



June 2010

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Legislative Committee Services  
State Capitol Building  
Salem, Oregon 97301  
(503) 986-1813

Background Brief on ...

# Charter Schools

The term "charter school" refers to a type of public school that is largely exempt from state and local regulations. The "charter" refers to an agreement between the school's board and its sponsor, typically with a school district, and describes how the school will be operated, what will be taught, and how success will be measured. If the terms of the charter are not met, the sponsor may close the school.

Proponents of charter schools cite the potential for greater innovation, parental involvement, and accountability. Skeptics see the potential for mismanagement, student upheaval through school closures, and greater financial costs for the district.

As of the 2009-2010 school year, there were nearly 5,000 charter schools in 39 states and the District of Columbia, serving over 1.5 million students. California has the most charter schools (820), followed by Arizona (507), Florida (416), Texas (281), and Ohio (328).

## Oregon Law

Oregon's charter school law (Senate Bill 100 – 1999) was vigorously debated and passed both the House and Senate by narrow margins. The law contains a number of components.

*Charter School Proposals* – Oregon law allows any entity to propose creating a charter school.

*Sponsorship* – Oregon law gives local school boards the right of first refusal to sponsor a charter school. If, after negotiation, the local board declines to sponsor, the school proponents may appeal that decision to the State Board of Education (SBE). If, after additional negotiation, the local district continues to decline sponsorship, the SBE may choose to sponsor the school.

*Students* – Charter schools must be voluntary and open to all students, with preference given to district students. If the number of applications exceeds the school’s capacity, then students are chosen by lottery. Once a school has been in operation for a year, preference may be given to students enrolled the prior year and siblings of students.

*Teachers* – Oregon law requires that at least half of a charter school’s teaching and administrative staff be fully licensed. All teachers and administrators who are not licensed must register with the Teachers Standards and Practices Commission (TSPC), that has the authority to suspend or revoke registration under certain circumstances. Oregon law allows, but does not require, charter school employees to collectively bargain. Employees may bargain as part of the larger school district if the school district is their sponsor, or as their own separate unit.

*Conversion* – Existing public schools may convert to charter status, but private schools may not. A private school that wishes to become a public charter school must dissolve and reformulate itself, with students applying to the school or chosen by lottery.

*Statewide Funding* – K-8 charter schools, if sponsored by their district, must receive at least 80 percent of the district’s General Purpose Grant per weighted average daily membership (ADMw) and high schools must receive 95 percent. If the charter school is sponsored by the SBE, a K-8 school is funded at 90 percent of the ADMw of the district in which the school is located, and a high school at 95 percent.

*Special Education* – A student who is eligible for special education services remains the responsibility of the student’s resident school district, although services may be provided by the charter school by contractual arrangement.

*Virtual Schools* – In 2005, the Legislature passed Senate Bill 1071 mandating that “if a public charter school offers any online courses as part of the curriculum of the school, then 50 percent or more of the students who attend the public

charter school must reside in the school district in which the public charter school is located.”

Senate Bill 767 (2009) imposed additional requirements on virtual schools and prohibited them, with some exceptions, from increasing the number of students receiving online instruction until July 1, 2011. The measure also prohibited the SBE from approving waivers of the 50 percent rule for virtual schools and revoked any waivers that were granted after April 2009.

Senate Bill 767 also established an Online Learning Task Force that recommended House Bill 3660 (2010). That measure was enacted and directed the SBE to develop a proposed governance model for virtual public schools and virtual public charter schools and to review the virtual school funding and the participation rates of students with disabilities. It also directed the appropriate legislative committees to determine whether provisions related to public charter schools should apply to virtual public charter schools.

*Appeals* – If a school district denies a charter proposal, the applicants may request that the SBE review the decision of the school district board.

Upon receipt of a request for review, the SBE:

- Shall attempt to mediate,
- May recommend revisions to applicant and school district, and
- May become the sponsor.

### **Federal Assistance**

The federal government’s Public Charter Schools Program provides grants for the planning, design, and initial implementation of charter schools through states’ departments of education.

Since 1999, Oregon has received a total of \$49 million in federal grants. The grant funds are intended to assist charter schools in meeting planning needs and implementation needs.

Each school is eligible for a planning grant up to \$60,000 (Phase 1), an implementation grant up

to \$225,000 (Phase 2), and a continued implementation grant up to \$225,000 (Phase 3).

### **Charter Schools in Oregon**

During the 2008-2009 school year, there were 88 charter schools, up from 79 charter schools in 2007-2008. Approximately 13 schools, denied by their local school district, have been sponsored by the SBE. Generally, charter schools have not been renewed by their local districts primarily due to financial instability or facility issues.

The Oregon Department of Education has identified three general types of public charter schools:

- Schools with a specific curriculum or method of instruction (e.g., Montessori, Waldorf, or focus on a foreign language) that are generally elementary schools;
- Schools that target at-risk students that are mostly middle and high schools, including the conversion of existing district and/or school programs; and
- Schools created by their communities to avoid closure due to district budget reductions.

Like other public schools, charter schools receive report cards and must meet federal No Child Left Behind requirements. In terms of academic achievement, most charter schools perform as well or better than regular district schools.

### **Staff and Agency Contacts**

Phyllis Guile

[Oregon Department of Education](#)

503-947-5685

[Legislative Committee Services](#)

503-986-1813

*The Department of Education assisted with the development of this document.*