

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 56th Legislature (2018)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2571

By: Casey

7
8 COMMITTEE SUBSTITUTE

9 An Act relating to charter schools; amending 70 O.S.
10 2011, Sections 3-132, as last amended by Section 29,
11 Chapter 42, O.S.L. 2017 and 3-134, as amended by
12 Section 2, Chapter 170, O.S.L. 2015 (70 O.S. Supp.
13 2017, Sections 3-132 and 3-134), which relate to the
14 Oklahoma Charter Schools Act; requiring hearing for
15 charter school applicant and local school district;
16 revising list of mandatory findings; updating
17 statutory reference; establishing appeal procedures
18 for rejected application; authorizing State Board of
19 Education to appoint hearing officer; providing time
20 requirement for appointment; directing adherence to
21 appeal procedures and requirements; listing
22 procedures and requirements; and providing an
23 effective date.

24
BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-132, as
last amended by Section 29, Chapter 42, O.S.L. 2017 (70 O.S. Supp.
2017, Section 3-132), is amended to read as follows:

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

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

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

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

19 4. By an accredited comprehensive or regional institution that
20 is a member of The Oklahoma State System of Higher Education or a
21 community college if the charter school is located in a school
22 district in which all or part of the school district is located in a
23 county having more than five hundred thousand (500,000) population
24 according to the latest Federal Decennial Census;

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

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

20 7. By the State Board of Education when the applicant of the
21 charter school is the Office of Juvenile Affairs or the applicant
22 has a contract with the Office of Juvenile Affairs to provide a
23 fixed rate level E, D, or D+ group home service and the charter
24 school is for the purpose of providing education services to youth

1 in the custody or supervision of the state. Not more than two
2 charter schools shall be sponsored by the Board as provided for in
3 this paragraph during the period of time beginning July 1, 2010,
4 through July 1, 2016;

5 8. By a federally recognized Indian tribe only when the charter
6 school is located within the former reservation or treaty area
7 boundaries of the tribe on property held in trust by the Bureau of
8 Indian Affairs of the United States Department of the Interior for
9 the benefit of the tribe; or

10 9. 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 first provide an opportunity to be heard to the
20 applicant and local school district per subsection E of Section 3-
21 134 of this title and find evidence of all of the following:

- 22 a. a thorough and high-quality charter school application
23 from the applicant based on the authorizing standards
24 in subsection B of Section 3-134 of this title,

1 b. a clear demonstration of community support by members
2 of the community within the geographical boundaries of
3 the proposed charter school, but shall not exclude
4 parents or guardians of students who have transferred
5 into the district within the geographical boundaries
6 for the charter school, and

7 c. the grounds and basis of objection by the school
8 district for denying the operation of the charter are
9 not supported by the greater weight of evidence and
10 the strength of the application.

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

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

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

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

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

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

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

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

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

1 E. 1. For the purposes of the Oklahoma Charter Schools Act,
2 "conversion school" means a school created by converting all or any
3 part of a traditional public school in order to access any or all
4 flexibilities afforded to a charter school.

5 2. Prior to the board of education of a school district
6 converting all or any part of a traditional public school to a
7 conversion school, the board shall prepare a conversion plan. The
8 conversion plan shall include documentation that demonstrates and
9 complies with paragraphs 1, 2, 6, 7, 8, 9, 10, 13, 14, 15, 16, 17,
10 19, 20, 21, 22, 23, 24, 34 and 35 of subsection B of Section 3-134
11 of this title. The conversion plan and all documents shall be in
12 writing and shall be available to the public pursuant to the
13 requirements of the Oklahoma Open Records Act. All votes by the
14 board of education of a school district to approve a conversion plan
15 shall be held in an open public session. If the board of education
16 of a school district votes to approve a conversion plan, the board
17 shall notify the State Board of Education within sixty (60) days
18 after the vote. The notification shall include a copy of the
19 minutes for the board meeting at which the conversion plan was
20 approved.

21 3. A conversion school shall comply with all the same
22 accountability measures as are required of a charter school as
23 defined in subsection D of this section. The provisions of Sections
24 3-140 and 3-142 of this title shall not apply to a conversion

1 school. Conversion schools shall comply with the same laws and
2 State Board of Education rules relating to student enrollment which
3 apply to traditional public schools. Conversion schools shall be
4 funded by the board of education of the school district as a school
5 site within the school district and funding shall not be affected by
6 the conversion of the school.

7 4. The board of education of a school district may vote to
8 revert a conversion school back to a traditional public school at
9 any time; provided, the change shall only occur during a break
10 between school years.

11 5. Unless otherwise provided for in this subsection, a
12 conversion school shall retain the characteristics of a traditional
13 public school.

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

17 SECTION 2. AMENDATORY 70 O.S. 2011, Section 3-134, as
18 amended by Section 2, Chapter 170, O.S.L. 2015 (70 O.S. Supp. 2017,
19 Section 3-134), is amended to read as follows:

20 Section 3-134. A. For written applications filed after January
21 1, 2008, prior to submission of the application to a proposed
22 sponsor seeking to establish a charter school, the applicant shall
23 be required to complete training which shall not exceed ten (10)
24 hours provided by the State Department of Education on the process

1 and requirements for establishing a charter school. The Department
2 shall develop and implement the training by January 1, 2008. The
3 Department may provide the training in any format and manner that
4 the Department determines to be efficient and effective including,
5 but not limited to, web-based training.

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

10 1. A mission statement for the charter school;

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

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

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

20 5. The name of the applicant or applicants and requested
21 sponsor;

22 6. A description of the facility and location of the charter
23 school;

24 7. A description of the grades being served;

- 1 8. An outline of criteria designed to measure the effectiveness
2 of the charter school;
- 3 9. A demonstration of support for the charter school from
4 residents of the school district which may include but is not
5 limited to a survey of the school district residents or a petition
6 signed by residents of the school district;
- 7 10. Documentation that the applicants completed charter school
8 training as set forth in subsection A of this section;
- 9 11. A description of the minimum and maximum enrollment planned
10 per year for each term of the charter contract;
- 11 12. The proposed calendar for the charter school and sample
12 daily schedule;
- 13 13. Unless otherwise authorized by law or regulation, a
14 description of the academic program aligned with state standards;
- 15 14. A description of the instructional design of the charter
16 school, including the type of learning environment, class size and
17 structure, curriculum overview and teaching methods;
- 18 15. The plan for using internal and external assessments to
19 measure and report student progress on the performance framework
20 developed by the applicant in accordance with subsection C of
21 Section 3-135 of this title;
- 22 16. The plans for identifying and successfully serving students
23 with disabilities, students who are English language learners and
24 students who are academically behind;

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

3 18. Plans and time lines for student recruitment and
4 enrollment, including lottery procedures;

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

7 20. An organizational chart that clearly presents the
8 organizational structure of the charter school, including lines of
9 authority and reporting between the governing board, staff, any
10 related bodies such as advisory bodies or parent and teacher
11 councils and any external organizations that will play a role in
12 managing the school;

13 21. A clear description of the roles and responsibilities for
14 the governing board, the leadership and management team for the
15 charter school and any other entities shown in the organizational
16 chart;

17 22. The leadership and teacher employment policies for the
18 charter school;

19 23. Proposed governing bylaws;

20 24. Explanations of any partnerships or contractual
21 partnerships central to the operations or mission of the charter
22 school;

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

1 26. Opportunities and expectations for parental involvement;

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

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

6 29. A description of the insurance coverage the charter school
7 will obtain;

8 30. Start-up and five-year budgets with clearly stated
9 assumptions;

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

12 32. Evidence of anticipated fundraising contributions, if
13 claimed in the application;

14 33. A sound facilities plan, including backup or contingency
15 plans if appropriate;

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

21 35. A requirement that the charter school follow the
22 requirements of the Oklahoma Open Meeting Act and Oklahoma Open
23 Records Act.

1 C. A board of education of a public school district, public
2 body, public or private college or university, private person, or
3 private organization may contract with a sponsor to establish a
4 charter school. A private school shall not be eligible to contract
5 for a charter school under the provisions of the Oklahoma Charter
6 Schools Act.

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

1 E. An applicant for a charter school may submit an application
2 to a proposed sponsor which shall either accept or reject
3 sponsorship of the charter school within ninety (90) days of receipt
4 of the application. If the proposed sponsor rejects the
5 application, it shall notify the applicant in writing of the reasons
6 for the rejection. The applicant may submit a revised application
7 for reconsideration to the proposed sponsor within thirty (30) days
8 after receiving notification of the rejection. The proposed sponsor
9 shall accept or reject the revised application within thirty (30)
10 days of its receipt. Should the sponsor reject the application on
11 reconsideration, the applicant may appeal the decision to the State
12 Board of Education with the revised application for review pursuant
13 to paragraph ~~8~~ 9 of subsection A of Section 3-132 of this title.
14 The applicant has thirty (30) days after rejection of the
15 reconsidered application to file an appeal with the Board. The
16 appeal shall be in writing, submitted to the chair of the Board and
17 shall state the basis for the appeal. The applicant shall provide
18 the proposed school district sponsor a certified copy of the appeal
19 and all accompanying documents submitted for the appeal within one
20 (1) business day of submission to the Board. The Board may appoint
21 an impartial hearing officer to assume the responsibilities on
22 behalf of the Board or the Board may retain those responsibilities.
23 If the chair appoints a hearing officer, the appointment shall be
24 made within ten (10) business days upon receipt of an appeal of a

1 rejected application for charter school sponsorship. The State
2 Board of Education or hearing officer shall hear the appeal no later
3 than sixty (60) days from the date received by the Board. The Board
4 or hearing officer, applicant and the proposed school district
5 sponsor shall follow the appeal process procedures and requirements:

6 1. The applicant and proposed sponsor shall be entitled to
7 legal representation during the appeals process and at a hearing
8 before the hearing officer or Board;

9 2. The applicant shall bear the burden of proof at the hearing.
10 All parties shall be entitled to legal representation, the
11 opportunity to submit evidence and motions to the chair of the Board
12 or the hearing officer; provided, that all parties provide certified
13 copies of all documents submitted to the chair of the Board or the
14 hearing officer, the applicant and the proposed sponsor;

15 3. The hearing officer or the Board shall consider only
16 evidence determined to be relevant to the basis of the appeal.
17 There shall be a specified order of procedure that shall be equally
18 afforded to the applicant and the proposed sponsor; and

19 4. The hearing officer or the Board may grant a continuance of
20 the hearing upon written motion of either party for good cause shown
21 submitted at least five (5) days prior to the date set for hearing.
22 The hearing may also be reset upon written agreement of all parties.

23 F. A board of education of a school district, board of
24 education of a technology center school district, higher education

1 institution, or federally recognized Indian tribe sponsor of a
2 charter school shall notify the State Board of Education when it
3 accepts sponsorship of a charter school. The notification shall
4 include a copy of the charter of the charter school.

5 G. Applicants for charter schools proposed to be sponsored by
6 an entity other than a school district pursuant to paragraph 1 of
7 subsection A of Section 3-132 of this title may, upon rejection of
8 the revised application, proceed to binding arbitration under the
9 commercial rules of the American Arbitration Association with costs
10 of the arbitration to be borne by the proposed sponsor. Applicants
11 for charter schools proposed to be sponsored by school districts
12 pursuant to paragraph 1 of subsection A of Section 3-132 of this
13 title may not proceed to binding arbitration but may be sponsored by
14 the State Board of Education as provided in paragraph ~~8~~ 9 of
15 subsection A of Section 3-132 of this title.

16 H. If a board of education of a technology center school
17 district, a higher education institution, the State Board of
18 Education, or a federally recognized Indian tribe accepts
19 sponsorship of a charter school, the administrative, fiscal and
20 oversight responsibilities of the technology center school district,
21 the higher education institution, or the federally recognized Indian
22 tribe shall be listed in the contract. No responsibilities shall be
23 delegated to a school district unless the local school district
24 agrees to assume the responsibilities.

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

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

6 2. Solicit and evaluate charter applications;

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

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

10 5. Negotiate and execute sound charter contracts with each
11 approved public charter school;

12 6. Monitor, in accordance with charter contract terms, the
13 performance and legal compliance of charter schools; and

14 7. Determine whether each charter contract merits renewal,
15 nonrenewal or revocation.

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

19 K. Sponsors shall be required to develop and maintain
20 chartering policies and practices consistent with recognized
21 principles and standards for quality charter authorizing as
22 established by the State Department of Education in all major areas
23 of authorizing responsibility, including organizational capacity and
24 infrastructure, soliciting and evaluating charter applications,

1 performance contracting, ongoing charter school oversight and
2 evaluation and charter renewal decision-making.

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

6 SECTION 3. This act shall become effective November 1, 2018.
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8 COMMITTEE REPORT BY: COMMITTEE ON COMMON EDUCATION, dated 02/27/2018
9 - DO PASS, As Amended.
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