

THE HOUSE OF REPRESENTATIVES
Monday, March 5, 2007

Committee Substitute for
House Bill No. 1589

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1589 - By: JONES, DANK,
DENNEY, KERN, SHUMATE and MCCARTER of the House and EASON MCINTYRE
of the Senate.

(schools - Oklahoma Charter Schools Act - effective date –
emergency)

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

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

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

6 1. By a local school district with an average daily membership of five thousand
7 (5,000) or more and which all or part of the school district is located in a county having
8 more than five hundred thousand (500,000) population according to the latest Federal
9 Decennial Census; ~~or~~

10 2. By ~~a technology center school district~~ the State Board of Education only when
11 the charter school is located in a local school district ~~served by the technology center~~
12 ~~school district and only if the local school district~~ that has an average daily membership

1 of five thousand (5,000) or more and which all or part of the local school district is located
2 in a county having more than five hundred thousand (500,000) population according to
3 the latest Federal Decennial Census;

4 3. By an educational institution that is a member of The Oklahoma State System of
5 Higher Education only when the charter school is located in a local school district that
6 has an average daily membership of five thousand (5,000) or more and which all or part
7 of the local school district is located in a county having more than five hundred thousand
8 (500,000) population according to the latest Federal Decennial Census; or

9 4. By the governing body of a city having more than three hundred thousand
10 (300,000) population according to the latest Federal Decennial Census only when the
11 charter school is located in a local school district that has an average daily membership
12 of five thousand (5,000) or more and which all or part of the local school district is located
13 in that city.

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

16 Charter schools formed pursuant to the act shall serve as a pilot program to
17 demonstrate the potential of expanding charter schools to other parts of the state. Any
18 charter or enterprise school operating in the state pursuant to an agreement with the
19 board of education of a school district on July 1, 1999, may continue to operate pursuant
20 to that agreement or may contract with the board of education of the school district
21 pursuant to the Oklahoma Charter Schools Act. Nothing in the Oklahoma Charter
22 Schools Act shall prohibit a school district from applying for exemptions from certain

1 education-related statutory requirements as provided for in the ~~Education~~ Educational
2 Deregulation Act.

3 B. For purposes of the Oklahoma Charter Schools Act, “charter school” means a
4 public school established by contract with a board of education of a school district ~~or an~~
5 ~~area vocational-technical school district~~, the State Board of Education, a higher
6 education institution, or governing body of a city pursuant to the Oklahoma Charter
7 Schools Act to provide learning that will improve student achievement and as defined in
8 the Elementary and Secondary Education Act of 1965, 20 U.S.C. 8065.

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

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

14 Section 3-134. A. The State Board of Education shall develop a model charter
15 school application form by January 1, 2008. The purpose of the model form shall be to
16 establish a uniform outline for charter school applications and shall include all items
17 required to be included in an application as listed in subsection C of this section.
18 Beginning January 1, 2008, the format of the model form shall be used by charter school
19 applicants when submitting applications for charter schools to a proposed sponsor. The
20 State Department of Education shall make the model form available to persons
21 interested in filing an application for a charter school.

UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.

1 B. For written applications filed after January 1, 2008, prior to submission of the
2 application to a proposed sponsor seeking to establish a charter school, the applicant
3 shall be required to complete training which shall not exceed ten (10) hours provided by
4 the State Department of Education on the process and requirements for establishing a
5 charter school. The Department shall develop and implement the training by January 1,
6 2008. The Department may provide the training in any format and manner that the
7 Department determines to be efficient and effective, including, but not limited to, web-
8 based training.

9 C. An applicant seeking to establish a charter school shall first submit a written
10 proposal application to the proposed sponsor as prescribed in subsection D F of this
11 section, using the model charter school application form as prescribed in subsection A of
12 this section. The proposal application shall include:

- 13 1. A mission statement for the charter school;
- 14 2. A description of the organizational structure and the governing body of the
15 charter school;
- 16 3. A financial plan for the first three (3) years of operation of the charter school and
17 a description of the treasurer or other officers or persons who shall have primary
18 responsibility for the finances of the charter school. Such person shall have
19 demonstrated 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 sponsor;
- 22 6. A description of the facility and location of the charter school;

1 7. A description of the grades being served;

2 8. An outline of criteria designed to measure the effectiveness of the charter school;

3 ~~and~~

4 9. A demonstration of support for the charter school from residents of the school
5 district which may include but is not limited to a survey of the school district residents or
6 a petition signed by residents of the school district; and

7 10. Documentation that the applicants completed charter school training as set
8 forth in subsection B of this section.

9 ~~B. D.~~ A board of education of a public school district, public body, public or private
10 college or university, private person, or private organization may contract with a sponsor
11 to establish a charter school. A private school shall not be eligible to contract for a
12 charter school under the provisions of the Oklahoma Charter Schools Act.

13 ~~C. E.~~ The sponsor of a charter school is the board of education of a local school
14 district or a technology center school district, the State Board of Education, a higher
15 education institution, or a governing body of a city which meets the criteria established
16 in Section 3-132 of this title. Any board of education of a school district in the state may
17 sponsor one or more charter schools. The physical location of a charter school sponsored
18 by a board of education of a local school district or a technology center school district
19 shall be within the boundaries of the sponsoring school district.

20 ~~D. F.~~ An applicant for a charter school may submit an application to a board of
21 education of a school district or a technology center school district proposed sponsor
22 which shall either accept or reject sponsorship of the charter school within ninety (90)

1 days of receipt of the application. If the ~~board~~ proposed sponsor rejects the application, it
2 shall notify the applicant in writing of the reasons for the rejection. The applicant may
3 submit a revised application for reconsideration to the ~~board~~ proposed sponsor within
4 thirty (30) days after receiving notification of the rejection. The ~~board~~ proposed sponsor
5 shall accept or reject the revised application within thirty (30) days of its receipt.

6 ~~E. G. A board of education of a school district or a technology center school district~~
7 sponsor of a charter school shall notify the State Board of Education when ~~the board~~ it
8 accepts sponsorship of a charter school. The notification shall include a copy of the
9 charter of the charter school.

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

19 I. The State Board of Education may designate a public charter school review
20 commission to accept, review, and make recommendations for approval of applications for
21 charter schools submitted to the Board and to oversee any charter school sponsored by

1 the Board. The Board shall promulgate rules regarding the establishment and
2 responsibilities of the public charter school review commission.

3 J. If the State Board of Education, a higher education institution, or the governing
4 body of a city accepts sponsorship of a charter school, it shall assume all administrative
5 and fiscal responsibility and oversight of the charter school. The administrative, fiscal
6 and oversight responsibilities of the State Board of Education, a higher education
7 institution, or the governing body of a city shall be listed in the contract. No
8 responsibilities shall be delegated to a local school district unless the local school district
9 agrees to assume the responsibilities.

10 SECTION 3. AMENDATORY 70 O.S. 2001, Section 3-142, as last amended by
11 Section 1, Chapter 278, O.S.L. 2006 (70 O.S. Supp. 2006, Section 3-142), is amended to
12 read as follows:

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

1 students for the applicable year, less up to five percent (5%) of the total, which may be
2 retained by the school district as a fee for administrative services rendered. For charter
3 schools sponsored by the State Board of Education, a higher education institution, or the
4 governing body of a city, the State Aid allocation for the charter school shall be
5 distributed by the State Board of Education. Not more than five percent (5%) of the total
6 allocation may be retained by the sponsor as a fee for administrative services rendered.
7 The State Board of Education shall determine the policy and procedure for making
8 payments to a charter school.

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

17 C. A charter school shall be eligible to receive any other aid, grants or revenues
18 allowed to other schools. A charter school sponsored by the State Board of Education, a
19 higher education institution, or the governing body of a city shall be considered a local
20 education agency for purposes of funding.

UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.

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

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

5 SECTION 5. This act shall become effective July 1, 2007.

6 SECTION 6. It being immediately necessary for the preservation of the public
7 peace, health and safety, an emergency is hereby
8 declared to exist, by reason whereof this act shall take effect and be in full force from and
9 after its passage and approval.

10 COMMITTEE REPORT BY: COMMITTEE ON EDUCATION, dated 03-01-07 - DO
11 PASS, As Amended and Coauthored.