

1 ENGROSSED SENATE
2 BILL NO. 1268

By: Jolley of the Senate

3 and

4 Denney of the House

5
6 An Act relating to charter schools; amending 70 O.S.
7 2011, Section 3-137, as amended by Section 4, Chapter
8 170, O.S.L. 2015 (70 O.S. Supp. 2015, Section 3-137),
9 which relates to charter school contracts; correcting
10 a scrivener's error; providing an effective date; and
11 declaring an emergency.

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

13 SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-137, as
14 amended by Section 4, Chapter 170, O.S.L. 2015 (70 O.S. Supp. 2015,
15 Section 3-137), is amended to read as follows:

16 Section 3-137. A. An approved contract for a charter school
17 shall be effective for five (5) years from the first day of
18 operation. A charter contract may be renewed for successive five-
19 year terms of duration, although the sponsor may vary the term based
20 on the performance, demonstrated capacities and particular
21 circumstances of each charter school. A sponsor may grant renewal
22 with specific conditions for necessary improvements to a charter
23 school.

24 B. Prior to the beginning of the fourth year of operation of a
charter school, the sponsor shall issue a charter school performance

1 report and charter renewal application guidance to the school and
2 the charter school board. The performance report shall summarize
3 the performance record to date of the charter school, based on the
4 data required by the Oklahoma Charter Schools Act and the charter
5 contract and taking into consideration the percentage of at-risk
6 students enrolled in the school, and shall provide notice of any
7 weaknesses or concerns perceived by the sponsor concerning the
8 charter school that may jeopardize its position in seeking renewal
9 if not timely rectified. The charter school shall have forty-five
10 (45) days to respond to the performance report and submit any
11 corrections or clarifications for the report.

12 C. 1. Prior to the beginning of the fifth year of operation,
13 the charter school may apply for renewal of the contract with the
14 sponsor. The renewal application guidance shall, at a minimum,
15 provide an opportunity for the charter school to:

- 16 a. present additional evidence, beyond the data contained
17 in the performance report, supporting its case for
18 charter renewal,
- 19 b. describe improvements undertaken or planned for the
20 school, and
- 21 c. detail the plan for the next charter term for the
22 school.

23 2. The renewal application guidance shall include or refer
24 explicitly to the criteria that will guide the renewal decisions of

1 the sponsor, which shall be based on the performance framework set
2 forth in the charter contract and consistent with the Oklahoma
3 Charter Schools Act.

4 D. The sponsor may deny the request for renewal if it
5 determines the charter school has failed to complete the obligations
6 of the contract or comply with the provisions of the Oklahoma
7 Charter Schools Act. A sponsor shall give written notice of its
8 intent to deny the request for renewal at least eight (8) months
9 prior to expiration of the contract. In making charter renewal
10 decisions, a sponsor shall:

11 1. Ground decisions on evidence of the performance of the
12 school over the term of the charter contract in accordance with the
13 performance framework set forth in the charter contract and shall
14 take into consideration the percentage of at-risk students enrolled
15 in the school;

16 2. Grant renewal to schools that have achieved the standards,
17 targets and performance expectations as stated in the charter
18 contract and are organizationally and fiscally viable and have been
19 faithful to the terms of the contract and applicable law;

20 3. Ensure that data used in making renewal decisions are
21 available to the school and the public; and

22 4. Provide a public report summarizing the evidence used as the
23 basis for each decision.

24

1 E. If a sponsor denies a request for renewal, the governing
2 board of the sponsor may, if requested by the charter school,
3 proceed to binding arbitration as provided for in subsection G of
4 Section 3-134 of this title.

5 F. A sponsor may terminate a contract during the term of the
6 contract for failure to meet the requirements for student
7 performance contained in the contract, failure to meet the standards
8 of fiscal management, violations of the law, or other good cause.
9 The sponsor shall give at least ninety (90) days' written notice to
10 the governing board prior to terminating the contract. The
11 governing board may request, in writing, an informal hearing before
12 the sponsor within fourteen (14) days of receiving notice. The
13 sponsor shall conduct an informal hearing before taking action. If
14 a sponsor decides to terminate a contract, the governing board may,
15 if requested by the charter school, proceed to binding arbitration
16 as provided for in subsection G of Section 3-134 of this title.

17 G. 1. Beginning in the 2016-2017 school year, the State Board
18 of Education shall identify charter schools in the state that are
19 ranked in the bottom five percent (5%) of all public schools as
20 determined pursuant to Section 1210.545 of this title.

21 2. At the time of its charter renewal, based on an average of
22 the current year and the two (2) prior operating years, a sponsor
23 may close a charter school site identified as being among the bottom
24 five percent (5%) of public schools in the state. The average of

1 the current year and two (2) prior operating years shall be
2 calculated by using the percentage ranking for each year divided by
3 three, as determined by this subsection.

4 3. If there is a change to the calculation described in Section
5 1210.545 of this title that results in a charter school site that
6 was not ranked in the bottom five percent (5%) being ranked in the
7 bottom five percent (5%), then the sponsor shall use the higher of
8 the two rankings to calculate the ranking of the charter school
9 site.

10 4. In the event that a sponsor fails to close a charter school
11 site consistent with this subsection, the sponsor shall appear
12 before the State Board of Education to provide support for its
13 decision. The State Board of Education may, by majority vote,
14 uphold or overturn the decision of the sponsor. If the decision of
15 the sponsor is overturned by the State Board of Education, the Board
16 may implement one of the following actions:

- 17 a. transfer the sponsorship of the charter school
18 identified in this paragraph to another sponsor,
- 19 b. order the closure of the charter school identified in
20 this paragraph at the end of the current school year,
21 or
- 22 c. order the reduction of any administrative fee
23 collected by the sponsor that is applicable to the
24 charter school identified in this paragraph. The

1 reduction shall become effective at the beginning of
2 the month following the month the hearing of the
3 sponsor is held by the State Board of Education.

4 5. A charter school that is closed by the State Board of
5 Education pursuant to paragraph 4 of this subsection shall not be
6 granted a charter by any other sponsor.

7 6. The requirements of this subsection shall not apply to a
8 charter school that has been ~~designed~~ designated by the State
9 Department of Education as implementing an alternative education
10 program throughout the charter school.

11 7. In making a school site closure decision, the State Board of
12 Education shall consider the following:

- 13 a. enrollment of students with special challenges such as
14 drug or alcohol addiction, prior withdrawal from
15 school, prior incarceration or other special
16 circumstances,
- 17 b. high mobility of the student population resulting from
18 the specific purpose of the charter school,
- 19 c. annual improvement in the performance of students
20 enrolled in the charter school compared with the
21 performance of students enrolled in the charter school
22 in the immediately preceding school year, and
- 23 d. whether a majority of students attending the charter
24 school under consideration for closure would likely

1 revert to attending public schools with lower academic
2 achievement, as demonstrated pursuant to Section
3 1210.545 of this title.

4 8. If the State Board of Education has closed or transferred
5 authorization of at least twenty-five percent (25%) of the charter
6 schools chartered by one sponsor pursuant to paragraph 4 of this
7 subsection, the authority of the sponsor to authorize new charter
8 schools may be suspended by the Board until the Board approves the
9 sponsor to authorize new charter schools. A determination under
10 this paragraph to suspend the authority of a sponsor to authorize
11 new charter schools shall identify the deficiencies that, if
12 corrected, will result in the approval of the sponsor to authorize
13 new charter schools.

14 H. If a sponsor terminates a contract or the charter school is
15 closed, the closure shall be conducted in accordance with the
16 following protocol:

17 1. Within two (2) calendar weeks of a final closure
18 determination, the sponsor shall meet with the governing board and
19 leadership of the charter school to establish a transition team
20 composed of school staff, applicant staff and others designated by
21 the applicant that will attend to the closure, including the
22 transfer of students, student records and school funds;

23 2. The sponsor and transition team shall communicate regularly
24 and effectively with families of students enrolled in the charter

1 school, as well as with school staff and other stakeholders, to keep
2 them apprised of key information regarding the closure of the school
3 and their options and risks;

4 3. The sponsor and transition team shall ensure that current
5 instruction of students enrolled in the charter school continues per
6 the charter agreement for the remainder of the school year;

7 4. The sponsor and transition team shall ensure that all
8 necessary and prudent notifications are issued to agencies,
9 employees, insurers, contractors, creditors, debtors and management
10 organizations; and

11 5. The governing board of the charter school shall continue to
12 meet as necessary to take actions needed to wind down school
13 operations, manage school finances, allocate resources and
14 facilitate all aspects of closure.

15 I. A sponsor shall develop revocation and nonrenewal processes
16 that are consistent with the Oklahoma Charter Schools Act and that:

17 1. Provide the charter school with a timely notification of the
18 prospect of revocation or nonrenewal and of the reasons for possible
19 closure;

20 2. Allow the charter school a reasonable amount of time in
21 which to prepare a response;

22 3. Provide the charter school with an opportunity to submit
23 documents and give testimony in a public hearing challenging the
24 rationale for closure and in support of the continuation of the

1 school at an orderly proceeding held for that purpose and prior to
2 taking any final nonrenewal or revocation decision related to the
3 school;

4 4. Allow the charter school access to representation by counsel
5 to call witnesses on its behalf;

6 5. Permit the recording of the proceedings; and

7 6. After a reasonable period for deliberation, require a final
8 determination be made and conveyed in writing to the charter school.

9 J. If a sponsor revokes or does not renew a charter, the
10 sponsor shall clearly state in a resolution the reasons for the
11 revocation or nonrenewal.

12 K. 1. Before a sponsor may issue a charter to a charter school
13 governing body that has had its charter terminated or has been
14 informed that its charter will not be renewed by the current
15 sponsor, the sponsor shall request to have the proposal reviewed by
16 the State Board of Education at a hearing. The State Board of
17 Education shall conduct a hearing in which the sponsor shall present
18 information indicating that the proposal of the organizer is
19 substantively different in the areas of deficiency identified by the
20 current sponsor from the current proposal as set forth within the
21 charter with its current sponsor.

22 2. After the State Board of Education conducts a hearing
23 pursuant to this subsection, the Board shall either approve or deny
24 the proposal.

1 3. If the proposal is denied, no sponsor may issue a charter to
2 the charter school governing body.

3 L. If a contract is not renewed, the governing board of the
4 charter school may submit an application to a proposed new sponsor
5 as provided for in Section 3-134 of this title.

6 M. If a contract is not renewed or is terminated according to
7 this section, a student who attended the charter school may enroll
8 in the resident school district of the student or may apply for a
9 transfer in accordance with Section 8-103 of this title.

10 SECTION 2. This act shall become effective July 1, 2016.

11 SECTION 3. It being immediately necessary for the preservation
12 of the public peace, health and safety, an emergency is hereby
13 declared to exist, by reason whereof this act shall take effect and
14 be in full force from and after its passage and approval.

15 Passed the Senate the 10th day of March, 2016.

16

17

Presiding Officer of the Senate

18

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

20 2016.

21

22

Presiding Officer of the House
of Representatives

23

24