



## State Laws

Since 1991, 36 states, the District of Columbia and Puerto Rico have signed into law charter school legislation ([AK](#), [AR](#), [AZ](#), [CA](#), [CO](#), [CT](#), [DC](#), [DE](#), [FL](#), [GA](#), [HI](#), [ID](#), [IL](#), [KS](#), [LA](#), [MA](#), [MI](#), [MN](#), [MO](#), [MS](#), [NC](#), [NH](#), [NJ](#), [NM](#), [NV](#), [NY](#), [OH](#), [OK](#), [OR](#), [PA](#), [PR](#), [RI](#), [SC](#), [TX](#), [UT](#), [VA](#), [WI](#), [WY](#)).

## Requested States' Information

Passed in 1994, the **Arizona** charter school law allows for an unlimited number of charters to be granted by local school districts, but sets a maximum of 25 charters per year granted by the state board of education and an equal number granted by the state board for charter schools. Charter schools can operate under a fifteen-year performance contract to be reviewed every five years. If sponsored by a local district, a charter school receives per pupil funding equal to at least the average cost per pupil for the district as a whole. If a charter is state approved, the charter school is funded directly by the state based on the state funding formula for all schools. State standards in core subjects apply to all charter schools, and charter school students must participate in the state's student assessment program. Charter schools are automatically exempt from most other state education laws and regulations.

In Arizona, it is working. Today, nearly 50,000 students--6 percent of the total pupil population--are enrolled in 400 charter schools all across the state. There are Montessori schools, schools for the

hearing-impaired, schools for agribusiness and the performing arts. One high school focuses on pregnant and parenting teens. Another targets juvenile ex-offenders. Twelve school charters alone have been awarded to Education Alternatives, a for-profit education management company.

Passed originally in 1993 and amended in 1997, **Colorado's** charter school law empowers local district boards to grant charters. It does not limit the number of charter schools in the state but does allow local boards to "reasonably limit" the number in each district. Charter terms are up to five years. Funding is specified to be at least 80% of the per pupil operating revenues and varies widely from district to district. Charter schools must meet or exceed district content standards and specify how they will evaluate student performance. Using the state testing instrument is not mandated.

Passed in 1994, the **Kansas** charter school law sets a cap of 15 schools in the state and 2 per district, granted by local school boards. Charter applications may be initiated by a school, district employees, an educational services contractor, or any other person or entity. Charter petitions are first reviewed by the local district and then sent to the State Board of Education for final approval. Charter terms are 3 years; the term for renewal is unspecified. The funding formula is also not specified in the state's legislation. Charter school assessment must include participation in state-wide testing. There are no blanket waivers.

Compared to Arizona, Kansas has done virtually nothing. It is home to one lone charter school. One solitary charter school may not have been what Kansas legislators intended, but given the bill they passed, it was about as much as they could expect. There is a distinct difference between a law that encourages charter schools and a law that merely permits them - Kansas merely permits them.

Passed in 1997, **Mississippi's** charter school law allows a maximum of 6 charter schools in the state (one in each congressional district plus preference for one in the state's "Delta" region) with no limit on student enrollment. With LEA district approval, the state board is the charter granting agency. Charter terms are 4-6 years. Schools can be legally independent entities and are waived of most education laws and regulations. Funding in relation to other state public schools is not specified in Mississippi's law. Charter schools must address and align with state educational goals and address state standardized and performance-based assessments.

Charter school legislation in **North Carolina**, passed in 1996 and amended in 1997, caps the number of schools at 100 (5 per year, per district). North Carolina charter authorizers include local school boards, University of North Carolina boards of trustees, and the State Board of Education. Charter terms are up to 5 years. The schools must be operated by a nonprofit corporation and receive funding comparable with other public schools in the state. They must use state performance standards as a "floor" and must conduct state board-selected assessments.

Passed in 1996, **South Carolina's** charter school legislation suggests no limits on the number of schools or students enrolled. Home schools are the only designated body that cannot operate charter schools. Sponsored by local boards and appealed to state boards, charters are legally independent and waived of most education laws and regulations. Charter terms are 3 years. Funding for charter schools is comparable with other South Carolina public schools. Charter schools must "meet or exceed" district content standards and implement state assessments.

### **Arguments “for” and “against”**

#### *Arguments in favor of charter schools:*

- Allow public schools to be created outside of the existing establishment
- Encourage creativity and innovation, allowing schools to escape excessive bureaucracy and regulation
- Increase the range of options available to parents and children
- Provide new, expanded teaching opportunities
- Are held responsible for results instead of "inputs," such as the number of books in the library or the amount of time students spend in class
- Incorporate market forces in public education
- Directly involve parents and the community in the operation of their schools.

*Arguments against charter schools:*

- Many regulations that school officials perceive as barriers cannot be waived (e.g., health and safety regulations, contract laws)
- Charters could be used to spend public funds on private or home schooling
- Because charters exist on such a small scale, their benefits will affect only a limited number of students.
- For the school district, the new charter school constitutes a net financial loss. Students attending the new school do not necessarily reduce the sponsoring organizations' costs.
- Charter Schools could become elite learning centers, doing little to serve at-risk youth.
- School boards can be still legally responsible for charter schools which they do not control.

**Research/Studies –**

*U.S. Department of Education*

Some of the initial criticisms of charter schools were muted by one of the most definitive reports to date, a recently published federal study as of January 1996. Racial composition of charter schools, according to the U.S. Department of Education study, roughly mirrors statewide averages. Charters serve slightly lower proportions of students with disabilities and limited English proficiency, but there is no evidence that they "cream" the best students. About one-third of charter students are eligible for free or reduced price school meals--roughly the same as public schools. What the report did not address is the growing number of charter school failures. More than a dozen schools across the country have closed down for reasons ranging from internal power struggles to financial mismanagement (fraud, questionable expenditures, violation of state accounting procedures, exaggerated enrollment figures to receive more public funding).

*UCLA's Study of 10 California Districts*

Researchers found "no evidence that charter schools can do more with less" and that "regular public schools in districts with charter schools felt little to no pressure from the charter schools to change the way they do business." Thus, the UCLA study disputes in the strongest of terms that charter schools raise the academic achievement of their students in a more cost-effective manner and that nearby public schools will do a better job educating their children by adopting the innovations of the charter schools.

*Michigan's Review of Effective Use of Funds*

In a yearlong study of Michigan's charter school initiative, researchers at Western Michigan University concluded that charter schools may not be living up to their promise of educational innovation and more effective use of public money. The report, which was presented to the pro-charter state board of education in February, characterized many charters as "cookie-cutter" schools run by for-profit companies and suggested that many administrators and charter school boards were ill-equipped to run a school.

## MEMO

To: Michael Boyd

From: Kelly Riley

Date: February 1, 2000

Subject: Requested Research on Charter Schools

Per your request, attached you will find my preliminary research on charter schools. Thirty-six states, as well as the District of Columbia and Puerto Rico, currently have legislation enabling charter schools. Given each state's legislation and requirements, charter schools vary from state to state. I have included an overview of the states you requested (Colorado, North Carolina and South Carolina), of Mississippi, and of those states cited in the literature as having successful (Arizona) and unsuccessful (Kansas) charter school programs.

One argument supporting charter schools is that such schools allow for more creativity and innovation, thereby increasing the range of options available to students. Likewise, an argument against charter schools is that they only serve a limited number of students. I have included the results of three studies (one national, two state) as to charter schools' effectiveness.

Please let me know of any additional research needed on this topic. Thanks!