

1 **SENATE FLOOR VERSION**

2 March 23, 2015

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED  
5 HOUSE BILL NO. 1034

By: Kirby, Denney and Billy of  
the House

and

Loveless of the Senate

6  
7  
8  
9 [ schools - Oklahoma Charter Schools Act -  
10 applications - contracts - terms - effective date ]

11  
12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-132, as  
14 last amended by Section 1, Chapter 212, O.S.L. 2013 (70 O.S. Supp.  
15 2014, Section 3-132), is amended to read as follows:

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

19 1. By a school district with an average daily membership of  
20 five thousand (5,000) or more and which all or part of the school  
21 district is located in a county having more than five hundred  
22 thousand (500,000) population according to the latest Federal  
23 Decennial Census;

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

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

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

18           5. By a comprehensive or regional institution that is a member  
19 of The Oklahoma State System of Higher Education if the charter  
20 school is located in a school district that has an average daily  
21 membership of five thousand (5,000) or more and which all or part of  
22 the school district is located in a county having more than five  
23 hundred thousand (500,000) population according to the latest  
24 Federal Decennial Census. In addition, the institution shall have a

1 teacher education program accredited by the Oklahoma Commission for  
2 Teacher Preparation and have a branch campus or constituent agency  
3 physically located within the school district in which the charter  
4 school is located;

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

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

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1       8. By a federally recognized Indian tribe only when the charter  
2 school is located within the former reservation or treaty area  
3 boundaries of the tribe on property held in trust by the Bureau of  
4 Indian Affairs of the United States Department of the Interior for  
5 the benefit of the tribe. A federally recognized Indian tribe shall  
6 not sponsor more than five charter schools per year; or

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

16       B. 1. In order for a federally recognized Indian tribe to  
17 sponsor a public charter school pursuant to paragraph 8 of  
18 subsection A of this section, an applicant shall:

19           a. provide a thorough and high-quality public charter  
20           school application based on the authorizing standards  
21           in subsection B of Section 3-134 of this title, and

22           b. provide a clear demonstration of community support for  
23           the public charter school.

1        2. In assessing the potential for quality replication of a  
2 public charter school, a federally recognized Indian tribe sponsor  
3 shall consider the following factors before approving a new site or  
4 school:

5            a. evidence of a strong and reliable record of academic  
6 success based primarily on student performance data,  
7 as well as other viable indicators, including  
8 financial and operational success,

9            b. a sound, detailed, and well-supported growth plan,

10           c. evidence of the ability to transfer successful  
11 practices to a potentially different context that  
12 includes reproducing critical cultural,

13 organizational, and instructional characteristics,

14           d. any management organization involved in a potential  
15 replication is fully vetted, and the academic,  
16 financial, and operational records of the schools it  
17 operates are found to be satisfactory,

18           e. evidence the program seeking to be replicated has the  
19 capacity to do so successfully without diminishing or  
20 putting at risk its current operations, and

21           f. a financial structure that ensures that funds  
22 attributable to each public charter school within a  
23 network and required by law to be utilized by a school  
24 remain with and are used to benefit that school.

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

9        ~~C.~~ D. A charter school may consist of a new school site, new  
10 school sites or all or any portion of an existing school site. An  
11 entire school district may not become a charter school site.

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

14        Section 3-134. A. For written applications filed after January  
15 1, 2008, prior to submission of the application to a proposed  
16 sponsor seeking to establish a charter school, the applicant shall  
17 be required to complete training which shall not exceed ten (10)  
18 hours provided by the State Department of Education on the process  
19 and requirements for establishing a charter school. The Department  
20 shall develop and implement the training by January 1, 2008. The  
21 Department may provide the training in any format and manner that  
22 the Department determines to be efficient and effective including,  
23 but not limited to, web-based training.

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1 B. Except as otherwise provided for in Section 3-137 of this  
2 title, ~~an applicant~~ all applicants seeking to establish a charter  
3 school shall submit a written application to the proposed sponsor as  
4 prescribed in subsection E of this section. The application shall  
5 include:

6 1. A mission statement for the charter school;

7 2. A description of the organizational structure and the  
8 governing body of the charter school;

9 3. A financial plan for the first three (3) years of operation  
10 of the charter school and a description of the treasurer or other  
11 officers or persons who shall have primary responsibility for the  
12 finances of the charter school. Such person shall have demonstrated  
13 experience in school finance or the equivalent thereof;

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

15 5. The name of the applicant or applicants and requested  
16 sponsor;

17 6. A description of the facility and location of the charter  
18 school;

19 7. A description of the grades being served;

20 8. An outline of criteria designed to measure the effectiveness  
21 of the charter school;

22 9. A demonstration of support for the charter school from  
23 residents of the school district which may include but is not  
24

1 limited to a survey of the school district residents or a petition  
2 signed by residents of the school district; and

3 10. Documentation that the applicants completed charter school  
4 training as set forth in subsection A of this section.

5 C. Additionally, an application for a charter school to be  
6 sponsored by a federally recognized Indian tribe shall include:

7 1. A description of the minimum and maximum enrollment planned  
8 per year for each term of the charter contract;

9 2. The proposed calendar for the public charter school and  
10 sample daily schedule;

11 3. Unless otherwise authorized by law or regulation, a  
12 description of the academic program aligned with state standards;

13 4. A description of the instructional design of the public  
14 charter school, including the type of learning environment, class  
15 size and structure, curriculum overview, and teaching methods;

16 5. The plan for using internal and external assessments to  
17 measure and report student progress on the performance framework  
18 developed by the applicant in accordance with subsection C of  
19 Section 3-135 of this title;

20 6. The plans for identifying and successfully serving students  
21 with disabilities, students who are English language learners, and  
22 students who are academically behind;

23 7. A description of cocurricular or extracurricular programs  
24 and how they will be funded and delivered;



1       8. Plans and timelines for student recruitment and enrollment,  
2 including lottery procedures;

3       9. The student discipline policies for the public charter  
4 school, including those for special education students;

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

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

15       12. The leadership and teacher employment policies for the  
16 public charter school;

17       13. Proposed governing bylaws;

18       14. Explanations of any partnerships or contractual  
19 partnerships central to the operations or mission of the public  
20 charter school;

21       15. The plans for providing transportation, food service, and  
22 all other significant operational or ancillary services;

23       16. Opportunities and expectations for parental involvement;  
24

1        17. A detailed school start-up plan that identifies tasks,  
2 timelines, and responsible individuals;

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

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

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

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

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

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

16       24. A requirement that the charter school follow the  
17 requirements of the Oklahoma Open Meeting Act and Oklahoma Open  
18 Records Act.

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

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

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

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1        ~~F.~~ G. A board of education of a school district, board of  
2 education of a technology center school district, higher education  
3 institution, or federally recognized Indian tribe sponsor of a  
4 charter school shall notify the State Board of Education when it  
5 accepts sponsorship of a charter school. The notification shall  
6 include a copy of the charter of the charter school.

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

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

1 delegated to a school district unless the local school district  
2 agrees to assume the responsibilities.

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

5 Section 3-135. A. The sponsor of a charter school shall enter  
6 into a written contract with the governing body of the charter  
7 school. The contract shall incorporate the provisions of the  
8 charter of the charter school and contain, but shall not be limited  
9 to, the following provisions:

10 1. A description of the program to be offered by the school  
11 which complies with the purposes outlined in Section ~~11 of this act~~  
12 3-136 of this title;

13 2. Admission policies and procedures;

14 3. Management and administration of the charter school;

15 4. Requirements and procedures for program and financial  
16 audits;

17 5. A description of how the charter school will comply with the  
18 charter requirements set forth in the Oklahoma Charter Schools Act;

19 6. Assumption of liability by the charter school; and

20 7. The term of the contract.

21 B. A charter school shall not enter into an employment contract  
22 with any teacher or other personnel until the charter school has a  
23 contract with a sponsoring school district. The employment contract  
24 shall set forth the personnel policies of the charter school,

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

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

15 C. The performance provisions within a charter contract for a  
16 charter school sponsored by a federally recognized Indian tribe  
17 pursuant to paragraph 8 of subsection A of Section 3-132 of this  
18 title shall be based on a performance framework that clearly sets  
19 forth the academic and operational performance indicators, measures,  
20 and metrics that will guide the evaluations of the public charter  
21 school by the sponsor. The federally recognized Indian tribe  
22 sponsor shall require a charter school to submit the data required  
23 in this section in the identical format that is required by the  
24 State Department of Education of all public schools in order to

1 avoid duplicative administrative efforts or allow a charter school  
2 to provide permission to the State Department of Education to share  
3 all required data with the federally recognized Indian tribe  
4 sponsor. The performance framework shall include indicators,  
5 measures, and metrics for, at a minimum:

6 1. Student academic proficiency;

7 2. Student academic growth;

8 3. Achievement gaps in both proficiency and growth between  
9 major student subgroups;

10 4. Student attendance;

11 5. Recurrent enrollment from year to year as determined by the  
12 methodology used for public schools in Oklahoma;

13 6. In the case of high schools, graduation rates as determined  
14 by the methodology used for public schools in Oklahoma;

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

16 8. Financial performance and sustainability; and

17 9. Governing board performance and stewardship, including  
18 compliance with all applicable laws, regulations, and terms of the  
19 charter contract.

20 D. The federally recognized Indian tribe sponsor shall not  
21 request any metric or data from a charter school that it does not  
22 produce or publish for all school sites under its sponsorship,  
23 unless the metric or data is unique to a charter school.  
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1 E. A charter contract may provide for one or more schools by an  
2 applicant, to the extent approved by the federally recognized Indian  
3 tribe sponsor and consistent with applicable law. An applicant or  
4 the governing board of an applicant may hold one or more charter  
5 contracts. Each public charter school that is part of a charter  
6 contract shall be separate and distinct from any other public  
7 charter school under the same charter contract.

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

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

13 B. 1. A charter contract with a federally recognized Indian  
14 tribe sponsor pursuant to paragraph 8 of subsection A of Section 3-  
15 132 of this title may be renewed for successive five-year terms of  
16 duration, although the federally recognized Indian tribe sponsor may  
17 vary the term based on the performance, demonstrated capacities, and  
18 particular circumstances of each public charter school. A federally  
19 recognized Indian tribe sponsor may grant renewal with specific  
20 conditions for necessary improvements to a public charter school.

21 2. Prior to the beginning of the fourth year of operation of a  
22 public charter school, a federally recognized Indian tribe sponsor  
23 shall issue a public charter school performance report and charter  
24 renewal application guidance to the school and the charter school



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

12 C. Prior to the beginning of the fifth year of operation, the  
13 charter school may apply for renewal of the contract with the  
14 sponsor.

15 D. The renewal application guidance for a charter school  
16 sponsored by a federally recognized Indian tribe sponsor shall, at a  
17 minimum, provide an opportunity for the public charter school to:

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

20 2. Describe improvements undertaken or planned for the school;  
21 and

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

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

1 the federally recognized Indian tribe sponsor, which shall be based  
2 on the performance framework set forth in the charter contract and  
3 consistent with this act.

4 E. 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.

10 F. In making charter renewal decisions, a federally recognized  
11 Indian tribe sponsor shall:

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

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

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

23 4. Provide a public report summarizing the evidence basis for  
24 each decision.

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

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

16 I. At the time of its charter renewal, based on an average of  
17 the current year and the two (2) prior operating years, a federally  
18 recognized Indian tribe sponsor may close a public charter school  
19 site identified as being among the bottom five percent (5%) of  
20 public schools in the state as determined pursuant to Section  
21 1210.545 of this title. The average of the current year and two (2)  
22 prior operating years shall be calculated by using the percentage  
23 ranking for each year divided by three.

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

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

8       SECTION 5. This act shall become effective November 1, 2015.

9       COMMITTEE REPORT BY: COMMITTEE ON EDUCATION  
10       March 23, 2015 - DO PASS AS AMENDED

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