

MEETING
OCTOBER 7, 1998

Task Force on Public Charter Schools

Dr. Paul L. Vance, Chairman

AGENDA

Wednesday, October 7, 1998

10:00 a.m.

Room 100, James Senate Office Building

I. Call to Order and Opening Remarks

II. Overview of the Charter School Concept and the Current Guidelines for Use by the Local School Systems

Dr. Robert C. Rice, Assistant State Superintendent for Research and Development
Maryland State Department of Education

III. Update on the Status of the Federal Charter Schools Program and a Review of Charter School Laws in Other States

Mr. Alex Medler, Charter School Consultant
U.S. Department of Education

IV. Review of HB 999 from the 1998 Legislative Session

Mr. Hiram Burch, Policy Analyst
Maryland Department of Legislative Services

V. Closing Remarks and Adjournment

Minutes of the Task Force on Public Charter Schools

October 7, 1998

The first meeting of the Task Force on Public Charter Schools was convened at 10:00 am on Wednesday, October 7, 1998 in Room 100 of the James Senate Office Building. All members were present with the exception of John Wistoff.

Call to Order and Opening Remarks

The chair opened the meeting by asking the task force members to introduce themselves. He proceeded to make opening remarks regarding some history on how the task force came into being and what to expect from today's meeting.

Overview of the Charter School Concept and the Current Guidelines for Use by local School System

The first scheduled speaker was Dr. Robert C. Rice, Assistant State Superintendent for Research and Development for the Maryland State Department of Education. He indicated that members of the task force have copies of the *Guidelines for Use of Local School Systems in Considering Charter School Applications* in their notebooks and that he had also provided members with a copy of a letter he had received from the Anti-Defamation League outlining their concerns about the guidelines document. He provided some background on the study group that was requested by the Maryland State Board of Education in late 1996. Dr. Rice said that since July 1997 as the department's point person on this issue he had received 30-35 calls regarding charter schools. Just this Fall, he has received about a dozen inquiries, including those from Baltimore City, Prince George's, Montgomery, Anne Arundel and Worcester counties. Dr. Rice said that the League of Women Voters had undertaken a study that resulted in the same recommendations as those of the study group. Dr. Vance asked whether the fourth paragraph of Dr. Rice's cover letter meant that the board would want to undertake a review of their guidelines before new legislation is considered. Dr. Rice said that he couldn't speak for the board on that.

Senator McCabe noted that while legislation is not required to allow county boards of education to authorize charter schools, some sort of spark is needed to get charter schools going in the State. Dr. Vance asked how many LEA's have developed a charter schools policy. Dr. Rice said that as far as he knows only Montgomery County is in the process of developing guidelines. Dr. Vance indicated that he would be presenting his recommendations as Superintendent to the Montgomery County board on November 10. Delegate Leopold suggested that the task force focus on the charge of the task force which is to enable Maryland charter schools to qualify and compete for federal funds and the task force was not created to debate whether charter schools are good or bad. Making reference to Senator McCabe's earlier comment, Dr. Jay Gillen commented that the spark that may be necessary is an alternative chartering agent, that is an agent other than the local board of education. Ms. Templeton said that while there is general support for charter schools, the task force should still review the guidelines.

Update on the Status of the Federal Charter Schools Program and a Review of Charter School Laws in Other States

The second scheduled speaker was Alex Medler of the U.S. Department of Education (formerly with the Education Commission of the States). He began by discussing the federal program and national trends. There are about 1,130 charter schools in the country, up from 800 last year, with another 200 approved. The average grant from the federal program is \$2 million, ranging from \$7.6 million to \$33,000. The average school receives \$60,000. Start-up funds account for 90 percent of the federal program. Grants can be used for up to three years. He noted that passage of enabling legislation is not a guarantee of receipt of federal funds. The federal program does require an enabling state statute that sets up a process for exemption from certain rules. Currently, the General Counsel has determined that Maryland is not eligible.

Mr. Medler offered to forward to the task force information on legislation that is pending before Congress that would potentially affect the ability of states to qualify and compete for federal funding. Delegate Marriott asked why it has been said that the Baltimore City schools would not be eligible even with the enabling legislation. Mr. Medler said that while enabling legislation is necessary, it is not sufficient; there are a dozen other aspects of the pending legislation. Delegate Leopold asked Mr. Medler to highlight the major features of the pending legislation. Mr. Medler said that it would prioritize funding based on the nature of State's enabling laws, such as the number of authorizing entities or avenues for appeal and the requirement for a five-year review by the entity with revokability authority, any caps on the number of schools allowed, and discretion over budget and personnel. At this time, the House and Senate versions differ, but it is likely the amount of funding to a State will be related to the number of charter schools in the state.

Senator McCabe asked about the application process. Mr. Medler said that there are two options: the department prefers that states apply and then disburse the grant money, but that individual schools may apply directly. Senator McCabe asked about potential staffing needs. Mr. Medler said that staffing requirements vary by state. As examples, in Colorado, there is one FTE in addition to work done at the district level and in Arizona, where there are about 250 charter schools, there are 3-5 full time people. Mr. Medler indicated that he had a document that describes some of the work that would be involved in administering a program. Dr. Gillen asked how the department determines that a state's policy environment would result in many charter schools. Mr. Medler responded that there are several factors, including the existence of several authorizing entities, caps, conversion. He noted that Florida and Colorado have determined that the authority should rest with the locals, but have established a satisfactory appeals process.

Mr. Medler then discussed some of the current research. He said that 70 percent of the charter schools have more applicants than space available, racially charter schools are roughly similar to the districts where they are located, and there is not much evidence of skimming, or taking the best students out of the regular public school. Many charter schools have untraditional grade levels, such as K-12. Ms. Cornish asked about performance. Mr. Medler said that student

achievement has not been reported yet, but offered to provide information about a preliminary Los Angeles study that shows significant progress in both reading and math. Delegate Leopold asked about teachers. Mr. Medler said that the data is mixed; while there is high turnover, there is no shortage of applicants. Senator McCabe asked about how charter schools are developed. Mr. Medler said that in some cases a small core group begins development and then attracts interested parties, in other cases a large community group is involved from the outset. Senator McCabe said that he is concerned that if the impetus is dissatisfied parents that the local board will not approve their request. Dr. Rice said that the State Board encourages charter schools to meet special needs. Mr. Medler closed by stating that the department does not encourage states to enact legislation solely to qualify for funding, but encourages each state to develop a workable system for that state.

Review of HB 999 from the 1998 Legislative Session

Hiram Burch, a policy analyst with the Department of Legislative Services, presented a description of House Bill 999 as originally introduced. This included a discussion of the fiscal impact and of the bill's supporters and opponents (written testimony was provided). Delegate Marriott brought up the fact that the bill states that the local board need only give the charter school 90-100 percent of funding. Delegate Leopold said that provision came from using New Jersey's law as a model. Delegate Leopold said that the Maryland Association of Boards of Education (MABE) had indicated a preference for simple enabling legislation and so asked Mr. Medler whether he thought that would be sufficient to qualify for federal funds. Mr. Medler responded that the General Counsel's office would have to answer that question. When asked whether any other states had legislation similar to House Bill 999, he answer that Oregon's is similar in its minimalist approach, but was not competitive for funding this past year. Delegate Marriott said that she would like the opportunity to further look at other state's legislation. Senator Conway asked about whether charter schools that are located in existing public school building would continue to be eligible to receive State school construction funds. Senator McCabe asked whether other educational choice initiatives, such as vouchers or tuition tax credits, have been found to compete with charter schools in other states. Mr. Medler said he couldn't respond to that question with certainty. The task force agreed that there should be follow-up on the issue of charter schools occupying a public school building.

Closing Remarks and Adjournment

The next meeting will be Oct. 20, 1998 at 2 p.m. in the same location. At that time, testimony from the public will be heard. In addition to inviting those who testified on House Bill 999 during the 1998 session, Delegate Leopold requested that a press release go out announcing the public hearing. The meeting adjourned at 11:45 a.m.

**GUIDELINES FOR USE BY
LOCAL SCHOOL SYSTEMS
IN CONSIDERING
CHARTER SCHOOL APPLICATIONS**

July 1997

**Maryland State Department of Education
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**GUIDELINES FOR USE BY LOCAL SCHOOL SYSTEMS
IN CONSIDERING CHARTER SCHOOL APPLICATIONS
July 1997**

In October 1996 the Maryland State Board of Education created a Public Charter School Study Group to explore issues that might impact charter schools in Maryland. That group presented a report to the State Board of Education and State Superintendent of Schools in early 1997. After deliberating the recommendations, the State Board of Education directed the Maryland State Department of Education to develop guidelines for local boards of education to use when considering charter school applications.

A significant recommendation of the Public Charter School Study Group endorsed the current Maryland statute that vests authority to establish schools with each local board of education. Among other recommendations presented was the recommendation that there be no change in legislation or regulation with respect to the authority to charter schools. The group further recommended that the Maryland State Department of Education provide advice and technical assistance as resources permit to local education agencies and that the State Board of Education consider appeals of public charter school controversies as currently permitted by the Education Article of the Annotated Code of Maryland and the Code of Maryland Regulations.

Public charter schools should not be viewed as a threat to traditional public education or public school funding. Ideally, public charter schools will focus on student achievement in an educational environment different than the existing public schools. To remain in operation, public charter schools must be able to meet the needs of their students, maintain a high degree of parent interest and student enrollment, and remain accountable under a limited-term agreement.

Public charter schools will likely be more autonomous than traditional public schools within each school system. Public charter schools will function within the parameters of their individual authorizing charters and will provide flexibility in implementing educational programs.

Maryland public charter schools will be chartered by a local board of education and will most likely be formed by educators, parents, and/or community members. They will be public schools in every respect and will have varying degrees of freedom and flexibility to operate. Public charter schools will remain legally a part of the school system granting the charter.

A national review of public charter schools indicates that a strong sense of a learning community and parental involvement in creating and administering a public charter school is key to the success of the school. It is not an easy task to enlist a corps of dedicated adults to lead the initiative, apply for a charter, and implement the envisioned plans. It is essential that the core charter school organizers strongly believe in what they are undertaking. Public charter school advocates need to create partnerships and identify common goals of educational improvement with the traditional public school system, and vice-versa. While the role of the public charter school should focus on student performance, a collaborative spirit will enhance opportunities for both the traditional school and the charter school to benefit from the successes and innovations that may be developed in an alternative setting. Diversity is evident in all Maryland public schools, and public charter school curricula or instructional approaches are not likely to be so unique or divergent as to be unsuitable for adaptation or implementation in a traditional public school.

A public charter school is usually established for a limited term. From the reported experiences of established charter schools, the most common term is from three to

five years, with interim benchmarks and accountability deliberations directed toward annual review and continuance. Renewal of a school's charter may depend on its performance in carrying out the purpose of the charter between the school and the local education authorities. Accountability of both parties to the charter is crucial. At each level of the chartering process, there should be an accountability process that is user-friendly and understandable. The charter organizers, local boards of education, local superintendents, local funding authorities, legislators, and education communities need to agree on a mechanism that insures a constant flow of information about the achievements of the charter school.

Since a public charter school provides an educational option for parents and students, there should be a good match between the student and the charter school. The local administration and board of education should not become directly involved in adjusting circumstances within the public charter school unless it is clearly evident that physical, emotional, or academic harm to students will result from the practices of the school.

Evidence surfacing in other states' experiences in establishing public charter schools suggests that local boards of education should consider providing some form of start-up funding, since the charter school will probably not receive the agreed per-pupil allocation of resources until the charter is finalized and students are enrolled. At a minimum, it may be beneficial to advance limited fiscal resources to the public charter school to assist in equipping the facility and for the purchase of supplies.

Each local school system has the freedom to create unique arrangements for their in-district charter schools that enhance learning opportunities for students. This is a challenge that should be viewed as beneficial to the existing public school system and thoughtful public education entrepreneurs.

The following questions and answers are offered to further clarify the issues surrounding Maryland public charter schools and for local school systems to consider during their chartering deliberations. The Appendices include several examples of guiding documents used in analyzing and creating different student learning environments. The examples may provide the reader with content that may be used in developing public charter school applications.

MARYLAND PUBLIC CHARTER SCHOOL QUESTIONS AND ANSWERS

Why are local boards of education the chartering authority?

Current Maryland statutes vest the authority to establish schools with local boards of education. As an issue of local control of public education and accountability, it is reasonable to conclude that local boards of education and superintendents are the appropriate authority to accept applications, evaluate them, negotiate, and charter schools that benefit students within their jurisdictions.

What should be the focus of a public charter school?

The public charter school should focus on improving student performance. Public charter schools should strive for high academic standards and be accountable for results.

What requirements are imposed on Maryland public charter schools?

Public charter schools are subject to any federal, state, and local policies, regulations, and statutes that affect traditional elementary and secondary public schools unless the policies, regulations, and statutes are waived by the governing authority. For example, local education authorities may waive certain local policies, procedures, regulations, or practices for any public school under their jurisdiction. The State Board of Education and State Superintendent of Schools may waive certain policies, procedures, or regulations, and they also have some flexibility to waive certain federal regulations under the federal Education Flexibility Act. Waivers from local regulations could be accomplished as part of the negotiated charter, while other waivers may be obtained from the proper authorities in cooperation with the local board.

What is the process for chartering a school?

The authority to charter a public school is vested with the local board of education, which may develop specific application, processing, and approval guidelines. The local board of education would then receive, deliberate, and act on petitions for public charter schools within their jurisdiction.

Why would a public charter request be submitted?

Public charter schools may provide the opportunity for parents, educators, and students to voluntarily come together around a shared vision to build a curriculum and management system around a unique approach to student learning. There may also be an unmet educational need in the existing public schools that draws people together to resolve the need.

The public charter school may create a unique approach to student learning that becomes the 'best option' for the student and parent. If not, parents and students will not choose this program; and if students do enroll and the program is not a 'best fit,' the students will transfer to another school setting.

Public charter schools are expected to function as semi-independent educational operations within the local public school system. They have the opportunity to establish their own 'learning community' governance, within some parameters, and to create their own priorities, creative solutions, instructional design, professional development, and client satisfaction.

The public charter school may herald the creation of a new learning community within the public school system. Since it is anticipated that most public charter schools within a local school system will be relatively small in comparison to existing public schools, they may capture a special sense of relationships and support for an educational design. A public charter school should empower educators, parents, students, and other supporters to utilize

their talents to design strong schools that help students achieve their highest level of academic performance.

What are the major concerns about establishing public charter schools?

A 1996 nationwide study cited the following concerns:

- Inadequate capital funding and facilities
- Cash flow problems
- The large number of applicable laws, regulations, and reporting requirements
- Struggles to obtain local board of education sponsorship or approval
- Difficulties in managing the operations of the charter school
- Inadequate planning

How are public charter schools accountable?

Unless specific waivers are granted, the charter school will meet current accountability provisions of local education authorities and state regulations and statutes. Student and parent education accountability is anticipated to be immediate, since if parents or students are not satisfied with the performance of the public charter school they will withdraw and return to existing public schools. The public charter school should provide, at a minimum, an annual report to the public and to the local board of education that includes fiscal accountability and performance on recognized academic measures, as included in the authorized charter.

In instances where specialized or curricular focus is offered in an authorized public charter school, the primary mission is expected to remain on student academic achievement. Even if a public charter school is exempted from certain State regulations and/or local rules and policies, educational achievement should continue to be measured by the same

standards used by the Maryland State Board of Education to assess achievement in the State's existing public schools.

Is there a particular length of time that a charter may be authorized?

No. The local board of education may determine the length of time a charter is authorized and may include provisions for terminating the charter if agreed-upon goals are not met. Most states with charter schools commonly grant charter terms of three to five years.

How are public charter schools funded?

It is expected that Maryland public charter schools authorized by local education authorities will receive a fair per-pupil foundation grant that is at least equal to the calculated operating costs for educating the like kind of students in existing public schools within that jurisdiction. The per-pupil calculation should include eligible local, state, and federal funds in the calculations. Other fiscal support such as transportation may be part of the negotiations between the charter requestor and the local education authority.

Authorized public charter schools may seek and receive other grants through local, state, or federal government sources or private sources without a reduction in their per-pupil allocation unless other provisions are included in the approved charter.

May public charter schools charge tuition?

No public charter school may charge tuition to residents of the jurisdiction where the school is located. As authorized by Maryland statutes and regulations, a local school system may charge tuition to out-of-district students.

May 'start-up' funds be provided for public charter schools?

There are no specific state funds available for 'start-up' costs associated with developing a charter request or for equipping and furnishing a public charter school. There is a federal program available to states with a specified state chartering authority. Creation of charter schools should not be considered primarily for the purpose of qualifying for federal funds.

Are educational personnel employees of the charter school?

All teachers in Maryland public charter schools remain employees of the local education authority with all the rights, responsibilities, and benefits granted to the educators by law. To the extent possible, educator participation in a public charter school should be voluntary. The local superintendent of schools retains the authority to assign and transfer educators as the needs of the local school system require and as negotiated in the charter.

May a public charter school employ non-certificated educators?

Certification requirements for Maryland public charter school personnel are no different than for personnel in other public elementary or secondary schools.

Are public charter schools subject to state and federal civil rights laws?

Yes, absolutely.

May public charter schools reduce or eliminate safety or health considerations?

Absolutely not.

May a public charter school student earn a Maryland high school diploma?

Yes, if the local school district certifies that a public charter school student has met all local and state requirements for earning a diploma as required of any other public school student.

Will charter schools enroll students from existing public schools?

It is expected that consistent with the terms of the approved charter, students within the local school district will be eligible to enroll in the public charter school. Under normal circumstances, it is not anticipated that a public charter school will 'drain' other public schools of a specific type of student. Existing public schools will remain the preferred option for a majority of students within the local jurisdiction.

A public charter school is an alternative to existing public schools and will exist only if students choose to attend. The success of the public charter school will likely relate to the level of parent and student satisfaction, retention of education personnel, and education accountability for high student academic performance.

May private schools become public charter schools?

Current or future private or parochial schools should not be recognized as a charter school sponsor, nor should private or parochial schools be considered for conversion to a public charter school.

Will public charter schools impact existing public schools?

Public charter schools have the potential to create a local educational marketplace by providing an educational option for students and parents. Ideally, the public charter school, through a more flexible structure of operation, may provide unique educational leadership and/or effect a change of services to students attending existing public schools.

May public charter schools establish admission requirements?

Generally, public charter schools may not deny admission based on illegal discriminatory factors such as race, ethnicity, disability, or religious preference residence. There may be public charter schools which have a major emphasis on specific criteria, such as reclaiming drop-outs or basic instructional programs; however, other eligible public school students may be admitted. A random-selection process may be used if applications exceed the pre-determined student capacity in the public charter school.

Is a public charter school required to have a principal?

It is recommended that the local board of education and superintendent of schools permit flexibility in requiring a site principal. However, someone must be identified as accountable for administrative responsibilities, including but not limited to, day-to-day operation of the facility, summative evaluations of personnel, appropriate reporting of inadequate performance, serving as central contact for procurement and other charter school issues, and for matters involving student discipline and achievement.

Will a public charter school have a school improvement team?

It is anticipated that a public charter school will have a school improvement team very much like existing public schools within the jurisdiction. The roles, operating procedures, and responsibilities of the school improvement team at the public charter school may be determined by the public charter school participants consistent with State and local guidelines for school improvement teams.

May a local school system assess a fee to cover extra costs incurred in administering required exams?

No. The cost of public charter school students participating in required exams must be factored into the school's budget when determining the school system per-pupil allocation as part of the charter application and included in the charter.

May a public charter school calendar be different than the local school district calendar?

The local board of education may adjust the calendar for public charter schools to the extent permissible within State statutes and regulations and local administrative rules and policies.

May a public charter school promote or affiliate itself with a religion?

Public charter schools shall maintain the separation of church and state as currently exists for other public elementary and secondary schools. Public charter schools shall be non-profit, non-religious, non-sectarian, and not based in private homes.

Does a public charter school receive automatic waiver of local policies and regulations and/or state regulations and statutes?

No. Schools must apply for waivers of local and state regulations through the local superintendent and board of education. Maryland statutes may only be changed by General Assembly actions. The Maryland State Board of Education has limited authority to waive specific State and federal regulations and provide flexibility under the Education Flexibility Act.

Are educational support services available to public charter schools?

Reasonable support services are recommended for inclusion in charters.

Those services may include but are not limited to transportation, maintenance of facilities, etc.

Who is the contact for public charter school information?

- (1) Your local superintendent of schools.
- (2) Office of Research and Development
Maryland State Department of Education
200 West Baltimore Street
Baltimore, Maryland 21201-2595
Telephone: 410-767-0368
Fax: 410-333-3867
- (3) U.S. Department of Education
Elementary and Secondary Education
School Improvement Programs
Washington, DC 20202-4725
e-mail: <http://www.uscharterschools.org>

SPECIFIC CONSIDERATIONS FOR THE LOCAL SUPERINTENDENT AND BOARD OF EDUCATION

There are five major areas that a local superintendent and board of education should consider in determining the appropriateness of public charter schools in their school system:

- > Accountability
- > Responsibility
- > Expectations
- > Interactions
- > Alignments

The following list, while not all-inclusive, contains specific items that are suggested for deliberation as the local school system considers issues in determining a charter.

- > Determine local chartering process--application, approval, incentives, consequences, etc.
- > Determine admissions procedures
- > Determine a procedure for handling transfers in and out of the charter school
- > Clarify the policy and procedure for handling requests to waive local policies, regulations, etc.
- > Clarify the policy and procedure for expediting waiver requests to the State Superintendent of Schools
- > Determine the length of time a charter is to be granted
- > Determine the participation of public charter school students in extra-curricular activities in existing schools
- > Consider the issues that public charter school applicants will need to consider in developing their plan
- > Decide what administrator model is acceptable
- > Consider start-up support for an approved charter school
- > Determine the per-pupil operating costs for different categories of students
- > Determine the conditions for providing operations support--custodial, in-district mail service, subject content coordinators, legal counsel, professional development, transportation, food services, etc.

CONSIDERATIONS FOR PUBLIC CHARTER SCHOOL APPLICANTS

Many considerations those who desire to start a public charter school may want to resolve early in the deliberations include:

- Determine where to find assistance in developing the application
- Determine what expertise is required of the applicant
- Develop a clear vision of charter school expectations
- Have a clear sense of the purpose or mission of the school
- Engage dedicated support for the initiative

Additional considerations to deliberate and resolve include but are not limited to the following:

- Open meetings law applies to charter board members
- Decide what grade levels or special programs are to be the focus of the proposed public charter school
- Determine the unbiased inclusion of students
- State the expectations for personnel control, selection, and desired student-teacher ratios
- Consider the length of charter you need to achieve your public charter school vision
- Develop plans recognizing that a public charter school will be non-sectarian, non-biased, tuition free, and that students are not denied enrollment without criteria that are clearly stated and linked to the mission of the school
- Decide whether the school will have before- and/or after-school day care
- Determine student accountability design and what the local school district will require
- Prepare clear, understandable, and relevant information for parents about operations and results expected as a result of attending the charter school
- Consider the day-to-day governance and accountability scheme for the management and operation of the school

- Recognize that public charter school employees are local school district employees
- Consider whether you will apply for private and/or public grants to support your operations
- Clarify the local and state student and fiscal accountability requirements
- Consider the level of involvement that is desired of parents, teachers, and students
- Determine the curriculum for the school and the restrictions
- Seek access to technical assistance from the local school system, the State Department of Education, higher education institutions, existing public charter schools, or associations representing public charter schools
- Clarify the risk insurance required to protect the system, the school, and you personally in an official capacity
- Discuss with the local school system superintendent the desired autonomy you seek for the public charter school
- Determine the support services that will be required, such as transportation, food services, custodial services, etc.
- Determine the physical facilities that will be required for the operation of the educational program
- Clarify the personnel procedures, collective bargaining, limitations, and flexibility afforded a public charter school, including the managerial control
- Consider appropriate partners to join your proposed plan
- Consider the mechanism for transfer of student record data and staff record data to the local board office



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October 7, 1998

Dr. Paul L. Vance, Chairman
Task Force on Public Charter Schools
Montgomery County Public Schools
850 Hungerford Drive
Rockville, Maryland 20850

Dear Dr. Vance:

The Report of the Public Charter School Study Group to the Maryland State Board of Education and Guidelines for Use by Local School Systems in Considering Charter School Applications are part of the background material for the Governor's Task Force on Public Charter Schools.

The study of public charter schools was requested by the Maryland State Board in late 1996. The Board desired to have information concerning the national charter school situation and possible implications for Maryland. At the time there were no policy issues or regulatory issues relating to public charter schools before the State Board of Education or the State Superintendent of Schools. The study was to provide the State Board of Education early information related to their initial desire and possible issues arising.

Since the current Annotated Code of Maryland is specifically silent on charter schools and vests the authority to establish public schools with local Boards of Education the State Board of Education elected to not initiate action at that time. The State Board of Education continues to be interested in the results of public charter schools around the country and follows the interests and inquiries to local Boards of Education. A set of voluntary guidelines was developed at the suggestion of the State Board as a service to local authorities and for persons interested in investigating possible public charter school arrangements.

I am sure the State Superintendent of Schools and the Maryland State Board of Education would elect to closely review and revise both documents prior to considering a formal public charter school initiative that should be presented for deliberation and action.

I have also attached a letter received from the Anti-Defamation League. The League reviewed the study and guidelines document and the letter raises issues they raised during a conference with me. The letter may provide issues that the Governor's Task Force may wish to deliberate.

Respectfully,

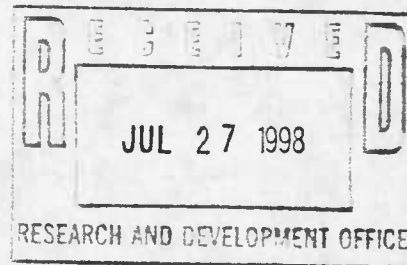
Robert C. Rice
Assistant State Superintendent
Research and Development Office

WASHINGTON, D.C. REGIONAL OFFICE



July 23, 1998

Dr. Robert C. Rice
Assistant State Superintendent
Maryland State Department of Education
200 West Baltimore Street
Baltimore, MD 21201



Dear Dr. Rice:

On behalf of the Washington, D.C./Maryland Regional Office of the Anti-Defamation League I wish to respectfully communicate, in writing, our concerns regarding the Maryland State Guidelines for Charter Schools.

The Anti-Defamation League, one of the oldest and largest human relations organizations in the America, does not at this time have a specific policy opposing charter schools, as such. However, we do have serious concerns regarding issues raised by the Maryland State guidelines and by similar developments in other jurisdictions.

We recognize that Maryland State guidelines clearly prohibit denying admission "based on race, ethnicity, disability or religion." Unfortunately, that does not resolve several serious concerns that need to be addressed.

We submit that you must also address the question of whether a charter school may be "sponsored by" or "affiliated with" a religious institution and whether the curriculum and hiring and firing of staff would be organized, controlled or under the influence by such a church (temple or synagogue) related group, even if it purportedly "independent. This raises a very serious constitutional issue of separation of church and state and would, if passed, properly invite legislation to stop the illegal subsidization of religiously sponsored schools from public funds. No Supreme Court opinion has yet permitted such state payments to a church related or controlled institution. There is no doubt that religious groups or religiously affiliated specially organized entities of all stripes -- "mainstream," "extremist" and even cult groups -- would line up for charter school money. The Nation of Islam and co-called "Christian Academies" generally deny that they discriminate. Proving that they do may not be an easy legal task. Proving affiliation or sponsorship presents other difficulties of investigation and proof.

The State Department of Education, must also consider whether non-religious "extremist" groups could sponsor such a school and what criteria would be used to assess such applications.

Conversely, if charter schools are funded with public money and religiously affiliated schools are excluded, as the guidelines now provide, conservative groups would sue on the ground that they were being discriminated against because of their religious affiliation. (See, e.g., the Supreme Court opinion in Agostini v. Felton (1997) permitting public school employees to Dr.

Robert C. Rice
July 23, 1998
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provide remedial aid in parochial schools, so long as certain restrictions applied). They might not win, and we would join in the opposition, but there is not certainty as to the outcome. Moreover, have you considered how you would resolve this dilemma, what it would cost and how long it would take for the State to defend such a lawsuit?

For example, suppose an "extremist group" (definitions do not come easily) proposed a charter school, meeting general curricular standards, purportedly open to all, but with a heavy dose of its own "far right" or "far left" philosophy with religious or racist music and cultural bent. On what grounds could a local School Board deny the charter without bringing on a law suit that invoked the free speech clause of the First Amendment?

The fact is that once public money for charter schools is authorized, it would be difficult to bar otherwise qualified "extremist groups" -- religiously connected or not -- on the ground that the local Board doesn't like what they are teaching or thinks the religious beliefs being taught to be too extreme. After all, one person's cult is another person's religion. If the Nation of Islam or the Church of Scientology applied, is the Board going to deny their application for a charter school? On what ground? If church affiliates are barred, what about "extremist" secular groups? By the way, do you believe the county or state can effectively monitor what is taught in the classroom. Once a charter is granted, it cannot easily be revoked, particularly where the chartering group is politically active. The experience with the Marcus Garvey charter school in D.C. may be extreme, but it is also relevant.

The social divisiveness inherent in a charter school proposal goes far beyond the questions of who is the employer or whether they are union. The implications of conflicts over church/state separation, free exercise and free speech need to be addressed before commitments are made or authorizations passed. This discussion has not taken place and we are concerned that dissatisfaction with the public schools should be used to advance a school model which will create more problems than it solves.

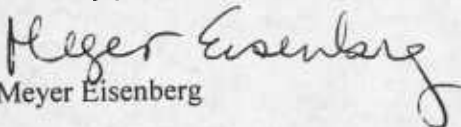
Charter schools could also pose a threat to public education. They may, after all, have the effect of siphoning off students whose parents wish to have them educated with others belonging to a given group. Charter schools may therefore, encourage racial and ethnic division and even implicitly legitimize the deepening of racial, religious, ethnic, class and academic divisions within the school system. The opportunity to be exposed to people of diverse backgrounds at school is one of the benefits of public education. Charter schools have the potential to tear apart the fabric of pluralism in our schools and replace it with schools nominally open to all, but effectively self selective and segregated according to ideology and religion, if not race and ethnicity.

Dr. Robert C. Rice
July 23, 1998
Page Three

We appreciated the opportunity to discuss these matters with you and will continue to do so on a local level with county School Boards.

We look forward to maintaining a dialogue with you as the Maryland State Department of Education continues to give consideration to these difficult issues.

Sincerely yours,


Meyer Eisenberg

The writer is a National Vice Chairman of the Anti-Defamation League of B'nai B'rith, a member of its National Executive Committee and was Chairman of the ADL's Legal Affairs Committee for over ten years. He is a long-time resident of Montgomery County.

cc: David C. Friedman
Director, DC-Maryland Regional Office
Anti-Defamation League

**UNITED STATES
DEPARTMENT OF EDUCATION**



NEWS

FOR IMMEDIATE RELEASE:
October 5, 1998

Contact: Erica Lepping
(202) 401-4389

RILEY ANNOUNCES \$68 MILLION IN SUPPORT FOR CHARTER SCHOOLS

The Clinton Administration today announced the award of over \$68 million in 45 grants to help meet the growing demand for public charter schools.

In sixteen states, a total of \$36 million is being awarded in first-year grants to support start-up and development of additional charter schools. Another eleven states, Washington, D.C., Puerto Rico, one school in New Mexico and two schools in Hawaii will receive almost \$32 million in second- or third-year funding.

"More than 900 charter schools nationwide receive federal charter school support to help give parents more choices of public school options, encourage innovation and ensure accountability," Riley said. "I urge Congress to provide parents and students with public school choices -- and keep the charter schools movement alive and well -- by funding the President's request for \$100 million."

Charter schools are public schools under contract -- or charter -- from a public agency to groups of parents, teachers, school administrators or others who want to create alternatives and choice within the public school system. Museums, local businesses and community groups are among the partners involved. The schools are free, open to all, and designed to be publicly accountable, as well as creative, flexible and responsive to student and parent needs.

-MORE-

President Clinton has asked Congress for more than \$100 million for the Public Charter Schools Program in Fiscal Year 1999 to provide start-up funds for a new round of schools as well as continued support for existing charter schools that face costs associated with start-up. The budget would support up to 1,400 charter schools, serving some 400,000 students, with a target of 3,000 schools by 2001. The House bill currently meets this request of \$100 million, while the Senate's level falls short at \$80 million.

The Public Charter Schools Program is a three-year grant program, with states receiving either initial, second- or third-year continuation funding.

Arkansas, Arizona, California, Colorado, Georgia, Louisiana, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nevada, New Hampshire, Ohio, Rhode Island and Texas are receiving new grants this year. Pennsylvania, South Carolina and two schools in Hawaii are receiving second-year grants. Alaska, Connecticut, Delaware, the District of Columbia, Florida, Illinois, Kansas, New Jersey, North Carolina, Puerto Rico, Wisconsin and one school in New Mexico are receiving their final year of support to continue charter schools development.

Charter schools supported by the U.S. Department of Education must be non-sectarian and abide by civil rights, health and safety laws. The schools also must meet standards set forth in their charters for students and the school as a whole, or their chartering agency can close the school.

Under the Public Charter Schools Program, proposed by President Clinton in 1993 and passed into law in 1994 as part of the Improving America's Schools Act, states conduct competitions and award sub-grants to provide start-up funds for new or recently established

-MORE-

charter schools. These funds help pay for planning, design and start-up costs -- areas often identified as critical for successful charter schools.

Over 900 charter schools, grown from 250 just three years ago, now receive federal support in 29 states nationwide for start up and development. In addition, Goals 2000, Title I and other federal funds can be used to support charter schools and to share lessons learned with other public schools. Federal grants, from previous years, have served 94% of charter schools in the planning stages, 73% of operating charter schools -- 583 schools -- and some 66% of schools with approved charters but that are not yet operating.

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NOTE TO EDITORS: Attached is a list of grantees.

**FISCAL YEAR 1998
Public Charter Schools Program Grantees-New Grants**

ARKANSAS

Little Rock	Little Rock School District Contact: Francis Cawthon (501) 324-2000	\$93,044
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ARIZONA

Gilbert	Desert Springs Scholastic Institute Contact: Nick Moeller (602) 545-7660	\$100,000
Glendale	Career Pathways Academy Contact: DeAnna Foulds (602) 978-8838	\$105,512
Lake Havasu	Desert Technology High School Contact: Cathleen Olson (602) 968-6429	\$113,000
Phoenix	The Learning Institute Contact: Adele Ferrini (602) 840-2302	\$50,935
Phoenix	Precision Academy Contact: Daniel Martinez (602) 829-1903	\$100,000
Phoenix	The Village Contact: Sheila Moore (602) 258-6990	\$109,358
Surprise	Paradise Education Center Contact: Jack Caudle (602) 527-0360	\$95,325
Tempe	Integrity Charter School Contact: Cathleen Olson (602) 968-6429	\$75,500
Tucson	Children's Academy of Arizona Contact: Cathleen Olson (602) 968-6429	\$111,000
Tucson	Ha:san Preparatory and Leadership School Contact: Cathleen Olson (602) 968-6429	\$87,025
Winslow	Little Singer Community Junior High School	\$100,400

-MORE-

Contact: Cathleen Olson (602) 968-6429

Winslow	Seba Dalkai School Board Contact: Dr. Calsoyas (520) 657-3208	\$108,000
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CALIFORNIA

Sacramento	State Department of Education Contact: David Patterson (916) 327-5929	\$7,626,896
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COLORADO

Denver	State Department of Education Contact: Bill Windler (303) 866-6631	\$3,000,000
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GEORGIA

Atlanta	State Department of Education Contact: John Rhodes (404) 656-0644	\$2,421,053
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LOUISIANA

Baton Rouge	State Department of Education Contact: Kathy Matheny (225) 219-4540	\$665,968
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MASSACHUSETTS

Malden	State Department of Education Contact: Scott Hamilton (617) 727-0075	\$3,996,192
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MICHIGAN

Lansing	State Department of Education Contact: Joan May (517) 373-4631	\$5,000,000
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MINNESOTA

Saint Paul	State Department of Education Contact: Jessie Montano (612) 296-2181	\$3,000,000
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MISSISSIPPI

-MORE-

Cleveland	Cleveland School District Contact: Beverly Hardy (601) 748-2734	\$107,785
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MISSOURI

Jefferson City	State Department of Education Contact: Stephen Barr (573) 751-3250	\$853,334
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NEVADA

Reno	I Can Do Anything, Inc. Contact: Margaret Williamson (702) 857-1544	\$111,100
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NEW HAMPSHIRE

Bedford	Bedford Charter high School Contact: Bruce Olsen (603) 472-2805	\$33,900
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Bedford	The Bedford Academy Contact: Edward Kruger (603) 471-2985	\$36,600
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Tamworth	Tamworth Charter High School Contact: Maura King (603) 323-2038	\$80,000
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OHIO

Columbus	State Department of Education Contact: Patricia Hughes (614) 466-2370	\$1,578,947
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RHODE ISLAND

Providence	State Department of Education Contact: Dennis Cheek (401) 222-4600	\$789,474
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TEXAS

Austin	State Department of Education Contact: Brooks Flemister (512) 463-9575	\$5,932,500
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FISCAL YEAR 1998
Public Charter Schools Program Grantees-Continuations

ALASKA

Juneau	State Department of Education Contact: Marjorie Menzi (907) 465-8720	\$887,279
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CONNECTICUT

Hartford	State Department of Education Contact: Jennifer Niles (860) 566-1233	\$2,045,233
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DELAWARE

Dover	State Department of Education Contact: Larry Gabbert (302) 739-4629	\$600,000
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DISTRICT OF COLUMBIA

Washington	District of Columbia Public Schools Contact: Gloria Kinzer-Browner (202) 442-5570	\$4,500,000
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FLORIDA

Tallahassee	State Department of Education Contact: Tracey Bailey (904) 414-0780	\$5,985,000
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HAWAII

Honolulu	Waialae Charter School Contact: Amy Kwock (808) 733-4880	\$76,995
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Kailua	Lanikai Elementary School Contact: Donna Estomago (808) 266-7844	\$156,900
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ILLINOIS

Springfield	State Department of Education Contact: Gail Lieberman (217) 524-0713	\$1,215,000
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A National Study of **Charter** SCHOOLS

E x e c u t i v e

S u m m a r y

98

OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT
U.S. DEPARTMENT OF EDUCATION



U.S. Department of Education

Richard W. Riley

Secretary

Office of Educational Research and Improvement

C. Kent McGuire

Assistant Secretary

National Institute on Student Achievement, Curriculum, and Assessment

Joseph C. Conaty

Director

July 1998

Preface

This executive summary reviews highlights of the second-year report of the National Study of Charter Schools (the Study), sponsored by the U.S. Department of Education as authorized by the 1994 Amendments to the Elementary and Secondary Education Act. The Study is a four-year research program to document and analyze the charter school movement. By means of both annual reports and a series of occasional papers, the Study will provide information about how many and what kind of charter schools become operational, about those factors that facilitate or hinder the charter schools' development and implementation, and about how schools are implementing their charters. The Study will also collect data and conduct analyses of the impact of charter schools on student achievement and on local and state public education systems. The second-year report presents information about charter schools for the 1996-97 school year. It is based on a telephone survey designed to collect data from all operational charter schools as well as information collected during site visits to 91 charter schools.

Charter Schools in Perspective

The charter school phenomenon that seemed radical only a few years ago is now an accepted part of public education in many parts of the country. From a slow start in a few states, the charter movement has grown rapidly: by fall 1997 approximately 700 charters were operating in 29 states and the District of Columbia — and their numbers are likely to grow rapidly over the next few years.

Charter schools are public schools, but what sets them apart is their charter — a contract with a state or local agency that provides them with public funds for a specified time period. The charter itself states the terms under which the school can be held accountable for improving student performance and achieving goals set out in the charter. This contract frees charter developers from a number of regulations that otherwise apply to public schools.

The freedoms accorded to charter schools have raised an array of hopes and fears about the consequences of introducing charter schools into the public system. Some people hope that charter schools developed by local educators, parents, community members, school boards, and other sponsors might provide both new models of schooling and competitive pressures on public schools that will improve the current system. Others fear that charter schools might, at best, be little more than escape valves that relieve pressure for genuine reform and, at worst, add to centrifugal forces that threaten to pull public education apart.

Time will tell which hopes and fears are realized. Presently, the rapid expansion of charters testifies to widespread excitement about the charter idea, but it tells us little about the reality of charter schools. The purpose of this Second-Year Report of the National Study of Charter Schools is to describe how charter schools are being implemented at this still-early stage of their evolution. Subsequent reports of the National Study will address broad policy issues concerning the charter school movement and its potential effect on America's system of public education.

The Study's Focus

The Study addresses three major research questions:

- How have charter schools been implemented?
- Under what conditions, if any, have they improved student achievement?
- What impact have they had on public education?

Drawing from research evidence, the Study also asks broad policy questions:

- What models of education have charter schools developed that can be used by other public schools?
- What lessons can be learned from the charter school experience for public education, and what implications should be drawn for state and national policy?
- How might charter schools evolve in the coming decade?

This Report presents interim findings that focus on describing how charter schools are being implemented. Subsequent reports will address all the questions listed above.

The Study's research methodology consists of annual phone interview surveys of all charter schools; repeated field visits to a sample of charter schools and their surrounding districts; the administration of student achievement tests over time at a sample of charter schools; the collection of existing student assessments for a sample of charter schools and for other public schools at district and state levels; analyses across states of charter laws, state agency rulings and procedures, court rulings, and education policy; and case studies of how charter school policies and local practices have worked and affected public education in five states. The findings presented in this Report rely on our second wave of telephone surveys to all cooperating charter schools that were open to children during the 1996-97 school year,¹ visits to 91 field sites across the country, and extensive analysis of state charter laws.

¹ There were 428 charter schools in operation as of January 1997. The Study's quantitative findings are based on 89 percent of these schools.

Growth Trends

YEAR 2 FINDINGS

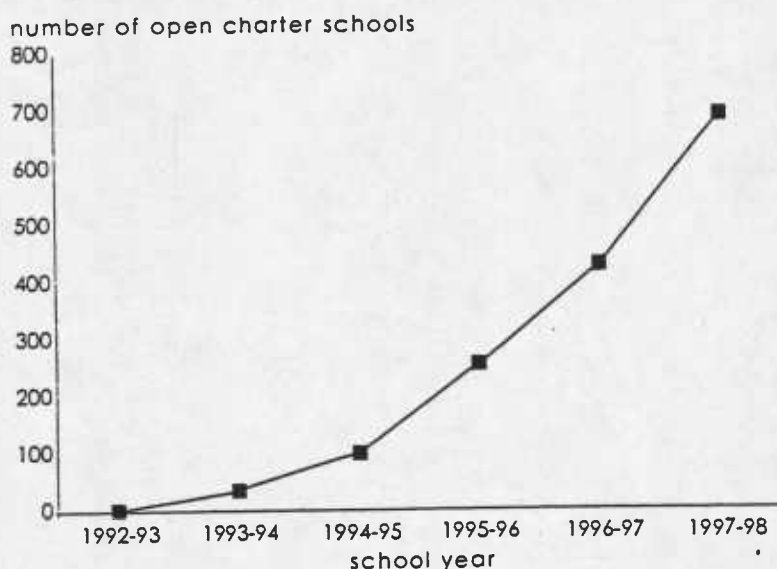
The number of charter schools is growing. The number of charter schools in operation continued to grow rapidly, with 279 additional charters opening in the 1997-98 school year. Taking into account 19 charter school closures, 693 charters were in operation in the 1997-98 school year in 23 states and the District of Columbia. If the various branches of charter schools in Arizona were counted as separate charter schools, the number of charter schools in operation was approximately 781. During the 1997 legislative session, four new states—Mississippi, Nevada, Ohio, and Pennsylvania—passed charter legislation; 29 states and the District of Columbia had charter laws as of September 30, 1997.

Fewer than one in twenty charter schools have closed. By the beginning of the 1997-98 school year, 19 charter schools of the 433 operational until that time had ceased operation. They closed voluntarily, had their charters revoked, or merged their operations with other charter schools.

Charter renewals. Twenty-nine charter schools responding to the telephone survey reported that their charter had come up for renewal. All of these schools reported that their charters were renewed for periods ranging from one to three years.

Charter schools enroll only about 0.5 percent of public school students in the 17 states where charter schools were operating in the 1996-97 school year. Over 100,000 students attend charter schools. Charter school enrollment varies from less than one-tenth of one percent of the state's public school enrollment in Florida, Illinois, and Louisiana to more than two percent of the state's enrollment in Arizona.

THE GROWTH OF CHARTER SCHOOLS



The State Role

The charter concept envisions not only improved individual schools, but also the possibility of an alternative system of public education. Schools are given autonomy from regulations in exchange for accountability for results. The First-Year Report (1997) showed that the chartering statutes differ dramatically from state to state as to the extent and nature of the autonomy they allow. State statutes also vary greatly with respect to the number of charter schools allowed, the conditions of accountability and renewal, and the types of charter schools permitted. Thus, different charter approaches are being tried simultaneously across the country.

KEY LEGISLATIVE FEATURES

Although charter laws vary greatly across states, several key features dictate the number and types of charter schools that are created within each state.

- **WHO CAN GRANT CHARTERS.** In 11 states only the local school board can grant charters (in five of the states, denial can be appealed to another agency); in five states, a single state agency can grant charters; in five states a local school board and a state board must approve the charter; in five states and the District of Columbia, more than one agency can grant charters. The remaining three states are mixed models with the local school board allowed to grant public school conversions and the state board allowed to grant newly created charter schools.
- **TYPES OF SCHOOLS ALLOWED.** Most states (20) allow both newly created and conversion schools, four states only allow public conversions, and five states and the District of Columbia allow newly created schools and public and private conversions.

STATES WITH CHARTER LEGISLATION, BY YEAR OF FIRST ENACTMENT as of September 1997

1991	1992	1993	1994	1995	1996	1997
Minnesota(26)	Califomia(130)	Colorado(50)	Arizono(140)	Alaska(15)	Connecticut(12)	Mississippi(0)
		Georgia(21)	Hawaii(2)	Arkansas(0)	DC(3)	Nevado(0)
		Massachusetts(24)	Kansas(1)	Delaware(3)	Florida(33)	Ohio(0)
		Michigan(104)		N.Hampshire(0)	Illinois(8)	Pennsylvonio(6)
		New Mexico(5)		Louisicno(6)	New Jersey(13)	
		Wisconsin(17)		Rhode Island(1)	NC(34)	
				Wyoming(0)	SC(1)	
					Texas(38)	

- **NUMBER OF SCHOOLS ALLOWED.** Most states (16) and the District of Columbia establish some limit on the number of charter schools or the number of students enrolled in charter schools. Thirteen states have no limit on the number of schools or students.
- **WAIVERS OF STATE LAWS.** Most states (17) and the District of Columbia allow automatic waivers of most of the education code while in 10 states, charter schools must apply for specific waivers. In two states, however, charter schools are responsible for following most of the education code.

Possible legislative trends. Several states amended their charter legislation during the 1997 legislative session, and two trends may be emerging. Some states with older charter legislation are relaxing their limits on the number of charter schools, and some are providing increased flexibility in the charter-granting process. Legislation in the four new charter states — Mississippi, Nevada, Ohio, and Pennsylvania — reflect great differences in state approaches, with two states allowing greater opportunity for charter developers and the other two having more restrictions.

Characteristics of Charter Schools

School reformers have often called for small schools as ways to effect change and produce improved student learning. As the findings below show most charter schools are small and newly created, which ultimately may be the most important aspect of the charter movement, regardless of the exact nature of their educational program.

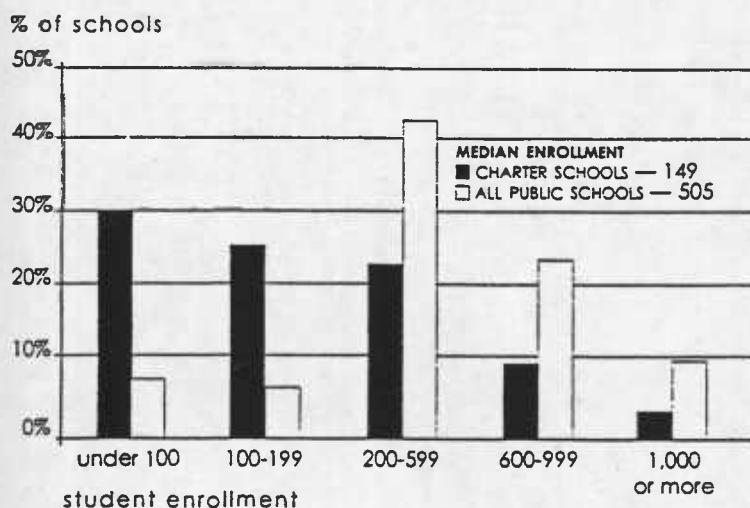
Most charter schools are small, particularly compared to other public schools. Charter schools have an estimated median enrollment of about 150 students, whereas other public schools in the charter states have a median of about 500 students. More than 60 percent of charter schools enroll fewer than 200 students, whereas about 16 percent of other public schools have fewer than 200 students. Charter schools begun recently have a higher proportion of small schools with fewer than 100 students than schools opened in earlier years.

Many charter schools have non-traditional grade configurations. Charter schools include a higher proportion of K through 12, K through 8, and ungraded schools than other public schools.

Most charter schools are newly created schools, which are smaller than pre-existing public schools. An estimated 62 percent of charter schools were newly created; the remainder are pre-existing public schools (25 percent) or pre-existing private schools (13 percent) that converted to charter status. The median school size for newly created schools is 116 students, compared to a median of more than 380 students for pre-existing public schools.

About two-thirds of pre-existing charter schools were previously public schools. Sixty-five percent of pre-existing schools were previously public schools. Private school conversions are allowed in only four of the 16 states.

ESTIMATED ENROLLMENT IN CHARTER SCHOOLS (1996-97) AND ALL PUBLIC SCHOOLS IN THE 15 CHARTER STATES PLUS DC (1994-95)



Students of Charter Schools

The Study found no evidence to support the fear that charter schools as a group disproportionately serve White and economically advantaged students. The evidence summarized below suggests a different picture: Most charter schools have similar demographic characteristics as other public schools, except that about one out of three charter schools focus on minority or economically disadvantaged students.

Charter schools as a group generally have a similar racial distribution as all public schools. About one-half of charter and all public schools serve predominantly White students, about one-quarter of charter and all public schools serve predominantly non-White students, and the remainder serve a diverse group of students.

Charter schools in several states have a higher proportion of schools predominantly serving students of color. Of the states with at least ten operational charter schools, California, Colorado, and Arizona have a somewhat higher average school percentage of White students in charter schools than in all public schools. Michigan, Minnesota, Texas, Massachusetts, and Wisconsin have a lower average percentage of White students in charter schools than in all public schools, with the first three states having a considerably lower average. Charter schools in Michigan, Minnesota, Texas, and Wisconsin clearly serve a higher proportion of students of color than other public schools in the corresponding state.

**ESTIMATED RACIAL DISTRIBUTION OF CHARTER SCHOOLS (1996-97)
AND ALL PUBLIC SCHOOLS IN 15 CHARTER STATES PLUS DC (1994-95)**

Racial categories	All public schools in 15 charter states plus DC	Charter schools
White, not of Hispanic origin	52.0%	56.1%
Black, not of Hispanic origin	15.5%	15.5%
Hispanic	22.5%	22.3%
Asian or Pacific Islander	4.6%	4.9%
American Indian or Alaska Native	4.9%	1.2%
Other	0.5%	NA

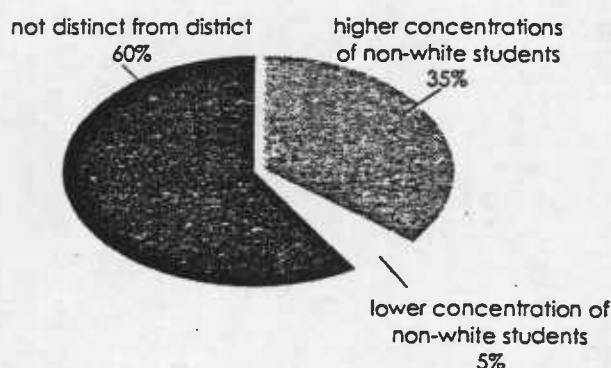
¹ The National Center for Education Statistics does not report an "other" racial category.

Most charter schools are similar to their districts on student racial and income level characteristics, but about a third are more likely to serve students of color and low-income students. The Study estimates that 60 percent of the charter schools are not racially distinct from their surrounding district (in the sense that the school's percentage of White students is within 20 percent of the district's average percentage of White students.) About one in three charter schools serve a distinctively higher percentage of students of color than the district. Insofar as charter schools are racially distinctive from their surrounding districts, the evidence indicates that they are much more likely to enroll students of color. Only five percent of charter schools enroll a percentage of White students higher (by at least 20 percent) than the percentage of White students served by their surrounding district.

Of the 34 percent of charter schools that serve predominantly low-income children, two out of three (63 percent) serve a distinctively higher percentage of poor children than their district average; most of the other such schools are not distinct from their districts. In contrast, about half the charter schools serve primarily students who are not low-income. Fifty-one percent of these schools are similar to their district in terms of the percentage of economically disadvantaged students.

A sizeable minority of charter schools serve special populations. The Study estimates that approximately one-fifth of charter schools may serve a particular student population. At least 32 charter schools serve more than two-thirds African-American students, 13 serve more than two-thirds Native American children, 22 have more than two-thirds Hispanic students, and eight serve more than 50 percent special education students. In general, the Study estimates that the percentage of students with limited English proficiency (LEP) served in charter schools (12.7 percent) is about the same as in all public schools (11.5 percent). Without regard to differences across states, the reported percentage of students with disabilities at charter schools (8 percent) is somewhat less than for all public schools in these states (11 percent).

**ESTIMATED RACIAL DISTINCTIVENESS OF CHARTER SCHOOLS
COMPARED TO SURROUNDING DISTRICTS (1996-97)**



Why Charter Schools are Started and What Attracts Parents to Them

Charters start from the inspiration of individual educators, groups of parents, community leaders, or teachers with a dream. They want something different for children. They gather support, overcome skeptics and political resistance if they need to — and they often do — and create a proposal that says why they want to start their charter school, what students they want to serve, and what they plan to do. Once a charter school is founded, parents and students make deeply personal decisions, exercise their choice and take a chance on enrolling in this new opportunity. Their reasons vary greatly, as one might expect.

Most charter schools are in demand. More than 70 percent of charter schools in the telephone sample said they had more applicants than could attend their school.

Many parents with students in charter schools were dissatisfied with their experience in other public schools. In focus group discussions, parents and students consistently voiced dissatisfaction with their previous public schools expressing concerns about low academic standards, a dehumanizing culture, student safety, and unresponsiveness to serious parent involvement.

ESTIMATED PERCENTAGE OF STATE ENROLLMENT OF LEP STUDENTS, STUDENTS ELIGIBLE FOR FREE AND REDUCED LUNCH, AND STUDENTS WITH DISABILITIES FOR 15 CHARTER STATES PLUS DC

	% Eligible for Free and Reduced Lunch	% LEP Students	% Students with Disabilities
Charter Schools	36%	13%	8%
All Public Schools in 15 Charter States plus DC	40%	12%	11%

Newly created charter schools tend to be established to realize an alternative vision for public education. The majority of charter schools are newly created, and most such schools seek to realize an alternative vision of schooling or to serve a special target population of students. Public schools that convert to charter status also seek an educational vision, but often start from an established—and frequently a highly regarded—program. The primary reason why most such schools are begun is to gain autonomy from their districts or by-pass various regulations. Private schools that convert to charter status seek public funds so that they can stabilize their finances and attract students, often students whose families could not afford private school tuition.

Most charter schools say they attract parents and students by focusing on academics, but they also feature other attractions. Charter schools tend to focus on one or a combination of the following themes in seeking to attract students — a quality academic program with high standards, a supportive environment often based on small school size, a flexible approach to educational and cultural programming, or, in sharp contrast, a highly structured environment.

WHY PARENTS AND STUDENTS MIGHT BE ATTRACTED TO CHARTER SCHOOLS

How powerful is this feature in attracting parents and students to your school?	Powerful or very powerful
Nurturing environment	93%
Safe environment	90%
Value system	88%
Quality of academic program	84%
High standards for achievement	83%
Small class size	83%
Specialized curriculum focus	78%
Small School Size	73%
Clear goals for each student	73%
Structured environment	71%
Adaptive environment	69%
Central parent role	68%
Dress/behavior code	50%
Extensive use of technology	47%
Flexible school schedule	43%
Services for disabled students	34%
Extensive community service programs	29%
Focus on cultural/ethnic needs	33%
Longer school year	19%
Support for home schooling	14%

Challenges Implementing Charter Schools

Regardless of how they started, practically all charter schools have had to overcome obstacles and problems during their development.

Most charter schools cite resource limitations as a serious implementation difficulty. Lack of start-up funds was the most frequently cited difficulty—almost six out of ten charter schools reported it as difficult or very difficult. Inadequate operating funds, cited by four out of ten charter schools was the second most commonly reported difficulty.

Newly created charter schools are more likely to cite resource limitations as a major difficulty than pre-existing charter schools. Nearly two-thirds of newly created charter schools reported lack of start-up funding as the most difficult obstacle faced by the school while about four out of ten pre-existing schools did so. Inadequate facilities and lack of planning time also posed more serious difficulties for newly created schools than for pre-existing schools.

Political resistance and regulations caused implementation problems for some schools. State or local board opposition and district and state level resistance and regulations were cited as difficulties by 15 to 25 percent of charter schools.

Some charter schools struggle to overcome internal conflicts. One in five charter schools cited internal conflicts of various forms as posing serious difficulties. Newly created schools were more likely to cite such issues than pre-existing schools.

A small percentage of pre-existing public schools cite difficulties with union relationships. About ten percent of charter schools indicated that they had difficult or very difficult relationships concerning teacher unions or collective bargaining agreements.

Some challenges facing the newer generation of charter schools may be less difficult. Schools opening in the early years of the charter movement faced greater implementation difficulties with state or local boards, district regulations, and with state department of education resistance and regulations, than schools opening in later years.

**ESTIMATED PERCENTAGE OF SCHOOLS REPORTING DIFFICULTIES IN
DEVELOPING AND IMPLEMENTING THEIR CHARTERS**

Barriers	% of schools reporting barriers were difficult or very difficult
Lack of start-up funds	57.6%
Inadequate operating funds	41.1%
Inadequate facilities	38.6%
Lack of planning time	38.4%
State or local board apposition	23.1%
District resistance or regulations	18.3%
Internal conflicts	18.2%
State department of education resistance or regulations	14.8%
Union or bargaining unit resistance	11.3%
Health/ safety regulations	10.4%
Accountability requirements	9.7%
Bargaining agreements	9.0%
Hiring staff	8.8%
Community apposition	6.9%
Federal regulations	6.3%
Teacher certification requirements	4.4%

About This Study

At the recommendation of Congress, the U.S. Department of Education (ED) is sponsoring a National Study of Charter Schools. The Study is funded under contract number RC 95 196001 to RPP International, and is monitored by the National Institute on Student Achievement, Curriculum, and Assessment. The research contract is coordinated with the other ED charter school activities, including the State Grant Program, monitored by the Department's Office of Elementary and Secondary Education.

The four year study includes:

- An annual survey of all charter schools;
- An ethnographic study of a stratified random sample of charter schools;
- Longitudinal data on student achievement at a sample of charter schools;
- Comparison of student achievement data in a sample of charter schools and their districts; and
- State-level policy studies.

An electronic copy of this report, its Executive Summary, and other material from the National Study also may be found at the following World Wide Web sites:

<http://www.rppintl.com/>

<http://www.ed.gov/pubs/>

<http://www.uscharterschools.org/>

RESEARCH TODAY

Charter Schools

A report from the National Institute on Student Achievement, Curriculum, and Assessment

August 1998

Charter Schools: A State Legislative Update*

CHARTER SCHOOL LEGISLATION. Charter schools are a growing phenomenon in American education. The first charter school law was passed in Minnesota in 1991; the second, by California in 1992. By June 1998, 33 states and the District of Columbia had passed charter school legislation. (See Figures 1 and 2.) Four of these states (Idaho, Missouri, Virginia and Utah) passed charter school laws during the 1997-98 legislative session. Puerto Rico also has charter school legislation.

The purpose of this legislative update is to provide information on the four states that enacted charter school laws during the 1998 legislative session, as well as to provide information on legislative changes occurring in other states with charter school legislation. The report updates information in *A National Study of Charter Schools* (1998), which provides details on charter school legislation passed through the 1997 legislative session.

WHAT ARE CHARTER SCHOOLS? Charter

Figure 1. States with charter school legislation, June 1998¹



¹As of June 1998, 33 states and the District of Columbia had charter school legislation

* This report was prepared by Peter Weber, a summer intern with the National Institute on Student Achievement, Curriculum, and Assessment, Office of Educational Research and Improvement, U.S. Department of Education.

schools are public schools that operate under contract—or charter—between a public agency and groups of parents, teachers, school administrators, or others who want to create alternatives and choice within the public school system. The schools are free, open to all, and designed to be publicly accountable, as well as creative, flexible, and responsive to student and parent needs. While today there are relatively few charter schools—in June 1998, approximately 700 charter schools were operating nationwide—the charter school movement appears to be growing rapidly and is one of the major school reform efforts in the nation today.

NEW STATE LEGISLATION. Idaho, Utah, Missouri and Virginia are the most recent states to pass charter school legislation. The provisions of the legislation vary across these states: basically, different states have different forms of charter school legislation, and these newest charter school states are no different. For example, in Idaho and Virginia, local school boards grant the charters; in Utah, charters are granted by the state board of education; and in Missouri charters may be granted by district school boards, colleges, or community colleges. Charter terms range from 3 years in Utah to 5 to 10 years in Missouri. On the other hand, all four states have the same provisions on types of schools allowed: all allow existing public schools to become charter schools, and all allow the creation of new charter schools, but none allow existing private

schools to “convert” to public charter school status.

Figure 3 summarizes 10 key points in the legislation and provides an overview of selected legal features. Readers are cautioned, however, that some details of state legislation may have been simplified or omitted, and analysts interested in specific provisions are encouraged to review the state legislation.

CHANGES IN CHARTER LEGISLATION. During the 1997-98 legislative session, several states changed already existing legislation. Included among these states are:

California. California first adopted charter legislation in 1992, and made significant changes to the legislation this during the 1997-98 legislative session. These changes include:

- Increasing the cap on charter schools from 100 to 250 for 1998-99; furthermore, 100 new charter schools can be added each year after 1999.
- Allowing charter schools to organize as non-profit organizations.
- Allowing charter schools to occupy unused district facilities rent-free.

In addition, California charter schools are not required to adhere to proposition 227, which prohibits more than one year of bilingual education.

Figure 2. States with Charter School Legislation, by Year of First Enactment

1991	1992	1993	1994	1995	1996	1997	1998
Minnesota	California	Colorado Georgia Massachusetts Michigan New Mexico Wisconsin	Arizona Hawaii Kansas	Alaska Arkansas Delaware New Hampshire Louisiana Rhode Island Wyoming	Connecticut D.C. Florida Illinois New Jersey North Carolina South Carolina Texas	Mississippi Nevada Ohio Pennsylvania	Idaho Utah Virginia Missouri

Source: RPP International, A Study of Charter Schools, Second-Year Report, 1998.; updated to include 1998.

Figure 3. Summary of key legislative provisions of charter school laws in Idaho, Missouri, Utah, and Virginia

State	Idaho Statute 33-5203 through 33-5211	Missouri SB 781	Utah Section 53A-1a-501	Virginia Chapter 13 Title 22.1 Article 1.2
Who can grant charters	Board of Trustees of school district with appeals to the state board of education	Charters are granted by sponsors (district school boards, public four-year universities or colleges, community colleges) with review by the state board of education. Denials by spon- sors may be appealed to the state board	State Board of Education; decisions are final subject to judicial review	Local school board; no ap- peals process
Types of charter schools allowed	Newly created schools and public school conversions	Newly created schools and public school conversions	Newly created schools and public school conversions	Newly created schools and public school conversions
Number of charter schools	Not more than 12 per year for first five years with additional restrictions with regard to region and school district	No specific limit; however, maximum of five percent of school buildings currently in use for instructional pur- poses in a district may be converted to charter schools and schools may only be in St. Louis and Kansas City	Eight Schools	Not more than 10% of the number of schools in a school division or two schools, whichever is greater
Waivers of state laws for charter schools ¹	Most state laws are waived with the exception of teacher certification re- quirements	Most state laws waived	May apply to state board of education for waivers of state education laws	Some state laws waived, but charter schools must adhere to "Standards of Quality"
Regulations on staff for charter schools	Teachers must be certified or qualify for a waiver.	Twenty percent of a charter school's instructional staff may be uncertified. Former district employees may re- main employees of the dis- trict	Must be certified or qualify for alternative certification	Charter school staff shall be employees of the local school board
Funding and fi- nance of charter schools	Funding goes through the State Department of Edu- cation and local school district	Funding goes through dis- trict	Funding goes through district	Funding goes through the local school board
Accountability: Duration of charter term	Five years	Five to ten years	Three years	Not more than three years
Accountability: Student assessment	Charter must contain school's student education standards and method of measurement	Charter must contain a de- scription of the pupil per- formance standards and a method to measure pupil progress toward the pupil academic standards	Charter must contain a de- scription of the curriculum and methods of assessment	Charter must contain goals and educational objectives of the school, which must meet or exceed "Standards of Learning"
Accountability: Grounds for revoking charter	Violation of law, violation of charter, violation of generally accepted ac- counting standards, failure to submit required reports	Breach of charter, failure to meet academic performance standards set out in charter, failure to meet generally accepted standards of fiscal management, violation of law	Failure to meet generally accepted standards of fiscal management, violation of law, failure to meet student per- formance requirements stated in the charter, other good cause	Generally accepted standards of fiscal management, viola- tion of charter, not deemed to be in the interest of the public or students to con- tinue operations, failure to make reasonable progress toward achievement of con- tent standards or student performance standards
Accountability: Charter renewal pro- cess	Same as application process	Not specified	Same as application process	Renewals must contain a report on charter school progress towards goals and standards plus a financial statement

¹Four states charter schools must be nonsectarian with regard to programs, operations, affiliations, admission policies, and employment. Charter schools must meet all applicable state and local health, safety, and civil rights requirements. In none of these four states can charter schools charge tuition.

Colorado. Colorado, which first adopted charter legislation in 1993, made various legislative changes during the 1997-98 legislative session, including:

- Passing legislation to continue charter school legislation beyond the initial five-year limit.
- Allowing the Colorado Postsecondary Educational Facilities Authority to assist charter schools with securing bonds.

Florida. Florida first passed charter school legislation in 1996. Changes during the 1997-98 legislative session include:

- Increasing per district cap on charter schools
- Approving \$5 million from the Public Education Capital Outlay and Debt Service fund to be used for charter schools.
- Creating a charter school in the workplace program.

Georgia. Under Georgia's 1993 charter school legislation only existing public schools were allowed to become charter schools. With the adoption of 1998 legislation, newly created charter schools as well as public conversion schools are allowed.

OTHER LEGISLATIVE ACTIVITY. Both Maryland and Maine have created task forces to advise their legislatures on charter laws. In Maine, a report was submitted but had not been acted on as of June 1998. The Maryland task force plans to report by the end of 1998. South Dakota, Nebraska and Tennessee all had interim study committees of charter schools.

Attempts to enact charter legislation failed in several states during the 1997-98 legislative session. New Mexico did not pass a bill to raise the cap on charter schools and to allow newly created charter schools. Charter school legislation was considered but not enacted in Indiana, Iowa, New York, Oklahoma, South Dakota, Tennessee, Vermont and Washington.

WHERE CAN I GET MORE INFORMATION?

For information on the national research studies:

Student Achievement Institute
U.S. Department of Education
Office of Educational Research
and Improvement
555 New Jersey Ave., NW, Room 510
Washington, DC 20208-5573
Attn: Judith Anderson (202-219-2039
or judith_anderson@ed.gov)

For information on the grant and model development programs:

U.S. Department of Education
Office of Elementary and Secondary Education
600 Independence Ave. SW
Portals 4500
Washington, DC 20202-6140
Attn: John Fiegel (202-260-2671 or
john_fiegel@ed.gov)

RESOURCES

National Council of State Legislatures (NCSL) web site, www.ncsl.org. NCSL tracks charter school legislation and trends and provides information on legislative activities.

U.S. Department of Education. Office of Educational Research and Improvement. Student Achievement Institute. 1998. *A National Study of Charter Schools: Second Year Report*. Prepared for ED under contract number RC95196001 by RPP International. The Second Year Report contains detailed information on charter school laws and charter schools.

The U.S. Charter Schools World Wide Web site at <http://www.uscharterschools.org/> contains links to state charter school information.

The U.S. Department of Education provides information on resources as a service only, and not as an endorsement.

OERI 98-300x

IMPROVING AMERICA'S SCHOOLS ACT OF 1994

"PART C—PUBLIC CHARTER SCHOOLS

20 USC 8061.

"SEC. 10301. FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds that—

"(1) enhancement of parent and student choices among public schools can assist in promoting comprehensive educational reform and give more students the opportunity to learn to challenging State content standards and challenging State student performance standards, if sufficiently diverse and high-quality choices, and genuine opportunities to take advantage of such choices, are available to all students;

"(2) useful examples of such choices can come from States and communities that experiment with methods of offering teachers and other educators, parents, and other members of the public the opportunity to design and implement new public schools and to transform existing public schools;

"(3) charter schools are a mechanism for testing a variety of educational approaches and should, therefore, be exempted from restrictive rules and regulations if the leadership of such schools commits to attaining specific and ambitious educational results for educationally disadvantaged students consistent with challenging State content standards and challenging State student performance standards for all students;

"(4) charter schools, as such schools have been implemented in a few States, can embody the necessary mixture of enhanced choice, exemption from restrictive regulations, and a focus on learning gains;

"(5) charter schools, including charter schools that are schools-within-schools, can help reduce school size, which reduction can have a significant effect on student achievement;

"(6) the Federal Government should test, evaluate, and disseminate information on a variety of charter school models in order to help demonstrate the benefits of this promising educational reform; and

"(7) there is a strong documented need for cash-flow assistance to charter schools that are starting up, because State and local operating revenue streams are not immediately available.

"(b) PURPOSE.—It is the purpose of this part to increase national understanding of the charter schools model by—

"(1) providing financial assistance for the design and initial implementation of charter schools; and

"(2) evaluating the effects of such schools, including the effects on students, student achievement, staff, and parents.

"SEC. 10302. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—The Secretary may award grants to State educational agencies having applications approved pursuant to section 10303 to enable such agencies to conduct a charter school grant program in accordance with this part.

"(b) SPECIAL RULE.—If a State educational agency elects not to participate in the program authorized by this part or does not have an application approved under section 10303, the Secretary may award a grant to an eligible applicant that serves such State and has an application approved pursuant to section 10303(c).

"(c) PROGRAM PERIODS.—

"(1) GRANTS TO STATES.—Grants awarded to State educational agencies under this part shall be awarded for a period of not more than 3 years.

"(2) GRANTS TO ELIGIBLE APPLICANTS.—Grants awarded by the Secretary to eligible applicants or subgrants awarded by

"(2) the degree of flexibility afforded by the State educational agency to charter schools under the State's charter schools law;

"(3) the ambitiousness of the objectives for the State charter school grant program;

"(4) the quality of the strategy for assessing achievement of those objectives; and

"(5) the likelihood that the charter school grant program will meet those objectives and improve educational results for students.

"(b) **SELECTION CRITERIA FOR ELIGIBLE APPLICANTS.**—The Secretary shall award grants to eligible applicants under this part on the basis of the quality of the applications submitted under section 10303(c), after taking into consideration such factors as—

"(1) the quality of the proposed curriculum and instructional practices;

"(2) the degree of flexibility afforded by the State educational agency and, if applicable, the local educational agency to the charter school;

"(3) the extent of community support for the application;

"(4) the ambitiousness of the objectives for the charter school;

"(5) the quality of the strategy for assessing achievement of those objectives; and

"(6) the likelihood that the charter school will meet those objectives and improve educational results for students.

"(c) **PEER REVIEW.**—The Secretary, and each State educational agency receiving a grant under this part, shall use a peer review process to review applications for assistance under this part.

"(d) **DIVERSITY OF PROJECTS.**—The Secretary and each State educational agency receiving a grant under this part, shall award subgrants under this part in a manner that, to the extent possible, ensures that such grants and subgrants—

"(1) are distributed throughout different areas of the Nation and each State, including urban and rural areas; and

"(2) will assist charter schools representing a variety of educational approaches, such as approaches designed to reduce school size.

"(e) **WAIVERS.**—The Secretary may waive any statutory or regulatory requirement over which the Secretary exercises administrative authority except any such requirement relating to the elements of a charter school described in section 10306(1), if—

"(1) the waiver is requested in an approved application under this part; and

"(2) the Secretary determines that granting such a waiver will promote the purpose of this part.

"(f) **USE OF FUNDS.**—

"(1) **STATE EDUCATIONAL AGENCIES.**—Each State educational agency receiving a grant under this part shall use such grant funds to award subgrants to one or more eligible applicants in the State to enable such applicant to plan and implement a charter school in accordance with this part.

"(2) **ELIGIBLE APPLICANTS.**—Each eligible applicant receiving funds from the Secretary or a State educational agency shall use such funds to plan and implement a charter school in accordance with this part.

"(3) **ALLOWABLE ACTIVITIES.**—An eligible applicant receiving a grant or subgrant under this part may use the grant or subgrant funds only for—

"(A) post-award planning and design of the educational program, which may include—

"(i) refinement of the desired educational results and of the methods for measuring progress toward achieving those results; and

"(ii) professional development of teachers and other staff who will work in the charter school; and

"(B) initial implementation of the charter school, which may include—

"(i) informing the community about the school;

"(ii) acquiring necessary equipment and educational materials and supplies;

"(iii) acquiring or developing curriculum materials; and

"(iv) other initial operational costs that cannot be met from State or local sources.

"(4) **ADMINISTRATIVE EXPENSES.**—Each State educational agency receiving a grant pursuant to this part may reserve not more than 5 percent of such grant funds for administrative expenses associated with the charter school grant program assisted under this part.

"(5) **REVOLVING LOAN FUNDS.**—Each State educational agency receiving a grant pursuant to this part may reserve not more than 20 percent of the grant amount for the establishment of a revolving loan fund. Such fund may be used to make loans to eligible applicants that have received a subgrant under this part, under such terms as may be determined by the State educational agency, for the initial operation of the charter school grant program of such recipient until such time as the recipient begins receiving ongoing operational support from State or local financing sources.

"SEC. 10306. NATIONAL ACTIVITIES.

"The Secretary may reserve not more than ten percent of the funds available to carry out this part for any fiscal year for—

"(1) peer review of applications under section 10304(c);

"(2) an evaluation of the impact of charter schools on student achievement, including those assisted under this part; and

"(3) other activities designed to enhance the success of the activities assisted under this part, such as—

"(A) development and dissemination of model State charter school laws and model contracts or other means of authorizing and monitoring the performance of charter schools; and

"(B) collection and dissemination of information on successful charter schools.

"SEC. 10306. DEFINITIONS.

"As used in this part:

"(1) The term 'charter school' means a public school that—

"(A) in accordance with an enabling State statute, is exempted from significant State or local rules that inhibit the flexible operation and management of public schools;

but not from any rules relating to the other requirements of this paragraph;

"(B) is created by a developer as a public school, or is adapted by a developer from an existing public school, and is operated under public supervision and direction;

"(C) operates in pursuit of a specific set of educational objectives determined by the school's developer and agreed to by the authorized public chartering agency;

"(D) provides a program of elementary or secondary education, or both;

"(E) is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

"(F) does not charge tuition;

"(G) complies with the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and part B of the Individuals with Disabilities Education Act;

"(H) admits students on the basis of a lottery, if more students apply for admission than can be accommodated;

"(I) agrees to comply with the same Federal and State audit requirements as do other elementary and secondary schools in the State, unless such requirements are specifically waived for the purpose of this program;

"(J) meets all applicable Federal, State, and local health and safety requirements; and

"(K) operates in accordance with State law.

"(2) The term 'developer' means an individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out.

"(3) The term 'eligible applicant' means an authorized public chartering agency participating in a partnership with a developer to establish a charter school in accordance with this part.

"(4) The term 'authorized public chartering agency' means a State educational agency, local educational agency, or other public entity that has the authority pursuant to State law and approved by the Secretary to authorize or approve a charter school.

20 USC 8067.

"SEC. 10307. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated \$15,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years.

"PART D—ARTS IN EDUCATION

"Subpart 1—Arts Education

20 USC 8091.

"SEC. 10401. SUPPORT FOR ARTS EDUCATION.

"(a) FINDINGS.—The Congress finds that—

"(1) the arts are forms of understanding and ways of knowing that are fundamentally important to education;

RESEARCH TODAY

Charter Schools

A report from the National Institute on Student Achievement, Curriculum, and Assessment

August 1998

A National Study of Charter Schools, Second-Year Report

On July 24, 1998, President Clinton announced the release of the second-year report of the National Study of Charter Schools, a comprehensive four-year study of charter schools sponsored by the U.S. Department of Education. The charter school phenomenon that seemed radical only a few years ago is now an accepted part of public education in many parts of the country. In 1991, Minnesota became the first state to enact charter school legislation, and today, just 7 years later, 33 states, the District of Columbia, and Puerto Rico have passed charter school laws.

Across the country, teachers, parents, and community members are working to open charter schools—schools they believe will improve education. The second-year report, which was produced by RPP International, of Emeryville, California, describes the charter school movement nationwide, and documents and analyzes ways in which charter schools are being established and run. Key findings include:

The number of charter schools is growing. In the 1997-98 school year, 279 additional charter schools opened, bringing the total number to nearly 700. If the various branches of charter schools in Arizona are counted as separate charter schools, the number of charter schools in operation was approximately 781. Arizona, California, and Michigan have the largest numbers of charter schools; together, these three

states have about half of all charter school in the country.

Most charter schools are standing the test of time. Once established, charter schools have remained open. Only 19 charter schools had ceased operating as charters by September 1997; and only 12 of these schools actually closed their doors.

Over 110,000 students attended charter schools in 1996-97, and the schools are in great demand. More than 70 percent of charter schools sampled said they had more applicants than could attend. Charter school enrollment varies from less than one-tenth of one percent of the state's public school enrollment in Florida, Illinois, and Louisiana to more than two percent of the state's enrollment in Arizona.

Generally, in terms of race and income level, charter school populations are similar to those in the overall public school system. However, about a third of charter schools are more likely to serve students of color and low-income students.

There appear to be possible legislative trends surfacing toward relaxing limits on the number of charter schools and increasing flexibility in the charter-granting process. Despite these trends, charter school operators face many

barriers to starting charter schools. Principal among the barriers cited by study respondents was insufficient start-up funds, followed by inadequate operating funds, inadequate facilities, and lack of planning time.

The study is examining why parents choose charter schools for their children, and what students think about their charter schools. In focus group discussions, parents and students consistently voiced dissatisfaction with their previous public schools, expressing concerns about low academic standards, a dehumanizing culture, student safety, and unresponsiveness to serious parent involvement. The charter schools they are choosing tend to reflect their concerns:

Most charter schools are small, particularly compared to other public schools. Charter schools have an estimated median enrollment of about 150 students, whereas other public schools in the charter states have a median of about 500 students.

Many charter schools have non-traditional grade configurations. Charter schools include a higher proportion of K through 12, K through 8, and ungraded schools than other public schools.

Most charter schools say they attract parents and students by focusing on academics, but they also feature other attractions. Charter schools tend to focus on one or a combination of the following themes in seeking to attract students: a quality academic program with high standards, a supportive environment often based on small school size, a flexible approach to educational and cultural programming, or, in sharp contrast, a highly structured environment.

The study also is examining the state role. Chartering statutes differ dramatically from state to state as to the extent and nature of the autonomy they allow. State statutes also vary greatly with respect to the number of charter schools allowed, the conditions of accountability and renewal, and the types of charter schools

permitted. Thus, different charter approaches are being tried simultaneously across the country. Although charter laws vary greatly across states, several key features dictate the number and types of charter schools that are created within each state:

Most states allow both newly created and conversion schools. Some, however, only allow public conversions; only five states and the District of Columbia allow newly created schools and both public and private conversions.

Most states establish some limit on the number of charter schools or the number of students enrolled in charter schools. Only 11 states have no limit on the number of schools or students.

Most states allow automatic waivers of most of the education code, except for provisions related to health, safety, and civil rights. In 11 states, however, charter schools must apply for specific waivers, and in two states charter schools are responsible for following most of the education code.

The full report, as well as an executive summary, will be placed on the Department's WWW site www.ed.gov.

For additional information:

For additional information about the study: U.S. Department of Education, OERI/Student Achievement Institute, 555 New Jersey Avenue NW, Room 510, Washington, DC 20208-5573, Attn: Judith Anderson, or judith_anderson@ed.gov.

For information on the grant and model development programs: U.S. Department of Education/Office of Elementary and Secondary Education, 4512 Portola Washington, DC 20202, Attn: John Fiegel, john_fiegel@ed.gov.

The U.S. Charter Schools World Wide Web site <http://www.uscharterschools.org/>

OERI 98-3035

Overview

www.uscharterschools.org

For more information regarding the US Charter Schools web site, contact uscharterschools@wested.org or call Don Klein at 415.565.3017 or Eric Premack at 916.278.4600, epremack@aol.com.

The US Charter Schools web site is dedicated to linking charter school developers and operators across the country to the most current and comprehensive technical assistance information available on-line. Developed by WestEd and the California State University Institute for Education Reform in partnership with the U.S. Department of Education, this site is an evolving, interactive resource that helps charter schools and members of the education community who work closely with them to share information and build on-line connections.

Starting & Running Your Charter School

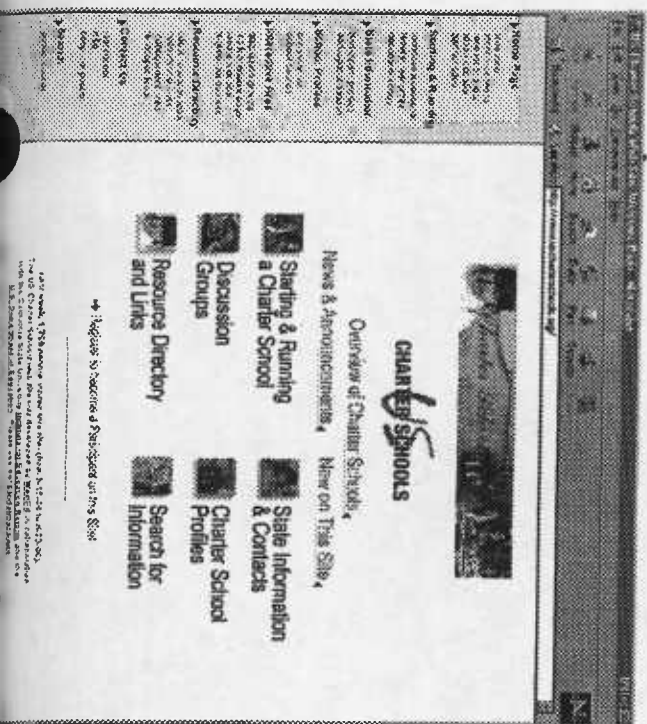
This area of the site addresses technical assistance questions encountered in the development and daily operation of charter schools. It provides a general overview of the start-up process for developers, such as the steps involved in developing a mission or vision statement, interpreting state guidelines and laws, and writing a charter.

State Information & Contacts

Designed for operators and developers alike, this area presents key contact and legislative information on each state with charter schools. It also provides charter school operators the opportunity to create a personalized, on-line profile of their charter school that describes their mission, instructional program, student population, and much more.

Discussion Groups

Discussion groups allow charter school operators, teachers, developers, board members and parents to exchange information with colleagues across the country on a variety of topics, including curriculum & instruction and technology planning. Future discussion group topics will include special education and access to federal programs.



**DESCRIPTION OF HOUSE BILL 999,
AS INTRODUCED**

Department of Legislative Services

October 1998

DESCRIPTION OF HOUSE BILL 999, AS INTRODUCED

House Bill 999, as originally introduced (attached), provides that local boards of education may authorize teaching staff members, parents, higher education institutions, or private organizations to establish public charter schools. Private or parochial schools are not eligible to become public charter schools. Public charter schools are entitled to receive county, State, and federal funds in the same manner as calculated for regular public schools. Public charter schools cannot discriminate in their enrollment policies or charge tuition to students.

An existing public school is eligible to become a public charter school if at least 51% of the teaching staff and 51% of the parents of children attending the school sign a petition in support of the school becoming a public charter school. Public charter schools are valid for a four-year period and may be renewed by the local board for subsequent periods of five years.

A public charter school must be open to all students on a space-available basis and may not discriminate in its admission policies or practices on the basis of intellectual or athletic ability, measures of achievement or aptitude, disability status, proficiency in English, or any other basis that would be illegal if used by a local board. Enrollment preferences must be given to students residing in the county in which the public charter school is located. Also, a public charter school may give enrollment priority to a sibling of a student enrolled at the school. The State Board of Education or the local board of education may exempt a public charter school from certain education regulations or requirements, except those pertaining to assessment, testing, civil rights, and student health and safety. A public charter school must comply with State law governing the provision of services to students with disabilities. The local board of education, however, must pay for the educational expenses of any student who is found because of a handicapping condition to require an educational placement outside the public charter school.

Local boards of education are required to provide funding to the public charter schools, for each student enrolled in the school who resides in the county, in an amount between 90% and 100% of the per pupil operating costs for educating like-kind students in the existing public school. A public charter school may be located in a part of an existing public school building, non-school public buildings, or any other suitable location. Charter school facilities are exempt from public school facility regulations except for those pertaining to the health and safety of students. Public charter schools cannot construct school facilities with public funds, and local boards of education must provide students in public charter schools with transportation services.

The Local Board of Education may revoke a public charter school's charter if (1) the school has not fulfilled any condition imposed by the county board in connection with the granting of the charter; (2) the school has violated any provisions of the charter; (3) the fiscal condition of the school is deficient; or (4) the academic condition of the school is substantially deficient. In addition, the local board may place a public charter school on probationary status to allow the implementation of a remedial plan, pending a decision to revoke the school's charter. The local boards of education are required to develop procedures and guidelines for the revocation and renewal of school charters.

FISCAL EFFECT

Conceptually, establishing public charter schools should not result in additional local expenditures. Public charter schools would receive between 90% and 100% of the operating costs incurred by regular public schools to educate like-kind students, which in fiscal 1996 ranges between \$5,877 and \$6,530 per pupil. Also, public charter schools are eligible to receive local, State and federal funding in the same manner as calculated for regular public schools. However, the local boards of education may incur additional costs if they are required to provide transportation services to students enrolled in charter schools. In fiscal 1996, statewide student transportation cost averaged \$357 per pupil, which is approximately 5% of the statewide per pupil operating costs. Since students attending public charter schools may not reside in a confined geographic area, school transportation costs could increase.

Even with the availability of State and local funds, public charter schools may still incur financial difficulties. Based on a study by the National Conference of State Legislatures, locating and paying for adequate school facilities pose significant barriers to charter schools. According to this report, new charter schools rarely have a financial track record or assets that enable them to secure loans to lease or buy buildings. In addition, many charter schools do not have access to local district funds available for capital improvements (buildings and major improvements), nor do they have the ability to issue bonds. Accordingly, most charter schools must use a portion of their operating funds to purchase and maintain school facilities. Like similar legislation in other states, House Bill 999 prohibits public charter schools from using public funds to construct a school facility and does not provide any funding for facility acquisition or school start-up costs that could assist public charter schools to become operational. While House Bill 999 enables a public charter school to utilize an existing school building, due to current overcrowded conditions at many public schools this may not be feasible. For example, public schools are currently using over 1,700 relocatable classrooms to ease existing overcrowded conditions.

Another major fiscal issue involves start-up costs. According to a report by the Education Commission of the States, most charter schools have initial cash-flow problems because they do not receive any State or local money until the school year begins. Charter schools often have to take out loans for operating and start-up expenses. Further, it can be difficult for a charter school to access or receive federal categorical funds during its first year, because funding for some federal programs is based on prior year enrollment. To alleviate this problem, some states such as Massachusetts, have made an exception for charter schools by allowing them to qualify for federal categorical funds based on actual enrollment of eligible children during the first year.

Public charter schools' instructional costs may be lower than the average public school since charter schools do not have to abide by the collective bargaining agreement reached in the county, except in cases where an existing public school becomes a public charter school. For example, if an existing public school becomes a public charter school, school employees of the public charter school remain members of the existing collective bargaining unit; however, for all other public charter schools, the board of trustees decides whether to accept the terms of the collective bargaining

agreement. However, a public charter school may not set a teacher salary below the minimum statutory requirement (Section 6-302 of the Education Article) or higher than the highest step prescribed by the collective bargaining agreement for the county's public school teachers. However, any potential lower instructional costs would most likely be used to cover start-up expenses, facilities costs, new academic programs, and administrative costs.

SUPPORT AND OPPOSITION

Supporters of House Bill 999 cited the \$80 million in federal grants available to public charter schools to assist with start-up costs (a major barrier for most public charter schools, as described above). Testimony from a United States Department of Education representative confirmed that Maryland must pass authorizing legislation for these schools to become eligible for the federal funds. At present, Maryland public charter schools' applications are rejected outright due to the lack of this authorizing legislation.

Several of the opponents of House Bill 999 did not understand the need for the legislation because local boards of education already have the authority to establish charter schools. A common sentiment was found in the testimony of the Maryland State Teachers Association, which stated, "Legislation is not needed to form a charter school in Maryland and to date there has been very little interest from parents or teachers for a charter school." Others, such as the Public School Superintendents Association of Maryland, believed that "if legislation is needed, it should only enable charter schools without being so prescriptive."

The Maryland Association of Boards of Education itemized what they believed were the four provisions needed in statute to qualify for federal grants:

- 1) A county board of education may grant a charter to operate a public charter school as provided by regulations adopted by the State Board of Education;
- 2) The regulations shall allow the charter school to request that the State Board or local board exempt the school from certain State or local rules that inhibit its flexible operation and management;
- 3) The regulations shall provide that the number of charter schools may increase from one year to the next; and
- 4) The regulations shall provide that the local board shall review and evaluate the charter school to ensure that the school is meeting or exceeding the academic performance requirements and goals as set forth in the school's charter.

While a consensus was growing toward the end of session around legislation that would encompass just these four provisions, most felt that establishing a task force to examine the issue of exactly what

language was necessary to satisfy the United States Department of Education was a prudent approach, and the one that eventually passed the legislature.

HOUSE BILL 999

Unofficial Copy

1998 Regular Session
8lr1073

By: Delegates Leopold, Rawlings, C. Mitchell, Brinkley, Rzepkowski,
Mossburg, Morgan, M. Burns, Flanagan, McKee, Schade, Cadden, La
Vay, Cryor, and Marriott

Introduced and read first time: February 13, 1998

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Public Charter Schools**

3 FOR the purpose of establishing a Public Charter School Program; providing
4 requirements and criteria for the establishment of a public charter school;
5 specifying the procedures under which a county board of education may grant a
6 charter for the creation of a public charter school; providing for the creation,
7 operation, governance, and personnel policies of a public charter school;
8 providing for certain admissions guidelines for public charter schools;
9 authorizing the State Board of Education and a county board to exempt a public
10 charter school from certain regulatory provisions; providing for certain funding
11 from a county board; providing for certain transportation of students; providing
12 for resolution of complaints against a charter school; requiring a county board to
13 assess and review charter schools in a certain manner; requiring charter schools
14 to prepare an annual report; requiring the State Board of Education to evaluate
15 the Public Charter School Program and prepare a report to the General
16 Assembly in a certain manner; authorizing a county board to revoke a charter
17 under certain circumstances; and generally relating to the creation of a Public
18 Charter School Program.

19 BY adding to
20 Article - Education
21 Section 9-101 through 9-118, inclusive, to be under the new title "Title 9. Public
22 Charter School Program"
23 Annotated Code of Maryland
24 (1997 Replacement Volume and 1997 Supplement)

25 **Preamble**

26 WHEREAS, The federal government has appropriated \$80 million in Fiscal Year
27 1998 to support the implementation and start-up costs for approved public charter
28 schools; and

1 WHEREAS, Studies have shown that charter schools are not elitist enclaves,
2 but rather serve a wide range of economic and cultural groups; and

3 WHEREAS, If properly developed, structured, and funded, charter schools have
4 the potential to foster teacher creativity and enrich educational opportunities for
5 many students; and

6 WHEREAS, The General Assembly finds that the establishment of a public
7 charter school program is in the best interest of the students of this State; now,
8 therefore,

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
10 MARYLAND, That the Laws of Maryland read as follows:

11 **Article - Education**

12 **TITLE 9. PUBLIC CHARTER SCHOOL PROGRAM.**

13 9-101.

14 IN THIS TITLE, "CHARTER" MEANS THE AUTHORIZATION GRANTED BY A
15 COUNTY BOARD TO OPERATE A PUBLIC CHARTER SCHOOL.

16 9-102.

17 (A) THE GENERAL ASSEMBLY FINDS THAT THE ESTABLISHMENT OF PUBLIC
18 CHARTER SCHOOLS AS PART OF THE STATE'S PROGRAM OF PUBLIC EDUCATION CAN
19 ASSIST IN PROMOTING COMPREHENSIVE EDUCATIONAL REFORM BY PROVIDING A
20 MECHANISM FOR THE IMPLEMENTATION OF A VARIETY OF EDUCATIONAL
21 APPROACHES THAT MAY NOT BE AVAILABLE IN THE TRADITIONAL PUBLIC SCHOOL
22 CLASSROOM.

23 (B) PUBLIC CHARTER SCHOOLS OFFER THE POTENTIAL TO IMPROVE PUPIL
24 LEARNING, INCREASE THE EDUCATIONAL CHOICES AVAILABLE FOR PARENTS AND
25 STUDENTS, ENCOURAGE THE USE OF DIFFERENT AND INNOVATIVE LEARNING
26 METHODS, ESTABLISH A NEW FORM OF ACCOUNTABILITY FOR SCHOOL, REQUIRE
27 THE MEASUREMENT OF LEARNING OUTCOMES, MAKE THE SCHOOL THE UNIT FOR
28 EDUCATIONAL IMPROVEMENT, AND ESTABLISH NEW PROFESSIONAL
29 OPPORTUNITIES FOR TEACHERS.

30 9-103.

31 (A) (1) A COUNTY BOARD MAY GRANT A CHARTER TO OPERATE A PUBLIC
32 CHARTER SCHOOL AS PROVIDED IN THIS TITLE.

33 (2) A CHARTER GRANTED UNDER THIS TITLE SHALL BE VALID FOR AN
34 INITIAL 4-YEAR PERIOD AND MAY BE RENEWED BY THE COUNTY BOARD FOR
35 SUBSEQUENT PERIODS OF 5 YEARS.

36 (B) A PUBLIC CHARTER SCHOOL SHALL BE:

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- (1) OPERATED INDEPENDENTLY OF THE COUNTY BOARD; AND
- (2) MANAGED BY ITS BOARD OF TRUSTEES.

(C) A BOARD OF TRUSTEES, UPON RECEIVING A CHARTER FROM THE COUNTY BOARD, SHALL BE DEEMED TO BE PUBLIC AGENTS AUTHORIZED BY THE STATE BOARD TO SUPERVISE AND CONTROL THE PUBLIC CHARTER SCHOOL.

9-104.

(A) A PUBLIC CHARTER SCHOOL MAY BE ESTABLISHED BY:

- (I) TEACHING STAFF MEMBERS;
- (II) PARENTS OF CHILDREN ATTENDING THE SCHOOLS OF THE COUNTY; OR
- (III) A COMBINATION OF TEACHING STAFF MEMBERS AND PARENTS;
- (2) AN INSTITUTION OF HIGHER EDUCATION IN THE STATE; OR

(3) A PRIVATE ENTITY LOCATED IN THE STATE, IN CONJUNCTION WITH TEACHING STAFF MEMBERS AND PARENTS OF STUDENTS ATTENDING THE SCHOOLS OF THE COUNTY.

(B) (1) IF A PUBLIC CHARTER SCHOOL IS ESTABLISHED BY A PRIVATE ENTITY, REPRESENTATIVES OF THE PRIVATE ENTITY MAY NOT CONSTITUTE A MAJORITY OF THE BOARD OF TRUSTEES OF THE SCHOOL, AND THE CHARTER SHALL SPECIFY THE EXTENT TO WHICH THE PRIVATE ENTITY MAY BE INVOLVED IN THE OPERATION OF THE SCHOOL.

(2) THE NAME OF THE PUBLIC CHARTER SCHOOL MAY NOT INCLUDE THE NAME OR IDENTIFICATION OF THE PRIVATE ENTITY, AND THE PRIVATE ENTITY MAY NOT REALIZE A PROFIT FROM ITS OPERATION OF A PUBLIC CHARTER SCHOOL.

(C) A PRIVATE OR PAROCHIAL SCHOOL IS NOT ELIGIBLE TO BECOME A PUBLIC CHARTER SCHOOL.

(D) AN EXISTING PUBLIC SCHOOL IS ELIGIBLE TO BECOME A PUBLIC CHARTER SCHOOL IF:

(1) AT LEAST 51% OF THE TEACHING STAFF OF THE EXISTING PUBLIC SCHOOL SIGNS A PETITION IN SUPPORT OF THE SCHOOL BECOMING A PUBLIC CHARTER SCHOOL; AND

(2) THE PARENTS OR GUARDIANS OF AT LEAST 51% OF THE STUDENTS ATTENDING THE EXISTING PUBLIC SCHOOL SIGN A PETITION IN SUPPORT OF THE SCHOOL BECOMING A PUBLIC CHARTER SCHOOL.

1 9-105.

2 (A) AN APPLICATION TO ESTABLISH A PUBLIC CHARTER SCHOOL SHALL BE
3 SUBMITTED TO THE COUNTY BOARD DURING THE SCHOOL YEAR PRECEDING THE
4 SCHOOL YEAR IN WHICH THE PUBLIC CHARTER SCHOOL IS TO BE ESTABLISHED.

5 (B) THE COUNTY BOARD SHALL REVIEW THE APPLICATION AND RENDER A
6 DECISION WITHIN 60 DAYS OF RECEIPT OF THE APPLICATION.

7 9-106.

8 AN APPLICATION TO ESTABLISH A PUBLIC CHARTER SCHOOL SHALL INCLUDE:

9 (1) THE IDENTITY OF THE CHARTER APPLICANT OR APPLICANTS;

10 (2) THE PROPOSED NAME OF THE PUBLIC CHARTER SCHOOL;

11 (3) THE PROPOSED GOVERNANCE STRUCTURE OF THE PUBLIC CHARTER
12 SCHOOL, INCLUDING A LIST OF THE PROPOSED MEMBERS OF THE BOARD OF
13 TRUSTEES OF THE PUBLIC CHARTER SCHOOL OR A DESCRIPTION OF THE
14 QUALIFICATIONS AND METHOD FOR THE APPOINTMENT OR ELECTION OF MEMBERS
15 OF THE BOARD OF TRUSTEES;

16 (4) THE EDUCATIONAL GOALS OF THE PUBLIC CHARTER SCHOOL, THE
17 CURRICULUM TO BE OFFERED, AND THE METHODS OF ASSESSING WHETHER
18 STUDENTS ARE MEETING EDUCATIONAL GOALS;

19 (5) THE ADMISSION POLICY AND CRITERIA FOR EVALUATING THE
20 ADMISSION OF STUDENTS, WHICH SHALL COMPLY WITH § 9-109 OF THIS TITLE;

21 (6) THE AGE OR GRADE RANGE OF STUDENTS TO BE ENROLLED;

22 (7) THE SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE;

23 (8) A DESCRIPTION OF STAFF RESPONSIBILITIES AND PROPOSED
24 QUALIFICATIONS OF TEACHING STAFF;

25 (9) A DESCRIPTION OF THE PROCEDURES TO BE IMPLEMENTED TO
26 ENSURE SIGNIFICANT PARENT INVOLVEMENT OF THE OPERATION OF THE SCHOOL;

27 (10) A DESCRIPTION OF, AND ADDRESS FOR, THE PHYSICAL FACILITY IN
28 WHICH THE PUBLIC CHARTER SCHOOL WILL BE LOCATED;

29 (11) INFORMATION ON THE MANNER IN WHICH COMMUNITY GROUPS
30 WILL BE INVOLVED IN THE PUBLIC CHARTER SCHOOL PLANNING PROCESS;

31 (12) THE FINANCIAL PLAN FOR THE PUBLIC CHARTER SCHOOL AND THE
32 PROVISIONS THAT WILL BE MADE FOR AUDITING THE SCHOOL IN ACCORDANCE
33 WITH § 5-109 OF THIS ARTICLE;

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1 (13) A DESCRIPTION OF AND JUSTIFICATION FOR ANY WAIVER OF STATE
2 OR LOCAL REGULATIONS WHICH THE PUBLIC CHARTER SCHOOL WILL REQUEST;
3 AND

4 (14) ANY OTHER INFORMATION THE COUNTY BOARD MAY REQUIRE.

5 9-107.

6 A PUBLIC CHARTER SCHOOL ESTABLISHED UNDER THIS TITLE SHALL BE A
7 BODY CORPORATE AND POLITIC WITH ALL POWERS NECESSARY OR DESIRABLE FOR
8 CARRYING OUT ITS CHARTER PROGRAM, INCLUDING THE POWER TO:

9 (1) ADOPT A NAME AND CORPORATE SEAL; HOWEVER, THE NAME
10 SELECTED SHALL INCLUDE THE WORDS "CHARTER SCHOOL";

11 (2) SUE AND BE SUED, TO THE SAME EXTENT AND UPON THE SAME
12 CONDITIONS THAT A PUBLIC ENTITY CAN BE SUED;

13 (3) ACQUIRE REAL PROPERTY FROM PUBLIC OR PRIVATE SOURCES, BY
14 PURCHASE, LEASE, LEASE WITH AN OPTION TO PURCHASE, OR BY GIFT, FOR USE AS
15 A SCHOOL FACILITY;

16 (4) RECEIVE AND DISBURSE FUNDS FOR SCHOOL PURPOSES;

17 (5) MAKE CONTRACTS AND LEASES FOR THE PROCUREMENT OF
18 SERVICES, EQUIPMENT, AND SUPPLIES;

19 (6) INCUR TEMPORARY DEBTS IN ANTICIPATION OF THE RECEIPT OF
20 FUNDS;

21 (7) SOLICIT AND ACCEPT ANY GIFTS OR GRANTS FOR SCHOOL
22 PURPOSES; AND

23 (8) HAVE ANY OTHER POWERS NECESSARY TO FULFILL ITS CHARTER
24 AND WHICH ARE NOT INCONSISTENT WITH THIS TITLE OR THE REQUIREMENTS OF
25 THE COUNTY BOARD.

26 9-108.

27 (A) A PUBLIC CHARTER SCHOOL SHALL BE OPEN TO ALL STUDENTS ON A
28 SPACE-AVAILABLE BASIS AND MAY NOT DISCRIMINATE IN ITS ADMISSION POLICIES
29 OR PRACTICES ON THE BASIS OF INTELLECTUAL OR ATHLETIC ABILITY, MEASURES
30 OF ACHIEVEMENT OR APTITUDE, DISABILITY STATUS, PROFICIENCY IN THE ENGLISH
31 LANGUAGE, OR ANY OTHER BASIS THAT WOULD BE ILLEGAL IF USED BY A COUNTY
32 BOARD.

33 (B) A PUBLIC CHARTER SCHOOL MAY:

34 (1) LIMIT ADMISSION TO A PARTICULAR GRADE LEVEL;

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1 (2) PROVIDE A SPECIFIC ACADEMIC FOCUS, SUCH AS MATHEMATICS,
2 SCIENCE, OR THE ARTS; AND

3 (3) ESTABLISH REASONABLE CRITERIA TO EVALUATE PROSPECTIVE
4 STUDENTS, WHICH SHALL BE OUTLINED IN THE SCHOOL'S CHARTER.

5 9-109.

6 (A) (1) PREFERENCE FOR ENROLLMENT IN A PUBLIC CHARTER SCHOOL
7 SHALL BE GIVEN TO STUDENTS WHO RESIDE IN THE COUNTY IN WHICH THE PUBLIC
8 CHARTER SCHOOL IS LOCATED.

9 (2) SUBJECT TO THE OTHER PROVISIONS OF THIS SECTION, IF MORE
10 APPLICANTS ENROLL IN A PUBLIC CHARTER SCHOOL THAN THERE ARE SPACES
11 AVAILABLE, THE PUBLIC CHARTER SCHOOL SHALL SELECT STUDENTS TO ATTEND
12 USING A RANDOM SELECTION PROCESS.

13 (3) A PUBLIC CHARTER SCHOOL MAY NOT CHARGE TUITION.

14 (B) A PUBLIC CHARTER SCHOOL MAY GIVE ENROLLMENT PRIORITY TO A
15 SIBLING OF A STUDENT ENROLLED IN THE PUBLIC CHARTER SCHOOL.

16 (C) (1) IF AVAILABLE SPACE PERMITS, A PUBLIC CHARTER SCHOOL MAY
17 ENROLL STUDENTS WHO DO NOT RESIDE IN THE COUNTY IN WHICH THE SCHOOL IS
18 LOCATED.

19 (2) THE TERMS AND CONDITIONS OF THE ENROLLMENT SHALL BE
20 OUTLINED IN THE SCHOOL'S CHARTER.

21 (D) THE ADMISSION POLICY OF A PUBLIC CHARTER SCHOOL, TO THE
22 MAXIMUM EXTENT PRACTICABLE, SHALL SEEK THE ENROLLMENT OF A
23 REPRESENTATIVE CROSS-SECTION OF THE COMMUNITY'S SCHOOL AGE
24 POPULATION, INCLUDING SUCH FACTORS AS RACIAL, ECONOMIC, AND ACADEMIC
25 DIVERSITY.

26 9-110.

27 (A) A STUDENT MAY WITHDRAW FROM A PUBLIC CHARTER SCHOOL AT ANY
28 TIME.

29 (B) (1) A STUDENT MAY BE EXPELLED FROM A PUBLIC CHARTER SCHOOL
30 BASED ON CRITERIA DETERMINED BY THE BOARD OF TRUSTEES, CONSISTENT WITH
31 PROVISIONS OF THE SCHOOL'S CHARTER.

32 (2) A DECISION TO EXPEL A STUDENT SHALL BE MADE BY THE
33 PRINCIPAL OF THE PUBLIC CHARTER SCHOOL, IN CONSULTATION WITH THE
34 STUDENT'S TEACHERS.

35 9-III.

36 (A) A PUBLIC CHARTER SCHOOL MAY BE LOCATED IN:

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- (1) PART OF AN EXISTING PUBLIC SCHOOL BUILDING;
- (2) A PUBLIC BUILDING OTHER THAN AN EXISTING PUBLIC SCHOOL; OR
- (3) ANY OTHER SUITABLE LOCATION.

(B) THE FACILITY SHALL BE EXEMPT FROM THE PUBLIC SCHOOL FACILITY REGULATIONS EXCEPT THOSE PERTAINING TO THE HEALTH OR SAFETY OF THE PUPILS.

(C) A PUBLIC CHARTER SCHOOL MAY NOT CONSTRUCT A FACILITY WITH PUBLIC FUNDS.

9-112.

(A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A PUBLIC CHARTER SCHOOL SHALL OPERATE IN ACCORDANCE WITH ITS CHARTER AND THE PROVISIONS OF LAW GOVERNING OTHER PUBLIC SCHOOLS.

(2) AT THE REQUEST OF THE BOARD OF TRUSTEES OF A PUBLIC CHARTER SCHOOL, THE STATE BOARD MAY EXEMPT THE SCHOOL FROM STATE EDUCATION REGULATIONS AND REQUIREMENTS, AND THE COUNTY BOARD MAY EXEMPT THE SCHOOL FROM LOCAL EDUCATION REGULATIONS AND REQUIREMENTS, IF THE BOARD OF TRUSTEES SATISFACTORILY DEMONSTRATES THAT THE EXEMPTION WILL ADVANCE THE EDUCATIONAL GOALS AND OBJECTIVES OF THE SCHOOL.

(3) THE STATE BOARD OR A COUNTY BOARD MAY NOT EXEMPT A PUBLIC CHARTER SCHOOL FROM REGULATIONS PERTAINING TO ASSESSMENT, TESTING, CIVIL RIGHTS, OR STUDENT HEALTH AND SAFETY.

(B) (1) A PUBLIC CHARTER SCHOOL SHALL COMPLY WITH THE PROVISIONS OF § 8-404 OF THIS ARTICLE CONCERNING THE PROVISION OF SERVICES TO STUDENTS WITH DISABILITIES.

(2) THE COUNTY BOARD SHALL PAY THE EDUCATIONAL EXPENSES OF ANY STUDENT WHO IS FOUND BECAUSE OF A HANDICAPPING CONDITION TO REQUIRE AN EDUCATIONAL PLACEMENT OUTSIDE THE PUBLIC CHARTER SCHOOL.

(C) A PUBLIC CHARTER SCHOOL SHALL COMPLY WITH APPLICABLE STATE AND FEDERAL ANTIDISCRIMINATION LAWS.

9-113.

(A) THE COUNTY BOARD SHALL PAY DIRECTLY TO THE PUBLIC CHARTER SCHOOL, FOR EACH STUDENT ENROLLED IN THE PUBLIC CHARTER SCHOOL WHO RESIDES IN THE COUNTY, AN AMOUNT NOT LESS THAN 90% NOR MORE THAN 100% OF THE PER PUPIL OPERATING COSTS FOR EDUCATING THE SAME KIND OF STUDENT IN THE EXISTING PUBLIC SCHOOLS OF THE COUNTY.

1 (B) A PUBLIC CHARTER SCHOOL SHALL BE ELIGIBLE FOR COUNTY, STATE,
2 AND FEDERAL FUNDS IN THE SAME MANNER AS CALCULATED FOR LIKE-KIND
3 STUDENTS OF REGULAR PUBLIC SCHOOLS IN THE COUNTY.

4 9-114.

5 (A) STUDENTS OF A PUBLIC CHARTER SCHOOL WHO RESIDE IN THE COUNTY
6 IN WHICH THE PUBLIC CHARTER SCHOOL IS LOCATED SHALL BE PROVIDED
7 TRANSPORTATION TO AND FROM THE PUBLIC CHARTER SCHOOL ON THE SAME
8 TERMS AND CONDITIONS AS TRANSPORTATION IS PROVIDED TO STUDENTS
9 ATTENDING OTHER PUBLIC SCHOOLS OF THE COUNTY.

10 (B) STUDENTS RESIDING IN OTHER COUNTIES MAY RECEIVE
11 TRANSPORTATION SERVICES PURSUANT TO REGULATIONS ADOPTED BY THE STATE
12 BOARD.

13 9-115.

14 (A) THE BOARD OF TRUSTEES OF A PUBLIC CHARTER SCHOOL:

15 (1) MAY DECIDE MATTERS RELATING TO THE OPERATIONS OF THE
16 SCHOOL, INCLUDING BUDGETING, CURRICULUM, AND OPERATING PROCEDURES,
17 SUBJECT TO THE SCHOOL'S CHARTER; AND

18 (2) SHALL PROVIDE FOR APPROPRIATE INSURANCE AGAINST ANY LOSS
19 OR DAMAGE TO ITS PROPERTY OR ANY LIABILITY RESULTING FROM THE USE OF ITS
20 PROPERTY OR FROM THE ACTS OR OMISSIONS OF ITS OFFICERS AND EMPLOYEES.

21 (B) (1) A PUBLIC CHARTER SCHOOL AND ITS EMPLOYEES SHALL BE
22 SUBJECT TO THE PROVISIONS OF TITLE 6 OF THIS ARTICLE.

23 (2) IF AN EXISTING PUBLIC SCHOOL BECOMES A PUBLIC CHARTER
24 SCHOOL PURSUANT TO § 9-105 OF THIS TITLE, THE SCHOOL EMPLOYEES OF THE
25 PUBLIC CHARTER SCHOOL SHALL BE DEEMED TO BE MEMBERS OF THE BARGAINING
26 UNIT IN WHICH THEY WERE INCLUDED IN THE EXISTING PUBLIC SCHOOL.

27 (3) IN THE CASE OF OTHER PUBLIC CHARTER SCHOOLS, THE BOARD OF
28 TRUSTEES OF A PUBLIC CHARTER SCHOOL MAY EMPLOY, DISCHARGE, AND
29 CONTRACT WITH NECESSARY TEACHERS AND NONCERTIFICATED EMPLOYEES AS
30 PROVIDED IN THE SCHOOL'S CHARTER.

31 (4) THE BOARD OF TRUSTEES MAY CHOOSE WHETHER OR NOT TO OFFER
32 THE TERMS OF ANY COLLECTIVE BARGAINING AGREEMENT ALREADY ESTABLISHED
33 BY THE COUNTY BOARD FOR ITS EMPLOYEES, BUT THE BOARD OF TRUSTEES SHALL
34 ADOPT ANY HEALTH AND SAFETY PROVISIONS OF THE AGREEMENT.

35 (5) A PUBLIC CHARTER SCHOOL MAY NOT SET A TEACHER SALARY
36 LOWER THAN THE MINIMUM TEACHER SALARY SPECIFIED PURSUANT TO § 6-302 OF
37 THIS ARTICLE NOR HIGHER THAN THE HIGHEST STEP IN THE SALARY GUIDE IN THE

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1 COLLECTIVE BARGAINING AGREEMENT WHICH IS IN EFFECT IN THE COUNTY IN
2 WHICH THE CHARTER SCHOOL IS LOCATED.

3 (C) ALL CLASSROOM TEACHERS AND PROFESSIONAL SUPPORT STAFF SHALL
4 HOLD THE APPROPRIATE MARYLAND CERTIFICATION.

5 (D) (1) A PUBLIC SCHOOL EMPLOYEE, WHETHER TENURED OR
6 NONTENURED, MAY REQUEST A LEAVE OF ABSENCE OF UP TO 3 YEARS FROM THE
7 COUNTY BOARD IN ORDER TO WORK IN A PUBLIC CHARTER SCHOOL.

8 (2) APPROVAL FOR A LEAVE OF ABSENCE MAY NOT BE UNREASONABLY
9 WITHHELD.

10 (3) (I) EMPLOYEES ON A LEAVE OF ABSENCE AS PROVIDED IN THIS
11 SUBSECTION SHALL REMAIN IN, AND CONTINUE TO MAKE CONTRIBUTIONS TO,
12 THEIR RETIREMENT PLAN DURING THE TIME OF THE LEAVE AND SHALL BE
13 ENROLLED IN THE HEALTH BENEFITS PLAN OFFERED TO OTHER PUBLIC SCHOOL
14 TEACHERS IN THE COUNTY.

15 (II) THE PUBLIC CHARTER SCHOOL SHALL MAKE ANY REQUIRED
16 EMPLOYER'S CONTRIBUTION TO THE COUNTY'S HEALTH BENEFITS PLAN.

17 (E) AN EMPLOYEE ON A LEAVE OF ABSENCE AS PROVIDED IN SUBSECTION (D)
18 OF THIS SECTION MAY NOT ACCRUE TENURE IN THE PUBLIC SCHOOL SYSTEM BUT
19 SHALL RETAIN ANY TENURE AND SHALL CONTINUE TO ACCRUE SENIORITY IN THE
20 PUBLIC SCHOOL SYSTEM IF THE EMPLOYEE RETURNS TO THE REGULAR PUBLIC
21 SCHOOL WHEN THE LEAVE ENDS.

22 (F) AN EMPLOYEE ON A LEAVE OF ABSENCE AS PROVIDED IN SUBSECTION (D)
23 OF THIS SECTION WHO LEAVES OR IS DISMISSED FROM EMPLOYMENT AT A PUBLIC
24 CHARTER SCHOOL WITHIN 3 YEARS SHALL HAVE THE RIGHT TO RETURN TO THE
25 EMPLOYEE'S FORMER POSITION IN THE COUNTY PUBLIC SCHOOL SYSTEM IF THE
26 EMPLOYEE IS OTHERWISE ELIGIBLE FOR EMPLOYMENT.

27 9-116.

28 (A) A PERSON WHO ALLEGES THAT A PUBLIC CHARTER SCHOOL HAS
29 VIOLATED ANY PROVISION OF THIS TITLE MAY PRESENT A COMPLAINT WITH THE
30 BOARD OF TRUSTEES OF THE PUBLIC CHARTER SCHOOL.

31 (B) IF THE COMPLAINT IS NOT RESOLVED TO THE SATISFACTION OF THE
32 COMPLAINANT, THE COMPLAINANT MAY PRESENT THE COMPLAINT TO THE COUNTY
33 BOARD.

34 (C) THE BOARD OF TRUSTEES OF EACH PUBLIC CHARTER SCHOOL SHALL
35 ESTABLISH AN ADVISORY GRIEVANCE COMMITTEE COMPOSED OF PARENTS AND
36 TEACHERS TO MAKE NONBINDING RECOMMENDATIONS TO THE BOARD OF
37 TRUSTEES CONCERNING THE DISPOSITION OF COMPLAINTS.

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1 9-117.

(A) (1) THE COUNTY BOARD SHALL ANNUALLY ASSESS WHETHER EACH PUBLIC CHARTER SCHOOL IN THE COUNTY IS MEETING THE GOALS OF ITS CHARTER AND SHALL CONDUCT A COMPREHENSIVE REVIEW PRIOR TO GRANTING A RENEWAL OF THE CHARTER.

(2) THE COUNTY BOARD SHALL HAVE ACCESS TO THE RECORDS AND FACILITIES OF THE PUBLIC CHARTER SCHOOL TO ENSURE THAT THE PUBLIC CHARTER SCHOOL IS IN COMPLIANCE WITH ITS CHARTER AND THE PROVISIONS OF LAW.

(B) (1) IN ORDER TO FACILITATE THE COUNTY BOARD'S REVIEW, EACH PUBLIC CHARTER SCHOOL SHALL SUBMIT AN ANNUAL FISCAL AND STUDENT PERFORMANCE REPORT TO THE COUNTY BOARD, NOT LATER THAN AUGUST 1, IN THE FORM PRESCRIBED BY THE COUNTY BOARD.

(2) THE REPORT SHALL ALSO BE MADE AVAILABLE TO THE PARENT OR GUARDIAN OF ANY STUDENT ENROLLED IN THE PUBLIC CHARTER SCHOOL.

16 9-118.

(A) A COUNTY BOARD MAY REVOKE THE CHARTER OF A PUBLIC CHARTER SCHOOL IF:

(1) THE SCHOOL HAS NOT FULFILLED ANY CONDITION IMPOSED BY THE COUNTY BOARD IN CONNECTION WITH THE GRANTING OF THE CHARTER;

(2) THE SCHOOL HAS VIOLATED ANY PROVISIONS OF THE CHARTER;

(3) THE FISCAL CONDITION OF THE SCHOOL IS SUBSTANTIALLY DEFICIENT; OR

(4) THE ACADEMIC CONDITION OF THE SCHOOL IS SUBSTANTIALLY DEFICIENT.

(B) THE COUNTY BOARD MAY PLACE A PUBLIC CHARTER SCHOOL ON PROBATIONARY STATUS TO ALLOW THE IMPLEMENTATION OF A REMEDIAL PLAN, PENDING A DECISION TO REVOKE THE SCHOOL'S CHARTER.

(C) A COUNTY BOARD SHALL DEVELOP PROCEDURES AND GUIDELINES FOR THE REVOCATION AND RENEWAL OF SCHOOL CHARTERS.

SECTION 2. AND BE IT FURTHER ENACTED, That not later than October 1, 2002, and based on input from county boards, members of the educational community, and the public, the State Board shall submit to the General Assembly, in accordance with § 2-1246 of the State Government Article, a report on and an evaluation of the Public Charter School Program. The report shall include a recommendation on the advisability of the continuation, modification, expansion, or termination of the Program.

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 1998.