



# ISSUE BRIEF

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**Jan McComb, Committee Administrator**

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## Charter Schools

What are charter schools?

Since the country's first charter school law passed in 1991 in Minnesota, the term "charter school" has come to encompass a wide variety of school types and governance structures, but is generally considered to be a school that operates independently from its local district school and is publicly funded. Laws among states vary in the degree of autonomy granted to charter schools. In return for this autonomy, charter schools are held accountable for the academic achievement of their students or their charter may be revoked.

How many states have charter school laws?

As of February 2000, there were over 1600 charter schools in 36 states and the District of Columbia.<sup>1</sup> States are: Alaska ('95); Arizona ('94); Arkansas ('95); California ('92); Colorado ('93); Connecticut ('96); Delaware ('95); Florida ('96); Georgia ('93); Hawaii ('94); Idaho ('98); Illinois ('96); Kansas ('94); Louisiana ('95); Massachusetts ('93); Michigan ('93); Minnesota ('91); Mississippi ('97); Missouri ('98); Nevada ('97); New Hampshire ('95); New Jersey ('96); New Mexico ('93); New York ('99), North Carolina ('96); Ohio ('97); Oklahoma ('99), Oregon ('99), Pennsylvania ('97); Rhode Island ('95); South Carolina ('96); Texas ('95); Utah, ('98); Virginia ('98); Wyoming ('95); and Wisconsin ('93).

Pros and Cons of charter schools

The National Conference of State Legislatures has monitored the charter school movement since its inception and has identified the following policy arguments.<sup>2</sup>

Arguments in favor of charter schools:

- ◆ Charter schools provide families with public school choice options. Parents will have the ability to choose the school best suited for their child.
- ◆ Charter schools can act as laboratories of reform, identifying successful practices that could be replicated by traditional district public schools. Also, by waiving regulations in a limited number of schools, the most prohibitive policies can be identified and eliminated for all schools.
- ◆ Through school choice, competition within the public school system is created, pressuring school districts to reassess their educational practices.
- ◆ Charters will lead to overall systemic reform through the pressure and competition of the choice mechanism.
- ◆ Charter schools, unlike traditional public schools are held accountable. If charters do not perform, they are not renewed.

Arguments against charter schools:

- ◆ Charter schools, due to their small size and limited numbers, will provide only some families with public school choice options, thereby raising issues of fairness and equity.
- ◆ Successful reform models such as New American Schools and Core Knowledge have already been identified. Why not attempt these reforms in existing schools? If rules and regulations are so burdensome, they should be waived for all public schools.
- ◆ Charter schools have an unfair advantage when competing against district public

<sup>1</sup> *The State of Charter Schools 2000 - Fourth-Year Report*, U.S Department of Education, February 2000.

<sup>2</sup> <http://www.ncsl.org/programs/educ/c1schls.htm#arguments>

schools since they tend to be smaller and free from regulations. Charter schools have access to federal funds and other revenue sources.

- ◆ Charters are too limited in scope to adequately pressure the entire public school system.
- ◆ Charters are not accountable as they are freed from rules and regulations intended to ensure quality in public education.

Does research support charter schools?

Research has begun on whether charter schools lead to higher student achievement. The U.S. Department of Education is conducting a four-year study. The fourth-year report<sup>3</sup> made several broad conclusions about charter schools:

- ◆ Most charter schools are small. Currently the median enrollment of all charter schools is about 137 students per school, whereas other public schools in charter states have an average of 475 students per school.
- ◆ Charter schools have, on average, a racial composition roughly similar to statewide averages. Some states like Connecticut, Massachusetts, Michigan and Minnesota, North Carolina, and Texas have a higher percentage of minority students. Charter schools in Alaska, California and Georgia serve a higher proportion of white students than do all public schools in those states.
- ◆ Charter schools serve, on average, a slightly lower proportion of students with disabilities. The percentage of students with disabilities served at charter schools is 8 percent, less than the 11 percent in other public schools in charter states.
- ◆ Charter schools serve the same percentage of limited English proficient students – approximately 10 percent.
- ◆ Charter schools enroll a slightly higher percentage of students eligible for free or reduced-price lunch than do all public schools in the 27 charter states surveyed.

A study done of 17 charter schools in ten California school districts by UCLA<sup>4</sup> found that the experiences of charter schools fell short of advocates' claims. The study found that charter schools had not been held accountable for student learning, school boards were ambivalent about monitoring the schools, schools exercised control over the type of student they served, the racial/ethnic makeup of schools varied, and that there were no mechanisms in place for charter schools and regular public schools to learn from each other.

Oregon's legislative charter school history

Charter school legislation was introduced during the 1993, 1995, and 1997 legislative sessions, but none were enacted.

In 1993, charter school legislation (HB 3671) was introduced, but no hearings were held.

In 1995, HB 2892 failed on the House floor, 27-33, and was then re-referred to the House Rules Committee. That committee amended and approved it, but the bill did not receive a second floor vote.

In 1997, eight different charter school bills were introduced; all failed to become law. SB 628 passed the Senate, 18-12, but failed on the House Floor, 29-31.

In 1999, charter school legislation (SB 100) became law, passing in the Senate 16-14, and passing in the House 32-26. The Governor signed SB 100 into law May 27 and it

<sup>3</sup> *The State of Charter Schools Fourth-Year Report*, U.S. Department of Education, February 2000.

<sup>4</sup> Wells, Amy Stuart, *Beyond the Rhetoric of Charter School Reform: A Study of Ten California School Districts*, UCLA Graduate School of Education & Information Studies, December 1998.

became effective upon that date.

Oregon's "charter-like" schools

Local school boards are free to create schools that have many attributes associated with charter schools, such as schools with a particular focus, curriculum, size, and school year. However, these schools remain under the authority of the school board and are only as autonomous as the district permits them to be, given the board retains legal liability for the actions taken by the schools. These schools are also subject to all state laws, such as those that require all teachers to be licensed by the state.

Prior to a state charter school being enacted, the 1997 legislature amended the state alternative education law, removing the constraint that these programs serve only "at risk" students, enabling all students to attend alternative schools, which may resemble a charter school in some aspects.

Oregon's charter school law

In 1999, the legislature passed SB 100, enabling charter schools to be created in Oregon, and HB 2550, which requires that unlicensed charter school teachers register with the Teacher Standards and Practices Commission.

SB 100 establishes a process for creating public charter schools, either as new entities, conversions from existing public schools, or from existing alternative education programs. The law requires a charter school to be approved and sponsored by the local school district board or by the State Board of Education. The State Board will be the sponsor only if the local board has declined to sponsor the charter school, and negotiations have failed to bring agreement between the local board and the charter applicant.

The charter is a legally binding agreement between the sponsor and the applicant that gives authorization for the charter school's existence. It is in force for a stated period of time, which may be up to five years, after which renewals may be negotiated. The sponsor may terminate the charter for cause.

Enrollment at a charter school is voluntary, and must be open to all students on an equitable basis, with priority given to residents of the school district. The charter school must offer a comprehensive instructional program, and may do so in part by contracting with the sponsoring school district or other appropriate entities. Laws that apply to other public schools do not apply to charter schools, with certain specified exceptions including state academic standards and assessment requirements, health and safety laws, and laws prohibiting discrimination. Charter schools may not be religion-based.

Employment at a charter school is voluntary; employees are selected by the charter school's governing body. At least one-half of the full-time equivalent teaching and administrative staff of the charter school must be licensed with the Teacher Standards and Practices Commission (TSPC). Non-licensed staff must register with the TSPC and undergo a criminal records check. Staff may choose to join the existing labor organization in the district or to form a separate unit for collective bargaining.

Funding flows from the state through the district to the charter school, unless the charter school is sponsored by the State Board of Education. Funding is negotiable in the charter, but shall be no less than 80 percent of the General Purpose Grant per ADMw<sup>5</sup> for students in

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<sup>5</sup> ADMw is a term used in the school funding formula to calculate the number of students in a school and stands for "average daily membership, weighted." Each student is counted as a single student, unless the student possesses certain characteristics that make that student more expensive to educate; those students are given greater weighting.

grades K-8, nor less than 95 percent of that figure for students in grades 9-12. The sponsoring district retains the balance of the General Purpose Grant.

The charter school is responsible transporting students, however, the school district shall be responsible for transporting students who reside in the district. The resident school district remains responsible for providing special education services.

HB 2550 requires unlicensed teachers employed by a charter school to register with the TSPC. The registration will be jointly submitted by the applicant and the charter school and will contain a description of the applicant's relevant background and a description of the teaching position the applicant is to fill. The TSPC will conduct a criminal background check on those registered, and, subject to the results of that check, approve the registration. The registration is valid for three years and may be renewed upon joint application from the teacher and the public charter school. The TSPC is directed to report to the Seventy-first and Seventy-second Legislative Assemblies on the charter school teacher registry.

Several entities have sprung up to assist those interested in creating charter schools. The Oregon Department of Education awards federal charter school grants and can answer questions regarding charter schools. The Oregon Charter School Service Center is also available to help those interested in starting a charter school. The Oregon School Boards Association has created a Charter School Resource Center to assist school boards with their questions.

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