

**A-Engrossed**  
**House Bill 3174**

Ordered by the House May 6  
Including House Amendments dated May 6

Sponsored by COMMITTEE ON EDUCATION (at the request of Charter Schools Development Center)

**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.

Establishes process and criteria for renewal of charter of public charter school.  
**Declares emergency, effective July 1, 2005.**

**A BILL FOR AN ACT**

1  
2 Relating to renewal of charter of public charter school; creating new provisions; amending ORS  
3 338.065; and declaring an emergency.

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

5 **SECTION 1.** ORS 338.065 is amended to read:

6 338.065. (1) Upon approval of a proposal by a school district board under ORS 338.055, the  
7 school district board shall become the sponsor of the public charter school. The sponsor and appli-  
8 cant shall develop a written charter that contains the provisions of the proposal that have been duly  
9 approved by the sponsor and public charter school governing body. The sponsor and the applicant  
10 may agree to change elements of the proposal prior to incorporating them into the charter or ex-  
11 clude elements of the proposal from the charter. The charter, when duly executed by the sponsor  
12 and the public charter school governing body, shall act as the legal authorization for the establish-  
13 ment of the public charter school. The charter shall be legally binding on both the sponsor and the  
14 public charter school governing body. [*The charter shall be in effect for a period of not more than five*  
15 *years and may be renewed upon the authorization of the sponsor.*]

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

18 **(3)(a) The initial charter shall be in effect for a period of not more than five years and**  
19 **shall be renewed upon the authorization of the sponsor using the process and criteria es-**  
20 **tablished under this section.**

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

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

24 **(4)(a) The renewal of a charter shall use the process and criteria required by this section.**

25 **(b) The public charter school governing body shall submit a written renewal request to**  
26 **the sponsor for consideration at least 180 days prior to the expiration of the charter, unless**  
27 **the charter specifies a different timeline.**

28 **(c) Within 45 days after receiving a written renewal request from a public charter school**

**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 governing body, the sponsor shall hold a public hearing regarding the request for renewal.

2 (d) Within 10 days after the public hearing, the sponsor shall notify the public charter  
3 school governing body of the sponsor's intent about the renewal of the charter.

4 (e) Within 20 days after the public hearing, the sponsor shall approve the renewal of the  
5 charter or state in writing the reasons for denying the renewal of the charter.

6 (f) If the sponsor approves the renewal of the charter, the sponsor and the public charter  
7 school governing body shall negotiate a new charter within 90 days after the date on which  
8 the sponsor approved the renewal of the charter unless the sponsor and the public charter  
9 school governing body agree to an extension of the time period.

10 (g) If the sponsor does not renew the charter, the public charter school governing body  
11 may address the reasons stated under paragraph (e) of this subsection and any remedial  
12 measures suggested by the sponsor and submit a revised request for renewal to the sponsor.

13 (5)(a) If the sponsor does not renew the charter based on the revised request for renewal  
14 submitted under subsection (4)(g) of this section, the public charter school governing body  
15 may appeal the decision of the sponsor to the State Board of Education for a review of  
16 whether the sponsor used the process and criteria required by this section in denying the  
17 renewal of the charter.

18 (b) If the board finds that the sponsor used the process and criteria required by this  
19 section in denying the request for renewal, the board shall affirm the decision of the sponsor.  
20 A public charter school governing body may seek judicial review of an order of the board  
21 pursuant to ORS 183.484.

22 (c) If the board finds that the sponsor did not use the process or criteria required by this  
23 section in denying the request for renewal, the board shall order the sponsor to reconsider  
24 the request for renewal.

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

28 (e) If the board is the sponsor of a public charter school and the board does not renew  
29 the charter based on the revised request for renewal submitted under subsection (4)(g) of  
30 this section, the public charter school governing body may seek judicial review of an order  
31 of the board pursuant to ORS 183.484 for a review of whether the board used the process and  
32 criteria required by this section in denying the request for renewal.

33 (6)(a) The sponsor shall base the charter renewal decision on a good faith evaluation of  
34 whether the public charter school:

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

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

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

40 (D) Is fiscally stable; and

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

43 (b) The sponsor shall base the renewal evaluation described in paragraph (a) of this sub-  
44 section primarily on a review of the public charter school's annual performance reports,  
45 annual audit of accounts and annual site visit and review as required by ORS 338.095 and any

1 other information mutually agreed upon by the public charter school governing body and the  
2 sponsor.

3 **SECTION 2.** The amendments to ORS 338.065 by section 1 of this 2005 Act apply to ap-  
4 plications for renewal of a charter of a public charter school received by a sponsor on or  
5 after the effective date of this 2005 Act.

6 **SECTION 3.** This 2005 Act being necessary for the immediate preservation of the public  
7 peace, health and safety, an emergency is declared to exist, and this 2005 Act takes effect  
8 July 1, 2005.

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