

1 ENGROSSED SENATE
2 BILL NO. 586

By: Ford of the Senate

and

Shumate of the House

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4
5
6 [schools - Oklahoma Charter Schools Act -

7 effective date]
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9 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

10 SECTION 1. AMENDATORY 70 O.S. 2001, Section 3-132, as
11 amended by Section 1, Chapter 257, O.S.L. 2007 (70 O.S. Supp. 2008,
12 Section 3-132), is amended to read as follows:

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

16 1. By a school district with an average daily membership of
17 five thousand (5,000) or more and which all or part of the school
18 district is located in a county having more than five hundred
19 thousand (500,000) population according to the latest Federal
20 Decennial Census;

21 2. By a technology center school district only when the charter
22 school is located in a school district served by the technology
23 center school district and only if the local school district has an
24 average daily membership of five thousand (5,000) or more and which

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

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

15 4. By a federally recognized Indian tribe only when the charter
16 school is located within the borders of this state on property held
17 in trust by the Bureau of Indian Affairs of the United States
18 Department of the Interior for the benefit of the federally-
19 recognized Indian tribe; or

20 5. By a statewide organization that represents and whose
21 members are public school teachers, only when the charter school is
22 located in 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 B. Charter schools formed pursuant to the act shall serve as a
4 pilot program to demonstrate the potential of expanding charter
5 schools to other parts of the state. Any charter or enterprise
6 school operating in the state pursuant to an agreement with the
7 board of education of a school district on July 1, 1999, may
8 continue to operate pursuant to that agreement or may contract with
9 the board of education of the school district pursuant to the
10 Oklahoma Charter Schools Act. Nothing in the Oklahoma Charter
11 Schools Act shall prohibit a school district from applying for
12 exemptions from certain education-related statutory requirements as
13 provided for in the Educational Deregulation Act.

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

21 D. For purposes of the Oklahoma Charter Schools Act, "charter
22 school" means a public school established by contract with a board
23 of education of a school district, an area vocational-technical
24 school district, or a higher education institution pursuant to the

1 Oklahoma Charter Schools Act to provide learning that will improve
2 student achievement and as defined in the Elementary and Secondary
3 Education Act of 1965, 20 U.S.C. 8065.

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

7 SECTION 2. AMENDATORY 70 O.S. 2001, Section 3-134, as
8 amended by Section 2, Chapter 257, O.S.L. 2007 (70 O.S. Supp. 2008,
9 Section 3-134), is amended to read as follows:

10 Section 3-134. A. For written applications filed after January
11 1, 2008, prior to submission of the application to a proposed
12 sponsor seeking to establish a charter school, the applicant shall
13 be required to complete training which shall not exceed ten (10)
14 hours provided by the State Department of Education on the process
15 and requirements for establishing a charter school. The Department
16 shall develop and implement the training by January 1, 2008. The
17 Department may provide the training in any format and manner that
18 the Department determines to be efficient and effective including,
19 but not limited to, web-based training.

20 B. Except as otherwise provided for in Section 3-137 of this
21 title, an applicant seeking to establish a charter school shall
22 submit a written application to the proposed sponsor as prescribed
23 in subsection E of this section. The application shall include:

24 1. A mission statement for the charter school;

- 1 2. A description of the organizational structure and the
2 governing body of the charter school;
- 3 3. A financial plan for the first three (3) years of operation
4 of the charter school and a description of the treasurer or other
5 officers or persons who shall have primary responsibility for the
6 finances of the charter school. Such person shall have demonstrated
7 experience in school finance or the equivalent thereof;
- 8 4. A description of the hiring policy of the charter school;
- 9 5. The name of the applicant or applicants and requested
10 sponsor;
- 11 6. A description of the facility and location of the charter
12 school;
- 13 7. A description of the grades being served;
- 14 8. An outline of criteria designed to measure the effectiveness
15 of the charter school;
- 16 9. A demonstration of support for the charter school from
17 residents of the school district which may include but is not
18 limited to a survey of the school district residents or a petition
19 signed by residents of the school district; and
- 20 10. Documentation that the applicants completed charter school
21 training as set forth in subsection A of this section.
- 22 C. A board of education of a public school district, public
23 body, public or private college or university, private person, or
24 private organization may contract with a sponsor to establish a

1 charter school. A private school shall not be eligible to contract
2 for a charter school under the provisions of the Oklahoma Charter
3 Schools Act.

4 D. The sponsor of a charter school is the board of education of
5 a school district, the board of education of a technology center
6 school district, ~~or~~ a higher education institution, an Indian tribe,
7 or a teachers' organization which meets the criteria established in
8 Section 3-132 of this title. Any board of education of a school
9 district in the state may sponsor one or more charter schools. The
10 physical location of a charter school sponsored by a board of
11 education of a school district or a technology center school
12 district shall be within the boundaries of the sponsoring school
13 district.

14 E. An applicant for a charter school may submit an application
15 to a proposed sponsor which shall either accept or reject
16 sponsorship of the charter school within ninety (90) days of receipt
17 of the application. If the proposed sponsor rejects the
18 application, it shall notify the applicant in writing of the reasons
19 for the rejection. The applicant may submit a revised application
20 for reconsideration to the proposed sponsor within thirty (30) days
21 after receiving notification of the rejection. The proposed sponsor
22 shall accept or reject the revised application within thirty (30)
23 days of its receipt.

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1 F. A sponsor of a charter school shall notify the State Board
2 of Education when it accepts sponsorship of a charter school. The
3 notification shall include a copy of the charter of the charter
4 school. The Board shall determine if the new charter school will
5 exceed the limit established in subsection C of Section 3-132 of
6 this title. If the new charter school does exceed the limit, the
7 Board shall not allocate funding for the charter school as provided
8 for in Section 3-142 of this title.

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

19 H. If a board of education of a technology center school
20 district ~~or~~, a higher education institution, an Indian tribe, or a
21 teachers' organization accepts sponsorship of a charter school, the
22 administrative, fiscal and oversight responsibilities of the
23 technology center school district ~~or~~, the higher education
24 institution, the Indian tribe, or the teachers' organization shall

1 be listed in the contract. No responsibilities shall be delegated
2 to a local school district unless the local school district agrees
3 to assume the responsibilities.

4 SECTION 3. AMENDATORY 70 O.S. 2001, Section 3-142, as
5 last amended by Section 4, Chapter 257, O.S.L. 2007 (70 O.S. Supp.
6 2008, Section 3-142), is amended to read as follows:

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

1 higher education institution, an Indian tribe, or a teachers'
2 organization, the State Aid allocation for the charter school shall
3 be distributed by the State Board of Education. Not more than five
4 percent (5%) of the total allocation may be charged by the sponsor
5 as a fee for administrative services rendered. The State Board of
6 Education shall determine the policy and procedure for making
7 payments to a charter school.

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

17 C. A charter school shall be eligible to receive any other aid,
18 grants or revenues allowed to other schools. A charter school
19 sponsored by the board of education of a technology center school
20 district ~~or~~, a higher education institution, an Indian tribe, or a
21 teachers' organization shall be considered a local education agency
22 for purposes of funding.

23 D. A charter school, in addition to the money received from the
24 state, may receive money from any other source. Any unexpended

1 nonstate funds, excluding local revenue, may be reserved and used
2 for future purposes.

3 SECTION 4. This act shall become effective November 1, 2009.

4 Passed the Senate the 10th day of March, 2009.

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Presiding Officer of the Senate

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8 Passed the House of Representatives the ____ day of _____,

9 2009.

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Presiding Officer of the House
of Representatives

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