

1 ENGROSSED SENATE AMENDMENT  
TO  
2 ENGROSSED HOUSE  
BILL NO. 1696

By: Denney and Jordan of the  
House

4 and

5 Jolley of the Senate

6  
7  
8 [ schools - modifying the Oklahoma Charter Schools

9 Act - ~~effective date~~ -

10 emergency ]

11  
12 AUTHOR: Remove principal Senate author Senator Jolley and replace  
principal Senate author with Senator Holt

13  
14 AMENDMENT NO. 1. Page 1, strike the stricken title, enacting clause  
and entire bill and insert

15  
16 "An Act relating to charter schools; amending Section  
17 1 of Enrolled Senate Bill No. 782 of the 1st Session  
of the 55th Oklahoma Legislature, which relates to  
18 charter school sponsorship; adding the governing body  
of a city that meets certain criteria as a sponsor;  
19 amending Section 2 of Enrolled Senate Bill No. 782 of  
the 1st Session of the 55th Oklahoma Legislature,  
20 which relates to charter school applications; adding  
references to the governing body of a city as  
21 sponsor; amending Section 6 of Enrolled Senate Bill  
No. 782 of the 1st Session of the 55th Oklahoma  
22 Legislature, which relates to charter school funding;  
adding references to the governing body of a city as  
23 a sponsor; and providing an effective date.  
24

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

2 SECTION 1. AMENDATORY Section 1 of Enrolled Senate Bill  
3 No. 782 of the 1st Session of the 55th Oklahoma Legislature is  
4 amended to read as follows:

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

8 1. By any school district located in the State of Oklahoma,  
9 provided such charter school shall only be located within the  
10 geographical boundaries of the sponsoring district and subject to  
11 the restrictions of Section 3-145.6 of this title;

12 2. By a technology center school district if the charter school  
13 is located in a school district served by the technology center  
14 school district in which all or part of the school district is  
15 located in a county having more than five hundred thousand (500,000)  
16 population according to the latest Federal Decennial Census;

17 3. By a technology center school district if the charter school  
18 is located in a school district served by the technology center  
19 school district and the school district has a school site that has  
20 been identified as in need of improvement by the State Board of  
21 Education pursuant to the Elementary and Secondary Education Act of  
22 1965, as amended or reauthorized;

23 4. By an accredited comprehensive or regional institution that  
24 is a member of The Oklahoma State System of Higher Education or a

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

5 5. By a comprehensive or regional institution that is a member  
6 of The Oklahoma State System of Higher Education if the charter  
7 school is located in a school district that has a school site that  
8 has been identified as in need of improvement by the State Board of  
9 Education pursuant to the Elementary and Secondary Education Act of  
10 1965, as amended or reauthorized. In addition, the institution  
11 shall have a teacher education program accredited by the Oklahoma  
12 Commission for Teacher Preparation and have a branch campus or  
13 constituent agency physically located within the school district in  
14 which the charter school is located in the State of Oklahoma;

15 6. By a federally recognized Indian tribe, operating a high  
16 school under the authority of the Bureau of Indian Affairs as of  
17 November 1, 2010, if the charter school is for the purpose of  
18 demonstrating native language immersion instruction, and is located  
19 within its former reservation or treaty area boundaries. For  
20 purposes of this paragraph, native language immersion instruction  
21 shall require that educational instruction and other activities  
22 conducted at the school site are primarily conducted in the native  
23 language;

1           7. By the State Board of Education when the applicant of the  
2 charter school is the Office of Juvenile Affairs or the applicant  
3 has a contract with the Office of Juvenile Affairs to provide a  
4 fixed rate level E, D, or D+ group home service and the charter  
5 school is for the purpose of providing education services to youth  
6 in the custody or supervision of the state. Not more than two  
7 charter schools shall be sponsored by the Board as provided for in  
8 this paragraph during the period of time beginning July 1, 2010,  
9 through July 1, 2016; ~~or~~

10           8. By the State Board of Education when the applicant has first  
11 been denied a charter by the local school district in which it seeks  
12 to operate. In counties with fewer than five hundred thousand  
13 (500,000) population, according to the latest Federal Decennial  
14 Census, the State Board of Education shall not sponsor more than  
15 five charter schools per year each year for the first five (5) years  
16 after the effective date of this act, with not more than one charter  
17 school sponsored in a single school district per year. In order to  
18 authorize a charter school under this section, the State Board of  
19 Education shall find evidence of all of the following:

- 20           a. a thorough and high-quality charter school application
- 21                 from the applicant based on the authorizing standards
- 22                 in subsection B of Section 3-134 of this title,
- 23           b. a clear demonstration of community support for the
- 24                 charter school, and

1 c. the grounds and basis of objection by the school  
2 district for denying the operation of the charter are  
3 not supported by the greater weight of evidence and  
4 the strength of the application; or

5 9. By the governing body of a city having more than three  
6 hundred thousand (300,000) population according to the latest  
7 Federal Decennial Census, provided such charter school shall only be  
8 located within the geographical boundaries of the sponsoring city  
9 and additionally only within the geographical boundaries of a school  
10 district that has an average daily membership of more than thirty  
11 thousand (30,000) at the time of the initial sponsorship by the  
12 city. Provided, within forty-five (45) calendar days of the vote by  
13 a governing body of a city to sponsor a charter as provided for in  
14 this paragraph, the school board for the district in which the  
15 charter school is to be located may, by a majority vote, call for a  
16 special election of the people residing within the school district  
17 to approve or disapprove of the charter, pursuant to Sections 13A-  
18 101 through 13A-111 of Title 26 of the Oklahoma Statutes. The  
19 election shall occur within one hundred twenty (120) calendar days  
20 or at the first opportunity provided by law, whichever occurs first.  
21 In the event that an election is called, the question presented on  
22 the ballot shall read as follows, with appropriate insertions as  
23 indicated: "Do you approve or disapprove of the sponsorship of the  
24 public charter school known as (insert name of school) by (insert

1 name of city)?". If a majority of voters approve of the charter  
2 sponsorship, the charter shall proceed. If a majority of voters  
3 disapprove of the charter sponsorship, the charter shall become  
4 invalid, and the city shall not sponsor a charter requested by the  
5 same entity for at least three (3) years from the date of the  
6 election. If the school board does not call for an election within  
7 forty-five (45) calendar days as provided for in this paragraph, the  
8 charter shall proceed.

9 B. An eligible non-school-district sponsor shall give priority  
10 to opening charter schools that serve at-risk student populations or  
11 students from low-performing traditional public schools.

12 C. An eligible non-school-district sponsor shall give priority  
13 to applicants that have demonstrated a record of operating at least  
14 one school or similar program that demonstrates academic success and  
15 organizational viability and serves student populations similar to  
16 those the proposed charter school seeks to serve. In assessing the  
17 potential for quality replication of a charter school, a sponsor  
18 shall consider the following factors before approving a new site or  
19 school:

20 1. Evidence of a strong and reliable record of academic success  
21 based primarily on student performance data, as well as other viable  
22 indicators, including financial and operational success;

23 2. A sound, detailed, and well-supported growth plan;

24

1 3. Evidence of the ability to transfer successful practices to  
2 a potentially different context that includes reproducing critical  
3 cultural, organizational and instructional characteristics;

4 4. Any management organization involved in a potential  
5 replication is fully vetted, and the academic, financial and  
6 operational records of the schools it operates are found to be  
7 satisfactory;

8 5. Evidence the program seeking to be replicated has the  
9 capacity to do so successfully without diminishing or putting at  
10 risk its current operations; and

11 6. A financial structure that ensures that funds attributable  
12 to each charter school within a network and required by law to be  
13 utilized by a school remain with and are used to benefit that  
14 school.

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

23 E. For the purposes of the Oklahoma Charter Schools Act,  
24 "conversion charter school" means a charter school created by

1 converting all or any part of a traditional public school into a  
2 charter school which may be operated by the school district board of  
3 education or by an independent operating board elected by and  
4 accountable to the school district board of education.

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

8 SECTION 2. AMENDATORY Section 2 of Enrolled Senate Bill  
9 No. 782 of the 1st Session of the 55th Oklahoma Legislature is  
10 amended to read as follows:

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

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

1 1. A mission statement for the charter school;

2 2. A description including, but not limited to, background  
3 information of the organizational structure and the governing body  
4 of the charter school;

5 3. A financial plan for the first five (5) years of operation  
6 of the charter school and a description of the treasurer or other  
7 officers or persons who shall have primary responsibility for the  
8 finances of the charter school. Such person shall have demonstrated  
9 experience in school finance or the equivalent thereof;

10 4. A description of the hiring policy of the charter school;

11 5. The name of the applicant or applicants and requested  
12 sponsor;

13 6. A description of the facility and location of the charter  
14 school;

15 7. A description of the grades being served;

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

18 9. A demonstration of support for the charter school from  
19 residents of the school district which may include but is not  
20 limited to a survey of the school district residents or a petition  
21 signed by residents of the school district;

22 10. Documentation that the applicants completed charter school  
23 training as set forth in subsection A of this section;

1 11. A description of the minimum and maximum enrollment planned  
2 per year for each term of the charter contract;

3 12. The proposed calendar for the charter school and sample  
4 daily schedule;

5 13. Unless otherwise authorized by law or regulation, a  
6 description of the academic program aligned with state standards;

7 14. A description of the instructional design of the charter  
8 school, including the type of learning environment, class size and  
9 structure, curriculum overview and teaching methods;

10 15. The plan for using internal and external assessments to  
11 measure and report student progress on the performance framework  
12 developed by the applicant in accordance with subsection C of  
13 Section 3-135 of this title;

14 16. The plans for identifying and successfully serving students  
15 with disabilities, students who are English language learners and  
16 students who are academically behind;

17 17. A description of cocurricular or extracurricular programs  
18 and how they will be funded and delivered;

19 18. Plans and time lines for student recruitment and  
20 enrollment, including lottery procedures;

21 19. The student discipline policies for the charter school,  
22 including those for special education students;

23 20. An organizational chart that clearly presents the  
24 organizational structure of the charter school, including lines of

1 authority and reporting between the governing board, staff, any  
2 related bodies such as advisory bodies or parent and teacher  
3 councils and any external organizations that will play a role in  
4 managing the school;

5 21. A clear description of the roles and responsibilities for  
6 the governing board, the leadership and management team for the  
7 charter school and any other entities shown in the organizational  
8 chart;

9 22. The leadership and teacher employment policies for the  
10 charter school;

11 23. Proposed governing bylaws;

12 24. Explanations of any partnerships or contractual  
13 partnerships central to the operations or mission of the charter  
14 school;

15 25. The plans for providing transportation, food service and  
16 all other significant operational or ancillary services;

17 26. Opportunities and expectations for parental involvement;

18 27. A detailed school start-up plan that identifies tasks, time  
19 lines and responsible individuals;

20 28. A description of the financial plan and policies for the  
21 charter school, including financial controls and audit requirements;

22 29. A description of the insurance coverage the charter school  
23 will obtain;

1 30. Start-up and five-year budgets with clearly stated  
2 assumptions;

3 31. Start-up and first-year cash-flow projections with clearly  
4 stated assumptions;

5 32. Evidence of anticipated fundraising contributions, if  
6 claimed in the application;

7 33. A sound facilities plan, including backup or contingency  
8 plans if appropriate;

9 34. A requirement that the charter school governing board meet  
10 at a minimum quarterly in the state and that for those charter  
11 schools outside of counties with a population of five hundred  
12 thousand (500,000) or more, that a majority of members are residents  
13 within the geographic boundary of the sponsoring entity; and

14 35. A requirement that the charter school follow the  
15 requirements of the Oklahoma Open Meeting Act and Oklahoma Open  
16 Records Act.

17 C. A board of education of a public school district, public  
18 body, public or private college or university, private person, or  
19 private organization may contract with a sponsor to establish a  
20 charter school. A private school shall not be eligible to contract  
21 for a charter school under the provisions of the Oklahoma Charter  
22 Schools Act.

23 D. The sponsor of a charter school is the board of education of  
24 a school district, the board of education of a technology center

1 school district, a higher education institution, the State Board of  
2 Education, ~~or~~ a federally recognized Indian tribe or the governing  
3 body of a city which meets the criteria established in Section 3-132  
4 of this title. Any board of education of a school district in the  
5 state may sponsor one or more charter schools. The physical  
6 location of a charter school sponsored by a board of education of a  
7 school district or a technology center school district shall be  
8 within the boundaries of the sponsoring school district. The  
9 physical location of a charter school sponsored by the State Board  
10 of Education when the applicant of the charter school is the Office  
11 of Juvenile Affairs shall be where an Office of Juvenile Affairs  
12 facility for youth is located. The physical location of a charter  
13 school otherwise sponsored by the State Board of Education pursuant  
14 to paragraph 8 of subsection A of Section 3-132 of this title shall  
15 be in the school district in which the application originated.

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

1 days of its receipt. Should the sponsor reject the application on  
2 reconsideration, the applicant may appeal the decision to the State  
3 Board of Education with the revised application for review pursuant  
4 to paragraph 8 of subsection A of Section 3-132 of this title. The  
5 State Board of Education shall hear the appeal no later than sixty  
6 (60) days from the date received by the Board.

7 F. A board of education of a school district, board of  
8 education of a technology center school district, higher education  
9 institution, ~~or~~ federally recognized Indian tribe or the governing  
10 body of a city sponsor of a charter school shall notify the State  
11 Board of Education when it accepts sponsorship of a charter school.  
12 The notification shall include a copy of the charter of the charter  
13 school.

14 G. Applicants for charter schools proposed to be sponsored by  
15 an entity other than a school district pursuant to paragraph 1 of  
16 subsection A of Section 3-132 of this title may, upon rejection of  
17 the revised application, proceed to binding arbitration under the  
18 commercial rules of the American Arbitration Association with costs  
19 of the arbitration to be borne by the proposed sponsor. Applicants  
20 for charter schools proposed to be sponsored by school districts  
21 pursuant to paragraph 1 of subsection A of Section 3-132 of this  
22 title may not proceed to binding arbitration but may be sponsored by  
23 the State Board of Education as provided in paragraph 8 of  
24 subsection A of Section 3-132 of this title.

1 H. If a board of education of a technology center school  
2 district, a higher education institution, the State Board of  
3 Education, ~~or~~ a federally recognized Indian tribe or the governing  
4 body of a city accepts sponsorship of a charter school, the  
5 administrative, fiscal and oversight responsibilities of the  
6 technology center school district, the higher education institution,  
7 ~~or~~ the federally recognized Indian tribe or the governing body of a  
8 city shall be listed in the contract. No responsibilities shall be  
9 delegated to a school district unless the local school district  
10 agrees to assume the responsibilities.

11 I. A sponsor of a public charter school shall have the  
12 following powers and duties:

13 1. Provide oversight of the operations of charter schools in  
14 the state through annual performance reviews of charter schools and  
15 reauthorization of charter schools for which it is a sponsor;

16 2. Solicit and evaluate charter applications;

17 3. Approve quality charter applications that meet identified  
18 educational needs and promote a diversity of educational choices;

19 4. Decline to approve weak or inadequate charter applications;

20 5. Negotiate and execute sound charter contracts with each  
21 approved public charter school;

22 6. Monitor, in accordance with charter contract terms, the  
23 performance and legal compliance of charter schools; and  
24

1           7. Determine whether each charter contract merits renewal,  
2 nonrenewal or revocation.

3           J. Sponsors shall establish a procedure for accepting,  
4 approving and disapproving charter school applications in accordance  
5 with subsection E of this section.

6           K. Sponsors shall be required to develop and maintain  
7 chartering policies and practices consistent with recognized  
8 principles and standards for quality charter authorizing as  
9 established by the State Department of Education in all major areas  
10 of authorizing responsibility, including organizational capacity and  
11 infrastructure, soliciting and evaluating charter applications,  
12 performance contracting, ongoing charter school oversight and  
13 evaluation and charter renewal decision-making.

14           L. Sponsors acting in their official capacity shall be immune  
15 from civil and criminal liability with respect to all activities  
16 related to a charter school with which they contract.

17           SECTION 3.           AMENDATORY           Section 6 of Enrolled Senate Bill  
18 No. 782 of the 1st Session of the 55th Oklahoma Legislature is  
19 amended to read as follows

20           Section 3-142. A. For purposes of funding, a charter school  
21 sponsored by a board of education of a school district shall be  
22 considered a site within the school district in which the charter  
23 school is located. The student membership of the charter school  
24 shall be considered separate from the student membership of the

1 district in which the charter school is located for the purpose of  
2 calculating weighted average daily membership pursuant to Section  
3 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of  
4 this title. For charter schools sponsored by a board of education  
5 of a school district, the sum of the separate calculations for the  
6 charter school and the school district shall be used to determine  
7 the total State Aid allocation for the district in which the charter  
8 school is located. A charter school shall receive from the  
9 sponsoring school district, the State Aid allocation and any other  
10 state-appropriated revenue generated by its students for the  
11 applicable year, less up to five percent (5%) of the State Aid  
12 allocation, which may be retained by the school district as a fee  
13 for administrative services rendered. For charter schools sponsored  
14 by the board of education of a technology center school district, a  
15 higher education institution, the State Board of Education, ~~or~~ a  
16 federally recognized Indian tribe or the governing body of a city,  
17 and for statewide virtual charter schools sponsored by the Statewide  
18 Virtual Charter School Board, the State Aid allocation for the  
19 charter school shall be distributed by the State Board of Education  
20 and not more than five percent (5%) of the State Aid allocation may  
21 be charged by the sponsor as a fee for administrative services  
22 rendered. The State Board of Education shall determine the policy  
23 and procedure for making payments to a charter school. The fee for  
24 administrative services as authorized in this subsection shall only

1 be assessed on the State Aid allocation amount and shall not be  
2 assessed on any other appropriated amounts.

3 B. 1. The weighted average daily membership for the first year  
4 of operation of a charter school shall be determined initially by  
5 multiplying the actual enrollment of students as of August 1 by  
6 1.333. The charter school shall receive revenue equal to that which  
7 would be generated by the estimated weighted average daily  
8 membership calculated pursuant to this paragraph. At midyear, the  
9 allocation for the charter school shall be adjusted using the first  
10 quarter weighted average daily membership for the charter school  
11 calculated pursuant to subsection A of this section.

12 2. For the purpose of calculating weighted average daily  
13 membership pursuant to Section 18-201.1 of this title and State Aid  
14 pursuant to Section 18-200.1 of this title, the weighted average  
15 daily membership for the first year of operation and each year  
16 thereafter of a full-time virtual charter school shall be determined  
17 by multiplying the actual enrollment of students as of August 1 by  
18 1.333. The full-time virtual charter school shall receive revenue  
19 equal to that which would be generated by the estimated weighted  
20 average daily membership calculated pursuant to this paragraph. At  
21 midyear, the allocation for the full-time virtual charter school  
22 shall be adjusted using the first quarter weighted average daily  
23 membership for the virtual charter school calculated pursuant to  
24 subsection A of this section.

1 C. A charter school shall be eligible to receive any other aid,  
2 grants or revenues allowed to other schools. A charter school  
3 sponsored by the board of education of a technology center school  
4 district, a higher education institution, the State Board of  
5 Education, ~~or~~ a federally recognized Indian tribe or the governing  
6 body of a city, shall be considered a local education agency for  
7 purposes of funding. A charter school sponsored by a board of  
8 education of a school district shall be considered a local education  
9 agency for purposes of federal funding.

10 D. A charter school, in addition to the money received from the  
11 state, may receive money from any other source. Any unexpended  
12 funds may be reserved and used for future purposes. The governing  
13 body of a charter school shall not levy taxes or issue bonds. If  
14 otherwise allowed by law, the governing body of a charter school may  
15 enter into private contracts for the purposes of borrowing money  
16 from lenders. If the governing body of the charter school borrows  
17 money, the charter school shall be solely responsible for repaying  
18 the debt, and the state or the sponsor shall not in any way be  
19 responsible or obligated to repay the debt.

20 E. Any charter school which chooses to lease property shall be  
21 eligible to receive current government lease rates.

22 SECTION 4. This act shall become effective November 1, 2015."  
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