An Act

ENROLLED SENATE
BILL NO. 516

By: Pugh and Brooks of the Senate

and

Echols of the House

An Act relating to charter schools; creating the Statewide Charter School Board; providing authority of board beginning on certain date; providing for membership; requiring initial appointments by certain date; providing terms of members; providing for annual election of chair and vice chair; providing for removal of members; providing for filling of vacancies; prohibiting certain legislators from serving as members; providing for travel reimbursement; requiring first meeting to be held by certain date; providing for frequency of meetings; specifying quorum requirements; requiring virtual charter schools to only be sponsored by the Statewide Charter School Board beginning on certain date; abolishing the Statewide Virtual Charter School Board upon certain date; providing for succession to certain rights, responsibilities, and agreements executed prior to certain date; providing for transfer of powers, duties, personnel, property, and other items; directing the Director of the Office of Management and Enterprise Services to coordinate certain transfers; providing for succession of certain contracts; providing for virtual charter school sponsorship contract renewal; providing for enforceability of certain administrative rules; granting rulemaking authority; providing for succession to certain rights, responsibilities, and agreements executed by the State Board of Education prior to certain date; directing Statewide Charter School Board to assume certain sponsorships; providing for certain sponsorship renewal; permitting certain charter schools to apply for sponsorship

renewal with the Statewide Charter School Board; establishing powers and duties of the Statewide Charter School Board; reserving certain powers and duties for the State Board of Education; defining terms; providing for preparation of a conversion plan; providing for contents of plan; exempting conversion schools from certain laws; providing for funding of conversion schools; describing process for conversion school reversion; requiring Board to make publicly available a list of certain courses beginning on certain date; directing the Board, in certain conjunction, to negotiate and enter into contracts with certain providers; creating the Statewide Charter School Board Revolving Fund; specifying sources of fund; providing for expenditures; providing purpose of fund; amending 70 O.S. 2021, Section 3-104, which relates to powers and duties of the State Board of Education; updating statutory references; modifying reference from the Statewide Virtual Charter School Board to the Statewide Charter School Board; amending 70 O.S. 2021, Sections 3-132, as amended by Section 1, Chapter 222, O.S.L. 2022 (70 O.S. Supp. 2022, Section 3-132), 3-134, as amended by Section 2, Chapter 222, O.S.L. 2022 (70 O.S. Supp. 2022, Section 3-134), 3-136, 3-137, 3-139, 3-140, 3-142, 3-143, and 3-144, which relate to implementation of the Oklahoma Charter Schools Act; modifying eligibility of certain entities to sponsor charter schools; updating statutory language; exempting certain charter schools from certain limitation; striking duplicative language; transferring certain training duty from the State Department of Education to the Statewide Charter School Board; requiring training after certain date for certain sponsors; establishing deadline for training development and implementation; modifying application process and contents for certain schools; removing references to charter schools sponsored by certain entities; requiring certain charter application to be submitted first to certain school district; removing certain appeals process; prohibiting delegation of certain

responsibilities to a school district without a contract; providing for powers and duties of charter school and virtual charter school sponsors; requiring Statewide Charter School Board to post certain information on its website; modifying contents of certain written contracts beginning on certain date; directing certain charter schools to be separate and distinct; defining term; modifying language regarding employment contracts; prohibiting certain schools from serving certain students without certain contract; authorizing sponsor to establish certain requirements or conditions for certain schools; updating references; directing certain charter schools to be included in certain bond planning conversations; providing for increase in length of certain charter contracts; prescribing a performance report prior to the final year of a charter contract renewal; permitting sponsor to require charter school to develop certain corrective action plan; authorizing nonrenewal of contract in certain cases; removing requirement of sponsor to appear before the State Board of Education in certain circumstances; requiring certain school to disclose revocation or nonrenewal in a subsequent application; including virtual charter schools in teacher salary and hiring provisions; updating statutory language; prescribing geographic boundaries for virtual charter schools; prohibiting certain students from participating in certain activities; designating certain students as transfer students; prescribing process for enrollment in virtual charter school; requiring transmission of student records within certain time period; directing certain notification if technology infrastructure is inadequate; prescribing limitation of student transfers; defining term; prohibiting additional transfer without certain concurrence; providing a grace period for withdrawal; requiring certain notification; providing for transfer for students who have a parent or guardian in the military; prescribing process for transfer; defining terms; prohibiting the Statewide Charter School Board from charging a fee for administrative or other services;

specifying how sponsor fee is to be used; directing development of certain data codes for reporting expenditures; requiring sponsor to publish certain report on its website and present report in certain meeting; modifying language regarding calculation of certain weighted average daily membership; updating statutory language; transferring oversight authority of the Charter School Closure Reimbursement Revolving Fund; reassigning duty to submit certain annual report; modifying authority over the Charter Schools Incentive Fund; amending 70 O.S. 2021, Sections 3-145.5, as amended by Section 2, Chapter 153, O.S.L. 2022 (70 O.S. Supp. 2022, Section 3-145.5), 3-145.7, and 3-145.8, which relate to virtual charter schools; removing outdated language; granting Statewide Virtual Charter School Board authority over certain revolving fund until certain date; transferring funds to certain revolving fund on certain date; updating statutory references; requiring sponsor governing board to designate representative to complete annual sponsor workshop requirement; amending 70 O.S. 2021, Section 5-200, which relates to management organizations; updating statutory language; requiring amounts paid to certain organizations be pursuant to contract terms; mandating disclosure pursuant to certain guidelines; updating statutory citations; amending 70 O.S. 2021, Section 18-124, which relates to limitations on administrative services expenditures; providing applicability of limitation to certain schools; clarifying calculation for specified schools; modifying definition; amending 70 O.S. 2021, Section 1210.704, which relates to the provision of advanced placement courses; updating statutory language; repealing 70 O.S. 2021, Sections 3-135, 3-145.1, 3-145.2, 3-145.3, and 3-145.4, which relate to sponsor contract guidelines, meetings, and rule promulgation of the Statewide Virtual Charter School Board; providing for severability; providing for codification; and providing effective dates.

SUBJECT: Charter schools

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-132.1 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created the Statewide Charter School Board. Beginning July 1, 2024, the Board shall have the sole authority to sponsor statewide virtual charter schools in this state and may sponsor charter schools in this state. The Board shall be composed of nine (9) voting members as follows:

1. Three members appointed by the Governor;

2. Two members appointed by the President Pro Tempore of the Senate;

3. Two members appointed by the Speaker of the House of Representatives;

4. The Superintendent of Public Instruction or his or her designee; and

5. The State Auditor and Inspector or his or her designee.

B. Initial appointments shall be made by October 31, 2023. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each appoint one member for one (1) year and one member for two (2) years. The Governor shall appoint one member for one (1) year and two members for two (2) years. Members shall serve until their successors are duly appointed for a term of three (3) years. Appointments shall be made by and take effect on July 31 of the year in which the appointment is made. Annually by December 30 the Board shall elect from its membership a chair and vice chair.

C. A member may be removed from the Board by the appointing authority for cause which shall include but not be limited to:

1. Being found guilty by a court of competent jurisdiction of a felony or any offense involving moral turpitude;

2. Being found guilty of malfeasance, misfeasance, or nonfeasance in relation to Board duties;

3. Being found mentally incompetent by a court of competent jurisdiction; or

4. Failing to attend three successive meetings of the Board without just cause, as determined by the Board.

D. Vacancies shall be filled by the appointing authority.

E. No member of the Senate or House of Representatives may be appointed to the Board while serving as a member of the Legislature or for two (2) full years following the expiration of the term of office.

F. Members of the Statewide Charter School Board shall not receive compensation but shall be reimbursed for necessary travel expenses pursuant to the provisions of the State Travel Reimbursement Act.

G. The Statewide Charter School Board shall meet at the call of the chair. The first meeting of the Board shall be held no later than sixty (60) days after the effective date of this act.

H. Five members of the Board shall constitute a quorum, and an affirmative vote of at least five members shall be required for the Board to take any final action.

I. Beginning July 1, 2024, statewide virtual charter schools shall be sponsored only by the Statewide Charter School Board created pursuant to this section. Effective July 1, 2024, the Statewide Virtual Charter School Board shall be abolished and the Statewide Charter School Board shall succeed to any contractual rights and responsibilities and settlement agreements incurred by the Statewide Virtual Charter School Board in a virtual charter school sponsorship contract executed prior to July 1, 2024.

1. All powers, duties, responsibilities, policies, personnel, property, equipment, supplies, records, assets, funds, current and future liabilities, encumbrances, obligations, and indebtedness of the Statewide Virtual Charter School Board or associated with a

virtual charter school sponsorship contract entered into by the Statewide Virtual Charter School Board prior to July 1, 2024, shall be transferred to the Statewide Charter School Board. No items shall be expended or used for any purpose other than the performance of duties and responsibilities as directed and required in this act. Appropriate conveyances and other documents shall be executed to effectuate the transfer of property associated with a sponsorship contract. The Statewide Charter School Board may contract for additional legal and administrative services as necessary to effectuate the transfers provided in this subsection.

2. The Director of the Office of Management and Enterprise Services shall coordinate the transfer of funds, allotments, purchase orders, and outstanding financial obligations and encumbrances relating to the regulation of virtual charter schools as transferred pursuant to the provisions of this act.

3. Upon succession of sponsorship contracts, the Statewide Charter School Board shall assume sponsorship of the virtual charter schools for the remainder of the term of the contracts. Prior to the end of the current term of the contract, the Statewide Charter School Board shall allow a virtual charter school to apply for renewal of the sponsorship contract in accordance with the renewal procedures established pursuant to Section 3-137 of Title 70 of the Oklahoma Statutes.

4. Effective July 1, 2024, all administrative rules promulgated by the Statewide Virtual Charter School Board relating to the implementation and enforcement of the Oklahoma Charter Schools Act shall be enforceable by the Statewide Charter School Board. The rules shall continue in force and effect and the Statewide Charter School Board shall have authority to amend, repeal, recodify, or make additions to the rules pursuant to the Administrative Procedures Act.

J. Effective July 1, 2024, the Statewide Charter School Board shall succeed to any contractual rights and responsibilities and settlement agreements incurred by the State Board of Education in a charter school sponsorship contract executed prior to July 1, 2024. All property, equipment, supplies, records, assets, funds, current and future liabilities, encumbrances, obligations, and indebtedness associated with a charter school sponsorship contract entered into

by the State Board of Education prior to July 1, 2024, shall be transferred to the Statewide Charter School Board. Appropriate conveyances and other documents shall be executed to effectuate the transfer of property associated with a sponsorship contract. Upon succession of sponsorship contracts, the Statewide Charter School Board shall assume sponsorship of the charter schools for the remainder of the term of the contracts. Prior to the end of the current term of the contract, the Statewide Charter School Board shall allow a charter school to apply for renewal of the sponsorship contract in accordance with the renewal procedures established pursuant to Section 3-137 of Title 70 of the Oklahoma Statutes.

K. Beginning July 1, 2024, at the end of the current term of a charter school sponsorship contract with a school district, an accredited comprehensive or regional institution that is a member of The Oklahoma State System of Higher Education, a community college, or a federally recognized Indian tribe, a charter school may apply for contract renewal with the Statewide Charter School Board for sponsorship.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-132.2 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. Beginning July 1, 2024, and subject to the requirements of the Oklahoma Charter Schools Act, the Statewide Charter School Board shall:

1. Provide supervision, services, and oversight of the operations of statewide virtual charter schools in this state and charter schools for which the Statewide Charter School Board is the sponsor, recommend legislation pertaining to charter schools to the Legislature, and promulgate rules and policies that the Board deems necessary to accomplish the purposes prescribed in this section;

2. Ensure compliance with state laws and training requirements for all charter schools, virtual charter schools, and sponsors;

3. Establish a procedure for accepting, approving, and disapproving charter school and statewide virtual charter school applications and a process for renewal or revocation of approved

charter contracts which meet the procedures set forth in the Oklahoma Charter Schools Act;

4. Hire an Executive Director and other staff for its operation;

5. Prepare a budget for expenditures necessary for the proper maintenance of the Board and accomplishment of its purpose;

6. Comply with the requirements of the Oklahoma Open Meeting Act and Oklahoma Open Records Act; and

7. Give priority to opening charter schools and virtual charter schools that serve at-risk student populations or students from low-performing traditional public schools.

B. The State Board of Education shall be responsible for accreditation of charter schools and virtual charter schools and ensure compliance with special education laws and federal laws and programs administered by the State Board of Education.

C. 1. For purposes of the Oklahoma Charter Schools Act, "charter school" means:

a. prior to July 1, 2024, a public school established by contract with a school district board of education, a technology center school district, a higher education institution, a federally recognized Indian tribe, or the State Board of Education, and

b. on July 1, 2024, and after, a public school established by contract with a school district board of education, a higher education institution, an institution of higher learning accredited pursuant to Section 4103 of Title 70 of the Oklahoma Statutes, a federally recognized Indian tribe, or the Statewide Charter School Board,

to provide learning that will improve student achievement and as defined in the Elementary and Secondary Education Act of 1965, as reauthorized by P.L. No. 114-95, also known as the Every Student Succeeds Act.

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

D. 1. For the purposes of the Oklahoma Charter Schools Act, "conversion school" means a school created by converting all or any part of a traditional public school in order to access any or all flexibilities afforded to a charter school; provided, however, all or any part of a traditional public school shall not be converted to a virtual charter school.

2. Prior to the board of education of a school district converting all or any part of a traditional public school to a conversion school, the board shall prepare a conversion plan. The conversion plan shall include documentation that demonstrates and complies with paragraphs 1, 2, 6, 7, 8, 9, 10, 13, 14, 15, 16, 17, 19, 20, 21, 22, 23, 24, 34, and 35 of subsection B of Section 3-134 of Title 70 of the Oklahoma Statutes. The conversion plan and all documents shall be in writing and shall be available to the public pursuant to the requirements of the Oklahoma Open Records Act. All votes by the board of education of a school district to approve a conversion plan shall be held in an open public session. If the board of education of a school district votes to approve a conversion plan, the board shall notify the State Board of Education within sixty (60) days after the vote. The notification shall include a copy of the minutes for the board meeting at which the conversion plan was approved.

3. A conversion school shall comply with all the same accountability measures as are required of a charter school as defined in subsection C of this section. The provisions of Sections 3-140 and 3-142 of Title 70 of the Oklahoma Statutes shall not apply to a conversion school. Conversion schools shall comply with the same laws and State Board of Education rules relating to student enrollment which apply to traditional public schools. Conversion schools shall be funded by the board of education of the school district as a school site within the school district and funding shall not be affected by the conversion of the school.

4. The board of education of a school district may vote to revert a conversion school back to a traditional public school at

any time; provided, the change shall only occur during a break between school years.

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

E. 1. Beginning July 1, 2024, the Statewide Charter School Board shall make publicly available a list of supplemental online courses which have been reviewed and certified by the Board to ensure that the courses are high-quality options and are aligned with the subject matter standards adopted by the State Board of Education pursuant to Section 11-103.6 of Title 70 of the Oklahoma Statutes. The Statewide Charter School Board shall give special emphasis on listing supplemental online courses in science, technology, engineering, and math (STEM), foreign language, and advanced placement courses. School districts shall not be limited to selecting supplemental online courses that have been reviewed and certified by the Statewide Charter School Board and listed as provided for in this paragraph.

2. In conjunction with the Office of Management and Enterprise Services, the Board shall negotiate and enter into contracts with supplemental online course providers to offer a state rate price to school districts for supplemental online courses that have been reviewed and certified by the Statewide Charter School Board and listed as provided for in this subsection.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-132.3 of Title 70, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the Statewide Charter School Board to be designated the "Statewide Charter School Board Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Statewide Charter School Board from state appropriations. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Statewide Charter School Board for the purposes set forth in Section 2 of this act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as

prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

SECTION 4. AMENDATORY 70 O.S. 2021, Section 3-104, is amended to read as follows:

Section 3-104. A. The supervision of the public school system of Oklahoma shall be vested in the State Board of Education and, subject to limitations otherwise provided by law, the State Board of Education shall:

1. Adopt policies and make rules for the operation of the public school system of the state;

2. Appoint, prescribe the duties, and fix the compensation of a secretary, an attorney, and all other personnel necessary for the proper performance of the functions of the State Board of Education. The secretary shall not be a member of the Board;

3. Submit to the Governor a departmental budget based upon major functions of the Department as prepared by the ~~State~~ Superintendent of Public Instruction and supported by detailed data on needs and proposed operations as partially determined by the budgetary needs of local school districts filed with the State Board of Education for the ensuing fiscal year. Appropriations therefor shall be made in lump-sum form for each major item in the budget as follows:

a. State Aid to schools,

b. the supervision of all other functions of general and special education including general control, free textbooks, school lunch, Indian education, and all other functions of the Board and an amount sufficient to adequately staff and administer these services, and

c. the Board shall determine the details by which the budget and the appropriations are administered. Annually, the Board shall make preparations to consolidate all of the functions of the Department in such a way that the budget can be based on two items, administration and aid to schools. A maximum amount

for administration shall be designated as a part of the total appropriation;

4. On the first day of December preceding each regular session of the Legislature, prepare and deliver to the Governor and the Legislature a report for the year ending June 30 immediately preceding the regular session of the Legislature. The report shall contain:

a. detailed statistics and other information concerning enrollment, attendance, expenditures including State Aid, and other pertinent data for all public schools in this state,

b. reports from each and every division within the State Department of Education as submitted by the ~~State~~ Superintendent of Public Instruction and any other division, department, institution, or other agency under the supervision of the Board,

c. recommendations for the improvement of the public school system of the state,

d. a statement of the receipts and expenditures of the State Board of Education for the past year, and

e. a statement of plans and recommendations for the management and improvement of public schools and such other information relating to the educational interests of the state as may be deemed necessary and desirable;

5. Provide for the formulation and adoption of curricula, courses of study, and other instructional aids necessary for the adequate instruction of pupils in the public schools;

6. Have authority in matters pertaining to the licensure and certification of persons for instructional, supervisory, and administrative positions and services in the public schools of the state subject to the provisions of Section 6-184 of this title, and shall formulate rules governing the issuance and revocation of certificates for superintendents of schools, principals,

supervisors, librarians, clerical employees, school nurses, school bus drivers, visiting teachers, classroom teachers, and for other personnel performing instructional, administrative, and supervisory services, but not including members of boards of education and other employees who do not work directly with pupils, and may charge and collect reasonable fees for the issuance of such certificates:

a. the State Department of Education shall not issue a certificate to and shall revoke the certificate of any person who has been convicted, whether upon a verdict or plea of guilty or upon a plea of nolo contendere, or received a suspended sentence or any probationary term for a crime or an attempt to commit a crime provided for in Section 843.5 of Title 21 of the Oklahoma Statutes if the offense involved sexual abuse or sexual exploitation as those terms are defined in Section 1-1-105 of Title 10A of the Oklahoma Statutes, Section 741, 843.1, if the offense included sexual abuse or sexual exploitation, 865 et seq., 885, 888, 891, 1021, 1021.2, 1021.3, 1040.13a, 1087, 1088, 1111.1, 1114, or 1123 of Title 21 of the Oklahoma Statutes or who enters this state and who has been convicted, received a suspended sentence, or received a deferred judgment for a crime or attempted crime which, if committed or attempted in this state, would be a crime or an attempt to commit a crime provided for in any of ~~said~~ the laws,

b. all funds collected by the State Department of Education for the issuance of certificates to instructional, supervisory, and administrative personnel in the public schools of the state shall be deposited in the "Teachers' ~~Certificate~~ Certification Fund" in the State Treasury and may be expended by the State Board of Education to finance the activities of the State Department of Education necessary to administer the program, for consultative services, publication costs, actual and necessary travel expenses as provided in the State Travel Reimbursement Act incurred by persons performing research work, and other expenses found necessary by the State Board of Education for the improvement of the preparation and

certification of teachers in ~~Oklahoma~~ this state. Provided, any unobligated balance in the Teachers' ~~Certificate~~ Certification Fund in excess of Ten Thousand Dollars ($10,000.00) on June 30 of any fiscal year shall be transferred to the General Revenue Fund of ~~the State of Oklahoma~~ this state. Until July 1, 1997, the State Board of Education shall have authority for approval of teacher education programs. The State Board of Education shall also have authority for the administration of teacher residency and professional development, subject to the provisions of the Oklahoma Teacher Preparation Act;

7. Promulgate rules governing the classification, inspection, supervision, and accrediting of all public nursery, kindergarten, elementary and secondary schools, and on-site educational services provided by public school districts or state-accredited private schools in partial hospitalization programs, day treatment programs, and day hospital programs as defined in this act for persons between the ages of three (3) and twenty-one (21) years of age in the state. However, no school shall be denied accreditation solely on the basis of average daily attendance.

Any school district which maintains an elementary school and faces the necessity of relocating its school facilities because of construction of a lake, either by state or federal authority, which will inundate the school facilities, shall be entitled to receive probationary accreditation from the State Board of Education for a period of five (5) years after ~~the effective date of this act~~ June 12, 1975, and any school district, otherwise qualified, shall be entitled to receive probationary accreditation from the State Board of Education for a period of two (2) consecutive years to attain the minimum average daily attendance. The Head Start and public nurseries or kindergartens operated from Community Action ~~Program~~ Agency funds shall not be subjected to the accrediting rules of the State Board of Education. Neither will the State Board of Education make rules affecting the operation of the public nurseries and kindergartens operated from federal funds secured through Community Action ~~Programs~~ Agencies even though they may be operating in the public schools of the state. However, any of the Head Start or public nurseries or kindergartens operated under federal regulations may make application for accrediting from the State Board of

Education but will be accredited only if application for the approval of the programs is made. The status of no school district shall be changed which will reduce it to a lower classification until due notice has been given to the proper authorities thereof and an opportunity given to correct the conditions which otherwise would be the cause of such reduction.

Private and parochial schools may be accredited and classified in like manner as public schools or, if an accrediting association is approved by the State Board of Education, by procedures established by the State Board of Education to accept accreditation by such accrediting association, if application is made to the State Board of Education for such accrediting;

8. Be the legal agent of ~~the State of Oklahoma~~ this state to accept, in its discretion, the provisions of any Act of Congress appropriating or apportioning funds which are now, or may hereafter be, provided for use in connection with any phase of the system of public education in Oklahoma. It shall prescribe such rules as it finds necessary to provide for the proper distribution of such funds in accordance with the state and federal laws;

9. Be and is specifically hereby designated as the agency of this state to cooperate and deal with any officer, board, or authority of the United States Government under any law of the United States which may require or recommend cooperation with any state board having charge of the administration of public schools unless otherwise provided by law;

10. Be and is hereby designated as the "State Educational Agency" referred to in Public Law 396 of the 79th Congress of the United States, which law states that ~~said~~ the act may be cited as the "National School Lunch Act", and ~~said~~ the State Board of Education is hereby authorized and directed to accept the terms and provisions of ~~said~~ the act and to enter into such agreements, not in conflict with the Constitution of Oklahoma or the Constitution and Statutes of the United States, as may be necessary or appropriate to secure for ~~the State of Oklahoma~~ this state the benefits of the school lunch program established and referred to in ~~said~~ the act;

11. Have authority to secure and administer the benefits of the National School Lunch Act, Public Law 396 of the 79th Congress of

the United States, in ~~the State of Oklahoma~~ this state and is hereby authorized to employ or appoint and fix the compensation of such additional officers or employees and to incur such expenses as may be necessary for the accomplishment of the above purpose, administer the distribution of any state funds appropriated by the Legislature required as federal matching to reimburse on children's meals;

12. Accept and provide for the administration of any land, money, buildings, gifts, donation, or other things of value which may be offered or bequeathed to the schools under the supervision or control of ~~said~~ the Board;

13. Have authority to require persons having administrative control of all school districts in Oklahoma to make such regular and special reports regarding the activities of the schools in ~~said~~ the districts as the Board may deem needful for the proper exercise of its duties and functions. Such authority shall include the right of the State Board of Education to withhold all state funds under its control, to withhold official recognition~~,~~ including accrediting, until such required reports have been filed and accepted in the office of ~~said~~ the Board and to revoke the certificates of persons failing or refusing to make such reports;

14. Have general supervision of the school lunch program. The State Board of Education may sponsor workshops for personnel and participants in the school lunch program and may develop, print, and distribute free of charge or sell any materials, books, and bulletins to be used in ~~such~~ the school lunch programs. There is hereby created in the State Treasury a revolving fund for the Board, to be designated the School Lunch Workshop Revolving Fund. The fund shall consist of all fees derived from or on behalf of any participant in any such workshop sponsored by the State Board of Education, or from the sale of any materials, books, and bulletins, and ~~such~~ funds shall be disbursed for expenses of such workshops and for developing, printing, and distributing of ~~such~~ the materials, books, and bulletins relating to the school lunch program. The fund shall be administered in accordance with Section 155 of Title 62 of the Oklahoma Statutes;

15. Prescribe all forms for school district and county officers to report to the State Board of Education where required. The State Board of Education shall also prescribe a list of appropriation

accounts by which the funds of school districts shall be budgeted, accounted for, and expended; and it shall be the duty of the State Auditor and Inspector in prescribing all budgeting, accounting, and reporting forms for school funds to conform to such lists;

16. Provide for the establishment of a uniform system of pupil and personnel accounting, records, and reports;

17. Have authority to provide for the health and safety of school children and school personnel while under the jurisdiction of school authorities;

18. Provide for the supervision of the transportation of pupils;

19. Have authority, upon request of the local school board, to act in behalf of the public schools of the state in the purchase of transportation equipment;

20. Have authority and is hereby required to perform all duties necessary to the administration of the public school system in Oklahoma as specified in the Oklahoma School Code; and, in addition thereto, those duties not specifically mentioned herein if not delegated by law to any other agency or official;

21. Administer the State Public Common School Building Equalization Fund established by Section 32 of Article X of the Oklahoma Constitution. Any monies as may be appropriated or designated by the Legislature, other than ad valorem taxes, any other funds identified by the State Department of Education, which may include, but not be limited to, grants-in-aid from the federal government for building purposes, the proceeds of all property that shall fall to the state by escheat, penalties for unlawful holding of real estate by corporations, and capital gains on assets of the permanent school funds, shall be deposited in the State Public Common School Building Equalization Fund. The fund shall be used to aid school districts and charter schools in acquiring buildings, subject to the limitations fixed by Section 32 of Article X of the Oklahoma Constitution. It is hereby declared that the term "acquiring buildings" as used in Section 32 of Article X of the Oklahoma Constitution shall mean acquiring or improving school sites, constructing, repairing, remodeling, or equipping buildings,

or acquiring school furniture, fixtures, or equipment. It is hereby declared that the term "school districts" as used in Section 32 of Article X of the Oklahoma Constitution shall mean school districts and eligible charter schools as defined in subsection B of this section. The State Board of Education shall disburse redbud school grants annually from the State Public Common School Building Equalization Fund to public schools and eligible charter schools pursuant to subsection B of this section. The Board shall promulgate rules for the implementation of disbursing redbud school grants pursuant to this section. The State Board of Education shall prescribe rules for making grants of aid from, and for otherwise administering, the fund pursuant to the provisions of this paragraph, and may employ and fix the duties and compensation of technicians, aides, clerks, stenographers, attorneys, and other personnel deemed necessary to carry out the provisions of this paragraph. The cost of administering the fund shall be paid from monies appropriated to the State Board of Education for the operation of the State Department of Education. From monies apportioned to the fund, the State Department of Education may reserve not more than one-half of one percent (1/2 of 1%) for purposes of administering the fund;

22. Recognize that the Director of the ~~Oklahoma~~ Department of Corrections shall be the administrative authority for the schools which are maintained in the state reformatories and shall appoint the principals and teachers in such schools. Provided, that rules of the State Board of Education for the classification, inspection, and accreditation of public schools shall be applicable to such schools; and such schools shall comply with standards set by the State Board of Education; and

23. Have authority to administer a revolving fund which is hereby created in the State Treasury, to be designated the Statistical Services Revolving Fund. The fund shall consist of all monies received from the various school districts of the state, the United States Government, and other sources for the purpose of furnishing or financing statistical services and for any other purpose as designated by the Legislature. The State Board of Education is hereby authorized to enter into agreements with school districts, municipalities, the United States Government, foundations, and other agencies or individuals for services, programs, or research projects. The Statistical Services Revolving

Fund shall be administered in accordance with Section 155 of Title 62 of the Oklahoma Statutes.

B. 1. The redbud school grants shall be determined by the State Department of Education as follows:

a. divide the county four-mill levy revenue by four to determine the nonchargeable county four-mill revenue for each school district,

b. determine the amount of new revenue generated by the five-mill building fund levy as authorized by Section 10 of Article X of the Oklahoma Constitution for each school district as reported in the Oklahoma Cost Accounting System for the preceding fiscal year,

c. add the amounts calculated in subparagraphs a and b of this paragraph to determine the nonchargeable millage for each school district,

d. add the nonchargeable millage in each district statewide as calculated in subparagraph c of this paragraph and divide the total by the average daily membership in public schools statewide based on the preceding school year's average daily membership, according to the provisions of Section 18-107 of this title. This amount is the statewide nonchargeable millage per student, known as the baseline local funding per student,

e. all eligible charter schools shall be included in these calculations as unique school districts, separate from the school district that may sponsor the eligible charter school, and the total number of districts shall be used to determine the statewide average baseline local funding per student,

f. for each school district or eligible charter school which is below the baseline local funding per student, the Department shall subtract the baseline local funding per student from the average nonchargeable millage per student of the school district or eligible

charter school to determine the nonchargeable millage per student shortfall for each district, and

g. the nonchargeable millage per student shortfall for a school district or eligible charter school shall be multiplied by the average daily membership of the preceding school year of the eligible school district or eligible charter school. This amount shall be the redbud school grant amount for the school district or eligible charter school.

2. For fiscal year 2022, monies for the redbud school grants shall be expended from the funds apportioned pursuant to ~~Section 2~~ Section 426 of ~~this act~~ Title 63 of the Oklahoma Statutes. For fiscal year 2023 and each subsequent fiscal year, monies for the redbud school grants shall be appropriated pursuant to ~~Section 2~~ Section 426 of ~~this act~~ Title 63 of the Oklahoma Statutes, not to exceed three-fourths (3/4) of the tax collected in the preceding fiscal year pursuant to Section 426 of Title 63 of the Oklahoma Statutes as determined by the Oklahoma Tax Commission. For fiscal year 2023 and each subsequent fiscal year, if such appropriated funds are insufficient to fund the redbud school grants, then an additional apportionment of funds shall be made from sales tax collections as provided by subsection D of ~~Section 3~~ Section 1353 of ~~this act~~ Title 68 of the Oklahoma Statutes. If both funds are insufficient, the Department shall promulgate rules to permit a decrease to the baseline local funding per student to the highest amount allowed with the funding available.

3. As used in this section, "eligible charter school" shall mean a charter school which is sponsored pursuant to the provisions of the Oklahoma Charter ~~School~~ Schools Act. Provided, however, "eligible charter school" shall not include a statewide virtual charter school sponsored by the ~~Statewide Virtual Charter School Board~~ Statewide Charter School Board but shall only include those which provide in-person or blended instruction, as provided by Section 1-111 of this title, to not less than two-thirds (2/3) of students as the primary means of instructional service delivery.

4. The Department shall develop a program to acknowledge the redbud school grant recipients and shall include elected members of

the ~~Oklahoma~~ House of Representatives and ~~Oklahoma State~~ Senate who represent the school districts and eligible charter schools.

5. The Department shall create a dedicated page on its website listing annual redbud school grant recipients, amount awarded to each recipient, and other pertinent information about the Redbud School Funding Act.

6. The Department shall provide the ~~Chair~~ chair of the House Appropriations and Budget Committee and the ~~Chair~~ chair of the Senate Appropriations Committee no later than February 1 of each year with an estimate of the upcoming year's redbud school grant allocation as prescribed by this section.

SECTION 5. AMENDATORY 70 O.S. 2021, Section 3-132, as amended by Section 1, Chapter 222, O.S.L. 2022 (70 O.S. Supp. 2022, 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 any school district located in ~~the State of Oklahoma~~ this state, provided such charter school shall only be located within the geographical boundaries of the sponsoring district and subject to the restrictions of Section 3-145.6 of this title;

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

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

~~4.~~ By an accredited comprehensive ~~or~~, regional, or two-year institution that is a member of The Oklahoma State System of Higher

Education or ~~a community college if the charter school is located in a school district in which all or part of the school district is located in a county having more than five hundred thousand (500,000) population according to the latest Federal Decennial Census~~ by a private institution of higher learning located within this state that is accredited pursuant to Section 4103 of this title;

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

~~6.~~ 3. By a federally recognized Indian tribe, operating a high school under the authority of the Bureau of Indian Affairs as of November 1, 2010, if the charter school is for the purpose of demonstrating native language immersion instruction, and is located within its former reservation or treaty area boundaries. For purposes of this paragraph, native language immersion instruction shall require that educational instruction and other activities conducted at the school site are primarily conducted in the native language;

~~7. By~~ 4. Until June 30, 2023, by the State Board of Education and beginning July 1, 2024, by the Statewide Charter School Board when the applicant of the charter school is the Office of Juvenile Affairs or the applicant has a contract with the Office of Juvenile Affairs and the charter school is for the purpose of providing education services to youth in the custody or supervision of the state~~. Not more than two charter schools shall be sponsored by the Board as provided for in this paragraph during the period of time beginning July 1, 2010, through July 1, 2016~~;

~~8.~~ 5. By a federally recognized Indian tribe only when the charter school is located within the former reservation or treaty area boundaries of the tribe on property held in trust by the Bureau

of Indian Affairs of the United States Department of the Interior for the benefit of the tribe; or

~~9.~~ 6. By the ~~State Board of Education when the applicant has first been denied a charter by the local school district in which it seeks to operate~~ Statewide Charter School Board. In counties with a population of fewer than five hundred thousand (500,000) ~~population~~, according to the latest Federal Decennial Census, the ~~State Board of Education~~ Statewide Charter School Board shall not sponsor more than five new charter schools ~~per year~~ each year ~~for the first five (5) years after the effective date of this act, with not more than one charter school sponsored in a single school district per year. In order to authorize a charter school under this section, the State Board of Education shall find evidence of all of the following:~~

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

~~b. a clear demonstration of community support for the charter school, and~~

~~c. the grounds and basis of objection by the school district for denying the operation of the charter are not supported by the greater weight of evidence and the strength of the application~~. Existing charter schools sponsored by the Statewide Charter School Board shall not apply to the limits prescribed by this paragraph.

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

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

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

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

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

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

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

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

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

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

~~2. Prior to the board of education of a school district converting all or any part of a traditional public school to a conversion school, the board shall prepare a conversion plan. The~~

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

~~3. A conversion school shall comply with all the same accountability measures as are required of a charter school as defined in subsection D of this section. The provisions of Sections 3-140 and 3-142 of this title shall not apply to a conversion school. Conversion schools shall comply with the same laws and State Board of Education rules relating to student enrollment which apply to traditional public schools. Conversion schools shall be funded by the board of education of the school district as a school site within the school district and funding shall not be affected by the conversion of the school.~~

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

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

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

SECTION 6. AMENDATORY 70 O.S. 2021, Section 3-134, as amended by Section 2, Chapter 222, O.S.L. 2022 (70 O.S. Supp. 2022, Section 3-134), is amended to read as follows:

Section 3-134. A. For written applications filed after ~~January 1, 2008~~ July 1, 2024, prior to submission of the application to a proposed sponsor seeking to establish a charter school or to the Statewide Charter School Board to establish a virtual charter school, the applicant shall be required to complete training which shall not exceed ten (10) hours provided by the ~~State Department of Education~~ Statewide Charter School Board on the process and requirements for establishing a charter school or virtual charter school. The sponsor of a charter school that enters into a new or renewed sponsorship contract on or after July 1, 2024, shall be required to complete training provided by the Statewide Charter School Board or an organization approved by the Statewide Charter School Board on the oversight duties of the sponsor. The ~~Department~~ Board shall develop and implement the training and publish a list of organizations approved to provide training by ~~January 1, 2008~~ July 1, 2024. The ~~Department~~ Board and organizations approved by the Board may provide the training in any format and manner ~~that the Department determines~~ determined to be efficient and effective including, but not limited to, web-based training.

B. Except as otherwise provided for in Section 3-137 of this title, an applicant seeking to establish a virtual charter school shall submit a written application to the Statewide Charter School Board, and an applicant seeking to establish a charter school shall submit a written application to the proposed sponsor as ~~prescribed~~ provided for in subsection E of this section. The application shall include:

1. A mission statement for the charter school or virtual charter school;

2. A description including, but not limited to, background information of the organizational structure and the governing ~~body~~ board of the charter school or virtual charter school;

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

4. A description of the hiring policy of the charter school or virtual charter school;

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

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

7. A description of the grades being served;

8. An outline of criteria designed to measure the effectiveness of the charter school or virtual charter school;

9. ~~A demonstration of support for the charter school from residents of the school district which may include but is not limited to a survey of the school district residents or a petition signed by residents of the school district;~~

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

~~11.~~ 10. A description of the minimum and maximum enrollment planned per year for each term of the charter contract;

~~12.~~ 11. The proposed calendar for the charter school or virtual charter school and sample daily schedule;

~~13.~~ 12. Unless otherwise authorized by law or regulation, a description of the academic program aligned with state standards;

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

~~15.~~ 14. The plan for using internal and external assessments to measure and report student progress on the performance framework developed by the applicant in accordance with ~~subsection C of Section 3-135~~ Section 3-136 of this title;

~~16.~~ 15. The plans for identifying and successfully serving students with disabilities, students who are English language learners, and students who are academically behind;

~~17.~~ 16. A description of cocurricular or extracurricular programs and how they will be funded and delivered;

~~18.~~ 17. Plans and time lines for student recruitment and enrollment~~,~~ including lottery procedures;

~~19.~~ 18. The student discipline policies for the charter school~~,~~ or virtual charter school including those for special education students;

~~20.~~ 19. An organizational chart that clearly presents the organizational structure of the charter school or virtual charter school, including lines of authority and reporting between the governing board, staff, any related bodies such as advisory bodies or parent and teacher councils, and any external organizations that will play a role in managing the school;

~~21.~~ 20. A clear description of the roles and responsibilities for the governing board, the leadership and management team for the charter school or virtual charter school, and any other entities shown in the organizational chart;

~~22.~~ 21. The leadership and teacher employment policies for the charter school or virtual charter school;

~~23.~~ 22. Proposed governing bylaws;

~~24.~~ 23. Explanations of any partnerships or contractual partnerships central to the operations or mission of the charter school or virtual charter school;

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

~~26.~~ 25. Opportunities and expectations for parental involvement;

~~27.~~ 26. A detailed school start-up plan that identifies tasks, time lines, and responsible individuals;

~~28.~~ 27. A description of the financial plan and policies for the charter school~~,~~ or virtual charter school including financial controls and audit requirements;

~~29.~~ 28. A description of the insurance coverage the charter school or virtual charter school will obtain;

~~30.~~ 29. Start-up and five-year budgets with clearly stated assumptions;

~~31.~~ 30. Start-up and first-year cash-flow projections with clearly stated assumptions;

~~32.~~ 31. Evidence of anticipated fundraising contributions, if claimed in the application;

~~33.~~ 32. A sound facilities plan~~,~~ including backup or contingency plans if appropriate;

~~34.~~ 33. A requirement that the charter school or virtual charter school governing board meet ~~at a minimum quarterly~~ no fewer than ten (10) months of the year in the state and that for those charter schools outside of counties with a population of five hundred thousand (500,000) or more, that a ~~majority~~ minimum of two (2) members are residents within the geographic boundary of the ~~sponsoring entity~~ charter school; ~~and~~

~~35.~~ 34. A requirement that the charter school or virtual charter school follow the requirements of the Oklahoma Open Meeting Act and Oklahoma Open Records Act; and

35. A copy of any proposed contract between the governing board of a charter school or virtual charter school and an educational management organization, as defined by Section 5-200 of this title, which meets the requirements of the Oklahoma Charter Schools Act.

C. A board of education of a public school district, public body, public or private college or university, private person, or private organization may contract with a sponsor to establish a

charter school or virtual charter school. A private school shall not be eligible to contract for a charter school or virtual charter school under the provisions of the Oklahoma Charter Schools Act.

D. The sponsor of a charter school is the board of education of a school district, ~~the board of education of a technology center school district,~~ a higher education institution, ~~the State Board of Education, or~~ a private institution of higher learning accredited pursuant to Section 4103 of this title, a federally recognized Indian tribe which meets the criteria established in Section 3-132 of this title, or beginning July 1, 2024, the Statewide Charter School Board. Any ~~board of education of a school district in the state~~ sponsor authorized pursuant to subsection A of Section 3-132 of this title may sponsor one or more charter schools. The physical location of a charter school sponsored by a board of education of a school district ~~or a technology center school district~~ shall be within the boundaries of the sponsoring school district. The physical location of a charter school ~~otherwise~~ sponsored by the ~~State Board of Education~~ Statewide Charter School Board pursuant to paragraph ~~8~~ 6 of subsection A of Section 3-132 of this title shall be in the school district in which the application originated.

E. 1. Beginning July 1, 2024, any application seeking to establish a charter school in this state shall be submitted first to the school district in which the proposed charter school is to be located. The school district board of education shall approve or deny the application within sixty (60) days of receipt of the application. If the charter school application is denied, nothing shall prohibit an applicant from submitting a revised application to the school district board of education, which shall approve or deny the revised application within sixty (60) days of receipt of the application.

2. An applicant for a charter school that has been denied pursuant to paragraph 1 of this subsection may submit an application to a proposed sponsor listed in paragraphs 2 through 6 of subsection A of Section 3-132 of this title, which shall either accept or reject sponsorship of the charter school within ninety (90) days of receipt of the application. If the proposed sponsor rejects the application, it shall notify the applicant in writing of the reasons for the rejection. The applicant may submit a revised application for reconsideration to the proposed sponsor within thirty (30) days

after receiving notification of the rejection. The proposed sponsor shall accept or reject the revised application within thirty (30) days of its receipt. ~~Should the sponsor reject the application on reconsideration, the applicant may appeal the decision to the State Board of Education with the revised application for review pursuant to paragraph 8 of subsection A of Section 3-132 of this title. The State Board of Education shall hear the appeal no later than sixty (60) days from the date received by the Board.~~

3. Beginning July 1, 2024, an applicant for a virtual charter school shall submit an application to the Statewide Charter School Board, which shall either accept or reject sponsorship of the virtual charter school within ninety (90) days of receipt of the application. If the application is rejected, the Statewide Charter School Board shall notify the applicant in writing of the reasons for the rejection. The applicant may submit a revised application for reconsideration to the Statewide Charter school Board within thirty (30) days after receiving notification of the rejection. The Statewide Charter School Board shall accept or reject the revised application within thirty (30) days of its receipt.

F. A board of education of a school district, ~~board of education of a technology center school district,~~ a higher education institution, a private institution of higher learning accredited pursuant to Section 4103 of this title, or a federally recognized Indian tribe ~~sponsor of a charter school~~ shall notify the State Board of Education and the Statewide Charter School Board when it accepts sponsorship of a charter school. The notification shall include a copy of the charter of the charter school.

G. Applicants for charter schools and virtual charter schools proposed to be sponsored by ~~an entity other than a school district pursuant to paragraph 1 of subsection A of Section 3-132 of this title~~ the Statewide Charter School Board may, upon rejection of ~~the~~ a revised application, proceed to binding arbitration under the commercial rules of the American Arbitration Association with costs of the arbitration to be borne by the ~~proposed sponsor~~ applicant. ~~Applicants for charter schools proposed to be sponsored by school districts pursuant to paragraph 1 of subsection A of Section 3-132 of this title may not proceed to binding arbitration but may be sponsored by the State Board of Education as provided in paragraph 8 of subsection A of Section 3-132 of this title.~~

H. If a board of education of a ~~technology center school district~~ school district, a higher education institution, ~~the State Board of Education~~ a private institution of higher learning accredited pursuant to Section 4103 of this title, or a federally recognized Indian tribe accepts sponsorship of a charter school, the administrative, fiscal, and oversight responsibilities of the ~~technology center school district~~ school district, the higher education institution, the private institution of higher learning accredited pursuant to Section 4103 of this title, or the federally recognized Indian tribe shall be listed in the contract. No administrative, fiscal, or oversight responsibilities of a charter school shall be delegated to a school district unless the ~~local~~ school district agrees to enter into a contract to assume the responsibilities.

I. A sponsor of a public charter school shall have the following powers and duties over charter schools it sponsors, and the Statewide Charter School Board shall have the following powers and duties over the charter schools and virtual charter schools it sponsors:

1. Provide services and oversight of the operations of charter schools or virtual charter schools in the state through annual performance reviews ~~of charter schools~~ and reauthorization ~~of charter schools for which it is a sponsor~~;

2. Solicit and evaluate charter applications;

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

4. Decline to approve weak or inadequate charter applications;

5. Negotiate and execute sound charter contracts with each approved public charter school or virtual charter school;

6. Approve or deny proposed contracts between the governing board of a charter school or virtual charter school and an educational management organization, as defined by section 5-200 of this title;

7. Monitor, in accordance with charter contract terms, the performance and legal compliance of charter schools and virtual charter schools; and

~~7.~~ 8. Determine whether each charter contract merits renewal, nonrenewal, or revocation.

J. Sponsors shall establish a procedure for accepting, approving, and disapproving charter school applications in accordance with subsection E of this section. The Statewide Charter School Board shall post its application, application process, and application time frames on the Board's website.

K. Sponsors including the Statewide Charter School Board shall ~~be required to~~ develop and maintain chartering policies and practices consistent with recognized principles and standards for quality charter ~~authorizing as established by the State Department of Education~~ sponsoring in all major areas of ~~authorizing~~ sponsoring responsibility~~,~~ including organizational capacity and infrastructure, soliciting and evaluating charter school and virtual charter school applications, performance contracting, ongoing charter school and virtual charter school oversight and evaluation, and charter contract renewal decision-making.

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

SECTION 7. AMENDATORY 70 O.S. 2021, Section 3-136, is amended to read as follows:

Section 3-136. A. ~~A~~ Beginning July 1, 2024, a written contract entered into between the Statewide Charter School Board and the governing board of a charter school or statewide virtual charter school or a written contract entered into between a sponsor and the governing board of a charter school shall ~~adopt a charter which will~~ ensure compliance with the following:

1. ~~A~~ Except as provided for in the Oklahoma Charter Schools Act, a charter school and virtual charter school shall be exempt from all statutes and rules relating to schools, boards of education, and school districts; provided, however, a charter school

or virtual charter school shall comply with all federal regulations and state and local rules and statutes relating to health, safety, civil rights, and insurance. By January 1, 2000, the State Department of Education shall prepare a list of relevant rules and statutes which a charter school and virtual charter school must comply with as required by this paragraph and shall annually provide an update to the list;

2. A charter school shall be nonsectarian in its programs, admission policies, employment practices, and all other operations. A sponsor may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or religious institution;

3. The charter contract shall provide a description of the educational program to be offered. A charter school or virtual charter school may provide a comprehensive program of instruction for a prekindergarten program, a kindergarten program, or any grade between grades one and twelve. Instruction may be provided to all persons between ~~the ages of~~ four (4) and twenty-one (21) years of age. A charter school or virtual charter school may offer a curriculum which emphasizes a specific learning philosophy or style or certain subject areas such as mathematics, science, fine arts, performance arts, or foreign language. The charter of a charter school or virtual charter school which offers grades nine through twelve shall specifically address whether the charter school or virtual charter school will comply with the graduation requirements established in Section 11-103.6 of this title. No charter school shall be chartered for the purpose of offering a curriculum for deaf or blind students that is the same or similar to the curriculum being provided by or for educating deaf or blind students that are being served by the Oklahoma School for the Blind or the Oklahoma School for the Deaf;

4. A charter school or virtual charter school shall participate in the testing as required by the Oklahoma School Testing Program Act and the reporting of test results as is required of a school district. A charter school or virtual charter school shall also provide any necessary data to the Office of Accountability within the State Department of Education;

5. ~~Except as provided for in the Oklahoma Charter Schools Act and its charter, a charter school shall be exempt from all statutes and rules relating to schools, boards of education, and school districts;~~

~~6.~~ A charter school~~, to the extent possible,~~ or virtual charter school shall be subject to the same reporting requirements, financial audits, audit procedures, and audit requirements as a school district. The State Department of Education or State Auditor and Inspector may conduct financial, program, or compliance audits. The Statewide Charter School Board may request that the State Auditor and Inspector conduct a financial, program, or compliance audit for any charter school or virtual charter school it oversees. A charter school or virtual charter school shall use the Oklahoma Cost Accounting System to report financial transactions to the ~~sponsoring school district~~ State Department of Education. The charter school or virtual charter school shall be subject to the limitations on spending, including provisions of the Oklahoma Constitution, for any funds received from the state, either through the State Department of Education or other sources;

~~7.~~ 6. A charter school or virtual charter school shall comply with all federal and state laws relating to the education of children with disabilities in the same manner as a school district;

~~8.~~ 7. A charter school or virtual charter school shall provide for a governing ~~body~~ board for the school which shall be responsible for the policies and operational decisions of the charter school or virtual charter school. All of the charter school or virtual charter school governing board members shall be residents of this state and shall meet no fewer than ten (10) months of the year in a public meeting within the boundaries of the school district in which the charter school is located or within this state if the governing board oversees multiple charter schools in this state or oversees a virtual charter school. The governing board of a charter school or virtual charter school shall be subject to the same conflict of interest requirements as a member of a school district board of education including but not limited to Sections 5-113 and 5-124 of this title. Members appointed to the governing board of a charter school or virtual charter school shall be subject to the same instruction and continuing education requirements as a member of a school district board of education and pursuant to Section 5-110 of

this title shall complete twelve (12) hours of instruction within fifteen (15) months of appointment to the governing board and pursuant to Section 5-110.1 of this title shall attend continuing education;

~~9.~~ 8. A charter school or virtual charter school shall not be used as a method of generating revenue for students who are being home schooled and are not being educated at an organized charter school site or by a virtual charter school;

~~10.~~ 9. A charter school ~~may~~ or virtual charter school shall be as equally free and open to all students as traditional public schools and shall not charge tuition or fees;

~~11.~~ 10. A charter school or virtual charter school shall provide instruction each year for at least the number of days or hours required in Section 1-109 of this title;

~~12.~~ 11. A charter school or virtual charter school shall comply with the student suspension requirements provided for in Section 24-101.3 of this title;

~~13.~~ 12. A charter school or virtual charter school shall be considered a school district for purposes of tort liability under The Governmental Tort Claims Act;

~~14.~~ 13. Employees of a charter school or virtual charter school may participate as members of the Teachers' Retirement System of Oklahoma in accordance with applicable statutes and rules if otherwise allowed pursuant to law;

~~15.~~ 14. A charter school or virtual charter school may participate in all health and related insurance programs available to ~~the~~ employees of ~~the sponsor of the charter school~~ a public school district;

~~16.~~ 15. A charter school or virtual charter school and their respective governing boards shall comply with the Oklahoma Open Meeting Act and the Oklahoma Open Records Act;

~~17.~~ 16. The governing ~~body~~ board of a charter school or virtual charter school shall ~~be subject to the same conflict of interest~~

~~requirements as a member of a local school board~~ notify the sponsor within ten (10) business days in the instance of any significant adverse actions, material findings of noncompliance, or pending actions, claims, or proceedings in this state relating to the charter school, the virtual charter school, or an educational management organization with which the charter school or virtual charter school has a contract; ~~and~~

~~18.~~ 17. No later than September 1 each year, the governing board of each charter school or virtual charter school formed pursuant to the Oklahoma Charter Schools Act shall prepare a statement of actual income and expenditures for the charter school or virtual charter school for the fiscal year that ended on the preceding June 30, in a manner compliant with Section 5-135 of this title. The statement of expenditures shall include functional categories as defined in rules adopted by the State Board of Education to implement the Oklahoma Cost Accounting System pursuant to Section 5-145 of this title. Charter schools and virtual charter schools shall not be permitted to submit estimates of expenditures or prorated amounts to fulfill the requirements of this paragraph; and

18. A charter school or virtual charter school contract shall include performance provisions based on a performance framework that clearly sets forth the academic and operational performance indicators that shall be used by charter school and virtual charter school sponsors to evaluate their respective schools. The sponsor may develop a separate performance framework to evaluate a charter school or virtual charter school that has been designated by the State Department of Education as implementing an alternative education program throughout the school. The sponsor shall require a charter school or virtual charter school to submit the data required in this subsection in the identical format that is required by the State Department of Education of all public schools in order to avoid duplicative administrative efforts or allow a charter school or virtual charter school to provide permission to the Department to share all required data with the Board. The performance framework shall serve as the minimum requirement for charter school and virtual charter school performance evaluation and shall include, but not be limited to, the following indicators:

a. student academic proficiency,

b. student academic growth,

c. achievement gaps in both proficiency and growth between major student subgroups,

d. student attendance,

e. recurrent enrollment from year to year as determined by the methodology used for public schools in Oklahoma,

f. in the case of high schools, graduation rates as determined by the methodology used for public schools in Oklahoma,

g. in the case of high schools, postsecondary readiness,

h. financial performance and sustainability and compliance with state and Internal Revenue Service financial reporting requirements,

i. audit findings or deficiencies,

j. accreditation and timely reporting,

k. governing board performance and stewardship including compliance with all applicable laws, regulations, and terms of the charter contract, and

l. mobility of student population for the virtual charter school framework.

The sponsor including the Statewide Charter School Board shall annually evaluate its charter schools or virtual charter schools according to the performance framework. The results of the evaluation shall be presented to the governing board of the charter school or virtual charter school and the governing board of the charter school sponsor in an open meeting.

B. An applicant or the governing board of an applicant may hold one or more charter contracts. Each charter school or virtual

charter school that is part of a charter contract shall be separate and distinct from any other charter school or virtual charter school. For the purposes of this subsection, "separate and distinct" shall mean that a charter school or virtual charter school governing board with oversight of more than one charter school or virtual charter school shall not combine accounting, budgeting, recordkeeping, admissions, employment, or policies and operational decisions of the charter schools or virtual charter schools it oversees.

C. The charter contract of a charter school or virtual charter school shall include a description of the personnel policies, personnel qualifications, and method of school governance~~, and the specific role and duties of the sponsor of the charter school~~. A charter school or virtual charter school shall not enter into an employment contract with any teacher or other personnel until a contract has been executed with its sponsor. The employment contract shall set forth the personnel policies of the charter school or virtual charter school including, but not limited to, policies related to certification, professional development, evaluation, suspension, dismissal and nonreemployment, sick leave, personal business leave, emergency leave, and family and medical leave. The contract shall also specifically set forth the salary, hours, fringe benefits, and work conditions. The contract may provide for employer-employee bargaining, but the charter school or virtual charter school shall not be required to comply with the provisions of Sections 509.1 through 509.10 of this title.

Upon contracting with any teacher or other personnel, the governing board of a charter school or virtual charter school shall, in writing, disclose employment rights of the employees in the event the charter school or virtual charter school closes or the charter contract is not renewed.

No charter school or virtual charter school may begin serving students without a contract executed in accordance with the provisions of the Oklahoma Charter Schools Act and approved in an open meeting of the governing board of the sponsor or the Statewide Charter School Board. The governing board of the sponsor or the Statewide Charter School Board may establish reasonable preopening requirements or conditions to monitor the start-up progress of newly approved charter schools or virtual charter schools and ensure that

each brick-and-mortar school is prepared to open smoothly on the date agreed and to ensure that each school meets all building, health, safety, insurance, and other legal requirements for the opening of a school.

~~C.~~ D. The charter of a charter school or virtual charter school may be amended at the request of the governing ~~body~~ board of the charter school or virtual charter school and upon the approval of the sponsor.

~~D.~~ E. A charter school or virtual charter school may enter into contracts and sue and be sued.

~~E.~~ F. The governing ~~body~~ board of a charter school ~~may~~ or virtual charter school shall not levy taxes or issue bonds. A school district that proposes a bond shall include any charter school established pursuant to subsection A of Section 3-132 of this title and located within the school district in planning conversations regarding the bond.

~~F.~~ G. The charter of a charter school or virtual charter school shall include a provision specifying the method or methods to be employed for disposing of real and personal property acquired by the charter school or virtual charter school upon expiration or termination of the charter or failure of the charter school or virtual charter school to continue operations. Except as otherwise provided, any real or personal property purchased with state or local funds shall be retained by the ~~sponsoring school district~~ sponsor. If a charter school that was previously sponsored by the board of education of a school district continues operation within the school district under a new charter sponsored by an entity authorized pursuant to Section 3-132 of this title, the charter school may retain any personal property purchased with state or local funds for use in the operation of the charter school until termination of the new charter or failure of the charter school to continue operations.

SECTION 8. AMENDATORY 70 O.S. 2021, Section 3-137, is amended to read as follows:

Section 3-137. A. ~~An approved~~ An initial contract ~~for~~ between a charter school or virtual charter school and its sponsor approved

on or after July 1, 2024, shall be effective for five (5) years from the first day of operation. ~~A~~ After completing an initial five-year term, a charter contract may be renewed for ~~successive five-year~~ up to ten-year terms of duration, although the sponsor may vary the term based on the performance, demonstrated capacities, and particular circumstances of each charter school or virtual charter school. A sponsor may grant renewal with specific conditions for necessary improvements to a charter school or virtual charter school.

B. Prior to the beginning of the ~~fourth~~ final year of ~~operation~~ the contract term of a charter school or virtual charter school, the sponsor shall issue a ~~charter school~~ performance report and charter renewal application guidance to the charter school and ~~the charter school~~ its governing board or the virtual charter school and its governing board. The performance report shall summarize the performance record to date of the charter school~~,~~ or virtual charter school based on the data required by the Oklahoma Charter Schools Act, the annual performance framework evaluation, a review of the contract with an educational management organization if the charter school or virtual charter school contracts with an educational management organization, and the charter contract ~~and taking~~. The performance review shall take into consideration the percentage of at-risk students enrolled in the charter school or virtual charter school~~, and~~. The performance report shall provide notice of any weaknesses ~~or~~, concerns, violations, or deficiencies perceived by the sponsor concerning the charter school or virtual charter school that may jeopardize its position in seeking renewal if not timely rectified. ~~The~~ If there are weaknesses, concerns, violations, or deficiencies the sponsor may require a charter school or virtual charter school to develop a corrective action plan and corresponding timeline to remedy any weaknesses, concerns, violations, or deficiencies. If the sponsor requires a corrective action plan, the charter school or virtual charter school shall have forty-five (45) days to respond to the performance report and submit any corrections or clarifications for the report. If the charter school or virtual charter school does not substantially complete the corrective action plan, the sponsor may choose to revoke or not renew the charter contract pursuant to the requirements of this section.

C. 1. Prior to the beginning of the ~~fifth~~ final year of ~~operation~~ a charter contract term, the charter school or virtual

charter school may apply for renewal of the contract with the sponsor including the Statewide Charter School Board. The renewal application guidance shall, at a minimum, provide an opportunity for the charter school or virtual charter school to:

a. present additional evidence, beyond the data contained in the performance report, supporting its case for charter renewal,

b. describe improvements undertaken or planned for the school, and

c. detail the plan for the next charter term for the school.

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

D. The sponsor may deny the request for renewal if it determines the charter school or virtual charter school has failed to complete the obligations of the contract or comply with the provisions of the Oklahoma Charter Schools Act. A sponsor shall give written notice of its intent to deny the request for renewal at least eight (8) months prior to expiration of the contract. In making charter renewal decisions, a sponsor shall:

1. Ground decisions on evidence of the performance of the charter school or virtual charter school over the term of the charter contract in accordance with the performance framework set forth in the charter contract and shall take into consideration the percentage of at-risk students enrolled in the school;

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

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

4. Provide a public report summarizing the evidence used as the basis for each decision.

E. If ~~a sponsor~~ the Statewide Charter School Board denies a request for renewal, the ~~governing board of the sponsor~~ Board may, if requested by the charter school or virtual charter school, proceed to binding arbitration as provided for in subsection G of Section 3-134 of this title.

F. A sponsor may terminate a contract during the term of the contract for failure to meet the requirements for student performance contained in the contract and performance framework, failure to meet the standards of fiscal management, violations of the law, or other good cause. The sponsor shall give at least ninety (90) days' written notice to the governing board of the charter school or virtual charter school prior to terminating the contract. The governing board may request, in writing, an informal hearing before the sponsor within fourteen (14) days of receiving notice. The sponsor shall conduct an informal hearing before taking action. ~~If a sponsor decides to terminate a contract, the governing board may, if requested by the charter school, proceed to binding arbitration as provided for in subsection G of Section 3-134 of this title.~~

G. Beginning July 1, 2024, and subject to the provisions of this section, a charter school sponsor authorized by subsection A of Section 3-132 of this title with a charter contract that includes more than one charter school site may terminate or not renew a charter school contract for a specific charter school site.

H. 1. Beginning in the 2016-2017 school year, the State Board of Education shall identify charter schools and virtual charter schools in the state that are ranked in the bottom five percent (5%) of all public schools as determined pursuant to Section 1210.545 of this title.

2. At the time of its charter renewal, based on an average of the current year and the two (2) prior operating years, a sponsor may close a charter school site or virtual charter school identified

as being among the bottom five percent (5%) of public schools in the state. The average of the current year and two (2) prior operating years shall be calculated by using the percentage ranking for each year divided by three, as determined by this subsection.

3. If there is a change to the calculation described in Section 1210.545 of this title that results in a charter school site or virtual charter school that was not ranked in the bottom five percent (5%) being ranked in the bottom five percent (5%), then the sponsor shall use the higher of the two rankings to calculate the ranking of the charter school site or virtual charter school.

4. ~~In the event that a sponsor fails to close a charter school site consistent with this subsection, the sponsor shall appear before the State Board of Education to provide support for its decision. The State Board of Education may, by majority vote, uphold or overturn the decision of the sponsor. If the decision of the sponsor is overturned by the State Board of Education, the Board may implement one of the following actions:~~

~~a. transfer the sponsorship of the charter school identified in this paragraph to another sponsor,~~

~~b. order the closure of the charter school identified in this paragraph at the end of the current school year, or~~

~~c. order the reduction of any administrative fee collected by the sponsor that is applicable to the charter school identified in this paragraph. The reduction shall become effective at the beginning of the month following the month the hearing of the sponsor is held by the State Board of Education.~~

~~5.~~ A charter school or virtual charter school that is closed by ~~the State Board of Education~~ its sponsor pursuant to ~~paragraph 4 of~~ this subsection shall not be granted a subsequent charter ~~by any other sponsor~~ contract.

~~6.~~ 5. The requirements of this subsection shall not apply to a charter school or virtual charter school that has been designated by

the State Department of Education as implementing an alternative education program ~~throughout the charter school~~.

~~7.~~ 6. In making a charter school site or virtual charter school closure decision, the ~~State Board of Education~~ sponsor shall consider the following:

a. enrollment of students with special challenges such as drug or alcohol addiction, prior withdrawal from school, prior incarceration, or other special circumstances,

b. high mobility of the student population resulting from the specific purpose of the charter school or virtual charter school,

c. annual improvement in the performance of students enrolled in the charter school or virtual charter school compared with the performance of students enrolled in the charter school or virtual charter school in the immediately preceding school year, and

d. whether a majority of students attending the charter school or virtual charter school under consideration for closure would likely revert to attending public schools with lower academic achievement, as demonstrated pursuant to Section 1210.545 of this title.

~~8.~~ 7. If ~~the State Board of Education has closed or transferred authorization of~~ at least twenty-five percent (25%) of the charter schools chartered by one sponsor are closed within a five-year period pursuant to ~~paragraph 4 of~~ this subsection, the authority of the sponsor to ~~authorize~~ sponsor new charter schools may be suspended by the ~~Board~~ Statewide Charter School Board until the Board approves the sponsor to ~~authorize~~ sponsor new charter schools. A determination ~~under~~ made pursuant to this paragraph ~~to suspend the authority of a sponsor to authorize new charter schools~~ shall identify the deficiencies that, if corrected, will result in the approval of the sponsor to ~~authorize~~ sponsor new charter schools.

~~H.~~ I. If a sponsor terminates a contract or the charter school or virtual charter school is closed, the closure shall be conducted in accordance with the following protocol:

1. Within two (2) calendar weeks of a final closure determination, the sponsor shall meet with the governing board and leadership of the charter school or virtual charter school to establish a transition team composed of school staff, applicant staff, and others designated by the applicant that will attend to the closure~~,~~ including the transfer of students, student records, and school funds;

2. The sponsor and transition team shall communicate regularly and effectively with families of students enrolled in the charter school or virtual charter school, as well as with school staff and other stakeholders, to keep them apprised of key information regarding the closure of the school and their options and risks;

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

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

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

~~I.~~ J. A sponsor including the Statewide Charter School Board shall develop revocation and nonrenewal processes that are consistent with the Oklahoma Charter Schools Act and that:

1. Provide the charter school or virtual charter school with a timely notification of the prospect of revocation or nonrenewal and of the reasons for possible closure;

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

3. Provide the charter school or virtual charter school with an opportunity to submit documents and give testimony in a public hearing challenging the rationale for closure and in support of the continuation of the school at an orderly proceeding held for that purpose and prior to taking any final nonrenewal or revocation decision related to the school;

4. Allow the charter school or virtual charter school access to representation by counsel to call witnesses on its behalf;

5. Permit the recording of the proceedings; and

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

~~J.~~ K. If a sponsor revokes or does not renew a charter contract, the sponsor shall clearly state in a resolution the reasons for the revocation or nonrenewal. If a charter is revoked or nonrenewed, the charter school or virtual charter school shall disclose the revocation or nonrenewal in any subsequent application.

~~K. 1. Before a sponsor may issue a charter to a charter school governing body that has had its charter terminated or has been informed that its charter will not be renewed by the current sponsor, the sponsor shall request to have the proposal reviewed by the State Board of Education at a hearing. The State Board of Education shall conduct a hearing in which the sponsor shall present information indicating that the proposal of the organizer is substantively different in the areas of deficiency identified by the current sponsor from the current proposal as set forth within the charter with its current sponsor.~~

~~2. After the State Board of Education conducts a hearing pursuant to this subsection, the Board shall either approve or deny the proposal.~~

~~3. If the proposal is denied, no sponsor may issue a charter to the charter school governing body.~~

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

M. If a charter contract is not renewed or is terminated according to this section, a student who attended the charter school or virtual charter school may enroll in the resident school district of the student or may apply for a transfer in accordance with ~~Section 8-103 of this title~~ the Education Open Transfer Act.

SECTION 9. AMENDATORY 70 O.S. 2021, Section 3-139, is amended to read as follows:

Section 3-139. A. A sponsoring school district shall determine whether a teacher who is employed by or teaching at a charter school or virtual charter school and who was previously employed as a teacher at the sponsoring public school district shall not lose any right of salary status or any other benefit provided by law due to teaching at a charter school or virtual charter school upon returning to the sponsoring public school district to teach.

B. A teacher who is employed by or teaching at a charter school or virtual charter school and who submits an employment application to the school district where the teacher was employed immediately before employment by or at a charter school or virtual charter school shall be given employment preference by the school district if:

1. The teacher submits an employment application to the school district no later than three (3) years after ceasing employment with the school district; and

2. A suitable position is available at the school district.

SECTION 10. AMENDATORY 70 O.S. 2021, Section 3-140, is amended to read as follows:

Section 3-140. A. ~~Except for a charter school sponsored by the State Board of Education, a~~ A charter school with a brick-and-mortar school site or sites shall enroll those students whose legal residence is within the boundaries of the school district in which

the charter school is located and who submit a timely application, or those students who transfer to ~~the district in which~~ the charter school ~~is located~~ in accordance with ~~Section 8-103 or 8-104 of this title~~ the Education Open Transfer Act, unless the number of applications exceeds the capacity of a program, class, grade level, or building. Students who reside in a school district where a charter school is located shall not be required to obtain a transfer in order to attend a charter school in the school district of residence. If capacity is insufficient to enroll all eligible students, the charter school shall select students through a lottery selection process. ~~Except for a charter school sponsored by the State Board of Education, a~~ A charter school shall give enrollment preference to eligible students who reside within the boundaries of the school district in which the charter school is located~~. Except for a charter school sponsored by the State Board of Education, a charter school created after November 1, 2010, shall give enrollment preference to eligible students who reside within the boundaries of the school district in which the charter school is located~~ and who attend a school site that has been identified as in need of improvement by the State Board of Education pursuant to the Elementary and Secondary Education Act of 1965, as amended or reauthorized. A charter school may limit admission to students within a given age group or grade level. A charter school sponsored by the ~~State Board of Education~~ Statewide Charter School Board when the applicant of the charter school is the Office of Juvenile Affairs shall limit admission to youth that are in the custody or supervision of the Office of Juvenile Affairs.

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

C. A brick-and-mortar charter school may designate a specific geographic area within the school district in which the charter school is located as an academic enterprise zone and may limit admissions to students who reside within that area. An academic

enterprise zone shall be a geographic area in which sixty percent (60%) or more of the children who reside in the area qualify for the free or reduced school lunch program.

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

E. A sponsor of a charter school shall not restrict the number of students a charter school may enroll, and the Statewide Charter School Board shall not restrict the number of students a virtual charter school or charter school may enroll. The capacity of ~~the~~ a charter school or virtual charter school shall be determined ~~annually~~ quarterly by the governing board of the charter school ~~based on the ability of the charter school to facilitate the academic success of the students, to achieve the other objectives specified in the charter contract, and to ensure that the student enrollment does not exceed the capacity of its facility or site~~ or virtual charter school pursuant to the provisions of the Education Open Transfer Act.

F. Beginning July 1, 2024, each statewide virtual charter school which has been approved and sponsored by the Statewide Charter School Board or any virtual charter school for which the Board has assumed sponsorship as provided for in Section 1 of this act shall be considered a statewide virtual charter school and the geographic boundaries of each statewide virtual charter school shall be the borders of the state.

H. Beginning July 1, 2024, students enrolled full-time in a statewide virtual charter school sponsored by the Statewide Charter School Board shall not be authorized to participate in any activities administered by the Oklahoma Secondary School Activities Association. However, the students may participate in intramural activities sponsored by a statewide virtual charter school, an online provider for the charter school, or any other outside organization.

I. 1. Beginning July 1, 2024, a public school student who wishes to enroll in a virtual charter school shall be considered a

transfer student from his or her resident school district. A virtual charter school shall pre-enroll any public school student whose parent or legal guardian expresses intent to enroll in the virtual charter school. Upon pre-enrollment, the State Department of Education shall initiate a transfer on a form to be completed by the receiving virtual charter school. Upon approval of the receiving virtual charter school, the student may begin instructional activities. Upon notice that a public school student has transferred to a virtual charter school, the resident school district shall transmit the student's records within three (3) school days.

2. The State Department of Education shall notify the Legislature and Governor if it determines that the information technology infrastructure necessary to process the transfer of students to a virtual charter school is inadequate and additional time is needed for implementation.

3. A public school student may transfer to one statewide virtual charter school at any time during a school year. For purposes of this subsection, "school year" shall mean July 1 through the following June 30. After one statewide virtual charter school transfer during a school year, no public school student shall be permitted to transfer to any other statewide virtual charter school without the concurrence of both the resident school district and the receiving virtual charter school. A student shall have a grace period of fifteen (15) school days from the first day of enrollment in a statewide virtual charter school to withdraw without academic penalty and shall continue to have the option of one virtual charter school transfer without the concurrence of both the resident school district and the receiving virtual charter school during that same school year. A statewide virtual charter school student that has utilized the allowable one transfer pursuant to this subsection shall not be permitted to transfer to another school district or another statewide virtual charter school without first notifying his or her resident district and initiating a new transfer. Upon cancellation of a transfer, the virtual charter school shall transmit the student's records to the student's new school district within three (3) school days. Students enrolled in a statewide virtual charter school shall not be required to submit a virtual charter transfer for consecutive years of enrollment. Any student enrolled in a statewide virtual charter school the year prior to the

implementation of this section shall not be required to submit a transfer in order to remain enrolled.

J. 1. Beginning July 1, 2024, a student shall be eligible to enroll in a statewide virtual charter school sponsored by the Statewide Charter School Board pursuant to Section 1 of this act if he or she is a student whose parent or legal guardian is transferred or is pending transfer to a military installation within this state while on active military duty pursuant to an official military order.

2. A statewide virtual charter school shall accept applications by electronic means for enrollment and course registration for students described in paragraph 1 of this subsection.

3. The parent or legal guardian of a student described in paragraph 1 of this subsection shall provide proof of residence in this state within ten (10) days after the published arrival date provided on official documentation. A parent or legal guardian may use the following addresses as proof of residence:

a. a temporary on-base billeting facility,

b. a purchased or leased home or apartment, or

c. federal government or public-private venture off-base military housing.

4. The provisions of paragraph 3 of subsection I shall apply to students described in paragraph 1 of this subsection.

5. For purposes of this subsection:

a. "active military duty" means full-time military duty status in the active uniformed service of the United States including members of the National Guard and Military Reserve on active duty orders, and

b. "military installation" means a base, camp, post, station, yard, center, homeport facility for any ship, or other installation under the jurisdiction of the

Department of Defense or the United States Coast Guard.

SECTION 11. AMENDATORY 70 O.S. 2021, Section 3-142, is amended to read as follows:

Section 3-142. A. The student membership and attendance of ~~the~~ a charter school shall be considered separate from the student membership and attendance of the sponsor for the purpose of calculating enrollment and funding including weighted average daily membership pursuant to Section 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of this title. A charter school shall receive the State Aid allocation, federal funds to which it is eligible and qualifies for, and any other state-appropriated revenue generated by its students for the applicable year. Not more than three percent (3%) of the State Aid allocation may be charged by the sponsor as a fee for administrative services rendered if the sponsor is a school district, a comprehensive or regional institution of higher education, a two-year college, a private institution of higher learning accredited pursuant to Section 4103 of this title, or a federally recognized Indian tribe pursuant to Section 3-132 of this title. The Statewide Charter School Board shall not charge any charter school or virtual charter school a fee for administrative or other services. The ~~State Board of Education~~ State Department of Education shall determine the policy and procedure for making payments to a charter school or virtual charter school. The fee for administrative services as authorized in this subsection shall only be assessed on the State Aid allocation amount and shall not be assessed on any other appropriated amounts. A sponsor of a charter school shall not charge any additional State Aid allocation or charge the charter school any additional fee above the amounts allowed by this subsection unless the additional fees are for additional services rendered. The charter school sponsor shall provide to the State Department of Education financial records documenting any state funds charged by the sponsor for administrative services rendered for the previous year.

B. The fee for administrative services authorized by subsection A of this section shall be used by the sponsor to provide oversight and services to the charter schools it sponsors. The State Department of Education shall develop data codes for the Oklahoma Cost Accounting System which shall be used to comply with the

administrative services reporting required by this section. A charter school sponsor shall publish a detailed report on its website and present the report in a public meeting of the charter school governing board and the charter school sponsor governing board. The report shall provide sponsor performance and stewardship including compliance with all applicable laws, regulations, and terms of the charter contract and listing expenses related to oversight and services provided by the sponsor to the charter schools it sponsors.

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

~~2.~~ C. For the purpose of calculating weighted average daily membership pursuant to Section 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of this title, the weighted average daily membership for the first year of operation and each year thereafter of a charter school or full-time statewide virtual charter school ~~sponsored by the Statewide Virtual Charter School Board~~ shall be determined by multiplying the actual enrollment of students as of August 1 by 1.333. The ~~full-time~~ charter school or virtual charter school shall receive revenue equal to that which would be generated by the estimated weighted average daily membership calculated pursuant to this paragraph. At midyear, the allocation for the ~~full-time statewide~~ charter school or virtual charter school shall be adjusted using the first quarter weighted average daily membership for the charter school or virtual charter school calculated pursuant to subsection A of this section.

~~C.~~ D. Except as explicitly authorized by state law, a charter school or virtual charter school shall not be eligible to receive state-dedicated, local, or county revenue; provided, a charter school or virtual charter school may be eligible to receive any other aid, grants, or revenues allowed to other schools. A charter

school or virtual charter school shall be considered a local education agency for purposes of funding.

~~D.~~ E. Any unexpended funds received by a charter school or virtual charter school may be reserved and used for future purposes. The governing ~~body~~ board of a charter school or virtual charter school shall not levy taxes or issue bonds. If otherwise allowed by law, the governing ~~body~~ board of a charter school or virtual charter school may enter into private contracts for the purposes of borrowing money from lenders. If the governing ~~body~~ board of the charter school or virtual charter school borrows money, the charter school or virtual charter school shall be solely responsible for repaying the debt, and the state or the sponsor shall not in any way be responsible or obligated to repay the debt.

~~E.~~ F. Any charter school or virtual charter school which chooses to lease property shall be eligible to receive current government lease rates.

~~F.~~ G. Except as otherwise provided in this subsection, each charter school shall pay to the Charter School Closure Reimbursement Revolving Fund created in subsection ~~G~~ H of this section an amount equal to Five Dollars ($5.00) per student based on average daily membership, as defined by paragraph 2 of Section 18-107 of this title, during the first nine (9) weeks of the school year. Each charter school shall complete the payment every school year within thirty (30) days after the first nine (9) weeks of the school year. If the Charter School Closure Reimbursement Revolving Fund has a balance of One Million Dollars ($1,000,000.00) or more on July 1, no payment shall be required the following school year.

~~G.~~ H. There is hereby created in the State Treasury a revolving fund for the ~~State Department of Education~~ Statewide Charter School Board to be designated the "Charter School Closure Reimbursement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the ~~State Department of Education~~ Statewide Charter School Board from charter schools as provided in subsection ~~F~~ G of this section. All monies accruing to the credit of ~~said~~ the fund are hereby appropriated and may be budgeted and expended by the ~~State Department of Education~~ Statewide Charter School Board for the purpose of ~~reimbursing charter school sponsors for costs~~ paying for

expenditures incurred due to the closure of a charter school. Expenditures from ~~said~~ the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment. ~~The State Department of Education may promulgate rules regarding sponsor eligibility for reimbursement.~~

SECTION 12. AMENDATORY 70 O.S. 2021, Section 3-143, is amended to read as follows:

Section 3-143. The ~~State Board of Education~~ Statewide Charter School Board shall issue an annual report to the Legislature and the Governor outlining the status of charter schools and virtual charter schools in the state. Each charter school and virtual charter school shall annually file a report with the ~~Office of Accountability. The report~~ Statewide Charter School Board that shall include such information as requested by the ~~Office of Accountability,~~ Board including but not limited to information on enrollment, testing, curriculum, finances, and employees.

SECTION 13. AMENDATORY 70 O.S. 2021, Section 3-144, is amended to read as follows:

Section 3-144. A. There is hereby created in the State Treasury a fund to be designated the "Charter Schools Incentive Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies appropriated by the Legislature, gifts, grants, devises, and donations from any public or private source. The ~~State Department of Education~~ Statewide Charter School Board shall administer the fund for the purpose of providing financial support to charter school and virtual charter school applicants and charter schools and virtual charter schools for start-up costs and costs associated with renovating or remodeling existing buildings and structures for use by a charter school. The ~~State Department of Education~~ Statewide Charter School Board is authorized to allocate funds on a per-pupil basis for purposes of providing matching funds for the federal State Charter School Facilities Incentive Grants Program created pursuant to the No Child Left Behind Act, 20 USCA, Section 7221d.

B. The ~~State Board of Education~~ Statewide Charter School Board shall adopt rules to implement the provisions of this section~~,~~ including application and notification requirements.

SECTION 14. AMENDATORY 70 O.S. 2021, Section 3-145.5, as amended by Section 2, Chapter 153, O.S.L. 2022 (70 O.S. Supp. 2022, Section 3-145.5), is amended to read as follows:

Section 3-145.5. ~~A.~~ Notwithstanding any other provision of law, beginning July 1, 2014, no school district shall enter into a virtual charter school contract with a provider to provide full-time virtual education to students who do not reside within the school district boundaries.

~~B. Effective July 1, 2014, the Statewide Virtual Charter School Board shall succeed to any contractual rights and responsibilities incurred by a school district in a virtual charter school contract executed prior to January 1, 2014, with a provider to provide full-time virtual education to students who do not reside within the school district boundaries. All property, equipment, supplies, records, assets, current and future liability, encumbrances, obligations, and indebtedness associated with the contract shall be transferred to the Statewide Virtual Charter School Board. Appropriate conveyances and other documents shall be executed to effectuate the transfer of any property associated with the contract. Upon succession of the contract, the Board shall assume sponsorship of the virtual charter school for the remainder of the term of the contract. Prior to the end of the current term of the contract, the Board shall allow the provider of the virtual charter school to apply for renewal of the contract with the Board in accordance with the renewal procedures established pursuant to Section 3-145.3 of this title.~~

SECTION 15. AMENDATORY 70 O.S. 2021, Section 3-145.7, is amended to read as follows:

Section 3-145.7. ~~There~~ A. Until July 1, 2024, there is hereby created in the State Treasury a revolving fund for the Statewide Virtual Charter School Board to be designated the "Statewide Virtual Charter School Board Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Statewide Virtual Charter

School Board from State Aid pursuant to Section 3-145.3 of ~~Title 70 of the Oklahoma Statutes~~ this title or any other state appropriation. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Statewide Virtual Charter School Board for the purpose of supporting the mission of the Statewide Virtual Charter School Board. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

B. On July 1, 2024, the Statewide Virtual Charter School Board shall transfer any unencumbered funds in the Statewide Virtual Charter School Board Revolving Fund to the Statewide Charter School Board Revolving Fund created pursuant to Section 3 of this act. Any funds which are unexpended on January 1, 2025, shall be transferred to the Statewide Charter School Board Revolving Fund.

SECTION 16. AMENDATORY 70 O.S. 2021, Section 3-145.8, is amended to read as follows:

Section 3-145.8. A. It shall be the duty of each virtual charter school approved and sponsored by the ~~Statewide Virtual School Board pursuant to the provisions of Section 3-145.3 of Title 70 of the Oklahoma Statutes~~ Statewide Charter School Board to keep a full and complete record of the attendance of all students enrolled in the virtual charter school in one of the student information systems approved by the State Department of Education and locally selected by the virtual school from the approved list.

B. By July 1, 2020, the governing ~~body~~ board of each virtual charter school shall adopt an attendance policy. The policy may allow attendance to be a proportional amount of the required attendance policy provisions based upon the date of enrollment of the student. The attendance policy shall include the following provisions:

1. The first date of attendance and membership shall be the first date the student completes an instructional activity.

2. A student who attends a virtual charter school shall be considered in attendance for a quarter if the student:

a. completes instructional activities on no less than ninety percent (90%) of the days within the quarter,

b. is on pace for on-time completion of the course as defined by the governing board of the virtual charter school, or

c. completes no less than seventy-two instructional activities within the quarter of the academic year.

3. For a student who does not meet any of the criteria set forth in paragraph 1 or 2 of this subsection, the amount of attendance recorded shall be the greater of:

a. the number of school days during which the student completed the instructional activities during the quarter,

b. the number of school days proportional to the percentage of the course that has been completed, or

c. the number of school days proportional to the percentage of the required minimum number of completed instructional activities during the quarter.

C. For the purposes of this section, "instructional activities" shall include instructional meetings with a teacher, completed assignments that are used to record a grade for a student that is factored into the student's grade for the semester during which the assignment is completed, testing ~~and~~, school-sanctioned field trips, and orientation.

D. Each statewide virtual charter school approved and sponsored by the ~~Statewide Virtual Charter School Board pursuant to the provisions of Section 3-145.3 of this title~~ Statewide Charter School Board shall offer a student orientation, notify the parent or legal guardian and each student who enrolls in that school of the requirement to participate in the student orientation, and require all students enrolled to complete the student orientation prior to completing any other instructional activity. The ~~Statewide Virtual~~

~~Charter School Board~~ Statewide Charter School Board shall promulgate rules to develop materials for orientation.

E. Any student that is behind pace and does not complete an instructional activity for a fifteen-school-day period shall be withdrawn for truancy. The virtual charter school shall submit a notification to the parent or legal guardian of a student who has been withdrawn for truancy or is approaching truancy.

F. A student who is reported for truancy two times in the same school year shall be withdrawn and prohibited from enrolling in the same virtual charter school for the remainder of the school year.

G. The governing ~~body~~ board of each statewide virtual charter school shall develop, adopt, and post on the school's website a policy regarding consequences for a student's failure to attend school and complete instructional activities. The policy shall state, at a minimum, that if a student fails to consistently attend school and complete instructional activities after receiving a notification pursuant to subsection E of this section and reasonable intervention strategies have been implemented, a student shall be subject to certain consequences including withdrawal from the school for truancy.

H. If a statewide virtual charter school withdraws a student pursuant to subsections F and G of this section, the virtual charter school shall immediately notify the student's resident district in writing of the student's disenrollment.

I. ~~The provisions of subsections F, G and H of this section shall not be in effect until the implementation of subsection H of Section 3-145.3 of this title.~~

~~J.~~ The ~~Statewide Virtual Charter School Board~~ Statewide Charter School Board may promulgate rules to implement the provisions of this section.

SECTION 17. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-145.9 of Title 70, unless there is created a duplication in numbering, reads as follows:

Beginning with the 2024-2025 school year, members of a charter school sponsor governing board shall designate a representative from the board to complete an annual sponsor workshop requirement provided by the Statewide Charter School Board. The sponsor workshop shall include, but not be limited to, information regarding the Oklahoma Charter Schools Act, charter school governance, Internal Revenue Service rules for nonprofits, and school finance laws.

SECTION 18. AMENDATORY 70 O.S. 2021, Section 5-200, is amended to read as follows:

Section 5-200. A. As used in this section, "educational management organization" means a for-profit or nonprofit organization that receives public funds to provide administration and management services for a charter school, statewide virtual charter school, or traditional public school.

B. A charter school, virtual charter school, or public school that contracts with an educational management organization shall use the Oklahoma Cost Accounting System (OCAS) to report the total amount paid to an educational management organization pursuant to the terms of the contract as well as actual itemized expenditure information for the goods or services provided by the management organization as defined by OCAS expenditure codes~~,~~ including the total compensation package of the superintendent including the base salary, insurance, retirement, and other fringe benefits.

C. ~~Any~~ Pursuant to Internal Revenue Service guidelines, any owner of an educational management organization shall be required to disclose to the governing board of the school, charter school, or virtual charter school in a public meeting any ownership position in any business that contracts or proposes to contract with the same ~~public~~ school that the educational management organization is managing.

D. Whenever any person shall enter into a contract with any school district ~~or~~, public charter school, or virtual charter school in the state to teach in ~~such~~ the school ~~district or public charter school~~, the contract shall be binding on the teacher and on the board of education until the teacher legally has been discharged from the teaching position or released by the board of education

from the contract. Except as provided in Section 5-106A of ~~Title 70 of the Oklahoma Statutes~~ this title, until ~~such~~ the teacher has been thus discharged or released, the teacher shall not have authority to enter into a contract with any other board of education in ~~Oklahoma~~ this state for the same time covered by the original contract. If upon written complaint by the board of education ~~in~~ of a school district, public charter school, or virtual charter school any teacher is reported to have failed to obey the terms of the contract previously made and to have entered into a contract with another board of education~~, including a public charter school board of education,~~ without having been released from the former contract except as provided in Section 5-106A of ~~Title 70 of the Oklahoma Statutes~~ this title, the teacher, upon being found to be employed full-time for another public school~~, including a public charter school in the state,~~ at a hearing held before the State Board of Education, shall have such teacher's certificate suspended for the remainder of the term for which the contract was made.

SECTION 19. AMENDATORY 70 O.S. 2021, Section 18-124, is amended to read as follows:

Section 18-124. A. Any school district with an average daily attendance (ADA) of more than one thousand five hundred (1,500) students for the preceding year which expends for administrative services in the 2005-06 school year or any school year thereafter, less expenditures for legal services, more than five percent (5%) of the amount it expends for total expenditures, less expenditures for legal services, shall have the amount which exceeds the five percent (5%) withheld the following year from the Foundation and Salary Incentive Aid for the school district.

B. Any school district with an average daily attendance (ADA) of more than five hundred (500) students but not more than one thousand five hundred (1,500) students for the preceding year which expends for administrative services in the 2005-06 school year or any school year thereafter, less expenditures for legal services, more than seven percent (7%) of the amount it expends for total expenditures, less expenditures for legal services, shall have the amount which exceeds the seven percent (7%) withheld the following year from the Foundation and Salary Incentive Aid for the school district.

C. Any school district with an average daily attendance (ADA) of five hundred (500) or fewer students for the preceding year which expends for administrative services in the 2005-06 school year or any school year thereafter, less expenditures for legal services, more than eight percent (8%) of the amount it expends for total expenditures, less expenditures for legal services, shall have the amount which exceeds the eight percent (8%) withheld the following year from the Foundation and Salary Incentive Aid for the school district.

D. The provisions of this section shall apply to school districts, charter schools, and virtual charter schools which contract with an educational management organization as defined in Section 5-200 of this title. The expenditure limits shall not exceed the percentages prescribed in subsections A, B, and C of this section, and the calculation of administrative services for schools which contract with an educational management organization shall be the combined amount of administrative services expended by the school and the educational management organization.

E. For purposes of this section, "administrative services" means costs associated with:

1. Staff for the board of education;

2. The secretary/clerk for the board of education;

3. Staff relations;

4. Negotiations staff;

5. Immediate staff of the superintendent, any elementary superintendent, or any assistant superintendent;

6. Any superintendent, elementary superintendent, or assistant superintendent;

7. Any employee of a school district employed as a director, coordinator, supervisor, or who has responsibility for administrative functions of a school district; ~~and~~

8. Any consultant hired by the school district; and

9. Administrative services paid to an educational management organization as defined in Section 5-200 of this title.

~~E.~~ F. If an employee of a school district is employed in a position where part of the employee's time is spent as an administrator and part of the time is spent in nonadministrative functions, the percentage of time spent as an administrator shall be included as administrative services. A superintendent who spends part of the time performing exempted nonadministrative services such as teaching in the classroom, serving as a principal, counselor, or library media specialist, can code up to forty percent (40%) of their salary to other nonadministrative functions. The total amount of time a superintendent of a school district spends performing services for a school district shall be included as administrative services even if part of the time the superintendent is performing nonexempted nonadministrative service functions. The total amount received by a superintendent from the school district as salary, for the performance of administrative and nonexempted nonadministrative services, shall be recorded under the code for superintendent salary as provided for in the Oklahoma Cost Accounting System.

~~F.~~ G. Each school site within a school district shall take steps to ensure that the administrative costs for the school comply with the expenditure limits established for school districts in this section.

~~G.~~ H. Funds withheld pursuant to the provisions of this section shall be distributed through the State Aid formula to the districts not so penalized.

~~H.~~ I. For the 2003-04 and 2004-05 school year, school districts shall report to the State Department of Education the costs associated with administrative services for the school district as defined in subsection ~~D~~ E of this section.

SECTION 20. AMENDATORY 70 O.S. 2021, Section 1210.704, is amended to read as follows:

Section 1210.704. A. Beginning with the 2024-2025 school year, all public high schools in this state shall make a minimum of four advanced placement courses available to students.

B. ~~Local~~ School district boards of education ~~in each district~~ shall be responsible for ensuring annually that all high school students have access to advanced placement courses beginning in the 2024-2025 school year. Such access may be provided through enrollment in courses offered through:

1. A school site or sites within the district;

2. A ~~career and technology institution~~ technology center school within the district;

3. ~~A~~ An online learning program offered by the ~~Statewide Virtual Charter School Board~~ Statewide Charter School Board or one of its vendors; or

4. A school site or sites in another school district.

C. The ~~Statewide Virtual Charter School Board~~ Statewide Charter School Board shall maintain an online learning platform to provide high quality online learning opportunities for Oklahoma students that are aligned with the subject matter standards adopted by the State Board of Education pursuant to Section 11-103.6 of ~~Title 70 of the Oklahoma Statutes~~ this title. The Board shall implement online courses, with an emphasis on science, technology, engineering, and math (STEM) courses, foreign language courses, and advanced placement courses. The online platform shall be available to all Oklahoma school districts.

D. The State Department of Education shall provide information to all ~~local~~ boards of education, to be distributed to their students and parents, on available opportunities and the enrollment process for students to take advanced placement courses. The information shall explain the value of advanced placement courses in preparing students for postsecondary-level coursework, enabling students to gain access to postsecondary opportunities, and qualifying for scholarships and other financial aid opportunities.

E. The State Department of Education shall retain records of which options outlined in subsection B of this section ~~local~~ boards of education selected for their students and make the information available on the Department's website.

F. As used in this section, "advanced placement course" shall have the same meaning as provided in paragraph 1 of Section 1210.702 of ~~Title 70 of the Oklahoma Statutes~~ this title.

SECTION 21. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3-145.10 of Title 70, unless there is created a duplication in numbering, reads as follows:

The provisions of the Oklahoma Charter Schools Act are severable and if any part or provision shall be held void, the decision of the court so holding shall not affect or impair any of the remaining parts or provisions of the Oklahoma Charter Schools Act.

SECTION 22. REPEALER 70 O.S. 2021, Sections 3-135, 3-145.1, 3-145.2, 3-145.3, and 3-145.4, are hereby repealed.

SECTION 23. Sections 1, 2, 3, and 21 of this act shall become effective September 1, 2023.

SECTION 24. Sections 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 22 of this act shall become effective July 1, 2024.

Passed the Senate the 25th day of May, 2023.

Presiding Officer of the Senate

Passed the House of Representatives the 25th day of May, 2023.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 26th
day of May, 20 23, at 10:25 o'clock a. M.
By: Jenna Curry

Approved by the Governor of the State of Oklahoma this 5th
day of June, 20 23, at 8:02 o'clock a. M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 5th
day of June, 20 23, at 8:50 o'clock A M.
By: Brian Bingman

Office of the Governor
J. Kevin Stitt

ENROLLED SENATE BILL NO. 516 June 5, 2023

TIME SIGNED: 8:02 a.m.

TO THE HONORABLE PRESIDENT PRO TEMPORE
AND MEMBERS OF THE OKLAHOMA SENATE
FIRST REGULAR SESSION OF THE
FIFTY-NINTH OKLAHOMA LEGISLATURE

ENROLLED SENATE BILL NO. 516:

Today, I have signed into law Senate Bill 516. This groundbreaking and critical law will ensure the ongoing success of traditional "brick-and-mortar" charter schools and pave the way for a better framework for virtual charter schools, which have grown in recent years on account of the COVID-19 pandemic and shifting demands from parents for tailored learning environments for their children. I commend the Legislature for their work on this piece of legislation.

But I am disappointed that the Legislature did not seize the opportunity to repeal the regressive and plainly unconstitutional provisions of 70 O.S § 3-136(A)(2), which prohibits charter schools from being affiliated with a faith community or tradition. This section of law, dating to the last century, is an ugly echo of the so-called Blaine Amendments, born out of animus against the Catholic Church. More than that, though, it is now grossly out of step with recent developments in federal constitutional law.

First Amendment jurisprudence in the latter half of the 20th century fell into an unfortunate habit of focusing on the "establishment" clause to the exclusion of the "free exercise" clause. Thankfully, in the past decade, the United States Supreme Court has rectified this imbalance in a growing number of decisions that have pushed back against state policies that explicitly discriminate against people and institutions of faith.

First, in *Trinity Lutheran Church of Columbia, Inc. v. Comer*, 582 U.S. 449, 467 (2017), the Supreme Court held that "the exclusion of [a church] from a public benefit for which it is otherwise qualified, solely because it is a church, is odious to our Constitution . . . and cannot stand." A few years later, the Court extended this principle to education in *Espinoza v. Montana Dep't of Revenue*, 140 S. Ct. 2246, 2261 (2020) ("A State need not subsidize private education. But once a State decides to do so, it cannot disqualify some private schools solely because they are religious."). Most recently, the Court explicitly held that a scholarship program helping high school students to attend private schools could not limit such scholarship to use at "nonsectarian" schools. *See Carson v. Makin*, 142 S. Ct. 1987 (2022).

The conclusion that must be drawn from this line of cases is clear. While the State of Oklahoma is not required to establish a charter school system, once it has, the state cannot exclude people and institutions of faith from participating. Such an exclusion is a direct violation of the "free exercise" clause.

Hospitals affiliated with the Catholic Church, as well as those affiliated with Baptists, Methodists, Presbyterians, and others, have provided health care to Oklahomans for decades, often aided by taxpayer dollars. Public roads help travelers drive to churches and synagogues as readily as stores and post offices. Taxpayer funds spent for the common good are not tainted by the faith of the recipients of those funds.

Despite my disappointment, I find solace in the Legislature's wise addition of a severability provision applicable to the Oklahoma Charter School Act as a whole, not merely Senate Bill 516. I view this provision as an open invitation for citizens to challenge the constitutionality of Section 3-136(A)(2) without the fear of upsetting the aims and purposes of the Oklahoma Charter Schools Act. In fact, it is apparent that such a challenge would further advance the good ends of the Act by making the promise of quality education available to ever more Oklahomans. While there is more work to be done, this is a bill we should be proud of.

Governor J. Kevin Stitt

Delivered to SENATE by: Jamie Curry

Date/Time: 6/5/23; 9:10 am

SENATE:

By

Date/Time 6/5/23 9:15 am

RECEIVED
JUN 05 2023
OKLAHOMA SECRETARY
OF STATE