

House Bill 3215

Sponsored by Representative MCINTIRE (Pre-session filed.)

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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Expands the types of entities that can sponsor a public charter school. (Flesch Readability Score: 67.7).

Allows chambers of commerce, community-based organizations, industry trade associations, corporations and nonprofit organizations to sponsor a public charter school.

A BILL FOR AN ACT

Relating to sponsorship of public charter schools; amending ORS 327.185, 327.195, 327.362, 327.825, 338.005, 338.035, 338.055, 338.065, 338.075, 338.105, 338.120, 338.130, 338.135, 338.155 and 338.165.

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

SECTION 1. ORS 338.005 is amended to read:

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

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

(2) "Community sponsor" means:

(a) A chamber of commerce;

(b) A community-based organization;

(c) An industry trade association; or

(d) A corporation or nonprofit organization that satisfies requirements prescribed by the State Board of Education by rule.

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

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

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

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

(4) (5) "Sponsor" means:

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

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

(c) A community sponsor pursuant to ORS 338.075.

(5)(a) (6)(a) "Virtual public charter school" means a public charter school that provides online

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 courses.

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

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

5 338.035. (1) A public charter school may be established:

6 (a) As a new public school;

7 (b) As a virtual public charter school;

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

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

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

11 (A) Be approved by a sponsor;

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

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

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

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

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

20 (3)(a) Except for a public charter school that is not required to comply with subsection (2)(a)(B)
21 and (C) of this section as provided by subsection (2)(b) of this section, a member of the school dis-
22 trict board of the school district within which a public charter school is located may not be a voting
23 member of the public charter school governing body.

24 (b) A member of the school district board of the school district within which a public charter
25 school is located may act in an advisory capacity on the public charter school governing body.

26 (4) An applicant seeking to establish a public charter school shall submit a proposal pursuant
27 to ORS 338.045 to the school district board of the school district within which the public charter
28 school will be located by the date identified by the school district board. The school district board
29 shall identify a date that is at least 180 days prior to the date on which the public charter school
30 would begin operating and that provides a reasonable period of time for the school district board
31 to complete the approval process described in ORS 338.055 and for the public charter school to begin
32 operating by the beginning of a school year. An applicant may consult with the school district board
33 prior to submitting a proposal, and the school district board may require an applicant to submit a
34 letter of intent within a reasonable period of time prior to submitting a proposal.

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

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

39 (b) Notwithstanding paragraph (a) of this subsection, a school in a school district that is com-
40 posed of only one school may become a public charter school. For a public charter school that is
41 the only school in the school district, the public charter school and the school district may be con-
42 sidered to be a single legal entity for the purposes of this chapter if:

43 (A) The public charter school is not required to comply with subsection (2)(a)(B) and (C) of this
44 section;

45 (B) All of the members of the school district board are voting members of the public charter

1 school governing body as allowed by subsection (3)(a) of this section;

2 (C) The school district and the public charter school share employees; and

3 (D) The school district and the public charter school share assets and liabilities.

4 (7)(a) An entity described in ORS 338.005 [(4)] (5) may not approve a public charter school pro-
5 posal that authorizes the conversion of any private school that is tuition based to a public charter
6 school.

7 (b) Notwithstanding paragraph (a) of this subsection, an entity described in ORS 338.005 [(4)] (5)
8 may authorize the conversion of an existing alternative education program, as defined in ORS
9 336.615, to a public charter school.

10 (8) An entity described in ORS 338.005 [(4)] (5) may not approve a proposal for a public charter
11 school that is affiliated with a nonpublic sectarian school or a religious institution.

12 **SECTION 3.** ORS 338.055 is amended to read:

13 338.055. (1)(a) Upon receipt of a proposal submitted under ORS 338.045, the school district board
14 shall determine whether the proposal is complete. A proposal is complete if the proposal addresses,
15 at least minimally, each element required by ORS 338.045 (2) and (3).

16 (b) The school district board shall notify an applicant within 30 days after receipt of a proposal
17 if the proposal is not complete and identify the specific elements of the proposal that are not com-
18 plete. The school district board shall provide the applicant with a reasonable opportunity to com-
19 plete the proposal.

20 (c) A proposal may be disapproved if the applicant has received a reasonable opportunity to
21 complete the proposal and the applicant does not provide a proposal that is complete.

22 (d) If the school district board disapproves a proposal as provided by paragraph (c) of this sub-
23 section, the applicant may appeal the decision to the State Board of Education. The State Board of
24 Education may review the proposal only for completeness and may determine that the proposal is:

25 (A) Not complete and uphold the decision of the school district board; or

26 (B) Complete and remand the proposal to the school district board for consideration.

27 (2) Within 60 days after receipt of a completed proposal, the school district board shall hold a
28 public hearing on the provisions of the proposal.

29 (3) The school district board shall evaluate a proposal in good faith using the following criteria:

30 (a) The demonstrated, sustainable support for the public charter school by teachers, parents,
31 students and other community members, including comments received at the public hearing held
32 under subsection (2) of this section;

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

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

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

41 (e) The adequacy of the information provided as required by ORS 338.045 (2) and (3);

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

45 (g) Whether there are arrangements for any necessary special education and related services for

1 children with disabilities pursuant to ORS 338.165;

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

5 (i) The prior history, if any, of the applicant in operating a public charter school or in providing
6 educational services.

7 (4) The school district board must approve a proposal or state in writing the reasons for disap-
8 proving a proposal within 30 days after the public hearing held under subsection (2) of this section.

9 (5)(a) Written notice of the school district board's action shall be sent to the applicant. If the
10 proposal is not approved:

11 (A) The reasons for the denial and suggested remedial measures, if any, shall be clearly stated
12 in the notice sent by the school district board to the applicant; and

13 (B) The applicant may amend the proposal to address objections and any suggested remedial
14 measures and resubmit the proposal to the school district board.

15 (b) The school district board shall approve or disapprove the resubmitted proposal within 30
16 days after receiving it. If the proposal is not approved, the applicant may appeal the decision of the
17 school district board to the State Board of Education.

18 (c) When the State Board of Education receives an appeal under this subsection, the board may
19 review the resubmitted proposal only to determine whether:

20 (A) The school district board used the process required by this section in denying the proposal;

21 (B) The proposal meets the criteria described in subsection (3) of this section; and

22 (C) The reasons stated by the school district board for the denial are valid.

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

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

26 (B) Remand the proposal to the school district board for reconsideration.

27 (6)(a) Individual elements in a public charter school proposal may be changed through the pro-
28 posal and chartering process by mutual agreement of the school district board and the applicant.

29 (b) If the school district board and the applicant are unable to agree on a change during the
30 proposal or chartering process, the school district board or the applicant may request mediation by
31 the State Board of Education.

32 (c) If the school district board and the applicant are unable to reach an agreement following
33 mediation as described in paragraph (b) of this subsection, the proposal submitted under ORS
34 338.045, without the change that was the subject of mediation, shall be the proposal that governs
35 the public charter school and:

36 (A) The parties may execute the charter for the public charter school based on the proposal;

37 (B) The applicant may withdraw the proposal; or

38 (C) The school district board may disapprove the proposal.

39 (7) Before an existing public school is converted to a public charter school, the proposal for the
40 conversion must be approved by the school district board of the public school.

41 (8) Entities described in ORS 338.005 [(4)] (5) may not charge any fee to applicants for the pro-
42 posal process.

43 (9) Upon request by a school district, the State Board of Education may grant an extension of
44 any timeline required by this section if the district has good cause for requesting the extension.

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

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

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

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

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

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

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

17 (c) Subsequent renewals of a charter shall be for a minimum of five years but may not exceed
 18 10 years.

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

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

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

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

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

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

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

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

41 (b) If the state board finds that the sponsor used the process required by this section in denying
 42 the request for renewal, the state board shall affirm the decision of the sponsor. A public charter
 43 school governing body may seek judicial review of an order of the state board pursuant to ORS
 44 183.484.

45 (c) If the state board finds that the sponsor did not use the process required by this section in

1 denying the request for renewal, the state board shall order the sponsor to reconsider the request
2 for renewal.

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

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

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

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

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

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

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

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

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

27 **SECTION 5.** ORS 338.075 is amended to read:

28 338.075. (1) If a school district board disapproves a proposal to establish a public charter school
29 following reconsideration of a proposal pursuant to ORS 338.055 (5), the applicant may:

30 (a) Request that the State Board of Education review the decision of the school district
31 board[.]; **or**

32 **(b) Submit a proposal to an entity identified in ORS 338.005 (2).**

33 (2)(a) If the State Board of Education reviews a decision of the school district board, as provided
34 by subsection (1) of this section, the State Board of Education may review the decision only to de-
35 termine whether:

36 (A) The school district board used the process required by ORS 338.055 in denying the proposal;

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

38 (C) The reasons stated by the school district board for the denial are valid.

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

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

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

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

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

5 **(4)(a) An applicant seeking sponsorship by an entity identified in ORS 338.005 (2) may**
 6 **submit to the entity the same proposal that was submitted to the school district board under**
 7 **ORS 338.045 or a proposal that is modified to take into consideration the characteristics of**
 8 **the entity evaluating the proposal under this subsection.**

9 **(b) Upon receipt of a proposal, an entity identified in ORS 338.005 (2) may evaluate the**
 10 **proposal and may approve or disapprove the proposal. A proposal may be approved only after**
 11 **considering the criteria described in ORS 338.055 (3)(b) to (i) and ensuring compliance with**
 12 **the provisions of paragraph (d) of this subsection.**

13 **(c)(A) The following decisions by an entity identified in ORS 338.005 (2) are final and not**
 14 **subject to appeal:**

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

16 **(ii) The approval or disapproval of a proposal for a public charter school.**

17 **(B) The process by which an entity makes a decision described in subparagraph (A) of**
 18 **this paragraph is not subject to appeal.**

19 **(d) If a public charter school has a community sponsor and the public charter school**
 20 **enters into a contract with a third-party entity to provide educational services for the public**
 21 **charter school:**

22 **(A) A member of the governing body of the public charter school or the governing body**
 23 **of the sponsor may not be an employee of the third-party entity, be a member of the gov-**
 24 **erning board of the third-party entity or be any other representative of the third-party en-**
 25 **tity;**

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

28 **(C) The educational services provided by the third-party entity must comply with state**
 29 **standards and requirements, and any provision of the contract with the third-party entity**
 30 **that does not allow for the provision of educational services that comply with state standards**
 31 **and requirements is void.**

32 **SECTION 6.** ORS 338.105 is amended to read:

33 338.105. (1) During the term of a charter, the sponsor may terminate the charter on any of the
 34 following grounds:

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

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

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

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

39 (e) Failure to maintain financial stability.

40 (f) Failure to maintain, for one or more consecutive years, a sound financial management system
 41 described in the proposal submitted under ORS 338.045 and incorporated into the written charter
 42 under ORS 338.065.

43 (2)(a) If a charter is terminated under subsection (1) of this section, the sponsor shall notify the
 44 public charter school governing body at least 60 days prior to the proposed effective date of the
 45 termination. The notice shall state the grounds for the termination.

1 (b) If the grounds for termination include failure to maintain financial stability or failure to
 2 maintain a sound financial management system, the sponsor and the public charter school may agree
 3 to develop a plan to correct deficiencies. Under a plan to correct deficiencies:

4 (A) The public charter school may attempt to correct any deficiencies related to financial sta-
 5 bility or to a sound financial management system by a date identified by the sponsor, which may
 6 not be less than 60 days from the date of the notice;

7 (B) The proposed effective date of the termination may be extended to the date identified under
 8 subparagraph (A) of this paragraph;

9 (C) The sponsor may withhold up to 50 percent of the moneys owed to the public charter school
 10 while the public charter school is on the plan to correct deficiencies unless the withholding would
 11 create an undue hardship, as determined pursuant to rules of the State Board of Education; and

12 (D) The sponsor must hold in trust any moneys withheld under subparagraph (C) of this para-
 13 graph until:

14 (i) The public charter school complies with the plan to correct deficiencies, at which time the
 15 public charter school is entitled to the moneys held in trust; or

16 (ii) The public charter school fails to comply with the plan to correct deficiencies, at which time
 17 the charter is terminated and the public charter school forfeits any claim to the moneys held in
 18 trust.

19 (c) A deadline to correct deficiencies under paragraph (b)(A) of this subsection may be extended
 20 by mutual agreement of the sponsor and the public charter school.

21 (d) The public charter school governing body may request a hearing by the sponsor in relation
 22 to a termination of the charter or a plan to correct deficiencies.

23 (3) A public charter school governing body may appeal a decision of a sponsor under this sec-
 24 tion. The appeal shall be to:

25 (a) The State Board of Education if the sponsor is an entity described in ORS 338.005 [(4)(a)]
 26 **(5)(a) or (c)**. The State Board of Education shall:

27 (A) Review only:

28 (i) The grounds for termination under this section as stated by the school district board; or

29 (ii) A plan to correct deficiencies; and

30 (B) Adopt by rule procedures to ensure a timely appeals process to prevent disruption of
 31 students' education.

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

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

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

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

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

45 (5) Termination of a charter shall not abridge the public charter school's legal authority to op-

1 erate as a private or nonchartered public school.

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

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

6 (b) All student education records of the public charter school shall be transferred to the ad-
7 ministrative office of the school district in which the public charter school was located.

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

13 **SECTION 7.** ORS 338.120 is amended to read:

14 338.120. (1) In addition to any other requirements of this chapter for a public charter school, a
15 virtual public charter school must have:

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

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

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

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

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

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

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

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

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

31 (B) Teachers who are licensed to teach by the Teacher Standards and Practices Commission
32 teach at least 95 percent of the school's instructional hours.

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

35 (A) If the sponsor is a school district, within the school district that is the sponsor and as
36 specified in the charter of the school; [or]

37 (B) If the sponsor is the State Board of Education, at a central office located in Oregon and as
38 specified in the charter of the school[.]; or

39 **(C) If the sponsor is a community sponsor, within the school district where the public
40 charter school is located and as specified in the charter of the school.**

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

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

44 (B) Is offered an Internet service cost reimbursement arrangement under which the school re-
45 imburse the parent or guardian of the student, at a rate set by the school, for the costs of obtaining

1 Internet service at the minimum connection speed required to effectively access the education pro-
 2 gram provided by the school; or

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

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

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

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

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

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

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

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

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

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

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

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

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

31 (2) For a virtual public charter school:

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

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

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

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

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

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

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

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

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

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

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

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

12 (4)(a) The sponsor or a member of the public may request access to any of the documents de-
 13 scribed in subsections (1) and (3)(d) of this section that are public records, as provided by ORS
 14 192.311 to 192.478.

15 (b) Upon request by a sponsor or a member of the public, a virtual public charter school must
 16 provide reasonable access to the documents described in subsections (1) and (3)(d) of this section
 17 that are public records, as provided by ORS 192.311 to 192.478. The documents may be provided
 18 electronically.

19 **SECTION 8.** ORS 338.130 is amended to read:

20 338.130. (1) As used in this section:

21 (a) "Nonsponsoring school district board" means the school district board that:

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

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

25 (b) "Nonvirtual public charter school" means a public charter school that:

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

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

28 (c) "Sponsoring school district" is the school district of the sponsor of a public charter school.

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

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

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

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

42 (A) For a school that began operating prior to June 6, 2023;

43 (i) The location of the school has not changed since June 6, 2023; and

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

1 (B) For a school that began operating after June 6, 2023, and prior to January 1, 2024:

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

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

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

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

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

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

11 (A) The public charter school began operating as a public charter school prior to January 1,
12 2023; and

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

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

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

17 (b) May operate administrative offices in a nonsponsoring school district only after the govern-
18 ing body provides written notification to the nonsponsoring school district board:

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

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

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

23 (A) Prior to the first day the students will receive tutoring or testing at the facility for a facility
24 that began operating after June 6, 2023; and

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

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

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

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

38 338.135. (1) Employee assignment to a public charter school shall be voluntary.

39 (2)(a) A public charter school or the sponsor of the public charter school is considered the em-
40 ployer of any employees of the public charter school. If a school district board is not the sponsor
41 of the public charter school, the school district board may not be the employer of the employees of
42 the public charter school and the school district board may not collectively bargain with the em-
43 ployees of the public charter school. The public charter school governing body shall control the
44 selection of employees at the public charter school.

45 (b) If a virtual public charter school or the sponsor of a virtual public charter school contracts

1 with a for-profit entity to provide educational services through the virtual public charter school, the
 2 for-profit entity may not be the employer of any employees of the virtual public charter school un-
 3 less:

4 (A) The employee is an administrator who does not have any teaching responsibilities; and

5 (B) Both the executive officer of the sponsor and the public charter school governing body ap-
 6 prove employment by the for-profit entity. The executive officer or governing body may choose to
 7 grant approval under this subparagraph:

8 (i) For all employees of the for-profit entity who meet the description in subparagraph (A) of this
 9 paragraph;

10 (ii) Based on the job categories of the employees who meet the description in subparagraph (A)
 11 of this paragraph; or

12 (iii) On a case-by-case basis for each employee who meets the description in subparagraph (A)
 13 of this paragraph.

14 (3) The school district board of the school district within which the public charter school is lo-
 15 cated shall grant a leave of absence to any employee who chooses to work in the public charter
 16 school. The length and terms of the leave of absence shall be set by negotiated agreement or by
 17 board policy. However, the length of the leave of absence may not be less than two years unless:

18 (a) The charter of the public charter school is terminated or the public charter school is dis-
 19 solved or closed during the leave of absence; or

20 (b) The employee and the school district board have mutually agreed to a different length of
 21 time.

22 (4) An employee of a public charter school operating within a school district who is granted a
 23 leave of absence from the school district and returns to employment with the school district shall
 24 retain seniority and benefits as an employee pursuant to the terms of the leave of absence.
 25 Notwithstanding ORS 243.650 to 243.809, a school district that was the employer of an employee of
 26 a public charter school not operating within the school district may make provisions for the return
 27 of the employee to employment with the school district.

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

30 (b) For purposes of determining the salary paid to an active member of the Public Employees
 31 Retirement System under ORS 238A.005 (17) during the period between August 29, 2003, and January
 32 1, 2020, remuneration paid to a member in return for services to a public charter school is deemed
 33 includable in the member's taxable income under Oregon law during a period of continuous em-
 34 ployment with any public charter school if:

35 (A) The member was hired in a qualifying position by any public charter school on or after
 36 August 29, 2003;

37 (B) The member was informed in writing by the public charter school during the period of con-
 38 tinuous employment that the member was eligible to participate in the Public Employees Retirement
 39 System and the public charter school made contributions to the system on the member's behalf;

40 (C) The remuneration was, or would have been if the member were an Oregon resident,
 41 includable in the member's taxable income under Oregon law during the period of continuous em-
 42 ployment; and

43 (D) The member resided and performed services in the United States during the period of con-
 44 tinuous employment.

45 (c) As used in this subsection, "continuous employment" means employment with a public char-

1 ter school that is not interrupted by a period of more than 30 consecutive calendar days.

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

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

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

8 (c) Notwithstanding paragraph (a) or (b) of this subsection, at least one-half of the total full-time
9 equivalent (FTE) teaching and administrative staff at the public charter school shall be licensed by
10 the commission pursuant to ORS 342.125.

11 (8) Notwithstanding ORS 243.650, a public charter school shall be considered a school district
12 for purposes of ORS 243.650 to 243.809. An employee of a public charter school may be a member
13 of a labor organization or organize with other employees to bargain collectively. Bargaining units
14 at the public charter school may be separate from other bargaining units of the sponsor or of the
15 school district in which the public charter school is located. Employees of a public charter school
16 may be part of the bargaining units of the sponsor or of the school district in which the public
17 charter school is located.

18 (9) An entity described in ORS 338.005 [(4)] (5) may not waive the right to sponsor a public
19 charter school in a collective bargaining agreement.

20 **SECTION 10.** ORS 338.135, as amended by section 9, chapter 101, Oregon Laws 2024, is
21 amended to read:

22 338.135. (1) Employee assignment to a public charter school shall be voluntary.

23 (2)(a) A public charter school or the sponsor of the public charter school is considered the em-
24 ployer of any employees of the public charter school. If a school district board is not the sponsor
25 of the public charter school, the school district board may not be the employer of the employees of
26 the public charter school and the school district board may not collectively bargain with the em-
27 ployees of the public charter school. The public charter school governing body shall control the
28 selection of employees at the public charter school.

29 (b) If a virtual public charter school or the sponsor of a virtual public charter school contracts
30 with a for-profit entity to provide educational services through the virtual public charter school, the
31 for-profit entity may not be the employer of any employees of the virtual public charter school un-
32 less:

33 (A) The employee is an administrator who does not have any teaching responsibilities; and

34 (B) Both the executive officer of the sponsor and the public charter school governing body ap-
35 prove employment by the for-profit entity. The executive officer or governing body may choose to
36 grant approval under this subparagraph:

37 (i) For all employees of the for-profit entity who meet the description in subparagraph (A) of this
38 paragraph;

39 (ii) Based on the job categories of the employees who meet the description in subparagraph (A)
40 of this paragraph; or

41 (iii) On a case-by-case basis for each employee who meets the description in subparagraph (A)
42 of this paragraph.

43 (3) The school district board of the school district within which the public charter school is lo-
44 cated shall grant a leave of absence to any employee who chooses to work in the public charter
45 school. The length and terms of the leave of absence shall be set by negotiated agreement or by

1 board policy. However, the length of the leave of absence may not be less than two years unless:

2 (a) The charter of the public charter school is terminated or the public charter school is dis-
3 solved or closed during the leave of absence; or

4 (b) The employee and the school district board have mutually agreed to a different length of
5 time.

6 (4) An employee of a public charter school operating within a school district who is granted a
7 leave of absence from the school district and returns to employment with the school district shall
8 retain seniority and benefits as an employee pursuant to the terms of the leave of absence.
9 Notwithstanding ORS 243.650 to 243.809, a school district that was the employer of an employee of
10 a public charter school not operating within the school district may make provisions for the return
11 of the employee to employment with the school district.

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

14 (b) For purposes of determining the salary paid to an active member of the Public Employees
15 Retirement System under ORS 238A.005 (18) during the period between August 29, 2003, and January
16 1, 2020, remuneration paid to a member in return for services to a public charter school is deemed
17 includable in the member's taxable income under Oregon law during a period of continuous em-
18 ployment with any public charter school if:

19 (A) The member was hired in a qualifying position by any public charter school on or after
20 August 29, 2003;

21 (B) The member was informed in writing by the public charter school during the period of con-
22 tinuous employment that the member was eligible to participate in the Public Employees Retirement
23 System and the public charter school made contributions to the system on the member's behalf;

24 (C) The remuneration was, or would have been if the member were an Oregon resident,
25 includable in the member's taxable income under Oregon law during the period of continuous em-
26 ployment; and

27 (D) The member resided and performed services in the United States during the period of con-
28 tinuous employment.

29 (c) As used in this subsection, "continuous employment" means employment with a public char-
30 ter school that is not interrupted by a period of more than 30 consecutive calendar days.

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

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

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

37 (c) Notwithstanding paragraph (a) or (b) of this subsection, at least one-half of the total full-time
38 equivalent (FTE) teaching and administrative staff at the public charter school shall be licensed by
39 the commission pursuant to ORS 342.125.

40 (8) Notwithstanding ORS 243.650, a public charter school shall be considered a school district
41 for purposes of ORS 243.650 to 243.809. An employee of a public charter school may be a member
42 of a labor organization or organize with other employees to bargain collectively. Bargaining units
43 at the public charter school may be separate from other bargaining units of the sponsor or of the
44 school district in which the public charter school is located. Employees of a public charter school
45 may be part of the bargaining units of the sponsor or of the school district in which the public

1 charter school is located.

2 (9) An entity described in ORS 338.005 [(4)] (5) may not waive the right to sponsor a public
 3 charter school in a collective bargaining agreement.

4 **SECTION 11.** ORS 338.155 is amended to read:

5 338.155. (1)(a) Students of a public charter school shall be considered to be residents of the
 6 school district in which the public charter school is located for purposes of distribution of the State
 7 School Fund.

8 (b) All amounts to be distributed from the State School Fund for public charter schools shall
 9 first be distributed to the school district in which the public charter school is located.

10 (c) For the purpose of determining the amounts to be distributed to a school district from the
 11 State School Fund for a public charter school, the district extended ADMw described in ORS 327.013
 12 shall be calculated:

13 (A) Except as provided by subparagraph (B) or (C) of this paragraph, as though the students
 14 enrolled at a public charter school are students enrolled at the public schools of the school district
 15 in which the public charter school is located.

16 (B) By not including any portion of the ADM of the public charter school for the previous school
 17 year if the public charter school ceased to operate because of dissolution or closure or because of
 18 termination or nonrenewal of a charter.

19 (C) By calculating the current school year's ADMw separately for a virtual public charter
 20 school and for the school district if the school district, without consideration of the ADM of the
 21 virtual public charter school, had a decrease in ADM or ADMw compared to the previous school
 22 year.

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

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

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

32 (3) A school district shall contractually establish, with any public charter school that is spon-
 33 sored by the State Board of Education **or a community sponsor** and that is within the boundaries
 34 of the school district, payment for provision of educational services to the public charter school's
 35 students. The payment shall equal an amount per weighted average daily membership (ADMw) of the
 36 public charter school that is at least equal to:

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

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

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

44 (5) The school district in which the public charter school is located shall transfer an amount
 45 per weighted average daily membership (ADMw) of the public charter school that is equal to 50

1 percent of the amount of the school district's General Purpose Grant per ADMw as calculated under
 2 ORS 327.013 that is not paid to the public charter school through a contract created pursuant to
 3 subsection (3) of this section to the Department of Education.

4 (6) The department may use any moneys received under this section for activities related to
 5 public charter schools.

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

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

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

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

19 **SECTION 12.** ORS 338.165 is amended to read:

20 338.165. (1)(a) The school district in which a public charter school is located shall identify, lo-
 21 cate and evaluate students enrolled in the public charter school to determine which students may
 22 be in need of special education and related services.

23 (b) The school district in which a public charter school is located:

24 (A) Shall receive funding from the State School Fund as provided by this section for students
 25 who are eligible for special education and related services and who are enrolled in the public
 26 charter school; and

27 (B) Is eligible to receive high cost disabilities grants as provided by ORS 327.348 for students
 28 who are enrolled in the public charter school.

29 (c) Students who are eligible for special education and related services shall be considered stu-
 30 dents of the school district in which the public charter school is located for purposes of data col-
 31 lection and reporting.

32 (2) If a student is enrolled in a public charter school and is eligible for special education and
 33 related services, an additional amount shall be added to the ADM of the public charter school as
 34 described in ORS 327.013 (1)(c)(A)(i). The payment per ADMw in the public charter school that is
 35 attributable to the student who is eligible for special education and related services shall equal an
 36 amount that is at least equal to:

37 (a) 40 percent of the amount of the General Purpose Grant per ADMw for the school district in
 38 which the public charter school is located, as calculated under ORS 327.013, for students who are
 39 enrolled in kindergarten through grade eight; and

40 (b) 47.5 percent of the amount of the General Purpose Grant per ADMw for the school district
 41 in which the public charter school is located, as calculated under ORS 327.013, for students who are
 42 enrolled in grades 9 through 12.

43 (3) If the State Board of Education **or a community sponsor** is the sponsor of a public charter
 44 school, the school district in which the public charter school is located, for each ADMw that is at-
 45 tributable to a student enrolled in a public charter school who is eligible for special education and

1 related services, shall transfer five percent of the amount of the school district's General Purpose
2 Grant per ADMw as calculated under ORS 327.013 to the State Board of Education.

3 (4) Notwithstanding subsection (2) of this section, a school district and a public charter school
4 may negotiate on a case-by-case basis for an alternative distribution of funds other than the dis-
5 tribution prescribed by subsection (2) of this section.

6 (5) Payments under this section must be made within 10 days after a school district receives
7 payment from the State School Fund pursuant to ORS 327.095.

8 **SECTION 13.** ORS 327.185 is amended to read:

9 327.185. (1) As used in this section, "eligible applicant" means any of the following entities:

10 (a) Common school districts and union high school districts.

11 (b) The Youth Corrections Education Program or the Juvenile Detention Education Program.

12 (c) Public charter schools that are not virtual public charter schools **or that are not sponsored**
13 **by a community sponsor**, as **those terms are** defined in ORS 338.005, and that have a student
14 population of which:

15 (A) At least 35 percent of the student population is composed of students from the following
16 student groups:

17 (i) Economically disadvantaged, as described in ORS 327.180 (2)(b)(A);

18 (ii) Racial or ethnic groups that have historically experienced academic disparities, as described
19 in ORS 327.180 (2)(b)(B); or

20 (iii) Students with disabilities, as described in ORS 327.180 (2)(b)(C); and

21 (B) The percentage of the students from student groups identified under subparagraph (A) of this
22 paragraph is greater than or equal to:

23 (i) The percentage of all students in the school district who are economically disadvantaged, if
24 eligibility is determined based on the percentage of students who are economically disadvantaged;

25 (ii) The percentage of all students in the school district who are from racial or ethnic groups
26 that have historically experienced academic disparities, if eligibility is determined based on the
27 percentage of students who are from those racial or ethnic groups; or

28 (iii) The percentage of all students in the school district who are disabled, if eligibility is de-
29 termined based on the percentage of students who are disabled.

30 (2)(a) Eligible applicants may apply for a grant from the Student Investment Account to receive
31 a distribution under ORS 327.190.

32 (b) Notwithstanding ORS 338.155 (9), a public charter school that is not an eligible applicant
33 may not apply for a grant under this section.

34 (3) Prior to preparing a grant application, an eligible applicant must:

35 (a) If the eligible applicant is a school district, determine whether the school district will allow
36 public charter schools sponsored by, or located within, the school district to participate in the grant
37 application and the grant agreement.

38 (b) If the eligible applicant is a public charter school, determine whether the public charter
39 school intends to apply for a grant and provide notice of that intent to the school district in which
40 the public charter school is located and to the Department of Education.

41 (4)(a) If an eligible applicant is a school district and decides to include public charter schools
42 in the grant application and grant agreement, the school district must provide all public charter
43 schools sponsored by, or located within, the school district the opportunity to participate in the
44 grant application and grant agreement.

45 (b)(A) A public charter school is not required to participate in the grant application and grant

1 agreement of a school district.

2 (B) If a public charter school does not participate in a grant application and grant agreement
3 under this subsection:

4 (i) The ADMw of the public charter school may not be used in the calculation of the school
5 district ADMw for grants distributed under ORS 327.195; and

6 (ii) The public charter school is not entitled to any grant moneys distributed under ORS 327.195.

7 (C) If a public charter school participates in a grant application and grant agreement under this
8 subsection:

9 (i) The public charter school and school district shall enter into an agreement for the distrib-
10 ution of moneys or the provision of services, including any accountability measures required of the
11 public charter school by the school district;

12 (ii) The ADMw of the public charter school shall be used in the calculation of the school district
13 ADMw for grants distributed under ORS 327.195; and

14 (iii) The public charter school is entitled to any grant moneys or services provided for in the
15 agreement entered into under this subparagraph.

16 (5)(a) For the purpose of preparing a grant application, an eligible applicant must determine:

17 (A) Which of the allowed uses identified in ORS 327.180 (3) the eligible applicant will fund with
18 grant moneys; and

19 (B) Which of the eligible uses identified under subparagraph (A) of this paragraph the eligible
20 applicant will designate to meeting student mental and behavioral health needs.

21 (b) An eligible applicant shall make the determinations required under paragraph (a) of this
22 subsection by:

23 (A) Engaging in strategic planning; and

24 (B) Considering the recommendations of the Quality Education Commission established under
25 ORS 327.500 and recommendations from the advisory groups formed by the Department of Education
26 for the purposes of the statewide education plans developed and implemented by the department.

27 (6)(a) The strategic planning required under subsection (5) of this section must include:

28 (A) A completed needs assessment, as described in ORS 329.095;

29 (B) An analysis of the potential academic impact, both for the students of the eligible applicant
30 and for student groups identified in ORS 327.180 (2)(b), from the allowed uses that would be funded
31 by grant moneys; and

32 (C) The creation of budgets for the allowed uses that would be funded by grant moneys.

33 (b) The strategic planning required under subsection (5) of this section must take into consid-
34 eration:

35 (A) Input from the community of the eligible applicant, including school employees, students
36 from student groups identified in ORS 327.180 (2)(b) and parents of those students; and

37 (B) Data collected by the eligible applicant to enable the eligible applicant to make equity-based
38 decisions.

39 (7) Based on the strategic planning described in subsection (6) of this section, the eligible ap-
40 plicant shall develop a four-year plan for the use of grant moneys. The plan must be updated every
41 two years and must:

42 (a) Identify which allowed uses identified in ORS 327.180 (3) will be funded with grant moneys
43 and which of those uses will be designated to meet student mental and behavioral health needs.

44 (b) Describe how the allowed uses identified under paragraph (a) of this subsection will be used
45 to:

- 1 (A) Meet students’ mental and behavioral health needs;
- 2 (B) Increase academic achievement for students of the eligible applicant; and
- 3 (C) Reduce academic disparities for student groups identified in ORS 327.180 (2)(b) who are
- 4 served by the eligible applicant, and identify which of those student groups will benefit from the
- 5 allowed uses that are being funded with grant moneys.
- 6 (c) Include the budgets for the allowed uses to be funded with grant moneys.
- 7 (d) Be approved by the governing body of the eligible applicant at an open meeting, following:
- 8 (A) Provision of the plan at the main office of the eligible applicant and on the eligible
- 9 applicant’s website;
- 10 (B) Oral presentation of the plan by an administrator of the eligible applicant to the governing
- 11 body of the eligible applicant; and
- 12 (C) Opportunity for the public to comment on the plan at an open meeting.
- 13 (e) Be a part of the local district continuous improvement plan described in ORS 329.095, if the
- 14 eligible applicant is a school district.
- 15 (8) To apply for a grant, an eligible applicant must submit an application every two years in a
- 16 format and according to timelines prescribed by the Department of Education. The application must
- 17 include:
- 18 (a) A completed needs assessment, as described in ORS 329.095;
- 19 (b) The plan developed under subsection (7) of this section; and
- 20 (c) Budget estimates for each of the allowed uses identified in the plan developed under sub-
- 21 section (7) of this section that will be funded by grant moneys.
- 22 **SECTION 14.** ORS 327.195 is amended to read:
- 23 327.195. (1)(a) Except as provided by paragraph (d) of this subsection, the amount of a grant
- 24 awarded from the Student Investment Account = the grant recipient’s ADMw × (the total amount
- 25 available for distribution as grants in each biennium ÷ the total ADMw of all grant recipients).
- 26 (b) For purposes of this subsection and except as provided by paragraph (c) of this subsection,
- 27 ADMw equals:
- 28 (A) For school districts, the ADMw as calculated under ORS 327.013, except that the additional
- 29 amount allowed for students who are in poverty families, as determined under ORS 327.013
- 30 (1)(c)(A)(v)(I), shall be 0.5.
- 31 (B) For an educational program under the Youth Corrections Education Program or the Juvenile
- 32 Detention Education Program, as provided in ORS 327.026.
- 33 (c) When calculating ADMw for a school district, the Department of Education shall remove
- 34 from the calculation any amounts that are attributable to:
- 35 (A) A virtual public charter school **or a public charter school sponsored by a community**
- 36 **sponsor**, as **those terms are** defined in ORS 338.005;
- 37 (B) A public charter school that provided notice of the public charter school’s intent to apply
- 38 for a grant as an eligible applicant; and
- 39 (C) A public charter school sponsored by, or located within, the school district that did not
- 40 participate in the grant application or grant agreement.
- 41 (d) The amount of a grant distributed under this section may be adjusted by the department to
- 42 ensure that:
- 43 (A) A grant recipient does not receive any moneys for uses that are not allowed uses under ORS
- 44 327.180 (3).
- 45 (B) A school district with an ADMw of 50 or less receives a minimum grant amount.

1 (C) Each site of the Youth Corrections Education Program and the Juvenile Detention Educa-
 2 tion Program receives a grant amount that is no less than the minimum grant amount provided to
 3 a school district under subparagraph (B) of this paragraph.

4 (2) The State Board of Education shall adopt any rules necessary for the distribution of grants
 5 under this section, including establishing:

6 (a) The minimum grant amounts under subsection (1)(d) of this section; and

7 (b) Any percentages and timelines for installment payments and adjustments of those installment
 8 payments.

9 (3) A grant recipient shall deposit the grant moneys the grant recipient receives under this
 10 section into a separate account and shall apply amounts in that account as provided by the grant
 11 agreement.

12 **SECTION 15.** ORS 327.362 is amended to read:

13 327.362. (1) As used in this section:

14 (a) “ADMw” means weighted average daily membership, as calculated under ORS 327.013.

15 (b) “Eligible public charter school” means a public charter school that is not a virtual public
 16 charter school **or that is not sponsored by a community sponsor**, as **those terms are** defined
 17 in ORS 338.005, and that has a student population of which at least 65 percent of the total student
 18 population is composed of students from the following combined student groups:

19 (A) Racial or ethnic groups that have historically experienced academic disparities, as described
 20 in ORS 327.180 (2)(b)(B); and

21 (B) Students with disabilities, as described in ORS 327.180 (2)(b)(C).

22 (2) In addition to those moneys distributed through the State School Fund, the Department of
 23 Education shall award grants under this section to eligible public charter schools from the State-
 24 wide Education Initiatives Account.

25 (3) The amount of a grant awarded to an eligible public charter school under this section = the
 26 public charter school’s ADMw × the difference between:

27 (a) The amount of the General Purpose Grant per ADMw for the school district that has
 28 contractually established payment for the provision of educational services to the public charter
 29 school’s students under ORS 338.155 (2) or (3); and

30 (b) The amount of the General Purpose Grant per ADMw that the public charter school receives
 31 under a contract for the provision of educational services to the public charter school’s students
 32 under ORS 338.155 (2) or (3).

33 (4) The purpose of grants distributed under this section shall be to increase academic achieve-
 34 ment, including reducing academic disparities, for:

35 (a) Students from racial or ethnic groups that have historically experienced academic disparities,
 36 as determined under rules adopted by the State Board of Education; and

37 (b) Students with disabilities.

38 (5) Any eligible public charter school may apply for and receive a grant as provided by this
 39 section. A grant application must:

40 (a) Describe how grant moneys will be used to advance the purpose described in subsection (4)
 41 of this section.

42 (b) Specify the supports that will be:

43 (A) Provided to students with a disability; or

44 (B) Used to enhance special education and related services that are provided by a school district
 45 under ORS 338.165 to the students of the public charter school.

1 (c) Identify any applicable longitudinal performance growth targets for the public charter school
 2 that have been established:

3 (A) Under contract between the public charter school and the sponsor of the public charter
 4 school; or

5 (B) By the public charter school or the school district in which the public charter school is lo-
 6 cated for purposes of grants from the Student Investment Account, as provided by ORS 327.190.

7 (d) Be submitted based on the timelines and forms prescribed by the department.

8 (6)(a) If the department determines that a grant application complies with the requirements
 9 prescribed under this section, the department shall enter into a grant agreement with the eligible
 10 public charter school.

11 (b) A grant agreement must include longitudinal performance growth targets for the public
 12 charter school. If the grant application identified longitudinal performance growth targets, those
 13 targets shall be included in the grant agreement. If the grant application did not identify longitudi-
 14 nal performance growth targets, the public charter school shall collaborate with the department to
 15 develop longitudinal performance growth targets. Longitudinal performance growth targets must:

16 (A) Be based on data available for longitudinal analysis; and

17 (B) Use the following applicable metrics:

18 (i) Third-grade reading proficiency rates, as defined in ORS 327.190;

19 (ii) Regular attendance rates, as defined in ORS 327.190; and

20 (iii) Any other metrics identified by the department in collaboration with the public charter
 21 school.

22 (7) After the department and the public charter school have entered into a grant agreement, the
 23 department shall award a grant to the public charter school in the amount calculated under sub-
 24 section (3) of this section. A grant recipient shall deposit grant moneys received under this section
 25 into a separate account and shall apply the amounts in that account as provided by the grant
 26 agreement.

27 (8)(a) Each year, each grant recipient must submit to the department a description of:

28 (A) How grant moneys received under this section were used to advance the purpose described
 29 in subsection (4) of this section and to meet performance growth targets in the grant agreement; and

30 (B) Progress made by the grant recipient toward meeting the performance growth targets in the
 31 grant agreement.

32 (b) A grant recipient shall provide the information required under this subsection based on the
 33 timelines and forms prescribed by the department. To the greatest extent practicable, the depart-
 34 ment shall accept the information described in this subsection in the manner that it is made avail-
 35 able by a public charter school to the sponsor of the public charter school.

36 (9) To the greatest extent practicable, any requirements prescribed by the department or the
 37 board under this section in relation to an application, a grant agreement or the submission of in-
 38 formation under subsection (8) of this section shall reduce any redundancies between a grant
 39 awarded under this section and a grant awarded from the Student Investment Account. Reduction
 40 in redundancies includes accepting for the purposes of grants awarded under this section any ap-
 41 plicable forms or information submitted by the public charter school to the department or a school
 42 district for the purposes of a grant awarded from the Student Investment Account.

43 (10) A public charter school and a school district may not consider moneys received by the
 44 public charter school under this section when establishing payment for the provision of educational
 45 services to the public charter school's students under ORS 338.155 (2) or (3).

1 (11) Prior to February 1 of each year, the department shall submit to the appropriate interim
 2 legislative committees a report related to the grants awarded under this section. The report must
 3 describe:

4 (a) The public charter schools that applied for the grants and the public charter schools that
 5 received the grants;

6 (b) The longitudinal performance growth targets included in grant agreements, as provided by
 7 subsection (6)(b) of this section; and

8 (c) Progress made toward meeting longitudinal performance growth targets, as reported under
 9 subsection (8)(a) of this section.

10 (12) The State Board of Education shall adopt any rules necessary for the distribution of grants
 11 under this section.

12 **SECTION 16.** ORS 327.825 is amended to read:

13 327.825. As used in ORS 327.825 to 327.845:

14 (1) “Early elementary grades” means any grade from prekindergarten through grade three.

15 (2) “Elementary school” means a school of a school district, or a public charter school, with
 16 students in early elementary grades.

17 (3) “High-dosage tutoring” means one-on-one tutoring or tutoring in small groups, as determined
 18 by rule of the State Board of Education, that:

19 (a) Is provided in addition to daily instruction;

20 (b) Is provided two or more times each week over at least a 10-week period; and

21 (c) Uses a research-aligned tutoring model that is administered in a culturally responsive man-
 22 ner and that is combined with the training necessary for tutors to implement the model effectively.

23 (4) “Prekindergarten” means a preschool or prekindergarten program that is:

24 (a) Provided by a school district or public charter school; or

25 (b) Delivered in partnership between a school district and another organization.

26 (5) “Preschool” means a high-quality program that serves children at least three years of age
 27 but not older than five years of age.

28 (6) “Public charter school” means a public charter school that:

29 (a) Is established under ORS chapter 338; and

30 (b) Is not a virtual public charter school **or is not sponsored by a community sponsor**, as
 31 **those terms are** defined in ORS 338.005.

32 (7) “Qualified tutor” means an individual who is trained to implement a program providing
 33 high-dosage tutoring.

34 (8) “Research-aligned literacy strategies” means strategies that:

35 (a) Are literacy focused;

36 (b) Are culturally responsive and relevant to diverse learners;

37 (c) Are based on long-term research derived from the science of reading and writing; and

38 (d) Apply instructional practices that are developmentally appropriate and specifically designed
 39 for students with disabilities and students who are English language learners.

40 (9) “Science of reading and writing” means:

41 (a) The convergence of findings from research on reading and writing processes, development
 42 and instruction; and

43 (b) The teaching of phonemic awareness, phonics, fluency, vocabulary and comprehension
 44 through explicit and systematic instruction that can be differentiated to meet the needs of individual
 45 learners through developmentally appropriate practices.

- 1 (10) “Student groups that have historically experienced academic disparities” means:
2 (a) Economically disadvantaged students, as determined under rules adopted by the State Board
3 of Education;
4 (b) Students from racial or ethnic groups that have historically experienced academic disparities,
5 as determined under rules adopted by the State Board of Education;
6 (c) Students with disabilities;
7 (d) Students who are English language learners;
8 (e) Students who are foster children, as defined in ORS 30.297;
9 (f) Students who are homeless, as determined under rules adopted by the State Board of Edu-
10 cation;
11 (g) Students who attend an elementary school that:
12 (A) Is identified for comprehensive support and improvement or for targeted support and im-
13 provement under the federal Every Student Succeeds Act (P.L. 114-95, 129 Stat. 1802); or
14 (B) Qualifies for assistance under Title I of the federal Elementary and Secondary Education
15 Act of 1965; or
16 (h) Any other student groups that have historically experienced academic disparities, as deter-
17 mined under rules adopted by the State Board of Education by rule.
18