

House Bill 3151

Sponsored by COMMITTEE ON EDUCATION

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**.

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

1
2 Relating to the sponsorship of a virtual public charter school; creating new provisions; and amend-
3 ing ORS 338.005, 338.065 and 338.120.

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

5 **SECTION 1.** ORS 338.120 is amended to read:

6 338.120. (1) In addition to any other requirements of this chapter for a public charter school, a
7 virtual public charter school must have:

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

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

12 (c) A plan for implementing the proposed education program of the school by directly and sig-
13 nificantly involving parents and guardians of students enrolled in the school and involving the pro-
14 fessional employees of the school.

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

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

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

18 (B) Provide student assessments in a manner that ensures that an individual student is being
19 assessed and that the assessment is valid.

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

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

23 (B) Teachers who are licensed to teach by the Teacher Standards and Practices Commission and
24 who are highly qualified as described in the federal No Child Left Behind Act of 2001 (P.L. 107-110,
25 115 Stat. 1425) teach at least 95 percent of the school's instructional hours.

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

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

30 (B) If the sponsor is the State Board of Education, at a central office located in Oregon and as

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 specified in the charter of the school.

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

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

5 (B) Is offered an Internet service cost reimbursement arrangement under which the school re-
6 imbursees the parent or guardian of the student, at a rate set by the school, for the costs of obtaining
7 Internet service at the minimum connection speed required to effectively access the education pro-
8 gram provided by the school; or

9 (C) Has access to and use of computer and printer equipment and is offered Internet service cost
10 reimbursement.

11 (i) A plan to provide access to computer and printer equipment and the Internet service cost
12 reimbursement as described in paragraph (h) of this subsection by students enrolled in the school
13 who are from families that qualify as low-income under Title I of the federal Elementary and Sec-
14 ondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

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

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

20 (L) A plan to provide opportunities for face-to-face meetings between teachers and students en-
21 rolled in the school at least six times each school year.

22 (m) A plan to provide, at the time of a student's enrollment, written notice to the sponsor and,
23 if different, to the school district where the student is a resident. Notification must be provided
24 within 10 days after enrollment and must include:

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

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

27 (n) A plan to provide, at the time of a student's withdrawal for a reason other than graduation
28 from high school, written notice to the sponsor and, if different, to the school district where the
29 student is a resident. Notification must be provided within 10 days after withdrawal and must in-
30 clude:

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

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

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

35 (o) An agreement to provide a student's education records to the student's resident school dis-
36 trict or to the sponsor, upon request of the resident school district or sponsor.

37 (2) For a virtual public charter school:

38 (a) A person who is a member of the school district board for the sponsor of the virtual public
39 charter school may not be:

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

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

42 (C) An employee or other representative of any third-party entity with which the virtual public
43 charter school has entered into a contract to provide educational services.

44 (b) A person who is a member of the governing body of the virtual public charter school may
45 not be an employee of a third-party entity with which the virtual public charter school has entered,

1 or intends to enter, into a contract to provide educational services.

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

4 (a) No employee or member of the governing board of the third-party entity may attend an
5 executive session of the school district board of the school district that is the sponsor of the virtual
6 public charter school;

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

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

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

14 (A) The salaries of supervisory and management personnel and consultants who are providing
15 educational or related services for a public charter school in this state; and

16 (B) The annual operating expenses and profit margin of the third-party entity for providing ed-
17 ucational services to a public charter school in this state.

18 (4)(a) The sponsor or a member of the public may request access to any of the documents de-
19 scribed in subsections (1) and (3)(d) of this section that are public records, as provided by ORS
20 192.410 to 192.505.

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

25 **(5)(a) Notwithstanding the grounds for termination of a charter described in ORS 338.105**
26 **(1) and the process for the State Board of Education to become a sponsor described in ORS**
27 **338.075, if, in any year during the term of the charter, the average daily membership of a**
28 **virtual public charter school exceeds the average daily membership of the school district that**
29 **is the sponsor of the virtual public charter school minus the average daily membership of**
30 **the virtual public charter school for that year:**

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

33 **(B) The sponsorship of the virtual public charter school shall be transferred to the State**
34 **Board of Education and the State Board of Education shall become the sponsor of the virtual**
35 **public charter school; and**

36 **(C) The governing body of the virtual public charter school and the State Board of Edu-**
37 **cation shall establish a new charter for the virtual public charter school.**

38 **(b) Calculations of average daily membership made under paragraph (a) of this subsection**
39 **shall be based on the average daily membership for the month of December in each year**
40 **during the term of the charter.**

41 **(c) The charter shall be terminated, the State Board of Education shall become sponsor**
42 **and the new charter shall become effective, as provided by paragraph (a) of this subsection,**
43 **on the later of June 30 or the date that a charter is executed with the State Board of Edu-**
44 **cation.**

45 **(d) To the extent practicable, a charter between the governing body of the virtual public**

1 **charter school and the State Board of Education shall be a continuation of the charter that**
 2 **was terminated to make the transition as seamless as possible for the students of the virtual**
 3 **public charter school.**

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

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

8 338.005. As used in this chapter, unless the context requires otherwise:

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

11 (2) "Institution of higher education" means a community college operated under ORS chapter
 12 341, a public university listed in ORS 352.002 or the Oregon Health and Science University.

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

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

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

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

22 (5) "Sponsor" means:

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

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

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

28 (6)(a) "Virtual public charter school" means a public charter school that provides online
 29 courses.

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

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

33 338.065. (1)(a) Upon approval of a proposal by a school district board under ORS 338.055, the
 34 school district board shall become the sponsor of the public charter school.

35 (b) Pursuant to ORS 338.075 (2) or (3) **or 338.120**, the State Board of Education shall become the
 36 sponsor of the public charter school.

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

39 (2) The sponsor and the applicant shall develop a written charter that contains the provisions
 40 of the proposal that have been duly approved by the sponsor and public charter school governing
 41 body. As provided by ORS 338.055 (6), the sponsor and the applicant may agree to change elements
 42 of the proposal prior to incorporating them into the charter. The charter, when duly executed by
 43 the sponsor and the public charter school governing body, shall act as the legal authorization for
 44 the establishment of the public charter school. The charter shall be legally binding on both the
 45 sponsor and the public charter school governing body.

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

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

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

6 (c) Subsequent renewals of a charter shall be for a minimum of five years but may not exceed
7 10 years.

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

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

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

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

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

20 (f) If the sponsor does not renew the charter, the public charter school governing body may
21 address the reasons stated under paragraph (d) of this subsection and any remedial measures sug-
22 gested by the sponsor and submit a revised request for renewal to the sponsor.

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

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

30 (b) If the state board finds that the sponsor used the process required by this section in denying
31 the request for renewal, the state board shall affirm the decision of the sponsor. A public charter
32 school governing body may seek judicial review of an order of the state board pursuant to ORS
33 183.484.

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

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

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

45 (8)(a) The sponsor shall base the charter renewal decision on a good faith evaluation of whether

1 the public charter school:

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

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

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

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

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

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

16