

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 COMMITTEE SUBSTITUTE

4 FOR

5 SENATE BILL NO. 1663

By: Ford

6  
7 COMMITTEE SUBSTITUTE

8 An Act relating to charter schools; amending 70 O.S.  
9 2011, Section 3-137, which relates to charter school  
10 contracts; directing a sponsor to terminate a charter  
11 school contract if the school receives certain grades  
12 for a certain amount of time; providing certain  
13 exemption; amending Section 5, Chapter 367, O.S.L.  
14 2012, as amended by Section 5, Chapter 212, O.S.L.  
15 2013 (70 O.S. Supp. 2013, Section 3-145.3), which  
16 relates to the Statewide Virtual Charter School  
17 Board; directing the Statewide Virtual Charter School  
18 Board to terminate a statewide virtual charter school  
19 contract if the school receives certain grades for a  
20 certain amount of time; providing certain exemption;  
21 providing an effective date; and declaring an  
22 emergency.

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

24 SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-137, is  
amended to read as follows:

Section 3-137. A. An approved contract for a charter school  
shall be effective for not longer than five (5) years from the first  
day of operation. Prior to the beginning of the fifth year of  
operation, the charter school may apply for renewal of the contract

1 with the sponsor. The sponsor may deny the request for renewal if  
2 it determines the charter school has failed to complete the  
3 obligations of the contract or comply with the provisions of the  
4 Oklahoma Charter Schools Act. A sponsor shall give written notice  
5 of its intent to deny the request for renewal at least eight (8)  
6 months prior to expiration of the contract.

7 B. If a sponsor denies a request for renewal, the governing  
8 board may proceed to mediation or binding arbitration or both as  
9 provided for in subsection G of Section 3-134 of this title.

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

22 D. 1. Beginning with the 2014-15 school year, a sponsor shall  
23 terminate a contract during the term of the contract if the charter  
24 school has received a grade of "D" or lower for three (3)

1 consecutive years or has received a letter grade of "F" for two (2)  
2 consecutive years under the grading system established pursuant to  
3 Section 1210.545 of this title. Provided, however, that charter  
4 schools designated as alternative schools or alternative education  
5 programs serving students who are most at risk of not completing a  
6 high school education pursuant to Section 1210.568 of this title  
7 shall be exempt from this provision.

8 2. The sponsor shall give at least ninety (90) days' written  
9 notice to the governing board prior to terminating the contract.  
10 The sponsor shall notify the State Board of Education when it  
11 revokes the sponsorship of a charter school pursuant to this  
12 subsection.

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

16 ~~E.~~ F. If a contract is not renewed or is terminated according  
17 to this section, a student who attended the charter school may  
18 enroll in the resident school district of the student or may apply  
19 for a transfer in accordance with Section 8-103 of this title.

20 SECTION 2. AMENDATORY Section 5, Chapter 367, O.S.L.  
21 2012, as amended by Section 5, Chapter 212, O.S.L. 2013 (70 O.S.  
22 Supp. 2013, Section 3-145.3), is amended to read as follows:  
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1       Section 3-145.3. A. Subject to the requirements of the  
2 Oklahoma Charter Schools Act, the Statewide Virtual Charter School  
3 Board shall:

4       1. Provide oversight of the operations of statewide virtual  
5 charter schools in this state; and

6       2. Establish a procedure for accepting, approving and  
7 disapproving statewide virtual charter school applications and a  
8 process for renewal or revocation of approved charter school  
9 contracts which minimally meet the procedures set forth in the  
10 Oklahoma Charter Schools Act.

11       B. Each statewide virtual charter school which has been  
12 approved and sponsored by the Board or any virtual charter school  
13 for which the Board has assumed sponsorship of as provided for in  
14 Section 3-145.5 of this title shall be considered a statewide  
15 virtual charter school and the geographic boundaries of each  
16 statewide virtual charter school shall be the borders of the state.

17       C. Each statewide virtual charter school approved by the  
18 Statewide Virtual Charter School Board shall be eligible to receive  
19 federal funds generated by students enrolled in the charter school  
20 for the applicable year. Each statewide virtual charter school  
21 shall be considered a separate local education agency for purposes  
22 of reporting and accountability.

23       D. As calculated as provided for in Section 3-142 of this  
24 title, a statewide virtual charter school shall receive the State

1 Aid allocation and any other state-appropriated revenue generated by  
2 students enrolled in the virtual charter school for the applicable  
3 year, less up to five percent (5%) of the State Aid allocation,  
4 which may be retained by the Statewide Virtual Charter School Board  
5 for administrative expenses and to support the mission of the Board.  
6 A statewide virtual charter school shall be eligible for any other  
7 funding any other charter school is eligible for as provided for in  
8 Section 3-142 of this title. Each statewide virtual charter school  
9 shall be considered a separate local education agency for purposes  
10 of reporting and accountability.

11 E. Students enrolled full-time in a statewide virtual charter  
12 school sponsored by the Statewide Virtual Charter School Board shall  
13 not be authorized to participate in any activities administered by  
14 the Oklahoma Secondary Schools Activities Association. However, the  
15 students may participate in intramural activities sponsored by a  
16 statewide virtual charter school, an online provider for the charter  
17 school or any other outside organization.

18 F. 1. Beginning with the 2014-15 school year, the Statewide  
19 Virtual Charter School Board shall terminate the charter contract of  
20 a statewide virtual charter school during the term of the contract  
21 if the school has received a letter grade of "D" or lower for three  
22 (3) consecutive years or has received a letter grade of "F" for two  
23 (2) consecutive years under the grading system established pursuant  
24 to Section 1210.545 of this title. Provided, however, that

1 statewide virtual charter schools designated as alternative schools  
2 or alternative education programs serving students who are most at  
3 risk of not completing a high school education pursuant to Section  
4 1210.568 of this title shall be exempt from this provision. The  
5 Statewide Virtual Charter School Board shall give at least ninety  
6 (90) days' written notice to the statewide virtual charter school  
7 prior to terminating the contract.

8       2. The decision of the Statewide Virtual Charter School Board  
9 to deny, nonrenew or terminate the charter contract of a statewide  
10 virtual charter school may be appealed to the State Board of  
11 Education within thirty (30) days of the decision by the Statewide  
12 Virtual Charter School Board. The State Board of Education shall  
13 act on the appeal within sixty (60) days of receipt of the request  
14 from the statewide virtual charter school applicant. The State  
15 Board of Education may reverse the decision of the Statewide Virtual  
16 Charter School Board or may remand the matter back to the Statewide  
17 Virtual Charter School Board for further proceeding as directed.

18       SECTION 3. This act shall become effective July 1, 2014.

19       SECTION 4. It being immediately necessary for the preservation  
20 of the public peace, health and safety, an emergency is hereby  
21 declared to exist, by reason whereof this act shall take effect and  
22 be in full force from and after its passage and approval.