Oklahoma State Regents for Higher Education, or designee,
 - c. the Director of the State Department of Career and Technology Education, or designee,
 - d. a representative of a statewide organization representing teachers, to be appointed by the Governor,
 - e. a representative of a statewide organization representing school administrators, to be appointed by the President Pro Tempore of the State Senate,
 - f. a representative of a statewide organization representing school boards, to be appointed by the Speaker of the House of Representatives,
 - g. a representative of the business community, to be appointed by the Governor,
 - h. a representative of a statewide organization representing parents, to be appointed by the Governor,
- and
- i. the chair of the Education Oversight Board, or designee, who shall serve as chair of the Committee.

2. Appointments to the Committee shall be made by September 1, 2008. Members shall serve at the pleasure of the appointing

1 authority. Vacancies shall be filled in the same manner as the
2 original appointment. The State Department of Education shall
3 provide staff assistance to the Committee. The chair shall convene
4 the first meeting of the Committee no later than September 30, 2008.
5 The Committee shall provide a report to the State Board of Education
6 establishing the criteria for district applicants for the School
7 District Deregulation Pilot Program by December 31, 2008.

8 3. Members of the Committee shall receive no compensation for
9 serving on the Committee but may be reimbursed by the State
10 Department of Education or by the member's employing agency if a
11 state employee for necessary travel expenses incurred in the
12 performance of their duties in accordance with the State Travel
13 Reimbursement Act.

14 D. The State Board of Education shall distribute the criteria
15 established by the School District Deregulation Committee to all
16 school districts along with information regarding the availability
17 of the School District Deregulation Pilot Program within thirty (30)
18 days of receipt of the criteria from the Committee.

19 E. District applications for participation in the pilot program
20 shall be reviewed by the School District Deregulation Committee and
21 the Committee shall determine the applicants selected to participate
22 in the pilot program. The State Board of Education shall enter into
23 a contract with each pilot district selected.

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1 F. The contract term for any pilot district approved pursuant
2 to this act shall be for no less than three (3) years and no more
3 than five (5) years. Contracts shall include performance and
4 accountability agreements and provisions for termination of the
5 contract for failure to meet the requirements contained in the
6 contract. The Board shall not enter into any initial or renewal
7 contracts under the School District Deregulation Pilot Program after
8 a period of five (5) years has elapsed after the first contract with
9 a pilot district is signed; however, any pilot district contracts in
10 place at that time shall continue to be in force until the
11 expiration of the contract.

12 G. Except as otherwise provided in this act, the provisions in
13 the Oklahoma Charter Schools Act that apply to charter schools shall
14 be applicable to districts selected for participation in the School
15 District Deregulation Pilot Program.

16 SECTION 2. AMENDATORY 70 O.S. 2001, Section 3-132, as
17 amended by Section 1, Chapter 257, O.S.L. 2007 (70 O.S. Supp. 2007,
18 Section 3-132), is amended to read as follows:

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

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

1 thousand (500,000) population according to the latest Federal
2 Decennial Census;

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

10 3. By a comprehensive or regional institution that is a member
11 of The Oklahoma State System of Higher Education only when the
12 charter school is located in a school district that has an average
13 daily membership of five thousand (5,000) or more and which all or
14 part of the school district is located in a county having more than
15 five hundred thousand (500,000) population according to the latest
16 Federal Decennial Census. In addition, the institution shall have a
17 teacher education program accredited by the Oklahoma Commission for
18 Teacher Preparation and have a branch campus or constituent agency
19 physically located within the school district in which the charter
20 school is located; or

21 4. By the State Board of Education as provided for in Section 1
22 of this act.

23 B. Charter schools formed pursuant to the act shall serve as a
24 pilot program to demonstrate the potential of expanding charter

1 schools to other parts of the state. Any charter or enterprise
2 school operating in the state pursuant to an agreement with the
3 board of education of a school district on July 1, 1999, may
4 continue to operate pursuant to that agreement or may contract with
5 the board of education of the school district pursuant to the
6 Oklahoma Charter Schools Act. Nothing in the Oklahoma Charter
7 Schools Act shall prohibit a school district from applying for
8 exemptions from certain education-related statutory requirements as
9 provided for in the Educational Deregulation Act.

10 C. Beginning January 1, 2008, not more than three new charter
11 schools shall be established each fiscal year in each county in the
12 state having more than five hundred thousand (500,000) population
13 according to the latest Federal Decennial Census. For purposes of
14 this subsection, a "new charter school" shall mean a charter school
15 proposed by an applicant that has never had a contract with a
16 sponsor.

17 D. For purposes of the Oklahoma Charter Schools Act, "charter
18 school" means a public school established by contract with a board
19 of education of a school district, an area vocational-technical
20 school district, or a higher education institution, or a district
21 established by contract with the State Board of Education pursuant
22 to the Oklahoma Charter Schools Act to provide learning that will
23 improve student achievement and as defined in the Elementary and
24 Secondary Education Act of 1965, 20 U.S.C. 8065.

1 E. A charter school may consist of a new school site, new
2 school sites or all or any portion of an existing school site. An
3 entire school district may not become a charter school site, except
4 as provided for in Section 1 of this act.

5 SECTION 3. AMENDATORY 70 O.S. 2001, Section 3-142, as
6 last amended by Section 4, Chapter 257, O.S.L. 2007 (70 O.S. Supp.
7 2007, Section 3-142), is amended to read as follows:

8 Section 3-142. A. For purposes of funding, a charter school
9 sponsored by a board of education of a school district shall be
10 considered a site within the school district in which the charter
11 school is located. The student membership of the charter school
12 shall be considered separate from the student membership of the
13 district in which the charter school is located for the purpose of
14 calculating weighted average daily membership pursuant to Section
15 18-201.1 of this title and state aid pursuant to Section 18-200.1 of
16 this title. For charter schools sponsored by a board of education
17 of a school district, the sum of the separate calculations for the
18 charter school and the school district shall be used to determine
19 the total State Aid allocation for the district in which the charter
20 school is located. A charter school shall receive from the
21 sponsoring school district, the State Aid revenue generated by its
22 students for the applicable year, less up to five percent (5%) of
23 the total, which may be retained by the school district as a fee for
24 administrative services rendered. For charter schools sponsored by

1 the board of education of a technology center school district or a
2 higher education institution, the State Aid allocation for the
3 charter school shall be distributed by the State Board of Education.
4 Not more than five percent (5%) of the total allocation may be
5 charged by the sponsor as a fee for administrative services
6 rendered. Districts sponsored by the State Board of Education as
7 provided for in Section 1 of this act shall receive funding in the
8 same manner as all other school districts. The State Board of
9 Education shall determine the policy and procedure for making
10 payments to a charter school.

11 B. The weighted average daily membership for the first year of
12 operation of a charter school shall be determined initially by
13 multiplying the actual enrollment of students as of August 1 by
14 1.333. The charter school shall receive revenue equal to that which
15 would be generated by the estimated weighted average daily
16 membership calculated pursuant to this subsection. At midyear, the
17 allocation for the charter school shall be adjusted using the first
18 quarter weighted average daily membership for the charter school
19 calculated pursuant to subsection A of this section.

20 C. A charter school shall be eligible to receive any other aid,
21 grants or revenues allowed to other schools. A charter school
22 sponsored by the board of education of a technology center school
23 district ~~or~~, a higher education institution, or the State Board of
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1 Education shall be considered a local education agency for purposes
2 of funding.

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

7 SECTION 4. This act shall become effective September 1, 2008.

8 Passed the Senate the 13th day of March, 2008.

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Presiding Officer of the Senate

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12 Passed the House of Representatives the ____ day of _____,
13 2008.

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Presiding Officer of the House
of Representatives

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