

D R A F T

SUMMARY

Requires transfer of sponsorship for virtual public charter school to State Board of Education if average daily membership of virtual public charter school exceeds difference between average daily membership of school district that is sponsor of school and average daily membership of virtual public charter school.

A BILL FOR AN ACT

Relating to the sponsorship of a virtual public charter school; creating new provisions; and amending ORS 338.005, 338.065 and 338.120.

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

SECTION 1. ORS 338.120 is amended to read:

338.120. (1) In addition to any other requirements of this chapter for a public charter school, a virtual public charter school must have:

(a) A plan for academic achievement that addresses how the school will improve student learning and meet academic content standards required by ORS 329.045.

(b) Performance criteria the school will use to measure the progress of the school in meeting the academic performance goals set by the school for its first five years of operation.

(c) A plan for implementing the proposed education program of the school by directly and significantly involving parents and guardians of students enrolled in the school and involving the professional employees of the school.

(d) A budget, business plan and governance plan for the operation of the school.

(e) In the charter of the school, a requirement that the school:

1 (A) Monitor and track student progress and attendance; and

2 (B) Provide student assessments in a manner that ensures that an indi-
3 vidual student is being assessed and that the assessment is valid.

4 (f) Notwithstanding ORS 338.135 (7), a plan to ensure that:

5 (A) All superintendents, assistant superintendents and principals of the
6 school are licensed to administer by the Teacher Standards and Practices
7 Commission; and

8 (B) Teachers who are licensed to teach by the Teacher Standards and
9 Practices Commission and who are highly qualified as described in the fed-
10 eral No Child Left Behind Act of 2001 (P.L. 107-110, 115 Stat. 1425) teach
11 at least 95 percent of the school's instructional hours.

12 (g) A plan for maintaining student records and school records, including
13 financial records, at a designated central office of operations that is located:

14 (A) If the sponsor is a school district, within the school district that is
15 the sponsor and as specified in the charter of the school; or

16 (B) If the sponsor is the State Board of Education, at a central office lo-
17 cated in Oregon and as specified in the charter of the school.

18 (h) A plan to provide equitable access to the education program of the
19 school by ensuring that each student enrolled in the school:

20 (A) Has access to and use of computer and printer equipment as needed;

21 (B) Is offered an Internet service cost reimbursement arrangement under
22 which the school reimburses the parent or guardian of the student, at a rate
23 set by the school, for the costs of obtaining Internet service at the minimum
24 connection speed required to effectively access the education program pro-
25 vided by the school; or

26 (C) Has access to and use of computer and printer equipment and is of-
27 fered Internet service cost reimbursement.

28 (i) A plan to provide access to computer and printer equipment and the
29 Internet service cost reimbursement as described in paragraph (h) of this
30 subsection by students enrolled in the school who are from families that
31 qualify as low-income under Title I of the federal Elementary and Secondary

1 Education Act of 1965 (20 U.S.C. 6301 et seq.).

2 (j) A plan to conduct school-sponsored optional educational events at
3 least six times each school year at locations selected to provide convenient
4 access to all students enrolled in the school who want to participate.

5 (k) A plan to conduct meetings at least twice a week between teachers
6 and students enrolled in the school, either in person or through the use of
7 conference calls or other technology.

8 (L) A plan to provide opportunities for face-to-face meetings between
9 teachers and students enrolled in the school at least six times each school
10 year.

11 (m) A plan to provide, at the time of a student's enrollment, written no-
12 tice to the sponsor and, if different, to the school district where the student
13 is a resident. Notification must be provided within 10 days after enrollment
14 and must include:

15 (A) The name, age and address of the student; and

16 (B) The name of the school in which the student was formerly enrolled.

17 (n) A plan to provide, at the time of a student's withdrawal for a reason
18 other than graduation from high school, written notice to the sponsor and,
19 if different, to the school district where the student is a resident. Notifica-
20 tion must be provided within 10 days after withdrawal and must include:

21 (A) The name, age and address of the student;

22 (B) The reason the student no longer is enrolled and, if applicable, the
23 name of the school in which the student will enroll, if known to the virtual
24 public charter school; and

25 (C) The last day on which the student was enrolled at the virtual public
26 charter school.

27 (o) An agreement to provide a student's education records to the student's
28 resident school district or to the sponsor, upon request of the resident school
29 district or sponsor.

30 (2) For a virtual public charter school:

31 (a) A person who is a member of the school district board for the sponsor

1 of the virtual public charter school may not be:

2 (A) An employee of the virtual public charter school;

3 (B) A member of the governing body of the virtual public charter school;

4 or

5 (C) An employee or other representative of any third-party entity with
6 which the virtual public charter school has entered into a contract to pro-
7 vide educational services.

8 (b) A person who is a member of the governing body of the virtual public
9 charter school may not be an employee of a third-party entity with which the
10 virtual public charter school has entered, or intends to enter, into a contract
11 to provide educational services.

12 (3) If a virtual public charter school enters into a contract with a third-
13 party entity to provide educational services for the virtual public charter
14 school:

15 (a) No employee or member of the governing board of the third-party en-
16 tity may attend an executive session of the school district board of the
17 school district that is the sponsor of the virtual public charter school;

18 (b) An employee of the virtual public charter school may not promote the
19 sale or benefits of private supplemental services or classes offered by the
20 third-party entity;

21 (c) The educational services provided by the third-party entity must be
22 consistent with state standards and requirements, and must be changed on
23 the same timelines that changes are imposed on the nonvirtual public charter
24 schools of this state; and

25 (d) The virtual public charter school must have on file the third-party
26 entity's budget for the provision of educational services and that budget must
27 itemize:

28 (A) The salaries of supervisory and management personnel and consult-
29 ants who are providing educational or related services for a public charter
30 school in this state; and

31 (B) The annual operating expenses and profit margin of the third-party

1 entity for providing educational services to a public charter school in this
2 state.

3 (4)(a) The sponsor or a member of the public may request access to any
4 of the documents described in subsections (1) and (3)(d) of this section that
5 are public records, as provided by ORS 192.410 to 192.505.

6 (b) Upon request by a sponsor or a member of the public, a virtual public
7 charter school must provide reasonable access to the documents described in
8 subsections (1) and (3)(d) of this section that are public records, as provided
9 by ORS 192.410 to 192.505. The documents may be provided electronically.

10 **(5)(a) Notwithstanding the grounds for termination of a charter**
11 **described in ORS 338.105 (1) and the process for the State Board of**
12 **Education to become a sponsor described in ORS 338.075, if, in any year**
13 **during the term of the charter, the average daily membership of a**
14 **virtual public charter school exceeds the average daily membership of**
15 **the school district that is the sponsor of the virtual public charter**
16 **school minus the average daily membership of the virtual public**
17 **charter school for that year:**

18 **(A) The charter between the school district board and the governing**
19 **body of the virtual public charter school shall be terminated;**

20 **(B) The sponsorship of the virtual public charter school shall be**
21 **transferred to the State Board of Education and the State Board of**
22 **Education shall become the sponsor of the virtual public charter**
23 **school; and**

24 **(C) The governing body of the virtual public charter school and the**
25 **State Board of Education shall establish a new charter for the virtual**
26 **public charter school.**

27 **(b) Calculations of average daily membership made under paragraph**
28 **(a) of this subsection shall be based on the average daily membership**
29 **for the month of December in each year during the term of the char-**
30 **ter.**

31 **(c) The charter shall be terminated, the State Board of Education**

1 shall become sponsor and the new charter shall become effective, as
2 provided by paragraph (a) of this subsection, on the later of June 30
3 or the date that a charter is executed with the State Board of Educa-
4 tion.

5 (d) To the extent practicable, a charter between the governing body
6 of the virtual public charter school and the State Board of Education
7 shall be a continuation of the charter that was terminated to make
8 the transition as seamless as possible for the students of the virtual
9 public charter school.

10 **SECTION 2.** The amendments to ORS 338.120 by section 1 of this
11 2015 Act apply to all virtual public charter schools operating in this
12 state before, on or after the effective date of this 2015 Act, regardless
13 of the effective date of the charter or the terms of the charter.

14 **SECTION 3.** ORS 338.005 is amended to read:

15 338.005. As used in this chapter, unless the context requires otherwise:

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

18 (2) "Institution of higher education" means a community college operated
19 under ORS chapter 341, a public university listed in ORS 352.002 or the
20 Oregon Health and Science University.

21 (3) "Public charter school" means an elementary or secondary school of-
22 fering a comprehensive instructional program operating under a written
23 agreement entered into between a sponsor and an applicant and operating
24 pursuant to this chapter.

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

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

29 (b) A school that is located, by the nearest traveled road, more than 20
30 miles from the nearest school or from a city with a population of more than
31 5,000.

1 (5) "Sponsor" means:

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

5 (b) The State Board of Education pursuant to ORS 338.075 **or 338.120**.

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

7 (6)(a) "Virtual public charter school" means a public charter school that
8 provides online courses.

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

11 **SECTION 4.** ORS 338.065 is amended to read:

12 338.065. (1)(a) Upon approval of a proposal by a school district board un-
13 der ORS 338.055, the school district board shall become the sponsor of the
14 public charter school.

15 (b) Pursuant to ORS 338.075 (2) or (3) **or 338.120**, the State Board of Ed-
16 ucation shall become the sponsor of the public charter school.

17 (c) Pursuant to ORS 338.075 (4), the institution of higher education shall
18 become the sponsor of the public charter school.

19 (2) The sponsor and the applicant shall develop a written charter that
20 contains the provisions of the proposal that have been duly approved by the
21 sponsor and public charter school governing body. As provided by ORS
22 338.055 (6), the sponsor and the applicant may agree to change elements of
23 the proposal prior to incorporating them into the charter. The charter, when
24 duly executed by the sponsor and the public charter school governing body,
25 shall act as the legal authorization for the establishment of the public
26 charter school. The charter shall be legally binding on both the sponsor and
27 the public charter school governing body.

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

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

1 the process established under this section.

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

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

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

8 (b) The public charter school governing body shall submit a written re-
9 newal request to the sponsor for consideration at least 180 days prior to the
10 expiration of the charter.

11 (c) Within 45 days after receiving a written renewal request from a public
12 charter school governing body, the sponsor shall hold a public hearing re-
13 garding the request for renewal.

14 (d) Within 30 days after the public hearing, the sponsor shall approve the
15 renewal of the charter or state in writing the reasons for denying the re-
16 newal of the charter.

17 (e) If the sponsor approves the renewal of the charter, the sponsor and
18 the public charter school governing body shall negotiate a new charter
19 within 90 days after the date on which the sponsor approved the renewal of
20 the charter unless the sponsor and the public charter school governing body
21 agree to an extension of the time period. Notwithstanding the time period
22 specified in the charter, an expiring charter shall remain in effect until a
23 new charter is negotiated.

24 (f) If the sponsor does not renew the charter, the public charter school
25 governing body may address the reasons stated under paragraph (d) of this
26 subsection and any remedial measures suggested by the sponsor and submit
27 a revised request for renewal to the sponsor.

28 (g) Notwithstanding paragraphs (b) to (f) of this subsection, a sponsor and
29 a public charter school governing body may agree in the charter of the
30 school to a timeline for renewing the charter that is different from the
31 timeline required by paragraphs (b) to (f) of this subsection.

1 (6)(a) If the sponsor does not renew the charter based on the revised re-
2 quest for renewal submitted under subsection (5)(f) of this section, the public
3 charter school governing body may appeal the decision of the sponsor to the
4 State Board of Education for a review of whether the sponsor used the pro-
5 cess required by this section in denying the renewal of the charter.

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

10 (c) If the state board finds that the sponsor did not use the process re-
11 quired by this section in denying the request for renewal, the state board
12 shall order the sponsor to reconsider the request for renewal.

13 (d) If after reconsideration pursuant to paragraph (c) of this subsection
14 the sponsor does not renew the charter, the public charter school governing
15 body may seek judicial review of an order of the sponsor pursuant to ORS
16 183.484.

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

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

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

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

29 (C) Is meeting or working toward meeting the student performance goals
30 and agreements specified in the charter or any other written agreements
31 between the sponsor and the public charter school governing body;

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

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

6 (b) The sponsor shall base the renewal evaluation described in paragraph

7 (a) of this subsection primarily on a review of the public charter school's
8 annual performance reports, annual audit of accounts and annual site visit
9 and review as required by ORS 338.095 and any other information mutually
10 agreed upon by the public charter school governing body and the sponsor.

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