

Senate Bill 1540

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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**.

Prohibits education service district board from declaring office of director vacant if director resides in school district that withdraws from education service district unless director's term expires or director's office is otherwise declared vacant.

Requires children five or six years of age who are enrolled in public school to maintain regular attendance at public school.

Requires State Board of Education to encourage increased learning time.

Modifies contents of, and process for submitting, proposal to establish public charter school. Modifies process for renewal and termination of charter for public charter school. Clarifies list of statutes and rules that apply to public charter schools.

Extends deadline for implementing use of model core teaching standards in annual evaluations of teachers.

Removes authority of education service district to provide entrepreneurial services and facilities to public and private entities and to school districts that are not component school districts.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to education; creating new provisions; amending ORS 329.025, 329.045, 329.235, 334.095,
3 338.005, 338.025, 338.035, 338.045, 338.055, 338.065, 338.075, 338.095, 338.105, 338.115, 339.010,
4 339.020 and 343.221 and sections 9 and 11, chapter 609, Oregon Laws 2011, and section 12,
5 chapter 695, Oregon Laws 2011; repealing ORS 334.185; and declaring an emergency.

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

7 **SECTION 1.** ORS 334.095 is amended to read:

8 334.095. (1) The education service district board shall declare the office of a director vacant
9 *[upon the happening of any of the following]* **when the incumbent:**

10 (a) *[When an incumbent]* Dies or resigns;

11 (b) *[When an incumbent]* Is removed from office or **a court declares** the election *[thereto has*
12 *been declared void by the judgment of any court]* **for the office void;**

13 (c) *[When an incumbent]* Ceases to be a resident of a school district that is *[a component school*
14 *district]* **located within the territory** of the education service district;

15 (d) *[Subject to the provision of subsection (2) of this section, when an incumbent]* **Subject to**
16 **subsection (3) of this section,** ceases to be a resident of the zone from which nominated;

17 (e) *[When an incumbent]* Ceases to discharge the duties of office for two consecutive months
18 unless prevented *[therefrom]* **from discharging the duties** by sickness or other unavoidable cause;

19 or

20 (f) *[When an incumbent]* Is recalled.

21 **(2) The education service district board may not declare the office of a director vacant**
22 **if the director is a resident of a school district that withdraws from the education service**
23 **district as provided by ORS 334.015 unless:**

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 **(a) The director’s term expires; or**

2 **(b) The education service district board declares the office vacant for a reason described**
 3 **in subsection (1) of this section.**

4 [(2)] (3) A director nominated from a zone who changes permanent residence from one zone to
 5 another zone in which another director resides shall continue to serve as director until the next
 6 regular election when a successor shall be elected to serve for the remainder of the unexpired term.

7 [(3)] (4) A director guilty of misfeasance or malfeasance in office, by the appropriate proceeding,
 8 may be removed from office by a court of competent jurisdiction.

9 [(4)] (5) Members may be recalled in the manner provided in ORS 249.865 to 249.877. If the
 10 member was elected by a zone, the recall petition shall be signed by electors from that zone and
 11 electors from the zone are the only electors eligible to vote in the recall election. If the member
 12 was elected at large, the recall petition shall be signed by electors from the district and electors
 13 from the district are eligible to vote in the recall election.

14 **SECTION 2.** ORS 339.010 is amended to read:

15 339.010. Except as provided in ORS 339.030[,]:

16 (1) All children between the ages of 7 and 18 years who have not completed the 12th grade are
 17 required to attend regularly a public full-time school [*of the school district in which the child*
 18 *resides*] **during the entire school term.**

19 **(2) All children five or six years of age who have been enrolled in a public school are re-**
 20 **quired to attend regularly the public school while enrolled in the public school.**

21 **SECTION 3.** ORS 339.020 is amended to read:

22 339.020. Except as provided in ORS 339.030[,]:

23 (1) Every person having control of [*any*] a child between the ages of 7 and 18 years who has
 24 not completed the 12th grade is required to send [*such*] **the** child to, and maintain [*such*] **the** child
 25 in, regular attendance at a public full-time school during the entire school term.

26 **(2) If a person has control of a child five or six years of age and has enrolled the child**
 27 **in a public school, the person is required to send the child to, and maintain the child in,**
 28 **regular attendance at the public school while the child is enrolled in the public school.**

29 **SECTION 4.** (1) **The amendments to ORS 339.010 and 339.020 by sections 2 and 3 of this**
 30 **2012 Act become operative on July 1, 2012.**

31 **(2) The amendments to ORS 339.010 and 339.020 by sections 2 and 3 of this 2012 Act first**
 32 **apply to the 2012-2013 school year.**

33 **SECTION 5.** ORS 329.025 is amended to read:

34 329.025. It is the intent of the Legislative Assembly to maintain a system of public elementary
 35 and secondary schools that allows students, parents, teachers, administrators, school district boards
 36 and the State Board of Education to be accountable for the development and improvement of the
 37 public school system. The public school system shall have the following characteristics:

38 (1) Provides equal and open access and educational opportunities for all students in the state
 39 regardless of their linguistic background, culture, race, gender, capability or geographic location;

40 (2) Assumes that all students can learn and establishes high, specific skill and knowledge ex-
 41 pectations and recognizes individual differences at all instructional levels;

42 (3) Provides each student an education experience that supports academic growth beyond profi-
 43 ciency in established academic content standards and encourages students to attain aspirational
 44 goals that are individually challenging;

45 (4) Provides special education, compensatory education, linguistically and culturally appropriate

1 education and other specialized programs to all students who need those services;

2 (5) Supports the physical and cognitive growth and development of students;

3 (6) Provides students with a solid foundation in the skills of reading, writing, problem solving
4 and communication;

5 (7) Provides opportunities for students to learn, think, reason, retrieve information, use tech-
6 nology and work effectively alone and in groups;

7 (8) Provides for rigorous academic content standards and instruction in mathematics, science,
8 English, history, geography, economics, civics, physical education, health, the arts and second lan-
9 guages;

10 **(9) Provides increased learning time;**

11 [(9)] (10) Provides students an educational background to the end that they will function suc-
12 cessfully in a constitutional republic, a participatory democracy and a multicultural nation and
13 world;

14 [(10)] (11) Provides students with the knowledge and skills that will provide the opportunities
15 to succeed in the world of work, as members of families and as citizens;

16 [(11)] (12) Provides students with the knowledge and skills that lead to an active, healthy life-
17 style;

18 [(12)] (13) Provides students with the knowledge and skills to take responsibility for their deci-
19 sions and choices;

20 [(13)] (14) Provides opportunities for students to learn through a variety of teaching strategies;

21 [(14)] (15) Emphasizes involvement of parents and the community in the total education of stu-
22 dents;

23 [(15)] (16) Transports children safely to and from school;

24 [(16)] (17) Ensures that the funds allocated to schools reflect the uncontrollable differences in
25 costs facing each district;

26 [(17)] (18) Ensures that local schools have adequate control of how funds are spent to best meet
27 the needs of students in their communities; and

28 [(18)] (19) Provides for a safe, educational environment.

29 **SECTION 6.** ORS 329.045 is amended to read:

30 329.045. (1)(a) In order to achieve the goals contained in ORS 329.025, the State Board of Edu-
31 cation shall regularly and periodically review and revise its Common Curriculum Goals, performance
32 indicators and diploma requirements.

33 **(b) [This includes] The review and revision conducted under this section shall:**

34 **(A) Include** Essential Learning Skills and rigorous academic content standards in mathematics,
35 science, English, history, geography, economics, civics, physical education, health, the arts and sec-
36 ond languages. [*School districts and public charter schools shall maintain control over course content,*
37 *format, materials and teaching methods. The regular review shall]*

38 **(B)** Involve teachers and other educators, parents of students and other citizens and shall pro-
39 vide ample opportunity for public comment.

40 **(C) Encourage increased learning time. As used in this subparagraph, “increased learning**
41 **time” means a schedule that encompasses a longer school day, week or year for the purpose**
42 **of increasing the total number of school hours available to provide:**

43 **(i) Students with instruction in core academic subjects, including mathematics, science,**
44 **English, history, geography, economics, civics, the arts and second languages;**

45 **(ii) Students with instruction in subjects other than the subjects identified in sub-**

1 **subparagraph (i) of this subparagraph, including health and physical education;**

2 **(iii) Students with the opportunity to participate in enrichment activities that contribute**
 3 **to a well-rounded education, including learning opportunities that may be based on service,**
 4 **experience or work and that may be provided through partnerships with other organizations;**
 5 **and**

6 **(iv) Teachers with the opportunity to collaborate, plan and engage in professional devel-**
 7 **opment within and across grades and subjects.**

8 **(c) Nothing in this subsection prevents a school district or public charter school from**
 9 **maintaining control over course content, format, materials and teaching methods.**

10 (2) The State Board of Education shall continually review and revise all adopted academic con-
 11 tent standards necessary for students to successfully transition to the next phase of their education.

12 (3) School districts and public charter schools shall offer students instruction in mathematics,
 13 science, English, history, geography, economics, civics, physical education, health, the arts and sec-
 14 ond languages that meets the academic content standards adopted by the State Board of Education
 15 and meets the requirements adopted by the State Board of Education and the board of the school
 16 district or public charter school.

17 **SECTION 7. The amendments to ORS 329.025 and 329.045 by sections 5 and 6 of this 2012**
 18 **Act become operative on July 1, 2012.**

19 **SECTION 8.** ORS 338.005 is amended to read:

20 338.005. As used in this chapter, unless the context requires otherwise:

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

23 (2) "Institution of higher education" means a community college operated under ORS chapter
 24 341, [*an institution of higher education*] **a public university** listed in ORS 352.002 or the Oregon
 25 Health and Science University.

26 (3) "Public charter school" means an elementary or secondary school offering a comprehensive
 27 instructional program operating under a written agreement entered into between a sponsor and an
 28 applicant and operating pursuant to this chapter.

29 (4) "Remote and necessary school district" means a school district that offers kindergarten
 30 through grade 12 and has:

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

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

35 (5) "Sponsor" means:

36 (a) The board of the common school district or the union high school district in which the public
 37 charter school is located that has developed a written charter with an applicant to create a public
 38 charter school.

39 (b) The State Board of Education pursuant to ORS 338.075.

40 (c) An institution of higher education pursuant to ORS 338.075.

41 (6)(a) "Virtual public charter school" means a public charter school that provides online
 42 courses.

43 (b) "Virtual public charter school" does not include a public charter school that primarily serves
 44 students in a physical location.

45 **SECTION 9.** ORS 338.035 is amended to read:

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

2 (a) As a new public school;

3 (b) As a virtual public charter school;

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

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

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

7 (A) Be approved by a sponsor;

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

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

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

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

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

16 **(3) A member of the school district board of the school district within which a public**
17 **charter school is located may not be a voting member of the governing body of the public**
18 **charter school, but may act in an advisory capacity on the governing body of the public**
19 **charter school.**

20 [(3)] (4) An applicant seeking to establish a public charter school shall submit a proposal pur-
21 suant to ORS 338.045 to the school district board of the school district within which the public
22 charter school will be located [*at least 120 days prior to the date upon which the public charter school*
23 *would begin operating.*] **by the date identified by the school district board. The school district**
24 **board shall identify a date that is at least 180 days prior to the date on which the public**
25 **charter school would begin operating and that provides a reasonable period of time for the**
26 **school district board to complete the approval process and for the public charter school to**
27 **begin operating by the beginning of a school year.** [*However, it is recommended that*] An applicant
28 **may consult with the school district board prior to submitting a proposal and the school district**
29 **board may require an applicant to submit a letter of intent within a reasonable period of time**
30 **prior to submitting a proposal.**

31 [(4)] (5) An applicant seeking to establish a public charter school shall provide to the State
32 Board of Education a copy of:

33 (a) Any proposal submitted to a school district board under ORS 338.045;

34 (b) **Any substantive changes to a proposal; and**

35 (c) [*and a copy of*] Any subsequent approval by [*the school district board*] **a sponsor.**

36 [(5)(a)] (6)(a) One or more, but not all, schools in a school district may become public charter
37 schools.

38 (b) Notwithstanding paragraph (a) of this subsection, a school in a school district that is com-
39 posed of only one school may become a public charter school.

40 [(6)(a)] (7)(a) An entity described in ORS 338.005 (5) may not approve a public charter school
41 proposal that authorizes the conversion of any private school that is tuition based to a public
42 charter school.

43 (b) Notwithstanding paragraph (a) of this subsection, an entity described in ORS 338.005 (5) may
44 authorize the conversion of an existing alternative education program, as defined in ORS 336.615,
45 to a public charter school.

1 [(7)] (8) An entity described in ORS 338.005 (5) may not approve a **proposal for a** public charter
2 school [*proposal*] that is affiliated with a nonpublic sectarian school or a religious institution.

3 **SECTION 10.** ORS 338.045 is amended to read:

4 338.045. (1) An applicant seeking to establish a public charter school shall submit a written
5 proposal to a school district board.

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

7 (a) The identification of the applicant;

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

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

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

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

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

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

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

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

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

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

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

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

24 (n) A description of the financial management system for the public charter school, an explana-
25 tion of how the financial management system will meet the requirements of ORS 338.095 (1) and a
26 plan for having the financial management system in place at the time the school begins operating;

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

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

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

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

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

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

38 (u) The term of the charter;

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

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

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

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

45 (A) The alternative arrangements for students who choose not to attend the public charter

1 school and for teachers and other school employees who choose not to participate in the public
2 charter school; and

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

6 (3) In addition to the requirements of subsection (2) of this section[,]:

7 (a) The school district board may require any additional information the board considers rele-
8 vant to the formation or operation of a public charter school.

9 (b) **Each member of a proposed public charter school governing body must provide an**
10 **acknowledgment of understanding related to the standards of conduct and the liabilities of**
11 **a director of a nonprofit organization, as those standards and liabilities are described in ORS**
12 **chapter 65, if the public charter school is required to comply with ORS 338.035 (2)(a)(B) and**
13 **(C).**

14 (4) At the request of the applicant, the school district board may provide technical assistance
15 in developing the proposal for operation of the public charter school.

16 (5) School districts, education service districts and other public bodies, as defined in ORS
17 174.109, shall make available to the public lists of vacant and unused public buildings and portions
18 of buildings that may be suitable for the operation of a public charter school. The lists shall be
19 provided to developing or operating public charter schools within 30 days of a written request.
20 Nothing in this subsection requires the owner of a building on the list to sell or lease the building
21 or any portion of the building to a public charter school or a public charter school governing body.

22 **SECTION 11.** Section 12, chapter 695, Oregon Laws 2011, as amended by section 30, chapter
23 718, Oregon Laws 2011, is amended to read:

24 **Sec. 12.** (1) The amendments to ORS 338.055 and 338.075 by section 10, chapter 695, Oregon
25 Laws 2011, and section 29 [*of this 2011 Act*], **chapter 718, Oregon Laws 2011**, become operative on
26 [*July 1, 2017*] **the effective date of this 2012 Act.**

27 (2) Nothing in the amendments to ORS [*338.055 and*] 338.075 by [*section 10, chapter 695, Oregon*
28 *Laws 2011, and section 29 of this 2011 Act*] **section 14 of this 2012 Act** affects the ability of an in-
29 stitution of higher education to continue to sponsor a public charter school if the institution of
30 higher education became the sponsor of the public charter school prior to July 1, 2017.

31 **SECTION 12.** ORS 338.055, as amended by section 10, chapter 695, Oregon Laws 2011, is
32 amended to read:

33 338.055. (1)(a) **Upon receipt of a proposal submitted under ORS 338.045, the school district**
34 **board shall determine whether the proposal is complete. A proposal is complete if the pro-**
35 **posal addresses, at least minimally, each element required by ORS 338.045 (2) and (3).**

36 (b) **If a proposal is not complete, the school district board shall notify the applicant**
37 **within 30 days after receipt of the proposal and shall identify the specific elements of the**
38 **proposal that are not complete. The school district board shall provide the applicant with a**
39 **reasonable opportunity to complete the proposal.**

40 (c) **The school district board may disapprove a proposal if the applicant has received a**
41 **reasonable opportunity to complete the proposal and the applicant does not provide a com-**
42 **plete proposal.**

43 (d) **If the school district board disapproves a proposal as provided by this subsection, the**
44 **applicant may appeal the decision to the State Board of Education. The State Board of Edu-**
45 **cation may review the proposal only for completeness and may determine that the proposal**

1 **is:**

2 **(A) Not complete, and uphold the decision of the school district board to disapprove the**
3 **proposal because the proposal is not complete; or**

4 **(B) Complete, and remand the proposal to the school district board for consideration.**

5 [(1)] **(2)** Within 60 days [of] **after** receipt of a proposal [submitted under ORS 338.045] **that is**
6 **determined to be complete as provided by subsection (1)(a) or (d) of this section**, the school
7 district board shall hold a public hearing on the provisions of the proposal.

8 [(2)] **(3)** The school district board shall evaluate a proposal in good faith using the following
9 criteria:

10 (a) The demonstrated, sustainable support for the public charter school by teachers, parents,
11 students and other community members, including comments received at the public hearing held
12 under subsection [(1)] **(2)** of this section;

13 (b) The demonstrated financial stability of the public charter school, including the demonstrated
14 ability of the school to have a sound financial management system that is in place at the time the
15 school begins operating and that meets the requirements of ORS 338.095 (1);

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

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

21 (e) The [extent to which the proposal addresses the information required in] **adequacy of the in-**
22 **formation provided as required by ORS 338.045 (2) and (3);**

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

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

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

30 [(3)] **(4)** The school district board must approve a proposal or state in writing the reasons for
31 disapproving a proposal within 30 days after the public hearing held under subsection [(1)] **(2)** of this
32 section.

33 [(4)] **(5)(a)** Written notice of the school district board's action shall be sent to the applicant. If
34 the proposal is not approved[,]:

35 **(A)** The reasons for the [denial] **disapproval** and suggested remedial measures, if any, shall be
36 clearly stated in the notice sent by the school district board to the applicant[. *If the proposal is not*
37 *approved,*]; **and**

38 **(B)** The applicant may amend the proposal to address objections and any suggested remedial
39 measures and resubmit the proposal to the school district board. [*The school district board shall*
40 *approve or disapprove the resubmitted proposal within 20 days after receiving it. If the proposal is not*
41 *approved, the applicant may appeal the decision of the school district board to the State Board of Ed-*
42 *ucation.*]

43 **(b) Within 30 days after receiving a proposal that is resubmitted as provided by para-**
44 **graph (a)(B) of this subsection, the school district board shall approve or disapprove the**
45 **proposal.**

1 [(5)] **(6)(a)** Individual elements in a public charter school proposal may be changed *[through the*
 2 *proposal and chartering process.]* **by a school district board and an applicant by mutual agree-**
 3 **ment:**

4 **(A) Prior to the approval of a proposal; or**

5 **(B) After a proposal has been approved but before a charter has been executed.**

6 **(b) If the school district board and the applicant are not able to agree on a change during**
 7 **the proposal or chartering process, the school district board or the applicant may request**
 8 **mediation by the State Board of Education.**

9 **(c) If the school district board and applicant are unable to reach an agreement following**
 10 **mediation as described in paragraph (b) of this subsection, the change that was the subject**
 11 **of mediation may not be included in the proposal or charter and:**

12 **(A) The school district board and applicant may decide to execute a charter for the public**
 13 **charter school without the change;**

14 **(B) The applicant may withdraw the proposal or decline to execute a charter; or**

15 **(C) The school district board may disapprove the proposal or decline to execute a charter.**

16 [(6)] **(7)** *[A proposal to convert]* **Before** an existing public school **is converted** to a public char-
 17 **ter school, the proposal for the conversion** must be approved by the school district board of the
 18 public school.

19 [(7)] **(8)** *[Entities described in ORS 338.005 (5)]* **Neither a school district board nor the State**
 20 **Board of Education** may *[not]* charge any fee to applicants for the proposal process.

21 [(8)] **(9)** Upon request by a school district **board**, the State Board of Education may grant an
 22 extension of any timeline required by this section if the **school district board** has good cause for
 23 requesting the extension.

24 **SECTION 13.** ORS 338.075, as amended by section 29, chapter 718, Oregon Laws 2011, is
 25 amended to read:

26 338.075. (1) If a school district board *[does not approve]* **disapproves** a proposal to *[start]* **es-**
 27 **tablish** a public charter school pursuant to ORS 338.055 **(4), (5) or (6)**, the applicant may:

28 **(a) Request that the State Board of Education review the decision of the school district board;**
 29 **or**

30 **(b) Submit a proposal to an institution of higher education.**

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

32 [(a) *Shall attempt to mediate a resolution between the applicant and the school district board.]*

33 [(b) *May recommend to the applicant and school district board revisions to the proposal.]*

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

36 [(3) *Upon receipt of a request for review, in addition to actions described in subsection (2) of this*
 37 *section and at any time during the review process, the State Board of Education may reject a proposal*
 38 *to start a public charter school if the school fails to meet the requirements of this chapter.]*

39 **(2)(a) If the applicant requests the State Board of Education to review the decision as**
 40 **provided by subsection (1) of this section, the State Board of Education may review the de-**
 41 **cision only to determine whether:**

42 **(A) The school district board used the process required by ORS 338.055 in disapproving**
 43 **the proposal;**

44 **(B) The proposal meets the criteria described in ORS 338.055 (3); and**

45 **(C) The reasons stated by the school district board for the disapproval are valid.**

1 **(b) Following a review described in paragraph (a) of this subsection, the State Board of**
 2 **Education may:**

3 **(A) Uphold the decision of the school district board to disapprove the proposal;**

4 **(B) Remand the proposal to the school district board for reconsideration if the school**
 5 **district board and the applicant agree to the remand; or**

6 **(C) Consider becoming the sponsor of the public charter school if the applicant agrees**
 7 **to the sponsorship.**

8 [(4)] **(3) An applicant may seek judicial review [of an order of the State Board of Education]**
 9 **pursuant to ORS 183.484 of an order issued by the State Board of Education under subsection**
 10 **(2) of this section.** If the court finds that the decision of the State Board of Education is not sup-
 11 ported by substantial evidence in the record, the court shall enter a judgment directing the State
 12 Board of Education to sponsor the public charter school.

13 **(4)(a) An applicant seeking sponsorship by an institution of higher education may submit**
 14 **to the institution of higher education a proposal that was submitted to a school district**
 15 **board under ORS 338.045 (1) or 338.055 (1), (5) or (6) or a proposal that is modified to take into**
 16 **consideration the characteristics of the institution of higher education evaluating the pro-**
 17 **posal under this subsection.**

18 **(b) Upon receipt of a proposal, an institution of higher education may:**

19 **(A) Disapprove the proposal based on the determination by the institution of higher ed-**
 20 **ucation that the proposal does not align with the institution's mission.**

21 **(B) Evaluate the proposal using the criteria described in ORS 338.055 (3)(b) to (h) and**
 22 **may approve the proposal only if the institution of higher education is permitted to become**
 23 **a sponsor as provided by paragraphs (e) and (f) of this subsection.**

24 **(c)(A) The following decisions by an institution of higher education are final and not**
 25 **subject to appeal:**

26 **(i) Whether to evaluate a proposal for a public charter school; and**

27 **(ii) Whether to approve or disapprove a proposal for a public charter school.**

28 **(B) The process by which an institution of higher education makes a decision described**
 29 **in subparagraph (A) of this paragraph is not subject to appeal.**

30 **(d) Within 60 days after receiving a proposal, the institution of higher education must**
 31 **approve the proposal or, if disapproving the proposal, state in writing the reasons for disap-**
 32 **proving the proposal.**

33 [(5)(a)] **(e) An institution of higher education may sponsor a public charter school only if[.]**

34 **[(A)] the main campus of the institution of higher education is located within 25 miles of the**
 35 **proposed public charter school, based on the nearest traveled road[; and].**

36 **[(B) The institution of higher education first became a sponsor of the public charter school prior**
 37 **to July 1, 2017.]**

38 [(b)] **(f) An institution of higher education may sponsor only one public charter school in this**
 39 **state, regardless of the number of campuses or locations of the institution of higher education.**

40 [(c)] **(g) If a public charter school has a sponsor that is an institution of higher education and**
 41 **the public charter school enters into a contract with a third-party entity to provide educational**
 42 **services for the public charter school:**

43 **(A) A member of the governing body of the public charter school or the governing body of the**
 44 **sponsor may not be an employee of the third-party entity, be a member of the governing board of**
 45 **the third-party entity or be any other representative of the third-party entity;**

1 (B) An employee or a member of the governing board of the third-party entity may not attend
2 an executive session of the sponsor;

3 (C) An employee of the public charter school may not promote the sale or benefits of private
4 supplemental services or classes offered by the third-party entity; and

5 (D) The educational services provided by the third-party entity must comply with state standards
6 and requirements, and any provision of the contract with the third-party entity that does not allow
7 for the provision of educational services that comply with state standards and requirements is void.

8 **(5) Neither the State Board of Education nor an institution of higher education may**
9 **charge any fee to applicants for the proposal process.**

10 **SECTION 14.** ORS 338.075, as amended by section 29, chapter 718, Oregon Laws 2011, and
11 section 13 of this 2012 Act, is amended to read:

12 338.075. (1) If a school district board disapproves a proposal to establish a public charter school
13 pursuant to ORS 338.055 (4), (5) or (6), the applicant may[:]

14 [(a)] request that the State Board of Education review the decision of the school district board
15 [; or].

16 [(b) *Submit a proposal to an institution of higher education.*]

17 (2)(a) If the applicant requests the State Board of Education to review the decision as provided
18 by subsection (1) of this section, the State Board of Education may review the decision only to de-
19 termine whether:

20 (A) The school district board used the process required by ORS 338.055 in disapproving the
21 proposal;

22 (B) The proposal meets the criteria described in ORS 338.055 (3); and

23 (C) The reasons stated by the school district board for the disapproval are valid.

24 (b) Following a review described in paragraph (a) of this subsection, the State Board of Educa-
25 tion may:

26 (A) Uphold the decision of the school district board to disapprove the proposal;

27 (B) Remand the proposal to the school district board for reconsideration if the school district
28 board and the applicant agree to the remand; or

29 (C) Consider becoming the sponsor of the public charter school if the applicant agrees to the
30 sponsorship.

31 (3) An applicant may seek judicial review pursuant to ORS 183.484 of an order issued by the
32 State Board of Education under subsection (2) of this section. If the court finds that the decision
33 of the State Board of Education is not supported by substantial evidence in the record, the court
34 shall enter a judgment directing the State Board of Education to sponsor the public charter school.

35 [(4)(a) *An applicant seeking sponsorship by an institution of higher education may submit to the*
36 *institution of higher education a proposal that was submitted to a school district board under ORS*
37 *338.045 (1) or 338.055 (1), (5) or (6) or a proposal that is modified to take into consideration the char-*
38 *acteristics of the institution of higher education evaluating the proposal under this subsection.]*

39 [(b) *Upon receipt of a proposal, an institution of higher education may:*]

40 [(A) *Disapprove the proposal based on the determination by the institution of higher education that*
41 *the proposal does not align with the institution's mission.*]

42 [(B) *Evaluate the proposal using the criteria described in ORS 338.055 (3)(b) to (h) and may ap-*
43 *prove the proposal only if the institution of higher education is permitted to become a sponsor as pro-*
44 *vided by paragraphs (e) and (f) of this subsection.*]

45 [(c)(A) *The following decisions by an institution of higher education are final and not subject to*

1 *appeal.;*

2 *[(i) Whether to evaluate a proposal for a public charter school; and]*

3 *[(ii) Whether to approve or disapprove a proposal for a public charter school.]*

4 *[(B) The process by which an institution of higher education makes a decision described in sub-*
5 *paragraph (A) of this paragraph is not subject to appeal.]*

6 *[(d) Within 60 days after receiving a proposal, the institution of higher education must approve the*
7 *proposal or, if disapproving the proposal, state in writing the reasons for disapproving the proposal.]*

8 *[(e) An institution of higher education may sponsor a public charter school only if the main campus*
9 *of the institution of higher education is located within 25 miles of the proposed public charter school,*
10 *based on the nearest traveled road.]*

11 *[(f) An institution of higher education may sponsor only one public charter school in this state,*
12 *regardless of the number of campuses or locations of the institution of higher education.]*

13 *[(g) If a public charter school has a sponsor that is an institution of higher education and the*
14 *public charter school enters into a contract with a third-party entity to provide educational services for*
15 *the public charter school:]*

16 *[(A) A member of the governing body of the public charter school or the governing body of the*
17 *sponsor may not be an employee of the third-party entity, be a member of the governing board of the*
18 *third-party entity or be any other representative of the third-party entity;]*

19 *[(B) An employee or a member of the governing board of the third-party entity may not attend an*
20 *executive session of the sponsor;]*

21 *[(C) An employee of the public charter school may not promote the sale or benefits of private sup-*
22 *plemental services or classes offered by the third-party entity; and]*

23 *[(D) The educational services provided by the third-party entity must comply with state standards*
24 *and requirements, and any provision of the contract with the third-party entity that does not allow for*
25 *the provision of educational services that comply with state standards and requirements is void.]*

26 **(4) If an institution of higher education became the sponsor of a public charter school**
27 **prior to July 1, 2017, the institution of higher education:**

28 **(a) May not relocate the main campus of the institution of higher education or the public**
29 **charter school so that they are located more than 25 miles apart, based on the nearest**
30 **traveled road; and**

31 **(b) May not sponsor more than one public charter school in this state, regardless of the**
32 **number of campuses or locations of the institution of higher education.**

33 **(5) If an institution of higher education is the sponsor of a public charter school and the**
34 **public charter school enters into a contract with a third-party entity to provide educational**
35 **services for the public charter school:**

36 **(a) A member of the governing body of the public charter school or the governing body**
37 **of the institution of higher education may not be an employee of the third-party entity, be**
38 **a member of the governing board of the third-party entity or be any other representative**
39 **of the third-party entity;**

40 **(b) An employee or a member of the governing board of the third-party entity may not**
41 **attend an executive session of the institution of higher education;**

42 **(c) An employee of the public charter school may not promote the sale or benefits of**
43 **private supplemental services or classes offered by the third-party entity; and**

44 **(d) The educational services provided by the third-party entity must comply with state**
45 **standards and requirements, and any provision of the contract with the third-party entity**

1 **that does not allow for the provision of educational services that comply with state standards**
 2 **and requirements is void.**

3 [(5)] (6) [Neither] The State Board of Education [nor an institution of higher education] may **not**
 4 charge any fee to applicants for the proposal process.

5 **SECTION 15.** (1) **The amendments to ORS 338.035, 338.045, 338.055 and 338.075 and section**
 6 **12, chapter 695, Oregon Laws 2011, by sections 9 to 13 of this 2012 Act become operative on**
 7 **January 1, 2013.**

8 (2) **The amendments to ORS 338.075 by section 14 of this 2012 Act become operative on**
 9 **July 1, 2017.**

10 (3) **The amendments to ORS 338.035, 338.045, 338.055 and 338.075 by sections 9, 10, 12 and**
 11 **13 of this 2012 Act first apply to proposals received on or after January 1, 2013.**

12 **SECTION 16.** ORS 338.065 is amended to read:

13 338.065. (1)(a) Upon approval of a proposal by a school district board under ORS 338.055, the
 14 school district board shall [become] **be** the sponsor of the public charter school.

15 (b) Pursuant to ORS 338.075 (2) or [(4)] (3), the State Board of Education [shall become] **may**
 16 **be** the sponsor of the public charter school.

17 (c) [Pursuant] **Subject** to ORS 338.075 [(5)] (4), [the] **an** institution of higher education [shall
 18 become] **may be** the sponsor of the public charter school.

19 (2) The sponsor and the applicant shall [develop] **execute** a written charter that contains the
 20 provisions of the proposal that have been duly approved by the sponsor and **the** public charter
 21 school governing body. The sponsor and the applicant may agree to change elements of the proposal
 22 prior to incorporating them into the charter [or exclude elements of the proposal from the charter].

23 **If the sponsor is a school district board, the sponsor or applicant may request mediation as**
 24 **provided by ORS 338.055 (6).** The charter, when duly executed by the sponsor and the public
 25 charter school governing body, shall act as the legal authorization for the establishment of the
 26 public charter school. The charter shall be legally binding on both the sponsor and the public
 27 charter school governing body.

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

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

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

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

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

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

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

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

42 [(e)] (d) Within [20] **30** days after the public hearing, the sponsor shall approve the renewal of
 43 the charter or state in writing the reasons for denying the renewal of the charter.

44 [(f)] (e) If the sponsor approves the renewal of the charter, the sponsor and the public charter
 45 school governing body shall negotiate a new charter within 90 days after the date on which the

1 sponsor approved the renewal of the charter unless the sponsor and the public charter school gov-
 2 erning body agree to an extension of the time period.

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

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

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

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

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

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

23 (7) If the State Board of Education is the sponsor of a public charter school and the state board
 24 does not renew the charter based on the revised request for renewal submitted under subsection
 25 [(5)(g)] (5)(f) of this section, the public charter school governing body may seek judicial review of
 26 an order of the state board pursuant to ORS 183.484 for a review of whether the state board used
 27 the process required by this section in denying the request for renewal.

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

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

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

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

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

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

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

44 **SECTION 17. (1) The amendments to ORS 338.065 by section 16 of this 2012 Act become**
 45 **operative on January 1, 2013.**

1 **(2) The amendments to ORS 338.065 by section 16 of this 2012 Act first apply to renewal**
 2 **requests submitted on or after January 1, 2013.**

3 **SECTION 18.** ORS 338.105 is amended to read:

4 338.105. (1) During the term of a charter, the sponsor may terminate the charter on any of the
 5 following grounds:

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

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

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

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

10 (e) Failure to maintain financial stability.

11 (f) Failure to maintain, for two or more consecutive years, a sound financial management system
 12 described in the proposal [*submitted*] **as required** under ORS 338.045 and incorporated into the
 13 written charter under ORS 338.065.

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

18 (3) A public charter school governing body may appeal a decision of a sponsor **under sub-**
 19 **section (1) of this section** to:

20 (a) The State Board **of Education** if the sponsor is an entity described in ORS 338.005 (5)(a) or
 21 (c). The **State Board of Education** shall:

22 **(A)** Adopt by rule procedures to ensure a timely appeals process to prevent disruption of
 23 students' education[.]; **and**

24 **(B) Review only the grounds for termination under subsection (1) of this section as stated**
 25 **by the school district board or the institution of higher education.**

26 (b) The circuit court pursuant to ORS 183.484 if the sponsor is the State Board of Education.

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

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

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

36 (d) Throughout the appeals process, the public charter school shall remain closed at the dis-
 37 cretion of the sponsor unless the State Board of Education orders the sponsor to open the public
 38 charter school and not terminate the charter.

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

41 (6) If a charter is terminated or a public charter school is dissolved:

42 (a) The assets of the public charter school that were purchased with public funds shall be given
 43 to the State Board of Education. The State Board of Education may disburse the assets of the public
 44 charter school to school districts or other public charter schools.

45 (b) All student education records of the public charter school shall be transferred to the ad-

1 ministrative office of the school district in which the public charter school was located.

2 (7) A public charter school governing body may only terminate a charter[,] or dissolve or close
3 a public charter school at the end of a semester. If a charter is terminated by the public charter
4 school governing body or a public charter school is closed or dissolved, the public charter school
5 governing body shall notify the sponsor at least 180 days prior to the proposed effective date of the
6 termination, closure or dissolution.

7 **SECTION 19.** (1) **The amendments to ORS 338.105 by section 18 of this 2012 Act become**
8 **operative on January 1, 2013.**

9 (2) **The amendments to ORS 338.105 by section 18 of this 2012 Act first apply to termi-**
10 **nation decisions that are made on or after January 1, 2013.**

11 **SECTION 20.** ORS 338.095 is amended to read:

12 338.095. (1) The financial management system of a public charter school must include a budget
13 and accounting system that:

14 (a) Is compatible with the budget and accounting system of the sponsor of the school; and

15 (b) Complies with the requirements of the uniform budget and accounting system adopted by rule
16 of the State Board of Education under ORS 327.511.

17 (2) A public charter school shall report to the sponsor and the Department of Education at least
18 annually on the performance of the school and its students. A public charter school shall disclose
19 in its report information necessary to make a determination of compliance with the requirements
20 of this chapter. The sponsor or the sponsor's designee at least annually shall visit the public
21 charter school site and review the public charter school's compliance with the terms and provisions
22 of the charter.

23 (3) The public charter school shall have an annual audit of the accounts of the public charter
24 school prepared in accordance with the Municipal Audit Law, ORS 297.405 to 297.555 and 297.990.
25 The school shall forward a copy of the annual audit to the Department of Education.

26 (4) After an audit, the following shall be forwarded to the sponsor:

27 (a) A copy of the annual audit;

28 (b) Any statements from the public charter school that show the results of all operations and
29 transactions affecting the financial status of the public charter school during the preceding annual
30 audit period for the school; and

31 (c) A balance sheet containing a summary of the assets and liabilities of the public charter
32 school as of the closing date of the preceding annual audit period for the school.

33 (5) **The sponsor of a public charter school that is required to comply with ORS 338.035**
34 **(2)(a)(B) and (C) may request at any time an acknowledgment from each member of the**
35 **public charter school governing body that the member understands the standards of conduct**
36 **and liabilities of a director of a nonprofit organization, as those standards and liabilities are**
37 **described in ORS chapter 65.**

38 [(5)] (6) The State Board of Education may require public charter schools to file reports with
39 the Department of Education as necessary to enable the department to gather information on public
40 charter schools for inclusion in the Oregon Report Card issued pursuant to ORS 329.115.

41 **SECTION 21.** ORS 338.115 is amended to read:

42 338.115. (1) Statutes and rules that apply to school district boards, school districts or other
43 public schools do not apply to public charter schools. However, the following laws do apply to public
44 charter schools:

45 (a) Federal law;

- 1 (b) ORS 30.260 to 30.300 (tort claims);
- 2 (c) ORS 192.410 to 192.505 (public records law);
- 3 (d) ORS 192.610 to 192.690 (public meetings law);
- 4 (e) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);
- 5 (f) ORS 326.565, 326.575 and 326.580 (student records);
- 6 (g) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);
- 7 (h) ORS 329.045 (academic content standards and instruction);
- 8 (i) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-
- 9 tificate);
- 10 (j) The statewide assessment system developed by the Department of Education for mathematics,
- 11 science and English under ORS 329.485 (2);
- 12 (k) ORS 337.150 (textbooks);
- 13 **(L) ORS 339.119 (consideration for educational services);**
- 14 *[(L)]* (m) ORS 339.141, 339.147 and 339.155 (tuition and fees);
- 15 *[(m)]* (n) ORS 339.250 (12) (prohibition on infliction of corporal punishment);
- 16 *[(n)]* (o) ORS 339.326 (notice concerning students subject to juvenile court petitions);
- 17 *[(o)]* (p) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of child abuse and training on
- 18 prevention and identification of child abuse);
- 19 *[(p)]* (q) ORS chapter 657 (Employment Department Law);
- 20 *[(q)]* (r) ORS 659.850, 659.855 and 659.860 (discrimination);
- 21 *[(r)]* (s) Any statute or rule that establishes requirements for instructional time provided by a
- 22 school during each day or during a year;
- 23 *[(s)]* (t) Health and safety statutes and rules;
- 24 **(u) Statutes and rules that apply to a special government body, as defined in ORS 174.117,**
- 25 **or a public body, as defined in ORS 174.109;**
- 26 **(v) Statutes and rules that expressly apply to public charter schools;**
- 27 *[(t)]* (w) Any statute or rule that is listed in the charter; **and**
- 28 *[(u) ORS 339.119 (consideration for educational services); and]*
- 29 *[(v)]* (x) This chapter.
- 30 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules
- 31 that apply to school district boards, school districts and other public schools may apply to a public
- 32 charter school.
- 33 (3) If a statute or rule applies to a public charter school, then the terms “school district” and
- 34 “public school” include public charter school as those terms are used in that statute or rule.
- 35 (4) A public charter school may not violate the Establishment Clause of the First Amendment
- 36 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion
- 37 based.
- 38 (5)(a) A public charter school shall maintain an active enrollment of at least 25 students.
- 39 (b) For a public charter school that provides educational services under a cooperative agree-
- 40 ment described in ORS 338.080, the public charter school is in compliance with the requirements of
- 41 this subsection if the public charter school provides educational services under the cooperative
- 42 agreement to at least 25 students, without regard to the school districts in which the students are
- 43 residents.
- 44 (6) A public charter school may sue or be sued as a separate legal entity.
- 45 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities

1 and employees of a sponsor acting in their official capacities are immune from civil liability with
 2 respect to all activities related to a public charter school within the scope of their duties or em-
 3 ployment.

4 (8) A public charter school may enter into contracts and may lease facilities and services from
 5 a school district, education service district, public university listed in ORS 352.002, other govern-
 6 mental unit or any person or legal entity.

7 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-
 8 ability.

9 (10) A public charter school may receive and accept gifts, grants and donations from any source
 10 for expenditure to carry out the lawful functions of the school.

11 (11) The school district in which the public charter school is located shall offer a high school
 12 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter
 13 school student who meets the district's and state's standards for a high school diploma, a modified
 14 diploma, an extended diploma or an alternative certificate.

15 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate
 16 issued by a public charter school grants to the holder the same rights and privileges as a high
 17 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a
 18 nonchartered public school.

19 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the
 20 sponsor as specified in the charter.

21 (14) A public charter school may receive services from an education service district in the same
 22 manner as a nonchartered public school in the school district in which the public charter school is
 23 located.

24 **SECTION 22.** ORS 338.115, as amended by section 7, chapter 839, Oregon Laws 2007, section
 25 12, chapter 50, Oregon Laws 2008, section 4, chapter 618, Oregon Laws 2009, section 3, chapter 53,
 26 Oregon Laws 2010, section 3, chapter 94, Oregon Laws 2011, section 118, chapter 637, Oregon Laws
 27 2011, and section 5, chapter 682, Oregon Laws 2011, is amended to read:

28 338.115. (1) Statutes and rules that apply to school district boards, school districts or other
 29 public schools do not apply to public charter schools. However, the following laws do apply to public
 30 charter schools:

31 (a) Federal law;

32 (b) ORS 30.260 to 30.300 (tort claims);

33 (c) ORS 192.410 to 192.505 (public records law);

34 (d) ORS 192.610 to 192.690 (public meetings law);

35 (e) ORS 297.405 to 297.555 and 297.990 (Municipal Audit Law);

36 (f) ORS 326.565, 326.575 and 326.580 (student records);

37 (g) ORS 181.534, 326.603, 326.607, 342.223 and 342.232 (criminal records checks);

38 (h) ORS 329.045 (academic content standards and instruction);

39 (i) ORS 329.451 (high school diploma, modified diploma, extended diploma and alternative cer-
 40 tificate);

41 (j) ORS 329.496 (physical education);

42 (k) The statewide assessment system developed by the Department of Education for mathematics,
 43 science and English under ORS 329.485 (2);

44 (L) ORS 337.150 (textbooks);

45 **(m) ORS 339.119 (consideration for educational services);**

- 1 [(m)] (n) ORS 339.141, 339.147 and 339.155 (tuition and fees);
- 2 [(n)] (o) ORS 339.250 (12) (prohibition on infliction of corporal punishment);
- 3 [(o)] (p) ORS 339.326 (notice concerning students subject to juvenile court petitions);
- 4 [(p)] (q) ORS 339.370, 339.372, 339.388 and 339.400 (reporting of child abuse and training on
- 5 prevention and identification of child abuse);
- 6 [(q)] (r) ORS chapter 657 (Employment Department Law);
- 7 [(r)] (s) ORS 659.850, 659.855 and 659.860 (discrimination);
- 8 [(s)] (t) Any statute or rule that establishes requirements for instructional time provided by a
- 9 school during each day or during a year;
- 10 [(t)] (u) Health and safety statutes and rules;
- 11 **(v) Statutes and rules that apply to a special government body, as defined in ORS 174.117,**
- 12 **or a public body, as defined in ORS 174.109;**
- 13 **(w) Statutes and rules that expressly apply to public charter schools;**
- 14 [(u)] (x) Any statute or rule that is listed in the charter; **and**
- 15 [(v) ORS 339.119 (consideration for educational services); and]
- 16 [(w)] (y) This chapter.
- 17 (2) Notwithstanding subsection (1) of this section, a charter may specify that statutes and rules
- 18 that apply to school district boards, school districts and other public schools may apply to a public
- 19 charter school.
- 20 (3) If a statute or rule applies to a public charter school, then the terms “school district” and
- 21 “public school” include public charter school as those terms are used in that statute or rule.
- 22 (4) A public charter school may not violate the Establishment Clause of the First Amendment
- 23 to the United States Constitution or section 5, Article I of the Oregon Constitution, or be religion
- 24 based.
- 25 (5)(a) A public charter school shall maintain an active enrollment of at least 25 students.
- 26 (b) For a public charter school that provides educational services under a cooperative agree-
- 27 ment described in ORS 338.080, the public charter school is in compliance with the requirements of
- 28 this subsection if the public charter school provides educational services under the cooperative
- 29 agreement to at least 25 students, without regard to the school districts in which the students are
- 30 residents.
- 31 (6) A public charter school may sue or be sued as a separate legal entity.
- 32 (7) The sponsor, members of the governing board of the sponsor acting in their official capacities
- 33 and employees of a sponsor acting in their official capacities are immune from civil liability with
- 34 respect to all activities related to a public charter school within the scope of their duties or em-
- 35 ployment.
- 36 (8) A public charter school may enter into contracts and may lease facilities and services from
- 37 a school district, education service district, public university listed in ORS 352.002, other govern-
- 38 mental unit or any person or legal entity.
- 39 (9) A public charter school may not levy taxes or issue bonds under which the public incurs li-
- 40 ability.
- 41 (10) A public charter school may receive and accept gifts, grants and donations from any source
- 42 for expenditure to carry out the lawful functions of the school.
- 43 (11) The school district in which the public charter school is located shall offer a high school
- 44 diploma, a modified diploma, an extended diploma or an alternative certificate to any public charter
- 45 school student who meets the district’s and state’s standards for a high school diploma, a modified

1 diploma, an extended diploma or an alternative certificate.

2 (12) A high school diploma, a modified diploma, an extended diploma or an alternative certificate
3 issued by a public charter school grants to the holder the same rights and privileges as a high
4 school diploma, a modified diploma, an extended diploma or an alternative certificate issued by a
5 nonchartered public school.

6 (13) Prior to beginning operation, the public charter school shall show proof of insurance to the
7 sponsor as specified in the charter.

8 (14) A public charter school may receive services from an education service district in the same
9 manner as a nonchartered public school in the school district in which the public charter school is
10 located.

11 **SECTION 23.** ORS 338.025 is amended to read:

12 338.025. (1) The State Board of Education may adopt any rules necessary for the implementation
13 of this chapter. The rules shall follow the intent of this chapter.

14 (2) Upon application by a public charter school, the State Board of Education may grant a
15 waiver of any provision of this chapter if the waiver promotes the development of programs by
16 providers, enhances the equitable access by underserved families to the public education of their
17 choice, extends the equitable access to public support by all students or permits high quality pro-
18 grams of unusual cost. The State Board of Education may not waive any appeal provision in this
19 chapter or any provision under ORS 338.115 (1)(a) to [(u)] (w), 338.120, 338.125 (4), 338.135 (2)(b) or
20 339.122.

21 **SECTION 24.** ORS 338.025, as amended by section 8, chapter 839, Oregon Laws 2007, section
22 14, chapter 50, Oregon Laws 2008, section 5, chapter 53, Oregon Laws 2010, section 4, chapter 72,
23 Oregon Laws 2010, section 5, chapter 94, Oregon Laws 2011, section 4, chapter 649, Oregon Laws
24 2011, and section 27, chapter 718, Oregon Laws 2011, is amended to read:

25 338.025. (1) The State Board of Education may adopt any rules necessary for the implementation
26 of this chapter. The rules shall follow the intent of this chapter.

27 (2) Upon application by a public charter school, the State Board of Education may grant a
28 waiver of any provision of this chapter if the waiver promotes the development of programs by
29 providers, enhances the equitable access by underserved families to the public education of their
30 choice, extends the equitable access to public support by all students or permits high quality pro-
31 grams of unusual cost. The State Board of Education may not waive any appeal provision in this
32 chapter or any provision under ORS 338.115 (1)(a) to [(v)] (x), 338.120, 338.125 (4), 338.135 (2)(b) or
33 339.122.

34 **SECTION 25. The amendments to ORS 338.025, 338.095 and 338.115 by sections 20, 21 and**
35 **23 of this 2012 Act become operative on January 1, 2013.**

36 **SECTION 26.** Section 9, chapter 609, Oregon Laws 2011, is amended to read:

37 **Sec. 9.** (1) As used in this section, "Oregon Coalition for Quality Teaching and Learning" means
38 the collaborative group of state, school district, educator, administrator, community and higher ed-
39 ucation representatives operating as a unit organized under the National Commission on Teaching
40 and America's Future.

41 (2) The Teacher Standards and Practices Commission and the Department of Education, working
42 with the Oregon Coalition for Quality Teaching and Learning, shall propose guidelines to adopt a
43 uniform set of model core teaching standards for teaching preparation, new teachers and experi-
44 enced teachers that align with updated national teaching standards. The guidelines must allow the
45 standards to be customized based on the collaborative efforts of the teachers and administrators of

1 the school district and the exclusive bargaining representative of the employees of the school dis-
2 trict.

3 (3) The guidelines must propose model core teaching standards that:

4 (a) Are research-based;

5 (b) Distinguish different levels of proficiency; and

6 (c) Include multiple measures of student growth and achievement using student, school and
7 school district data.

8 (4) The commission and the department shall report to the Legislative Assembly prior to Janu-
9 ary 1, 2012, on the proposed guidelines for model core teaching standards.

10 (5) The commission shall adopt and distribute the model core teaching standards to school dis-
11 tricts on or before March 1, 2012.

12 (6) All school districts shall begin using the model core teaching standards in annual evaluations
13 of teachers [*beginning in the 2012-2013 school year*] **occurring on or after July 1, 2013.**

14 **SECTION 27.** Section 11, chapter 609, Oregon Laws 2011, is amended to read:

15 **Sec. 11.** Sections 8, 9 and 10 [*of this 2011 Act*], **chapter 609, Oregon Laws 2011**, are repealed
16 on [*March 2, 2013*] **July 2, 2013.**

17 **SECTION 28.** ORS 329.235 is amended to read:

18 329.235. Subject to the approval of the Superintendent of Public Instruction:

19 (1) The district school board of any school district in which there are resident children who are
20 three years of age or older but who have not attained compulsory attendance age and who are not
21 enrolled in a kindergarten of the district may:

22 (a) Provide early childhood education for such children as part of the district's educational
23 program; or

24 (b) When the board considers a contract to be economically feasible and in the interests of the
25 learning opportunities of eligible children, contract for instruction of such children in a school dis-
26 trict operating an approved early childhood education program, subject to such reimbursement as
27 the districts may agree.

28 (2) An education service district may operate an approved early childhood education program
29 in the same manner as programs are provided under ORS 334.175 [*or 334.185*].

30 **SECTION 29.** ORS 343.221 is amended to read:

31 343.221. In order to provide special education for children with disabilities, the district school
32 board of any school district in which there are school-age children who require special education:

33 (1) Shall submit an annual projected activities and cost statement to the Superintendent of
34 Public Instruction for a program of special education for the district's children with disabilities. The
35 proposed district program shall include provisions for providing special education and related ser-
36 vices and be designed to meet the unique needs of all resident children with disabilities.

37 (2) Shall provide special education for such children consistent with the projected activities and
38 cost statement.

39 (3) May, when the board considers a contract to be economically feasible and in the interests
40 of the learning opportunities of eligible children, contract for special education for such children
41 with another school district if the district school boards jointly agree to provide special education.

42 (4) May, when the board considers a contract to be economically feasible and in the interests
43 of the learning opportunities of eligible children, contract for special education for such children
44 with an education service district if[.]

45 [*(a)*] the contract is consistent with the local service plan of the education service district de-

1 veloped pursuant to ORS 334.175 and the school districts within the education service district ap-
2 prove the contract by a resolution adopted in the manner provided in ORS 334.175.

3 *[(b) The school district contracts with an education service district pursuant to ORS 334.185.]*

4 (5) May contract with private agencies or organizations approved by the State Board of Educa-
5 tion for special education.

6 (6) May use the services of public agencies, including community mental health programs and
7 community developmental disabilities programs, which provide diagnostic, evaluation and other re-
8 lated services for children.

9 (7) May contract for the provision of related services by a person in private practice if that
10 person is registered, certified or licensed by the State of Oregon as qualified to provide a particular
11 related service that requires registration, certification or licensing by the state.

12 **SECTION 30. ORS 334.185 is repealed.**

13 **SECTION 31. This 2012 Act being necessary for the immediate preservation of the public**
14 **peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect**
15 **on its passage.**

16 _____