

House Bill 3552

Sponsored by Representative PARRISH; Representative CONGER, Senator OLSEN

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**.

Expands types of entities that may sponsor public charter school.

A BILL FOR AN ACT

1
2 Relating to public charter schools; amending ORS 338.005, 338.035, 338.045, 338.055, 338.065, 338.075,
3 338.105, 338.135 and 338.155.

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

5 **SECTION 1.** ORS 338.005 is amended to read:

6 338.005. As used in this chapter, unless the context requires otherwise:

7 (1) "Applicant" means any person or group that develops and submits a written proposal for a
8 public charter school to a **proposed** sponsor.

9 (2) "**Proposed sponsor**" means:

10 (a) **The board of the common school district or union high school district in which the**
11 **public charter school will be located;**

12 (b) **The city council of the city in which the public charter school will be located;**

13 (c) **An organization that:**

14 (A) **Is established as a nonprofit organization under the laws of Oregon;**

15 (B) **Is an exempt organization under section 501(c)(3) of the Internal Revenue Code; and**

16 (C) **Has a mission statement to promote education in any grades from kindergarten**
17 **through grade 12; or**

18 (d) **An institution of higher education listed in ORS 352.002, the Oregon Health and Sci-**
19 **ence University or a four-year, nonprofit, generally accredited institution of higher education**
20 **based in Oregon and operating in Oregon.**

21 [(2)] (3) "Public charter school" means an elementary or secondary school offering a compre-
22 hensive instructional program operating under a written agreement entered into between a sponsor
23 and an applicant and operating pursuant to this chapter.

24 [(3)] (4) "Remote and necessary school district" means a school district that offers kindergarten
25 through grade 12 and has:

26 (a) An average daily membership (ADM), as defined in ORS 327.006, in the prior fiscal year of
27 less than 110; and

28 (b) A school that is located, by the nearest traveled road, more than 20 miles from the nearest
29 school or from a city with a population of more than 5,000.

30 [(4)] (5) "Sponsor" means:

31 (a) The board of [*the*] **a** common school district or [*the*] **a** union high school district [*in which*
32 *the public charter school is located*] **described in subsection (2)(a) of this section** that has devel-

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 oped a written charter with an applicant to create a public charter school.

2 **(b) A city council described in subsection (2)(b) of this section, that has developed a**
 3 **written charter with an applicant to create a public charter school.**

4 **(c) A nonprofit organization described in subsection (2)(c) of this section that has devel-**
 5 **oped a written charter with an applicant to create a public charter school.**

6 **(d) An institution of higher education described in subsection (2)(d) of this section that**
 7 **has developed a written charter with an applicant to create a public charter school.**

8 [(b)] (e) The State Board of Education pursuant to ORS 338.075.

9 [(5)(a)] **(6)(a)** “Virtual public charter school” means a public charter school that provides online
 10 courses.

11 (b) “Virtual public charter school” does not include a public charter school that primarily serves
 12 students in a physical location.

13 **SECTION 2.** ORS 338.035 is amended to read:

14 338.035. (1) A public charter school may be established:

15 (a) As a new public school;

16 (b) As a virtual public charter school;

17 (c) From an existing public school or a portion of the school; or

18 (d) From an existing alternative education program, as defined in ORS 336.615.

19 (2)(a) Before a public charter school may operate as a public charter school, it must:

20 (A) Be approved by a sponsor;

21 (B) Be established as a nonprofit organization under the laws of Oregon; and

22 (C) Have applied to qualify as an exempt organization under section 501(c)(3) of the Internal
 23 Revenue Code.

24 (b) Notwithstanding paragraph (a) of this subsection, the requirements of paragraph (a)(B) and
 25 (C) of this subsection do not apply to:

26 (A) A school in a school district that is composed of only one school; and

27 (B) A school in a school district that is a remote and necessary school district on the date the
 28 school first begins operation as a public charter school.

29 (3) An applicant seeking to establish a public charter school shall submit a proposal pursuant
 30 to ORS 338.045 to the [*school district board of the school district within which the public charter*
 31 *school will be located*] **proposed sponsor** at least 120 days prior to the date upon which the public
 32 charter school would begin operating. [*However, it is recommended that*] An applicant **may** consult
 33 with the [*school district board*] **proposed sponsor** prior to submitting a proposal.

34 (4) An applicant seeking to establish a public charter school shall provide to the State Board
 35 of Education a copy of any proposal submitted to a [*school district board*] **proposed sponsor** under
 36 ORS 338.045 and a copy of any subsequent approval by the [*school district board*] **proposed**
 37 **sponsor**.

38 (5)(a) One or more, but not all, schools in a school district may become public charter schools.

39 (b) Notwithstanding paragraph (a) of this subsection, a school in a school district that is com-
 40 posed of only one school may become a public charter school **only if the sponsor of the public**
 41 **charter school is the board of the school district in which the school is located.**

42 (6)(a) A [*school district board*] **proposed sponsor** or the State Board of Education may not ap-
 43 prove a public charter school proposal that authorizes the conversion of any private school that is
 44 tuition based to a public charter school.

45 (b) Notwithstanding paragraph (a) of this subsection, a [*school district board*] **proposed sponsor**

1 or the State Board of Education may authorize the conversion of an existing alternative education
 2 program, as defined in ORS 336.615, to a public charter school.

3 (7) A [school district board] **proposed sponsor** or the State Board of Education may not approve
 4 a public charter school proposal that is affiliated with a nonpublic sectarian school or a religious
 5 institution.

6 **SECTION 3.** ORS 338.045 is amended to read:

7 338.045. (1) An applicant seeking to establish a public charter school shall submit a written
 8 proposal to a [school district board] **proposed sponsor**.

9 (2) The proposal shall include, but need not be limited to:

10 (a) The identification of the applicant;

11 (b) The name of the proposed public charter school;

12 (c) A description of the philosophy and mission of the public charter school;

13 (d) A description of the curriculum of the public charter school;

14 (e) A description of the expected results of the curriculum and the verified methods of measuring
 15 and reporting objective results that will show the growth of knowledge of students attending the
 16 public charter school and allow comparisons with public schools;

17 (f) The governance structure of the public charter school;

18 (g) The projected enrollment to be maintained and the ages or grades to be served;

19 (h) The target population of students the public charter school will be designed to serve;

20 (i) A description of any distinctive learning or teaching techniques to be used in the public
 21 charter school;

22 (j) The legal address, facilities and physical location of the public charter school, if known;

23 (k) A description of admission policies and application procedures;

24 (L) The statutes and rules that shall apply to the public charter school;

25 (m) The proposed budget and financial plan for the public charter school and evidence that the
 26 proposed budget and financial plan for the public charter school are financially sound;

27 (n) A description of the financial management systems for the public charter school and a plan
 28 for having the financial management systems in place at the time the school begins operating;

29 (o) The standards for behavior and the procedures for the discipline, suspension or expulsion of
 30 students;

31 (p) The proposed school calendar for the public charter school, including the length of the
 32 school day and school year;

33 (q) A description of the proposed staff members and required qualifications of teachers at the
 34 public charter school;

35 (r) The date upon which the public charter school would begin operating;

36 (s) The arrangements for any necessary special education and related services provided pursuant
 37 to ORS 338.165 for children with disabilities who may attend the public charter school;

38 (t) Information on the manner in which community groups may be involved in the planning and
 39 development process of the public charter school;

40 (u) The term of the charter;

41 (v) The plan for performance bonding or insuring the public charter school, including buildings
 42 and liabilities;

43 (w) A proposed plan for the placement of public charter school teachers, other school employees
 44 and students of the public charter school upon termination or nonrenewal of a charter;

45 (x) The manner in which the program review and fiscal audit will be conducted; and

(y) In the case of an existing public school being converted to charter status:

(A) The alternative arrangements for students who choose not to attend the public charter school and for teachers and other school employees who choose not to participate in the public charter school; and

(B) The relationship that will exist between the public charter school and its employees, including evidence that the terms and conditions of employment have been addressed with affected employees and their recognized representative, if any.

(3) In addition to the requirements of subsection (2) of this section, the *[school district board]* **proposed sponsor** may require any additional information the *[board]* **proposed sponsor** considers relevant to the formation or operation of a public charter school.

(4) At the request of the applicant, the *[school district board]* **proposed sponsor** may provide technical assistance in developing the proposal for operation of the public charter school.

(5) School districts, education service districts and other public bodies, as defined in ORS 174.109, shall make available to the public lists of vacant and unused public buildings and portions of buildings that may be suitable for the operation of a public charter school. The lists shall be provided to developing or operating public charter schools within 30 days of a written request. Nothing in this subsection requires the owner of a building on the list to sell or lease the building or any portion of the building to a public charter school or a public charter school governing body.

SECTION 4. ORS 338.055 is amended to read:

338.055. (1) Within 60 days of receipt of a proposal submitted under ORS 338.045, the *[school district board]* **proposed sponsor** shall hold a public hearing on the provisions of the proposal.

(2) The *[school district board]* **proposed sponsor** shall evaluate a proposal in good faith using the following criteria:

(a) The demonstrated, sustainable support for the public charter school by teachers, parents, students and other community members, including comments received at the public hearing held under subsection (1) of this section;

(b) The demonstrated financial stability of the public charter school, including the demonstrated ability of the school to have a sound financial management system in place at the time the school begins operating;

(c) The capability of the applicant, in terms of support and planning, to provide comprehensive instructional programs to students pursuant to an approved proposal;

(d) The capability of the applicant, in terms of support and planning, to specifically provide, pursuant to an approved proposal, comprehensive instructional programs to students identified by the applicant as academically low achieving;

(e) The extent to which the proposal addresses the information required in ORS 338.045;

(f) Whether the value of the public charter school is outweighed by any directly identifiable, significant and adverse impact on the quality of the public education of students residing in the school district in which the public charter school will be located;

(g) Whether there are arrangements for any necessary special education and related services for children with disabilities pursuant to ORS 338.165; and

(h) Whether there are alternative arrangements for students and for teachers and other school employees who choose not to attend or who choose not to be employed by the public charter school.

(3) The *[school district board]* **proposed sponsor** must approve a proposal or state in writing the reasons for disapproving a proposal within 30 days after the public hearing held under subsection (1) of this section.

1 (4) Written notice of the [*school district board's*] action **of the proposed sponsor** shall be sent
 2 to the applicant. If the proposal is not approved, the reasons for the denial and suggested remedial
 3 measures, if any, shall be clearly stated in the notice sent by the [*school district board*] **proposed**
 4 **sponsor** to the applicant. If the proposal is not approved, the applicant may amend the proposal to
 5 address objections and any suggested remedial measures and resubmit the proposal to the [*school*
 6 *district board*] **proposed sponsor**. The [*school district board*] **proposed sponsor** shall approve or
 7 disapprove the resubmitted proposal within 20 days after receiving it. If the **resubmitted** proposal
 8 is not approved, the applicant may appeal the decision of the [*school district board*] **proposed**
 9 **sponsor** to the State Board of Education.

10 (5) Individual elements in a public charter school proposal may be changed through the proposal
 11 and chartering process.

12 (6) A proposal to convert an existing public school to a public charter school must be approved
 13 by the school district board of the public school.

14 (7) The [*school district board*] **proposed sponsor** or the State Board of Education [*shall*] **may**
 15 not charge any fee to applicants for the proposal process.

16 (8) Upon request by a [*school district*] **proposed sponsor**, the State Board of Education may
 17 grant an extension of any timeline required by this section if the [*district*] **proposed sponsor** has
 18 good cause for requesting the extension.

19 **SECTION 5.** ORS 338.065 is amended to read:

20 338.065. (1) Upon approval of a proposal by a [*school district board*] **proposed sponsor** under
 21 ORS 338.055, the [*school district board*] **proposed sponsor** shall become the sponsor of the public
 22 charter school. The sponsor and **the** applicant shall develop a written charter that contains the
 23 provisions of the proposal that have been duly approved by the sponsor and public charter school
 24 governing body. The sponsor and the applicant may agree to change elements of the proposal prior
 25 to incorporating them into the charter or exclude elements of the proposal from the charter. The
 26 charter, when duly executed by the sponsor and the public charter school governing body, shall act
 27 as the legal authorization for the establishment of the public charter school. The charter shall be
 28 legally binding on both the sponsor and the public charter school governing body.

29 (2) The sponsor and the public charter school governing body may amend a charter by joint
 30 agreement.

31 (3)(a) The initial charter shall be in effect for a period of not more than five years and shall be
 32 renewed upon the authorization of the sponsor using the process established under this section.

33 (b) The first renewal of a charter shall be for the same time period as the initial charter.

34 (c) Subsequent renewals of a charter shall be for a minimum of five years but may not exceed
 35 10 years.

36 (4)(a) The renewal of a charter shall use the process required by this section.

37 (b) The public charter school governing body shall submit a written renewal request to the
 38 sponsor for consideration at least 180 days prior to the expiration of the charter.

39 (c) Within 45 days after receiving a written renewal request from a public charter school gov-
 40 erning body, the sponsor shall hold a public hearing regarding the request for renewal.

41 (d) Within 10 days after the public hearing, the sponsor shall notify the public charter school
 42 governing body of the sponsor's intent about the renewal of the charter.

43 (e) Within 20 days after the public hearing, the sponsor shall approve the renewal of the charter
 44 or state in writing the reasons for denying the renewal of the charter.

45 (f) If the sponsor approves the renewal of the charter, the sponsor and the public charter school

1 governing body shall negotiate a new charter within 90 days after the date on which the sponsor
 2 approved the renewal of the charter unless the sponsor and the public charter school governing
 3 body agree to an extension of the time period.

4 (g) If the sponsor does not renew the charter, the public charter school governing body may
 5 address the reasons stated under paragraph (e) of this subsection and any remedial measures sug-
 6 gested by the sponsor and submit a revised request for renewal to the sponsor.

7 (h) Notwithstanding paragraphs (b) to (g) of this subsection, a sponsor and a public charter
 8 school governing body may agree in the charter of the school to a timeline for renewing the charter
 9 that is different from the timeline required by paragraphs (b) to (g) of this subsection.

10 (5)(a) If the sponsor does not renew the charter based on the revised request for renewal sub-
 11 mitted under subsection (4)(g) of this section, the public charter school governing body may appeal
 12 the decision of the sponsor to the State Board of Education for a review of whether the sponsor used
 13 the process required by this section in denying the renewal of the charter.

14 (b) If the board finds that the sponsor used the process required by this section in denying the
 15 request for renewal, the board shall affirm the decision of the sponsor. A public charter school
 16 governing body may seek judicial review of an order of the board pursuant to ORS 183.484.

17 (c) If the board finds that the sponsor did not use the process required by this section in denying
 18 the request for renewal, the board shall order the sponsor to reconsider the request for renewal.

19 (d) If after reconsideration pursuant to paragraph (c) of this subsection the sponsor does not
 20 renew the charter, the public charter school governing body may seek judicial review of an order
 21 of the sponsor pursuant to ORS 183.484.

22 (e) If the board is the sponsor of a public charter school and the board does not renew the
 23 charter based on the revised request for renewal submitted under subsection (4)(g) of this section,
 24 the public charter school governing body may seek judicial review of an order of the board pursuant
 25 to ORS 183.484 for a review of whether the board used the process required by this section in de-
 26 denying the request for renewal.

27 (6)(a) The sponsor shall base the charter renewal decision on a good faith evaluation of whether
 28 the public charter school:

29 (A) Is in compliance with this chapter and all other applicable state and federal laws;

30 (B) Is in compliance with the charter of the public charter school;

31 (C) Is meeting or working toward meeting the student performance goals and agreements spec-
 32 ified in the charter or any other written agreements between the sponsor and the public charter
 33 school governing body;

34 (D) Is fiscally stable and has used the sound financial management system described in the
 35 proposal submitted under ORS 338.045 and incorporated into the written charter under this section;
 36 and

37 (E) Is in compliance with any renewal criteria specified in the charter of the public charter
 38 school.

39 (b) The sponsor shall base the renewal evaluation described in paragraph (a) of this subsection
 40 primarily on a review of the public charter school's annual performance reports, annual audit of
 41 accounts and annual site visit and review as required by ORS 338.095 and any other information
 42 mutually agreed upon by the public charter school governing body and the sponsor.

43 **SECTION 6.** ORS 338.075 is amended to read:

44 338.075. (1) If a [school district board] **proposed sponsor** does not approve a proposal to start
 45 a public charter school pursuant to ORS 338.055, the applicant may request that the State Board

1 of Education review the decision of the [*school district board*] **proposed sponsor**.

2 (2) Upon receipt of a request for review, the State Board of Education:

3 (a) Shall attempt to mediate a resolution between the applicant and the [*school district board*]
4 **proposed sponsor**.

5 (b) May recommend to the applicant and [*school district board*] **the proposed sponsor** revisions
6 to the proposal.

7 (c) If the [*school district board*] **proposed sponsor** does not accept the revisions to the proposal
8 and the applicant agrees to the sponsorship, may become the sponsor of the public charter school.

9 (3) Upon receipt of a request for review, in addition to actions described in subsection (2) of this
10 section and at any time during the review process, the State Board of Education may reject a pro-
11 posal to start a public charter school if the school fails to meet the requirements of this chapter.

12 (4) An applicant may seek judicial review of an order of the State Board of Education pursuant
13 to ORS 183.484. If the court finds that the decision of the State Board of Education is not supported
14 by substantial evidence in the record, the court shall enter a judgment directing the State Board
15 of Education to sponsor the public charter school.

16 **SECTION 7.** ORS 338.105 is amended to read:

17 338.105. (1) During the term of a charter, the sponsor may terminate the charter on any of the
18 following grounds:

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

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

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

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

23 (e) Failure to maintain financial stability.

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

28 (3) A public charter school governing body may appeal [*any*] a decision of a sponsor [*that is*]
29 **to:**

30 (a) [*A school district board to*] The State Board of Education **if the sponsor is an entity de-**
31 **scribed in ORS 338.005 (5)(a) to (d).** The State Board of Education shall adopt by rule procedures
32 to ensure a timely appeals process to prevent disruption of students' education.

33 (b) [*The State Board of Education to*] The circuit court pursuant to ORS 183.484 **if the sponsor**
34 **is the State Board of Education.**

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

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

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

44 (d) Throughout the appeals process, the public charter school shall remain closed at the dis-
45 cretion of the sponsor unless the State Board of Education orders the sponsor to open the public

1 charter school and not terminate the charter.

2 (5) Termination of a charter [*shall*] **does** not abridge the public charter school’s legal authority
3 to operate as a private or nonchartered public school.

4 (6) If a charter is terminated or a public charter school is dissolved, the assets of the public
5 charter school that were purchased with public funds shall be given to the State Board of Education.
6 The State Board of Education may disburse the assets of the public charter school to school districts
7 or other public charter schools.

8 (7) A public charter school governing body may only terminate a charter, dissolve or close a
9 public charter school at the end of a semester **or a term**. If a charter is terminated by the public
10 charter school governing body or a public charter school is closed or dissolved, the public charter
11 school governing body shall notify the sponsor at least 180 days prior to the proposed effective date
12 of the termination, closure or dissolution.

13 **SECTION 8.** ORS 338.105, as amended by section 12, chapter 691, Oregon Laws 2009, is
14 amended to read:

15 338.105. (1) During the term of a charter, the sponsor may terminate the charter on any of the
16 following grounds:

- 17 (a) Failure to meet the terms of an approved charter or this chapter.
- 18 (b) Failure to meet the requirements for student performance stated in the charter.
- 19 (c) Failure to correct a violation of a federal or state law that is described in ORS 338.115.
- 20 (d) Failure to maintain insurance as described in the charter.
- 21 (e) Failure to maintain financial stability.
- 22 (f) Failure to maintain, for two or more consecutive years, a sound financial management system
23 described in the proposal submitted under ORS 338.045 and incorporated into the written charter
24 under ORS 338.065.

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

29 (3) A public charter school governing body may appeal [*any*] **a** decision of a sponsor [*that is*]
30 **to:**

31 (a) [*A school district board to*] The State Board of Education **if the sponsor is an entity de-**
32 **scribed in ORS 338.005 (5)(a) to (d).** The State Board of Education shall adopt by rule procedures
33 to ensure a timely appeals process to prevent disruption of students’ education.

34 (b) [*The State Board of Education to*] The circuit court pursuant to ORS 183.484 **if the sponsor**
35 **is the State Board of Education.**

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

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

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

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

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*] **does** not abridge the public charter school's legal authority
4 to operate as a private or nonchartered public school.

5 (6) If a charter is terminated or a public charter school is dissolved, the assets of the public
6 charter school that were purchased with public funds shall be given to the State Board of Education.
7 The State Board of Education may disburse the assets of the public charter school to school districts
8 or other public charter schools.

9 (7) A public charter school governing body may only terminate a charter, dissolve or close a
10 public charter school at the end of a semester **or a term**. If a charter is terminated by the public
11 charter school governing body or a public charter school is closed or dissolved, the public charter
12 school governing body shall notify the sponsor at least 180 days prior to the proposed effective date
13 of the termination, closure or dissolution.

14 **SECTION 9.** ORS 338.135 is amended to read:

15 338.135. (1) Employee assignment to a public charter school shall be voluntary. **The public**
16 **charter school governing body shall control the selection of employees at the public charter**
17 **school.**

18 (2)(a) A public charter school or the sponsor of the public charter school is considered the em-
19 ployer of any employees of the public charter school. If a school district board is not the sponsor
20 of the public charter school, the school district board may not be the employer of the employees of
21 the public charter school and the school district board may not collectively bargain with the em-
22 ployees of the public charter school. [*The public charter school governing body shall control the se-*
23 *lection of employees at the public charter school.*]

24 (b) If a virtual public charter school or the sponsor of a virtual public charter school contracts
25 with a for-profit entity to provide educational services through the virtual public charter school, the
26 for-profit entity may not be the employer of any employees of the virtual public charter school.

27 (3)(a) [*The school district board of the school district within which the public charter school is*
28 *located*] **If the sponsor of a public charter school is the board of a school district and an em-**
29 **ployee of the school district chooses to work for the public charter school, the board of the**
30 **school district shall grant a leave of absence to [any] the employee [who chooses to work in the**
31 **public charter school].**

32 **(b) If the sponsor of a public charter school is an entity described in ORS 338.005 (5)(b)**
33 **to (e) and an employee of the school district in which the public charter school is located**
34 **chooses to work for the public charter school, the board of the school district may grant a**
35 **leave of absence to the employee.**

36 (c) The length and terms of [*the*] a leave of absence **granted under this subsection** shall be
37 set by negotiated agreement or by board policy. However, the length of the leave of absence may
38 not be less than two years unless:

39 [(a)] **(A)** The charter of the public charter school is terminated or the public charter school is
40 dissolved or closed during the leave of absence; or

41 [(b)] **(B)** The employee and the [*school district*] board **of the school district** have mutually
42 agreed to a different length of time.

43 (4)(a) An employee of a public charter school [*operating within a school district*] who is granted
44 a leave of absence [*from the school district and*] **as provided by subsection (3)(a) of this section**
45 **and who** returns to employment with the school district shall retain seniority and benefits as an

1 employee pursuant to the terms of the leave of absence.

2 **(b) An employee of a public charter school who is granted a leave of absence as provided**
 3 **by subsection (3)(b) of this section and who returns to employment with the school district**
 4 **may retain seniority and benefits as an employee pursuant to the terms of the leave of ab-**
 5 **sence.**

6 (c) Notwithstanding ORS 243.650 to 243.782, a school district that was the employer of an em-
 7 ployee of a public charter school not operating within the school district may make provisions for
 8 the return of the employee to employment with the school district.

9 (5) For purposes of ORS chapters 238 and 238A, a public charter school shall be considered a
 10 public employer and as such shall participate in the Public Employees Retirement System.

11 (6) For teacher licensing, employment experience in public charter schools shall be considered
 12 equivalent to experience in public schools.

13 (7)(a) Any person employed as an administrator in a public charter school shall be licensed or
 14 registered to administer by the Teacher Standards and Practices Commission.

15 (b) Any person employed as a teacher in a public charter school shall be licensed or registered
 16 to teach by the commission.

17 (c) Notwithstanding paragraph (a) or (b) of this subsection, at least one-half of the total full-time
 18 equivalent (FTE) teaching and administrative staff at the public charter school [*shall*] **must** be li-
 19 censed by the commission pursuant to ORS 342.135, 342.136, 342.138 or 342.140.

20 (8) Notwithstanding ORS 243.650, a public charter school [*shall be*] **is** considered a school dis-
 21 trict for purposes of ORS 243.650 to 243.782. An employee of a public charter school may be a
 22 member of a labor organization or organize with other employees to bargain collectively. Bargaining
 23 units at the public charter school may be separate from other bargaining units of the sponsor or of
 24 the school district in which the public charter school is located. Employees of a public charter
 25 school may be part of the bargaining units of the sponsor or of the school district in which the
 26 public charter school is located.

27 (9) A school district or the State Board of Education may not waive the right to sponsor a public
 28 charter school in a collective bargaining agreement.

29 **SECTION 10.** ORS 338.155 is amended to read:

30 338.155. (1) Students of a public charter school shall be considered to be residents of the school
 31 district in which the public charter school is located for purposes of distribution of the State School
 32 Fund.

33 (2) A school district shall contractually establish, with any public charter school that is spon-
 34 sored by the board of the school district, payment for provision of educational services to the public
 35 charter school's students. The payment shall equal an amount per weighted average daily member-
 36 ship (ADMw) of the public charter school that is at least equal to:

37 (a) Eighty percent of the amount of the school district's General Purpose Grant per ADMw as
 38 calculated under ORS 327.013 for students who are enrolled in kindergarten through grade eight;
 39 and

40 (b) Ninety-five percent of the amount of the school district's General Purpose Grant per ADMw
 41 as calculated under ORS 327.013 for students who are enrolled in grades 9 through 12.

42 (3) A school district shall contractually establish, with any public charter school that is spon-
 43 sored by [*the State Board of Education*] **an entity described in ORS 338.005 (5)(b) to (e)** and within
 44 the boundaries of the school district, payment for provision of educational services to the public
 45 charter school's students. The payment shall equal an amount per weighted average daily member-

1 ship (ADMw) of the public charter school that is at least equal to:

2 (a) Ninety percent of the amount of the school district's General Purpose Grant per ADMw as
 3 calculated under ORS 327.013 for students who are enrolled in kindergarten through grade eight;
 4 and

5 (b) Ninety-five percent of the amount of the school district's General Purpose Grant per ADMw
 6 as calculated under ORS 327.013 for students who are enrolled in grades 9 through 12.

7 (4) The estimated amount of each school district's General Purpose Grant per ADMw shall be
 8 determined each year by the Department of Education and made available to all school districts.

9 (5) The school district in which the public charter school is located shall transfer an amount
 10 per weighted average daily membership (ADMw) of the public charter school that is equal to 50
 11 percent of the amount of the school district's General Purpose Grant per ADMw as calculated under
 12 ORS 327.013 that is not paid to the public charter school through a contract created pursuant to
 13 subsections (2) or (3) of this section to:

14 (a) Any school district in which the parent or guardian of or person in parental relationship to
 15 a student of a public charter school resides pursuant to ORS 339.133 and 339.134; *[or]*

16 (b) The Department of Education if the State Board of Education is the sponsor of the public
 17 charter school[.]; **or**

18 **(c) The sponsor of the public charter school if the sponsor is an entity described in ORS**
 19 **338.005 (5)(b) to (d).**

20 (6) The department may use any *[money]* **moneys** received under this section for activities re-
 21 lated to public charter schools.

22 (7) A school district and a public charter school may negotiate to establish a payment for the
 23 provision of educational services to the public charter school's students that is more than the min-
 24 imum amounts specified in subsection (2) or (3) of this section.

25 (8) A school district shall send payment to a public charter school based on a contract negoti-
 26 ated under this section within 10 days after receiving payments from the State School Fund pursuant
 27 to ORS 327.095.

28 (9)(a) A public charter school may apply for any grant that is available to school districts or
 29 nonchartered public schools from the Department of Education. The department shall consider the
 30 application of the public charter school in the same manner as an application from a school district
 31 or nonchartered public school.

32 (b) The department shall award any grant that is available to school districts based solely on
 33 the weighted average daily membership (ADMw) of the school district directly to the public charter
 34 school. This paragraph does not apply to any grant from the State School Fund.

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