

RULE IMPACT STATEMENT

TITLE 210. STATE DEPARTMENT OF EDUCATION

CHAPTER 40. GRANTS AND PROGRAMS-IN-AID.

SUBCHAPTER 87. RULES FOR PAYMENT TO CHARTER SCHOOLS

a. **What is the purpose of the proposed rule change?**

The purpose of the proposed rules is to clarify requirements for charter schools under 70 O.S. § 3-136, which requires charter schools to comply with federal, state, and local rules and statutes relating to health, safety, civil rights, and insurance and comply with reporting requirements and financial audits. The new proposed rule at 210:40-87-6 states the requirements for a charter school or a statewide virtual charter school established under the Oklahoma Charter School act to submit the surety bonds required under 70 O.S. § 5-129 and 70 O.S. §5-116A. The surety bonds serve as a form of insurance for school districts to protect state aid distributed to charter schools.

In addition, the new proposed rule at 210:40-87-7 establishes a framework for the operation, governance, and monitoring of the Statewide Virtual Charter School Board established by amendments to the Oklahoma Charter School Act during the 2012 legislative session. The proposed rule establishes basic requirements for submission of an application to the State Board of Education to sponsor a statewide virtual charter school and renewals of a contract for sponsorship, as well as reporting requirements to ensure oversight and accountability of statewide virtual charter school providers in accordance with the requirements of the Oklahoma Charter School Act.

b. **What classes of persons will be affected by the proposed rule change and what classes of persons will bear the costs of the proposed rule change?**

The proposed changes to the rule will affect prospective students of statewide virtual charter schools and their parents/legal guardians. The proposed changes to the rule will also affect the Statewide Virtual Charter School Board, as well as prospective administrative employees of the prospective statewide virtual charter school and any prospective virtual providers with whom the Statewide Virtual Charter School Board seeks to contract.

c. **What classes of persons will benefit from the proposed rule change?**

Students who reside in the State and their parents/legal guardians who are interested in enrolling in a virtual charter school program will benefit from the change. The Statewide Virtual Charter School Board will benefit from the addition of policies and procedures clarifying requirements for submission and consideration of an application for a statewide virtual charter school by the State Board of Education in accordance with the requirements of the Oklahoma Charter School Act.

d. **What is the probable economic impact of the proposed rule upon affected classes of persons or political subdivisions?**

The agency does not anticipate any economic impact upon affected classes of persons or political subdivisions as a result of implementation of the proposed rule change at this time.

e. **What is the probable cost to the agency to implement and enforce the proposed rule change?**

The agency does not anticipate any cost to the agency to implement and enforce as a result of the proposed change in the rule at this time. Additional record keeping, if any, will be performed by existing staff.

f. **What is the economic impact on any political subdivision to implement the proposed rule change?**

State aid is specifically authorized to fund a statewide virtual charter school which may be sponsored by the State Board of Education under the Oklahoma Charter School Act. In addition, since the Oklahoma Charter School Act authorizes the State Board of Education to retain up to five percent (5%) of the state aid allocated for the funding of administrative expenses, the Agency expects the economic impact, if any, to be greatly minimized.

g. **Will implementing the rule change have an adverse effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act?**

The agency does not anticipate any adverse economic impact on small business as a result of the proposed rule change at this time.

h. **Are there any other methods which are less costly, nonregulatory, or less intrusive to achieve the purpose of the proposed rule change?**

No.

i. **Will the rule change impact the public health, safety, and environment, and is the change designed to reduce significant risks to the public health, safety, and environment? If so, explain nature of risk and to what extent the proposed rule change will reduce the risk.**

The agency does not anticipate any impact on public health, safety, or environment as a result of implementation of the proposed rule at this time.

j. **What detrimental effect will there be on the public health, safety, and environment if the rule change is not implemented?**

The agency does not anticipate any detrimental effect on public health, safety, or environment as a result of implementation of the proposed rule at this time.

k. **Date Prepared:** February 22, 2013