

**Enrolled**  
**Senate Bill 767**

Sponsored by COMMITTEE ON EDUCATION

CHAPTER .....

AN ACT

Relating to public charter school operations in nonsponsoring school districts; creating new provisions; amending ORS 332.158; and declaring an emergency.

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

**SECTION 1.** Section 2 of this 2023 Act is added to and made a part of ORS chapter 338.

**SECTION 2.** (1) As used in this section:

(a) “Nonsponsoring school district board” means the school district board that:

(A) Is the school district board of the school district in which a public charter school is operating, or proposes to operate, a school or a tutoring or testing facility; and

(B) Is not the sponsor of the public charter school.

(b) “Nonvirtual public charter school” means a public charter school that:

(A) Is not a virtual public charter school; and

(B) Is not sponsored by the State Board of Education.

(c) “Sponsoring school district” is the school district of the sponsor of a public charter school.

(2) If a public charter school is a nonvirtual public charter school, the governing body of the nonvirtual public charter school:

(a) Except as provided by paragraph (c) of this subsection, may operate a school that is not located in the sponsoring school district only if the governing body has received written permission from the nonsponsoring school district board. The governing body must receive written permission under this paragraph prior to the first day on which students will attend classes at the school.

(b) Except as provided by paragraph (d) of this subsection, may operate a tutoring or testing facility that is not located in the sponsoring school district only if the governing body has received written permission from the nonsponsoring school district board. The governing body must receive written permission under this paragraph prior to the first day the students will receive tutoring or testing at the facility.

(c) May operate a school that is not located in the sponsoring school district and without complying with the requirements of paragraph (a) of this subsection only if:

(A) For a school that began operating prior to the effective date of this 2023 Act:

(i) The location of the school has not changed since the effective date of this 2023 Act; and

(ii) Written notification is provided to the nonsponsoring school district board each time the charter for the public charter school is renewed.

**(B) For a school that began operating after the effective date of this 2023 Act and prior to January 1, 2024:**

**(i) The governing body operating the school had entered into a charter for a public charter school in the sponsoring school district prior to January 1, 2023;**

**(ii) The school district in which the school will be located is adjacent to the sponsoring school district; and**

**(iii) Written notification is provided to the nonsponsoring school district board:**

**(I) Prior to the first day the students will attend classes at the school; and**

**(II) Each time the charter for the public charter school is renewed.**

**(d) May operate a tutoring or testing facility that is not located in the sponsoring school district and without complying with the requirements of paragraph (b) of this subsection only if:**

**(A) The public charter school began operating as a public charter school prior to January 1, 2023; and**

**(B) Written notification is provided to the nonsponsoring school district board each time the charter for the public charter school is renewed.**

**(3) If a public charter school is a virtual public charter school, the governing body:**

**(a) May not operate a school in a school district that is not the sponsoring school district.**

**(b) May operate administrative offices in a nonsponsoring school district only after the governing body provides written notification to the nonsponsoring school district board:**

**(A) Prior to the first day the administrative offices are open; and**

**(B) Each time the charter for the public charter school is renewed.**

**(c) May operate a tutoring or testing facility that is not located in the sponsoring school district only if the governing body provides written notification to the nonsponsoring school district board:**

**(A) Prior to the first day the students will receive tutoring or testing at the facility for a facility that began operating after the effective date of this 2023 Act; and**

**(B) Each time the charter for the public charter school is renewed.**

**(4) If a public charter school is sponsored by the State Board of Education, the governing body of the public charter school may not operate a school or a testing or tutoring facility that is not located in the school district specified by the school's charter.**

**(5) If the governing body of a public charter school does not comply with the provisions of this section, the nonsponsoring school district board may file a complaint with the Superintendent of Public Instruction. Upon receipt of a complaint, the superintendent shall schedule a contested case hearing pursuant to ORS 183.413 to 183.470. Upon a determination that the governing body did not comply with the requirements of this section, the superintendent may withhold State School Fund moneys otherwise due to the public charter school under ORS 338.155. The superintendent shall withhold moneys until the governing body is in compliance or until some other date determined by the superintendent.**

**SECTION 3.** ORS 332.158 is amended to read:

**332.158. (1) A district school board may lease, purchase, construct, reconstruct, improve, repair, equip or furnish a school in another school district and may expend bond proceeds or other funds available to the board for such purposes if the board has the written permission of the district school board of the school district in which the school will be located. The written permission required by this subsection must be obtained prior to the first day on which students will attend classes in the school.**

*(2) A public charter school may lease, purchase, construct, reconstruct, improve, repair, equip or furnish a school, or any other facility where students receive instruction, in another school district and may expend funds available to the public charter school for such purposes if the public charter school provides written notice to the sponsor of the public charter school and to the district school board of the school district in which the school or facility will be located. The written notice required by this*

subsection must be provided prior to the first day on which students will attend classes in the school or receive instruction at the facility.]

[(3)] (2) If a district school board [or public charter school] opens or operates a school [or facility] in another school district and does not obtain the written permission required by subsection (1) of this section [or provide the written notice required by subsection (2) of this section], the board of the school district in which the school [or facility] has been opened or operated may file a complaint with the Superintendent of Public Instruction. Upon receipt of a complaint, the superintendent shall schedule a contested case hearing pursuant to ORS 183.413 to 183.470.

[(4)] (3) Upon a determination that the written permission required by subsection (1) of this section was not obtained [or the written notice required by subsection (2) of this section was not provided], the superintendent shall withhold State School Fund moneys otherwise allocated to the school district [or due to the public charter school under ORS 338.155]. The superintendent shall withhold moneys until the written permission is obtained [or the written notice is provided,] or until some other date determined by the superintendent.

**(4) The provisions of this section do not apply to a public charter school.**

**SECTION 4. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect on its passage.**

**Passed by Senate March 8, 2023**

.....  
Lori L. Brocker, Secretary of Senate

.....  
Rob Wagner, President of Senate

**Passed by House May 23, 2023**

.....  
Dan Rayfield, Speaker of House

**Received by Governor:**

.....M.,....., 2023

**Approved:**

.....M.,....., 2023

.....  
Tina Kotek, Governor

**Filed in Office of Secretary of State:**

.....M.,....., 2023

.....  
Secretary of State