

1 ENGROSSED HOUSE
2 BILL NO. 2154

3 By: Hall of the House

4 and

5 Guthrie of the Senate

6 An Act relating to schools; amending 70 O.S. 2021,
7 Section 3-136, as amended by Section 7, Chapter 323,
8 O.S.L. 2023 (70 O.S. Supp. 2024, Section 3-136),
which relates to the Oklahoma Charter Schools Act;
9 exempting certain financial statements from contract
requirements; requiring the approval of charter
school budgets before each fiscal year; providing an
effective date; and declaring an emergency.

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12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. AMENDATORY 70 O.S. 2021, Section 3-136, as
14 amended by Section 7, Chapter 323, O.S.L. 2023 (70 O.S. Supp. 2024,
15 Section 3-136), is amended to read as follows:

16 Section 3-136. A. Beginning July 1, 2024, a written contract
17 entered into between the Statewide Charter School Board and the
18 governing board of a charter school or statewide virtual charter
19 school or a written contract entered into between a sponsor and the
20 governing board of a charter school shall ensure compliance with the
21 following:

22 1. Except as provided for in the Oklahoma Charter Schools Act,
23 a charter school and virtual charter school shall be exempt from all
24 statutes and rules relating to schools, boards of education, and

1 school districts; provided, however, a charter school or virtual
2 charter school shall comply with all federal regulations and state
3 and local rules and statutes relating to health, safety, civil
4 rights, and insurance. By January 1, 2000, the State Department of
5 Education shall prepare a list of relevant rules and statutes which
6 a charter school and virtual charter school must comply with as
7 required by this paragraph and shall annually provide an update to
8 the list;

9 2. A charter school shall be nonsectarian in its programs,
10 admission policies, employment practices, and all other operations.
11 A sponsor may not authorize a charter school or program that is
12 affiliated with a nonpublic sectarian school or religious
13 institution;

14 3. The charter contract shall provide a description of the
15 educational program to be offered. A charter school or virtual
16 charter school may provide a comprehensive program of instruction
17 for a prekindergarten program, a kindergarten program, or any grade
18 between grades one and twelve. Instruction may be provided to all
19 persons between four (4) and twenty-one (21) years of age. A
20 charter school or virtual charter school may offer a curriculum
21 which emphasizes a specific learning philosophy or style or certain
22 subject areas such as mathematics, science, fine arts, performance
23 arts, or foreign language. The charter of a charter school or
24 virtual charter school which offers grades nine through twelve shall

1 specifically address whether the charter school or virtual charter
2 school will comply with the graduation requirements established in
3 Section 11-103.6 of this title. No charter school shall be
4 chartered for the purpose of offering a curriculum for deaf or blind
5 students that is the same or similar to the curriculum being
6 provided by or for educating deaf or blind students that are being
7 served by the Oklahoma School for the Blind or the Oklahoma School
8 for the Deaf;

9 4. A charter school or virtual charter school shall participate
10 in the testing as required by the Oklahoma School Testing Program
11 Act and the reporting of test results as is required of a school
12 district. A charter school or virtual charter school shall also
13 provide any necessary data to the Office of Accountability within
14 the State Department of Education;

15 5. A charter school or virtual charter school shall be subject
16 to the same reporting requirements, financial audits, audit
17 procedures, and audit requirements as a school district. The State
18 Department of Education or State Auditor and Inspector may conduct
19 financial, program, or compliance audits. The Statewide Charter
20 School Board may request that the State Auditor and Inspector
21 conduct a financial, program, or compliance audit for any charter
22 school or virtual charter school it oversees. A charter school or
23 virtual charter school shall use the Oklahoma Cost Accounting System
24 to report financial transactions to the State Department of

1 Education. The charter school or virtual charter school shall be
2 subject to the limitations on spending, including provisions of the
3 Oklahoma Constitution, for any funds received from the state, either
4 through the State Department of Education or other sources.
5 Notwithstanding the requirements of this paragraph, charter schools

6 shall be exempt from filing a written itemized statement of
7 estimated needs and probable income from all sources, as described
8 in Section 3002 of Title 68 of the Oklahoma Statutes;

9 6. A charter school or virtual charter school shall comply with
10 all federal and state laws relating to the education of children
11 with disabilities in the same manner as a school district;

12 7. A charter school or virtual charter school shall provide for
13 a governing board for the school which shall be responsible for the
14 policies and operational decisions of the charter school or virtual
15 charter school. All of the charter school or virtual charter school
16 governing board members shall be residents of this state and shall
17 meet no fewer than ten (10) months of the year in a public meeting
18 within the boundaries of the school district in which the charter
19 school is located or within this state if the governing board
20 oversees multiple charter schools in this state or oversees a
21 virtual charter school. The governing board of a charter school or
22 virtual charter school shall be subject to the same conflict of
23 interest requirements as a member of a school district board of
24 education including but not limited to Sections 5-113 and 5-124 of

1 this title. Members appointed to the governing board of a charter
2 school or virtual charter school shall be subject to the same
3 instruction and continuing education requirements as a member of a
4 school district board of education and pursuant to Section 5-110 of
5 this title shall complete twelve (12) hours of instruction within
6 fifteen (15) months of appointment to the governing board and
7 pursuant to Section 5-110.1 of this title shall attend continuing
8 education;

9 8. A charter school or virtual charter school shall not be used
10 as a method of generating revenue for students who are being home
11 schooled and are not being educated at an organized charter school
12 site or by a virtual charter school;

13 9. A charter school or virtual charter school shall be as
14 equally free and open to all students as traditional public schools
15 and shall not charge tuition or fees;

16 10. A charter school or virtual charter school shall provide
17 instruction each year for at least the number of days or hours
18 required in Section 1-109 of this title;

19 11. A charter school or virtual charter school shall comply
20 with the student suspension requirements provided for in Section 24-
21 101.3 of this title;

22 12. A charter school or virtual charter school shall be
23 considered a school district for purposes of tort liability under
24 The Governmental Tort Claims Act;

1 13. Employees of a charter school or virtual charter school may
2 participate as members of the Teachers' Retirement System of
3 Oklahoma in accordance with applicable statutes and rules if
4 otherwise allowed pursuant to law;

5 14. A charter school or virtual charter school may participate
6 in all health and related insurance programs available to employees
7 of a public school district;

8 15. A charter school or virtual charter school and their
9 respective governing boards shall comply with the Oklahoma Open
10 Meeting Act and the Oklahoma Open Records Act;

11 16. The governing board of a charter school or virtual charter
12 school shall notify the sponsor within ten (10) business days in the
13 instance of any significant adverse actions, material findings of
14 noncompliance, or pending actions, claims, or proceedings in this
15 state relating to the charter school, the virtual charter school, or
16 an educational management organization with which the charter school
17 or virtual charter school has a contract;

18 17. No later than September 1 each year, the governing board of
19 each charter school or virtual charter school formed pursuant to the
20 Oklahoma Charter Schools Act shall prepare a statement of actual
21 income and expenditures for the charter school or virtual charter
22 school for the fiscal year that ended on the preceding June 30, in a
23 manner compliant with Section 5-135 of this title. The statement of
24 expenditures shall include functional categories as defined in rules

1 adopted by the State Board of Education to implement the Oklahoma
2 Cost Accounting System pursuant to Section 5-145 of this title.

3 Charter schools and virtual charter schools shall not be permitted
4 to submit estimates of expenditures or prorated amounts to fulfill
5 the requirements of this paragraph; and

6 18. A charter school or virtual charter school contract shall
7 include performance provisions based on a performance framework that
8 clearly sets forth the academic and operational performance
9 indicators that shall be used by charter school and virtual charter
10 school sponsors to evaluate their respective schools. The sponsor
11 may develop a separate performance framework to evaluate a charter
12 school or virtual charter school that has been designated by the
13 State Department of Education as implementing an alternative
14 education program throughout the school. The sponsor shall require
15 a charter school or virtual charter school to submit the data
16 required in this subsection in the identical format that is required
17 by the State Department of Education of all public schools in order
18 to avoid duplicative administrative efforts or allow a charter
19 school or virtual charter school to provide permission to the
20 Department to share all required data with the Board. The
21 performance framework shall serve as the minimum requirement for
22 charter school and virtual charter school performance evaluation and
23 shall include, but not be limited to, the following indicators:

24 a. student academic proficiency,

- b. student academic growth,
- c. achievement gaps in both proficiency and growth between major student subgroups,
- d. student attendance,
- e. recurrent enrollment from year to year as determined by the methodology used for public schools in Oklahoma,
- f. in the case of high schools, graduation rates as determined by the methodology used for public schools in Oklahoma,
- g. in the case of high schools, postsecondary readiness,
- h. financial performance and sustainability and compliance with state and Internal Revenue Service financial reporting requirements,
- i. audit findings or deficiencies,
- j. accreditation and timely reporting,
- k. governing board performance and stewardship including compliance with all applicable laws, regulations, and terms of the charter contract, and
- l. mobility of student population for the virtual charter school framework.

The sponsor including the Statewide Charter School Board shall annually evaluate its charter schools or virtual charter schools according to the performance framework. The results of the

1 evaluation shall be presented to the governing board of the charter
2 school or virtual charter school and the governing board of the
3 charter school sponsor in an open meeting; and

4 19. Preceding the beginning of each fiscal year, charter school
5 governing boards shall approve a budget for the upcoming fiscal
6 year.

7 B. An applicant or the governing board of an applicant may hold
8 one or more charter contracts. Each charter school or virtual
9 charter school that is part of a charter contract shall be separate
10 and distinct from any other charter school or virtual charter
11 school. For the purposes of this subsection, "separate and
12 distinct" shall mean that a charter school or virtual charter school
13 governing board with oversight of more than one charter school or
14 virtual charter school shall not combine accounting, budgeting,
15 recordkeeping, admissions, employment, or policies and operational
16 decisions of the charter schools or virtual charter schools it
17 oversees.

18 C. The charter contract of a charter school or virtual charter
19 school shall include a description of the personnel policies,
20 personnel qualifications, and method of school governance. A
21 charter school or virtual charter school shall not enter into an
22 employment contract with any teacher or other personnel until a
23 contract has been executed with its sponsor. The employment
24 contract shall set forth the personnel policies of the charter

1 school or virtual charter school including, but not limited to,
2 policies related to certification, professional development,
3 evaluation, suspension, dismissal and nonreemployment, sick leave,
4 personal business leave, emergency leave, and family and medical
5 leave. The contract shall also specifically set forth the salary,
6 hours, fringe benefits, and work conditions. The contract may
7 provide for employer-employee bargaining, but the charter school or
8 virtual charter school shall not be required to comply with the
9 provisions of Sections 509.1 through 509.10 of this title.

10 Upon contracting with any teacher or other personnel, the
11 governing board of a charter school or virtual charter school shall,
12 in writing, disclose employment rights of the employees in the event
13 the charter school or virtual charter school closes or the charter
14 contract is not renewed.

15 No charter school or virtual charter school may begin serving
16 students without a contract executed in accordance with the
17 provisions of the Oklahoma Charter Schools Act and approved in an
18 open meeting of the governing board of the sponsor or the Statewide
19 Charter School Board. The governing board of the sponsor or the
20 Statewide Charter School Board may establish reasonable preopening
21 requirements or conditions to monitor the start-up progress of newly
22 approved charter schools or virtual charter schools and ensure that
23 each brick-and-mortar school is prepared to open smoothly on the
24 date agreed and to ensure that each school meets all building,

1 health, safety, insurance, and other legal requirements for the
2 opening of a school.

3 D. The charter of a charter school or virtual charter school
4 may be amended at the request of the governing board of the charter
5 school or virtual charter school and upon the approval of the
6 sponsor.

7 E. A charter school or virtual charter school may enter into
8 contracts and sue and be sued.

9 F. The governing board of a charter school or virtual charter
10 school shall not levy taxes or issue bonds. A school district that
11 proposes a bond shall include any charter school established
12 pursuant to subsection A of Section 3-132 of this title and located
13 within the school district in planning conversations regarding the
14 bond.

15 G. The charter of a charter school or virtual charter school
16 shall include a provision specifying the method or methods to be
17 employed for disposing of real and personal property acquired by the
18 charter school or virtual charter school upon expiration or
19 termination of the charter or failure of the charter school or
20 virtual charter school to continue operations. Except as otherwise
21 provided, any real or personal property purchased with state or
22 local funds shall be retained by the sponsor. If a charter school
23 that was previously sponsored by the board of education of a school
24 district continues operation within the school district under a new

1 charter sponsored by an entity authorized pursuant to Section 3-132
2 of this title, the charter school may retain any personal property
3 purchased with state or local funds for use in the operation of the
4 charter school until termination of the new charter or failure of
5 the charter school to continue operations.

6 SECTION 2. This act shall become effective July 1, 2025.

7 SECTION 3. It being immediately necessary for the preservation
8 of the public peace, health or safety, an emergency is hereby
9 declared to exist, by reason whereof this act shall take effect and
10 be in full force from and after its passage and approval.

11 Passed the House of Representatives the 25th day of March, 2025.

Presiding Officer of the House
of Representatives

16 Passed the Senate the day of , 2025.

Presiding Officer of the Senate