

# House Bill 2799

Sponsored by Representative GILMAN; Representatives ESQUIVEL, GILLIAM, HANNA, HUFFMAN, KRIEGER, OLSON, THATCHER, THOMPSON, WHISNANT, WINGARD (at the request of Mark Jeffery)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Limits to federal funds assets that revert to State Board of Education when charter of public charter school is terminated or public charter school dissolves and public charter school had been existing public school.

## A BILL FOR AN ACT

1  
2 Relating to public charter schools; creating new provisions; and amending ORS 338.105.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 338.105 is amended to read:

5 338.105. (1) During the term of a charter, the sponsor may terminate the charter on any of the  
6 following grounds:

7 (a) Failure to meet the terms of an approved charter or this chapter.

8 (b) Failure to meet the requirements for student performance stated in the charter.

9 (c) Failure to correct a violation of a federal or state law that is described in ORS 338.115.

10 (d) Failure to maintain insurance as described in the charter.

11 (e) Failure to maintain financial stability.

12 (2) If a charter is terminated under subsection (1) of this section, the sponsor shall notify the  
13 public charter school governing body at least 60 days prior to the proposed effective date of the  
14 termination. The notice shall state the grounds for the termination. The public charter school gov-  
15 erning body may request a hearing by the sponsor.

16 (3) A public charter school governing body may appeal any decision of a sponsor that is:

17 (a) A school district board to the State Board of Education. The State Board of Education shall  
18 adopt by rule procedures to ensure a timely appeals process to prevent disruption of students' edu-  
19 cation.

20 (b) The State Board of Education to the circuit court pursuant to ORS 183.484.

21 (4)(a) Notwithstanding subsection (2) of this section, a sponsor may terminate a charter imme-  
22 diately and close a public charter school if the public charter school is endangering the health or  
23 safety of the students enrolled in the public charter school.

24 (b) The public charter school governing body may request a hearing from the sponsor on the  
25 termination of the charter under this subsection. The sponsor shall hold a hearing within 10 days  
26 after receiving the request.

27 (c) The public charter school governing body may appeal a decision of a sponsor under this  
28 subsection to the State Board of Education. The State Board of Education shall hold a hearing  
29 within 10 days after receiving the appeal request.

30 (d) Throughout the appeals process, the public charter school shall remain closed at the dis-

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 cretion of the sponsor unless the State Board of Education orders the sponsor to open the public  
2 charter school and not terminate the charter.

3 (5) Termination of a charter shall not abridge the public charter school's legal authority to op-  
4 erate as a private or nonchartered public school.

5 (6)(a) **Except as provided in paragraph (b) of this subsection**, if a charter is terminated or  
6 a public charter school is dissolved, the assets of the public charter school that were purchased with  
7 public funds shall be given to the State Board of Education. The State Board of Education may  
8 disburse the assets of the public charter school to school districts or other public charter schools.

9 **(b) If a charter is terminated or a public charter school is dissolved, a school district that**  
10 **converted an existing public school, or a portion of an existing public school, to a public**  
11 **charter school is required to give to the State Board of Education only the assets of the**  
12 **public charter school that were purchased with funds from the federal government for**  
13 **charter school development.**

14 (7) A public charter school governing body may only terminate a charter, dissolve or close a  
15 public charter school at the end of a semester. If a charter is terminated by the public charter  
16 school governing body or a public charter school is closed or dissolved, the public charter school  
17 governing body shall notify the sponsor at least 180 days prior to the proposed effective date of the  
18 termination, closure or dissolution.

19 **SECTION 2. The amendments to ORS 338.105 by section 1 of this 2009 Act first apply to**  
20 **public charter schools that dissolve on or after the effective date of this 2009 Act or that**  
21 **have a charter that terminates on or after the effective date of this 2009 Act.**

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