

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 HOUSE BILL 1696

By: Denney

4  
5 AS INTRODUCED

6 An Act relating to schools; amending 70 O.S. 2011,  
7 Sections 3-132, as last amended by Section 1, Chapter  
8 212, O.S.L. 2013, 3-134, 3-135, 3-137, 3-140, as last  
9 amended by Section 2, Chapter 212, O.S.L. 2013 and 3-  
10 142, as amended by Section 3, Chapter 212, O.S.L.  
11 2013 (70 O.S. Supp. 2014, Sections 3-132, 3-140 and  
12 3-142), which relate to the Oklahoma Charter Schools  
13 Act; modifying list of authorized sponsors of charter  
14 schools; deleting certain conditions on certain  
15 sponsors; allowing the State Board of Education to  
16 sponsor charter schools under certain conditions;  
17 mandating that priority be given to charter schools  
18 serving certain students; mandating that priority be  
19 given to charter school applicants that meet certain  
20 conditions; listing factors for approving a new site  
21 or school; adding information to be included in the  
22 application; stating powers and duties of a sponsor;  
23 directing sponsors to establish procedures for  
24 accepting, approving and disapproving applications;  
specifying certain time schedule for the application  
process; requiring sponsors to develop and maintain  
chartering policies and practices that are consistent  
with certain principles and standards; limiting  
liability of sponsors; adding provisions required in  
the charter contract; prohibiting commencement of  
operations of a charter school without a contract;  
allowing sponsors to establish preopening  
requirements and conditions; specifying basis for  
performance provisions of a contract; allowing  
submission of data in certain format; listing  
performance framework categories; limiting requests  
for metric or data; allowing applicants and sponsors  
to have multiple contracts or one contract for  
multiple schools; requiring sponsors to issue  
performance reports and application renewal guidance  
before a certain time; specifying contents of  
performance reports; listing steps to be allowed

1 under the application renewal guidance; requiring the  
2 application renewal guidance to include certain  
3 criteria; requiring charter renewal decisions to  
4 include certain criteria and actions; directing the  
5 State Board of Education to rank schools by school  
6 grades and identify certain schools; prohibiting  
7 charter renewal for charter school identified at  
8 bottom of ranking; providing process for ranking  
9 under certain conditions; providing for review of  
10 sponsor's decision by the State Board of Education;  
11 exempting certain charter schools from closure  
12 requirements; listing considerations for closure;  
13 providing for suspension of certain charter school  
14 authorization; providing protocol for closing a  
15 charter school; directing sponsors to develop  
16 revocation and nonrenewal processes; requiring  
17 sponsors to state reasons for revocation or  
18 nonrenewal in a resolution; prohibiting the sponsor  
19 of a charter school from restricting the number of  
20 students enrolled in a charter school; requiring the  
21 governing body of the charter school to determine  
22 capacity; specifying considerations; allowing a  
23 charter school to enter into private contracts for  
24 certain purposes; establishing responsibility for  
debt; providing an effective date; and declaring an  
emergency.

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 1, Chapter 212, O.S.L. 2013 (70 O.S. Supp.  
2014, Section 3-132), is amended to read as follows:

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

1. By a any school district ~~with an average daily membership of  
five thousand (5,000) or more and which all or part of the school~~

1 ~~district is located in a county having more than five hundred~~  
2 ~~thousand (500,000) population according to the latest Federal~~  
3 ~~Decennial Census;~~

4 ~~2. By a school district which has a school site that has been~~  
5 ~~identified as in need of improvement by the State Board of Education~~  
6 ~~pursuant to the Elementary and Secondary Education Act of 1965, as~~  
7 ~~amended or reauthorized;~~

8 ~~3.~~ 2. By a technology center school district if the charter  
9 school is located in a school district served by the technology  
10 center school district ~~and the school district has an average daily~~  
11 ~~membership of five thousand (5,000) or more and which all or part of~~  
12 ~~the school district is located in a county having more than five~~  
13 ~~hundred thousand (500,000) population according to the latest~~  
14 ~~Federal Decennial Census;~~

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

21 ~~5.~~ 3. By a comprehensive or regional institution that is a  
22 member of The Oklahoma State System of Higher Education or by an  
23 accredited private educational institution if the charter school is  
24 located in a school district ~~that has an average daily membership of~~

1 ~~five thousand (5,000) or more and which all or part of the school~~  
2 ~~district is located in a county having more than five hundred~~  
3 ~~thousand (500,000) population according to the latest Federal~~  
4 ~~Decennial Census in the state. In addition, the institution shall~~  
5 ~~have a teacher education program accredited by the Oklahoma~~  
6 ~~Commission for Teacher Preparation and have a branch campus or~~  
7 ~~constituent agency physically located within the school district in~~  
8 ~~which the charter school is located;~~

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

20 ~~7. 4. By a federally recognized Indian tribe, operating a high~~  
21 ~~school under the authority of the Bureau of Indian Affairs as of~~  
22 ~~November 1, 2010, if the charter school is for the purpose of~~  
23 ~~demonstrating native language immersion instruction, and is located~~  
24 ~~within its former reservation or treaty area boundaries. For~~

1 purposes of this paragraph, native language immersion instruction  
2 shall require that educational instruction and other activities  
3 conducted at the school site are primarily conducted in the native  
4 language; ~~or~~

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

14 6. By the State Board of Education when the applicant has first  
15 been denied a charter by the school district in which it seeks to  
16 operate. In counties with fewer than five hundred thousand  
17 (500,000) population according to the latest Federal Decennial  
18 Census, the Board shall not sponsor more than ten charter schools  
19 per year each year for the next five (5) years. The Board shall not  
20 sponsor more than one charter school in a single school district per  
21 year. If in any year the Board fails to authorize ten charter  
22 schools, the next year and each subsequent year the Board may  
23 sponsor ten charter schools plus the difference between ten and the  
24 number of charter schools authorized that year.

1       B. A sponsor shall give priority to opening charter schools  
2 that serve at-risk student populations or students from low-  
3 performing traditional public schools.

4       C. A sponsor may give priority to applicants that have  
5 demonstrated a record of operating at least one school or similar  
6 program that demonstrates academic success and organizational  
7 viability and serves student populations similar to those the  
8 proposed charter school seeks to serve. In assessing the potential  
9 for quality replication of a charter school, a sponsor shall  
10 consider the following factors before approving a new site or  
11 school:

12       1. Evidence of a strong and reliable record of academic success  
13 based primarily on student-performance data as well as on other  
14 viable indicators, including financial and operational success;

15       2. Evidence of a sound, detailed and well-supported growth  
16 plan;

17       3. Evidence of the ability to transfer successful practices to  
18 a potentially different context that includes replicating critical  
19 cultural, organizational and instructional characteristics;

20       4. Any management organization involved in a potential  
21 replication is fully vetted and the academic, financial and  
22 operational records of schools operated by the applicant are found  
23 to be satisfactory;

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

4        6. A financial structure that ensures that funds attributable  
5 to each charter school within a network and required by law to be  
6 utilized by a school remain with and are used to benefit that  
7 school.

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

16        ~~C.~~ E. A charter school may consist of a new school site, new  
17 school sites or all or any portion of an existing school site. An  
18 entire school district may not become a charter school site.

19        SECTION 2.        AMENDATORY        70 O.S. 2011, Section 3-134, is  
20 amended to read as follows:

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

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

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

11 1. A mission statement for the charter school;

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

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

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

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

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



- 1 7. A description of the grades being served;
- 2 8. An outline of criteria designed to measure the effectiveness  
3 of the charter school;
- 4 9. A demonstration of support for the charter school from  
5 residents of the school district which may include but is not  
6 limited to a survey of the school district residents or a petition  
7 signed by residents of the school district; ~~and~~
- 8 10. Documentation that the applicants completed charter school  
9 training as set forth in subsection A of this section;
- 10 11. A description of the minimum and maximum enrollment planned  
11 per year for each term of the charter contract;
- 12 12. The proposed calendar for the charter school and sample  
13 daily schedule;
- 14 13. A description of the academic program aligned with state  
15 standards;
- 16 14. A description of the instructional design of the charter  
17 school, including the type of learning environment, class size and  
18 structure, curriculum overview and teaching methods;
- 19 15. The plan for using internal and external assessments to  
20 measure and report student progress on the performance framework  
21 developed by the applicant;
- 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 timelines for student recruitment and enrollment,  
4 including lottery procedures;

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

7        20. An organization 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 charter 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 organization  
16 chart;

17        22. The leadership and teacher employment policies for the  
18 charter school, including performance evaluation plans;

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 parent involvement;

2 27. A detailed school start-up plan, identifying tasks,  
3 timelines 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; and

14 33. A sound facilities plan, including back-up or contingency  
15 plans if appropriate.

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

22 D. The sponsor of a charter school is the board of education of  
23 a school district, the board of education of a technology center  
24 school district, a higher education institution, the State Board of

1 Education, or a federally recognized Indian tribe which meets the  
2 criteria established in Section 3-132 of this title. Any board of  
3 education of a school district in the state may sponsor one or more  
4 charter schools. The physical location of a charter school  
5 sponsored by a board of education of a school district or a  
6 technology center school district shall be within the boundaries of  
7 the sponsoring school district. The physical location of a charter  
8 school sponsored by the State Board of Education when the applicant  
9 of the charter school is the Office of Juvenile Affairs shall be  
10 where an Office of Juvenile Affairs facility for youth is located.

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

21 F. A board of education of a school district, board of  
22 education of a technology center school district, higher education  
23 institution, or federally recognized Indian tribe sponsor of a  
24 charter school shall notify the State Board of Education when it

1 accepts sponsorship of a charter school. The notification shall  
2 include a copy of the charter of the charter school.

3 G. If a proposed sponsor rejects the revised application for a  
4 charter school, the applicant may proceed to mediation or binding  
5 arbitration or both mediation and binding arbitration as provided in  
6 the Dispute Resolution Act and the rules promulgated pursuant  
7 thereto. The applicant shall contact the early settlement program  
8 for the county in which the charter school would be located. If the  
9 parties proceed to binding arbitration, a panel of three arbitrators  
10 shall be appointed by the director of the early settlement program  
11 handling the dispute. The proposed sponsor shall pay the cost for  
12 any mediation or arbitration requested pursuant to this section.

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

22 I. A sponsor of a charter school shall have the following  
23 powers and duties:

24

- 1        1. Provide oversight of the operations of charter schools in  
2 the state through annual performance reviews of charter schools and  
3 reauthorization of charter schools;
- 4        2. Solicit and evaluate charter applications;
- 5        3. Approve quality charter applications that meet identified  
6 educational needs and promote a diversity of educational choices;
- 7        4. Decline to approve weak or inadequate charter applications;
- 8        5. Negotiate and execute sound charter contracts with each  
9 approved charter school;
- 10       6. Monitor, in accordance with charter contract terms, the  
11 performance and legal compliance of charter schools; and
- 12       7. Determine whether each charter contract merits renewal,  
13 nonrenewal or revocation.
- 14       J. Sponsors shall establish a procedure for accepting,  
15 approving and disapproving charter school applications. The  
16 procedure shall include a method by which an applicant for a charter  
17 school may submit an application which shall either be accepted or  
18 rejected within ninety (90) days of receipt of the application. If  
19 the application is rejected, a sponsor shall notify the applicant in  
20 writing of the reasons for the rejection. The applicant may submit  
21 a revised application for reconsideration to the State Board of  
22 Education within thirty (30) days after receiving notification of  
23 the rejection. The State Board of Education shall accept or reject  
24 the revised application within sixty (60) days of its receipt.

1        K. Sponsors shall be required to develop and maintain  
2 chartering policies and practices consistent with the principles and  
3 standards for authorizing quality charter schools as established by  
4 the Office of Educational Quality and Accountability in all major  
5 areas of authorizing responsibility including organizational  
6 capacity and infrastructure, soliciting and evaluating charter  
7 applications, performance contracting, ongoing charter school  
8 oversight and evaluation, and charter renewal decision making. A  
9 sponsor shall carry out all duties under the Oklahoma Charter  
10 Schools Act in a manner consistent with the principles and standards  
11 with the spirit and intent of the act.

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

15        SECTION 3.        AMENDATORY        70 O.S. 2011, Section 3-135, is  
16 amended to read as follows:

17        Section 3-135. A. The sponsor of a charter school shall enter  
18 into a written contract with the governing body of the charter  
19 school. The contract shall incorporate the provisions of the  
20 charter of the charter school and contain, but shall not be limited  
21 to, the following provisions:

22        1. A description of the program to be offered by the school  
23 which complies with the purposes outlined in Section ~~41~~ 3-136 of  
24 this ~~act~~ title;

- 1        2. Admission policies and procedures;
- 2        3. Management and administration of the charter school;
- 3        4. Requirements and procedures for program and financial
- 4 audits;
- 5        5. A description of how the charter school will comply with the
- 6 charter requirements set forth in the Oklahoma Charter Schools Act;
- 7        6. Assumption of liability by the charter school; ~~and~~
- 8        7. The term of the contract;
- 9        8. A description of the high standards of expectation and rigor
- 10 for charter school plans and ensure that charter school plans
- 11 adopted meet at least certain standards;
- 12        9. Policies that require the charter school be as equally free
- 13 and open to all students as traditional public schools;
- 14        10. Procedures that require students enrolled in the charter
- 15 school to be selected by lottery to ensure fairness if more students
- 16 apply than a charter school has the capacity to accommodate;
- 17        11. Policies that require the charter school to be subject to
- 18 the same academic standards and expectations as existing public
- 19 schools; and
- 20        12. A description of how the charter school is to receive
- 21 funding based on student enrollment in accordance with statutory
- 22 guidelines for funding existing public schools.
- 23        B. A charter school shall not enter into an employment contract
- 24 with any teacher or other personnel until the charter school has a



1 contract with a sponsoring school district. The employment contract  
2 shall set forth the personnel policies of the charter school,  
3 including, but not limited to, policies related to certification,  
4 professional development evaluation, suspension, dismissal and  
5 nonreemployment, sick leave, personal business leave, emergency  
6 leave, and family and medical leave. The contract shall also  
7 specifically set forth the salary, hours, fringe benefits, and work  
8 conditions. The contract may provide for employer-employee  
9 bargaining, but the charter school shall not be required to comply  
10 with the provisions of Sections 509.1 through 509.10 of ~~Title 70 of~~  
11 ~~the Oklahoma Statutes~~ this title. The contract shall conform to all  
12 applicable provisions set forth in Section ~~41~~ 3-136 of this ~~act~~  
13 title.

14 Upon contracting with any teacher or other personnel, the  
15 governing body of the charter school shall, in writing, disclose  
16 employment rights of the employees in the event the charter school  
17 closes or the charter is not renewed.

18 C. No charter school may commence operations without a charter  
19 contract executed in accordance with the provisions of the Oklahoma  
20 Charter Schools Act and approved in an open meeting of the sponsor.

21 D. The sponsor may establish reasonable preopening requirements  
22 or conditions to monitor the start-up progress of newly approved  
23 charter schools and ensure that each school is prepared to open  
24 smoothly on the date agreed, and to ensure that each school meets

1 all building, health, safety, insurance and other legal requirements  
2 for the opening of a school.

3 E. The performance provisions within the charter contract shall  
4 be based on a performance framework that clearly sets forth the  
5 academic and operational performance indicators, measures and  
6 metrics that will guide the evaluations of the charter school by the  
7 sponsor. The sponsor shall allow a charter school to submit the  
8 data required in this section in the identical format that is  
9 required by the State Department of Education of all public schools  
10 in order to avoid duplicative administrative efforts or allow a  
11 charter school to provide permission to the Department to share all  
12 required data with the sponsor of the charter school. The  
13 performance framework shall include indicators, measures and metrics  
14 for, at a minimum:

15 1. Student academic proficiency;

16 2. Student academic growth;

17 3. Achievement gaps in both proficiency and growth between  
18 major student subgroups;

19 4. Attendance;

20 5. Recurrent enrollment from year to year as determined by the  
21 methodology used for public schools;

22 6. In the case of high schools, graduation rates as determined  
23 by the methodology used for public schools;

24 7. In the case of high schools, postsecondary readiness;

1       8. Financial performance and sustainability; and

2       9. Governing board performance and stewardship, including  
3 compliance with all applicable laws, regulations and terms of the  
4 charter contract.

5       F. The sponsor shall not request any metric or data from a  
6 charter school that is not produced or published for all school  
7 sites in the same district or are under the sponsorship of the  
8 sponsor, unless the metric or data is exclusive to charter schools.

9       G. A charter contract may provide for one or more schools by an  
10 applicant to the extent approved by the sponsor and consistent with  
11 applicable law. An applicant or the governing board of an applicant  
12 may hold one or more charter contracts. Each charter school that is  
13 part of a charter contract shall be separate and distinct from any  
14 other charter school.

15       SECTION 4.       AMENDATORY       70 O.S. 2011, Section 3-137, is  
16 amended to read as follows:

17       Section 3-137. A. An approved contract for a charter school  
18 shall be effective for not longer than five (5) years from the first  
19 day of operation.

20       B. Prior to the beginning of the fifth year of operation for a  
21 public charter school, the sponsor shall issue a charter school  
22 performance report and application renewal guidance to the school.  
23 The performance report shall summarize the performance record to  
24 date of the charter school, based on the data required by this act

1 and the charter contract, and shall provide notice of any weaknesses  
2 or concerns perceived by the sponsor concerning the charter school  
3 that may jeopardize its position in seeking renewal if not timely  
4 rectified. The charter school shall have forty-five (45) days to  
5 respond to the performance report and submit any corrections or  
6 clarifications for the report.

7 C. Prior to the beginning of the fifth year of operation, the  
8 charter school may apply for renewal of the contract with the  
9 sponsor. The application renewal guidance shall, at a minimum,  
10 provide an opportunity for the public charter school to:

11 1. Present additional evidence, beyond the data contained in  
12 the performance report, supporting its case for charter renewal;

13 2. Describe improvements undertaken or planned for the charter  
14 school; and

15 3. Detail the plan for the next charter term for the school.

16 The application renewal guidance shall include or refer  
17 explicitly to the criteria that will guide the renewal decisions of  
18 the sponsor, which shall be based on the performance framework set  
19 forth in the charter contract and consistent with the Oklahoma  
20 Charter Schools Act.

21 D. The sponsor may deny the request for renewal if it  
22 determines the charter school has failed to complete the obligations  
23 of the contract or comply with the provisions of the Oklahoma  
24 Charter Schools Act. A sponsor shall give written notice of its

1 intent to deny the request for renewal at least eight (8) months  
2 prior to expiration of the contract. In making charter renewal  
3 decisions, a sponsor shall:

4 1. Ground decisions on evidence of the performance of the  
5 school over the term of the charter contract in accordance with the  
6 performance framework set forth in the charter contract;

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

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

13 4. Provide a public report summarizing the evidence basis for  
14 each decision.

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

18 ~~C.~~ F. A sponsor may terminate a contract during the term of the  
19 contract for failure to meet the requirements for student  
20 performance contained in the contract, failure to meet the standards  
21 of fiscal management, violations of the law, or other good cause.  
22 The sponsor shall give at least ninety (90) days' written notice to  
23 the governing board prior to terminating the contract. The  
24 governing board may request, in writing, an informal hearing before

1 the sponsor within fourteen (14) days of receiving notice. The  
2 sponsor shall conduct an informal hearing before taking action. If  
3 a sponsor decides to terminate a contract, the governing board may  
4 proceed to mediation or binding arbitration or both as provided for  
5 in subsection G of Section 3-134 of this title.

6 ~~D.~~ G. 1. Beginning in the 2016-2017 school year, the State  
7 Board of Education shall establish a list of public schools ranked  
8 from top to bottom by school grades, as determined pursuant to  
9 Section 1210.545 of this title and using the school grades for the  
10 2014-2015 school year, and identify charter schools in the state  
11 that are ranked in the bottom five percent (5%) of all schools.

12 2. At the time of its charter renewal, based on an average of  
13 the current year and the two prior operating years, a charter school  
14 identified as being among the bottom five percent (5%) of public  
15 schools in the state shall not have the charter site renewed by the  
16 sponsor.

17 3. If the school grading system is changed by the Legislature,  
18 pursuant to Section 1210.545 of this title, and a charter school  
19 site that was not ranked in the bottom five percent (5%) prior to  
20 the change is then ranked in the bottom five percent (5%) following  
21 the change, the higher of the two rankings shall be used to  
22 calculate the ranking of the charter school site.

23 4. In the event that a sponsor fails to close a charter school  
24 consistent with this subsection, the sponsor shall appear before the

1 State Board of Education to provide support for its decision. The  
2 Board may by majority vote uphold or overturn the decision of the  
3 sponsor. If the decision of the sponsor is overturned by the Board,  
4 the charter school in question shall be closed.

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

9 H. In making its decision pursuant to subsection G of this  
10 section, the Board shall consider the following:

11 1. Enrollment of students with special challenges such as drug  
12 or alcohol addiction, prior withdrawal from school, prior  
13 incarceration, or other special circumstances;

14 2. High mobility of the student population resulting from the  
15 specific purpose of the charter school;

16 3. Annual improvement in the performance of students enrolled  
17 in the charter school compared with the performance of students  
18 enrolled in the charter school in the immediately preceding school  
19 year; and

20 4. Whether a majority of students attending the charter school  
21 under consideration for closure would likely revert to attending  
22 public schools with lower academic achievement, as determined by the  
23 school site grade on the school report card issued pursuant to  
24 Section 1210.545 of this title.

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

10 J. If a sponsor terminates a contract or the charter school is  
11 closed as provided for in subsection G of this section, the closure  
12 and winding down of operations shall be conducted in accordance with  
13 the following protocol:

14 1. Within two (2) calendar weeks of a final closure  
15 determination, the sponsor shall meet with the governing board and  
16 leadership of the charter school to establish a transition team  
17 composed of school staff, applicant staff and others designated by  
18 the applicant that will attend to the closure, including:

- 19 a. the transfer of students,
- 20 b. student records, and
- 21 c. school funds;

22 2. The sponsor and transition team shall communicate regularly  
23 and effectively with families of students enrolled in the charter  
24 school, as well as with school staff and other stakeholders, to keep



1 them apprised of key information regarding the closure of the school  
2 and their options and risks;

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

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

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

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

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

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

21 3. Provide the charter school with an opportunity to submit  
22 documents and give testimony challenging the rationale for closure  
23 and in support of the continuation of the school at an orderly  
24 proceeding held for that purpose;

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

3        5. Permit the recording of the proceedings; and

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

6        L. If a sponsor revokes or does not renew a charter, the  
7 sponsor shall clearly state in a resolution the reasons for the  
8 revocation or nonrenewal.

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

12        ~~E.~~ N. If a contract is not renewed or is terminated according  
13 to this section, a student who attended the charter school may  
14 enroll in the resident school district of the student or may apply  
15 for a transfer in accordance with ~~Section 8-103 of this title~~ state  
16 law.

17        SECTION 5.        AMENDATORY        70 O.S. 2011, Section 3-140, as  
18 last amended by Section 2, Chapter 212, O.S.L. 2013 (70 O.S. Supp.  
19 2014, Section 3-140), is amended to read as follows:

20        Section 3-140. A. Except for a charter school sponsored by the  
21 State Board of Education, a charter school shall enroll those  
22 students whose legal residence is within the boundaries of the  
23 school district in which the charter school is located and who  
24 submit a timely application, or those students who transfer to the

1 district in which the charter school is located in accordance with  
2 Section 8-103 or 8-104 of this title, unless the number of  
3 applications exceeds the capacity of a program, class, grade level,  
4 or building. Students who reside in a school district where a  
5 charter school is located shall not be required to obtain a transfer  
6 in order to attend a charter school in the school district of  
7 residence. If capacity is insufficient to enroll all eligible  
8 students, the charter school shall select students through a lottery  
9 selection process. Except for a charter school sponsored by the  
10 State Board of Education, a charter school shall give enrollment  
11 preference to eligible students who reside within the boundaries of  
12 the school district in which the charter school is located. Except  
13 for a charter school sponsored by the State Board of Education, a  
14 charter school created after the effective date of this act shall  
15 give enrollment preference to eligible students who reside within  
16 the boundaries of the school district in which the charter school is  
17 located and who attend a school site that has been identified as in  
18 need of improvement by the State Board of Education pursuant to the  
19 Elementary and Secondary Education Act of 1965, as amended or  
20 reauthorized. A charter school may limit admission to students  
21 within a given age group or grade level. A charter school sponsored  
22 by the State Board of Education when the applicant of the charter  
23 school is the Office of Juvenile Affairs shall limit admission to

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1 youth that are in the custody or supervision of the Office of  
2 Juvenile Affairs.

3 B. Except for a charter school sponsored by the State Board of  
4 Education, a charter school shall admit students who reside in the  
5 attendance area of a school or in a school district that is under a  
6 court order of desegregation or that is a party to an agreement with  
7 the United States Department of Education Office for Civil Rights  
8 directed towards mediating alleged or proven racial discrimination  
9 unless notice is received from the resident school district that  
10 admission of the student would violate the court order or agreement.

11 C. A charter school may designate a specific geographic area  
12 within the school district in which the charter school is located as  
13 an academic enterprise zone and may limit admissions to students who  
14 reside within that area. An academic enterprise zone shall be a  
15 geographic area in which sixty percent (60%) or more of the children  
16 who reside in the area qualify for the free or reduced school lunch  
17 program.

18 D. Except as provided in subsections B and C of this section, a  
19 charter school shall not limit admission based on ethnicity,  
20 national origin, gender, income level, disabling condition,  
21 proficiency in the English language, measures of achievement,  
22 aptitude, or athletic ability.

23 E. The sponsor of a charter school shall not restrict the  
24 number of students the charter school may enroll. The capacity of

1 the charter school shall be determined annually by the governing  
2 board of the charter school, taking into consideration the ability  
3 of the charter school to facilitate the academic success of the  
4 students, to achieve the other objectives specified in the charter  
5 contract and to ensure that student enrollment does not exceed the  
6 capacity of the facility or site.

7 SECTION 6. AMENDATORY 70 O.S. 2011, Section 3-142, as  
8 amended by Section 3, Chapter 212, O.S.L. 2013 (70 O.S. Supp. 2014,  
9 Section 3-142), is amended to read as follows:

10 Section 3-142. A. For purposes of funding, a charter school  
11 sponsored by a board of education of a school district shall be  
12 considered a site within the school district in which the charter  
13 school is located. The student membership of the charter school  
14 shall be considered separate from the student membership of the  
15 district in which the charter school is located for the purpose of  
16 calculating weighted average daily membership pursuant to Section  
17 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of  
18 this title. For charter schools sponsored by a board of education  
19 of a school district, the sum of the separate calculations for the  
20 charter school and the school district shall be used to determine  
21 the total State Aid allocation for the district in which the charter  
22 school is located. A charter school shall receive from the  
23 sponsoring school district, the State Aid allocation and any other  
24 state-appropriated revenue generated by its students for the

1 applicable year, less up to five percent (5%) of the State Aid  
2 allocation, which may be retained by the school district as a fee  
3 for administrative services rendered. For charter schools sponsored  
4 by the board of education of a technology center school district, a  
5 higher education institution, the State Board of Education, or a  
6 federally recognized Indian tribe and for statewide virtual charter  
7 schools sponsored by the Statewide Virtual Charter School Board, the  
8 State Aid allocation for the charter school shall be distributed by  
9 the State Board of Education and not more than five percent (5%) of  
10 the State Aid allocation may be charged by the sponsor as a fee for  
11 administrative services rendered. The State Board of Education  
12 shall determine the policy and procedure for making payments to a  
13 charter school. The fee for administrative services as authorized  
14 in this subsection shall only be assessed on the State Aid  
15 allocation amount and shall not be assessed on any other  
16 appropriated amounts.

17 B. 1. The weighted average daily membership for the first year  
18 of operation of a charter school shall be determined initially by  
19 multiplying the actual enrollment of students as of August 1 by  
20 1.333. The charter school shall receive revenue equal to that which  
21 would be generated by the estimated weighted average daily  
22 membership calculated pursuant to this paragraph. At midyear, the  
23 allocation for the charter school shall be adjusted using the first  
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1 quarter weighted average daily membership for the charter school  
2 calculated pursuant to subsection A of this section.

3       2. For the purpose of calculating weighted average daily  
4 membership pursuant to Section 18-201.1 of this title and State Aid  
5 pursuant to Section 18-200.1 of this title, the weighted average  
6 daily membership for the first year of operation and each year  
7 thereafter of a full-time virtual charter school shall be determined  
8 by multiplying the actual enrollment of students as of August 1 by  
9 1.333. The full-time virtual charter school shall receive revenue  
10 equal to that which would be generated by the estimated weighted  
11 average daily membership calculated pursuant to this paragraph. At  
12 midyear, the allocation for the full-time virtual charter school  
13 shall be adjusted using the first quarter weighted average daily  
14 membership for the virtual charter school calculated pursuant to  
15 subsection A of this section.

16       C. A charter school shall be eligible to receive any other aid,  
17 grants or revenues allowed to other schools. A charter school  
18 sponsored by the board of education of a technology center school  
19 district, a higher education institution, the State Board of  
20 Education, or a federally recognized Indian tribe shall be  
21 considered a local education agency for purposes of funding. A  
22 charter school sponsored by a board of education of a school  
23 district shall be considered a local education agency for purposes  
24 of federal funding.

1 D. A charter school, in addition to the money received from the  
2 state, may receive money from any other source. Any unexpended  
3 nonstate funds, excluding local revenue, may be reserved and used  
4 for future purposes. If otherwise allowed by law, the governing  
5 body of a charter school may enter into private contracts for the  
6 purposes of borrowing money from lenders. If the governing body of  
7 the charter school borrows money, the charter school shall be solely  
8 responsible for repaying the debt. The state or the sponsor of the  
9 charter school shall not in any way be responsible or obligated to  
10 repay the debt of the charter school.

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

13 SECTION 7. This act shall become effective July 1, 2015.

14 SECTION 8. It being immediately necessary for the preservation  
15 of the public peace, health and safety, an emergency is hereby  
16 declared to exist, by reason whereof this act shall take effect and  
17 be in full force from and after its passage and approval.

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