

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

COMMITTEE SUBSTITUTE
FOR

SENATE BILL 359

By: Stanislawski

COMMITTEE SUBSTITUTE

An Act relating to charter schools; allowing the governing board of a charter school to submit a request to certain school district board of education to participate in certain bond election; requiring request to be considered received upon certain date; requiring the request to include certain information; requiring the board of education to consider the request within certain time period; requiring the school district board of education and the governing body of the charter school to enter into certain agreement if the request is approved; providing criteria for agreement; directing a board of education to provide a requesting charter school with certain information if a request is denied; allowing a question to issue bonds to include certain information; allowing charter schools right of first refusal to purchase or lease certain public school property; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-136.1 of Title 70, unless there is created a duplication in numbering, reads as follows:

1 A. The governing board of a charter school approved pursuant to
2 Section 3-132 of Title 70 of the Oklahoma Statutes may submit a
3 written request to the board of education of the school district in
4 which the charter school is located to participate in a local bond
5 election authorized by Section 26 of Article X of the Oklahoma
6 Constitution. The written request shall be considered received as
7 of the next regularly scheduled meeting of the school district board
8 of education. The request shall include:

9 1. A description of the capital construction to be financed by
10 the bonded indebtedness and an estimated timeline for completion;
11 and

12 2. An estimate of the total cost of completing the capital
13 construction to be financed by bond indebtedness and an explanation
14 why revenue sources other than bond indebtedness are inadequate to
15 fully finance the project.

16 B. The school district board of education shall consider the
17 request and shall issue a written response within thirty (30) days
18 of receipt to approve the request or deny the request.

19 C. If the school district board of education approves a charter
20 school's request to participate in a local bond election, prior to
21 submitting the ballot question to the voters of the school district,
22 the school district board of education and the governing board of
23 the charter school shall enter into a written agreement. The
24 agreement shall include at a minimum:

1 1. The question to be posed to electors;

2 2. A statement that the cost of submitting the ballot question
3 shall be borne by both the district and the charter school in
4 proportion to their respective portions of the total bond proceeds
5 to be received unless the parties agree to a different cost-sharing
6 agreement;

7 3. A statement that investment and interest earnings on bond
8 proceeds shall be distributed on a pro rata basis to the
9 participating charter school after the management fees have been
10 collected unless the parties agree to a different cost-sharing
11 agreement;

12 4. An agreement as to the amount, timing and process by which
13 the bond proceeds and investment and interest earnings on the
14 proceeds shall be distributed to the charter school;

15 5. A statement that construction standards for the charter
16 school's capital construction project shall meet applicable state
17 building code requirements;

18 6. A statement that construction and renovation, payment of
19 overrun costs and other capital construction project issues will be
20 managed by the charter school and the school district will be held
21 harmless; and

22 7. A plan for disposition of the property if the charter
23 school's sponsor revokes or does not renew the charter contract.
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1 The plan may include conveyance of the property to the school
2 district following payments to senior secured creditors, if any.

3 D. If the school district board of education denies the charter
4 school's request, the board of education shall provide the charter
5 school with a written statement specifying the reasons for denying
6 the request. The charter school shall have an opportunity to
7 address any issues raised by the board of education and resubmit a
8 request. A revised request shall be considered part of the original
9 request for the purposes of subsection A of this section.

10 E. When a school district board of education submits to the
11 qualified electors the question of whether the board of education
12 shall be empowered to issue negotiable bonds of the school district
13 pursuant to Section 26 of Article X of the Oklahoma Constitution, it
14 may include the charter school's capital construction needs as part
15 of a ballot question for approval of bonded indebtedness to be
16 submitted by the district to the voters of the district consistent
17 with the terms of the agreement entered into pursuant to subsection
18 C of this section. Nothing in this section shall alter the
19 prohibition against a charter school's ability to independently levy
20 taxes or issue bonds as set forth in Section 3-136 of Title 70 of
21 the Oklahoma Statutes.

22 F. If a school district board of education decides to sell or
23 lease a public school property, a charter school located within the
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1 school district shall have the right of first refusal to purchase or
2 lease the property at or below fair market value.

3 SECTION 2. This act shall become effective July 1, 2017.

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

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