



WISCONSIN LEGISLATIVE COUNCIL

CHARTER SCHOOLS

225 Northwest
State Capitol, Madison

October 17, 2006
11:30 a.m. – 3:00 p.m.

[The following is a summary of the October 17, 2006 meeting of the Special Committee on Charter Schools. The file copy of this summary has appended to it a copy of each document prepared for or submitted to the committee during the meeting. A digital recording of the meeting is available on our Web site at <http://www.legis.state.wi.us/lc>.]

Call to Order and Roll Call

Chair Vukmir called the meeting to order. The roll was called and it was determined that a quorum was present.

COMMITTEE MEMBERS PRESENT: Rep. Leah Vukmir, Chair; Rep. Scott Newcomer; Sens. Alberta Darling and Ted Kanavas; and Public Members Diane Barkmeier, Bill Baumgart, Barbara Horton, Craig Jefson, Sandra Mills, Noelle Mudrak, Rachel Schultz, Ben Vogel, and Cindy Zautcke.

COMMITTEE MEMBERS EXCUSED: Rep. Christine Sinicki; and Public Members Phillip Ertl and Howard Fuller.

COUNCIL STAFF PRESENT: Joyce L. Kiel and Russ Whitesel, Senior Staff Attorneys.

APPEARANCES: Ted Kolderie, Center for Policy Studies, and Joe Graba, Hamline University, Minnesota; Sheri Krause, Legislative Services Coordinator, Wisconsin Association of School Boards; and Russ Allen, Wisconsin Education Association Council.

Approval of the Special Committee's September 26, 2006 Minutes

Chair Vukmir asked unanimous consent that the minutes of the September 26, 2006 meeting be approved. There was no objection.

Description of Materials Distributed

Russ Whitesel briefly described the materials noted on the agenda that had been distributed to committee members before the meeting.

Presentations by Invited Speakers

[Note: The documents referred to by the speakers are posted on the committee's Internet site.]

Ted Kolderie, Center for Policy Studies, and Joe Graba, Hamline University, jointly addressed the committee. They are involved in Education/Evolving which is a Minnesota-based project of the Center for Policy Studies and Hamline University. Their prepared remarks, entitled "The Importance of Innovation in Chartering," were distributed to the committee.

They discussed the history and purpose of charter schools, indicating that choice is necessary for innovation and to permit parents and pupils to choose an appropriate school. Mr. Kolderie explained that schools are now charged with the goal of having pupils become proficient. Mr. Graba stated that he thinks the traditional model of public education serves about 60% of pupils well, but not the other 40%. He indicated that different types of schools are needed to help this 40% and that charter schools can provide an alternative. He also indicated that while different approaches are needed, sometimes there is a reluctance to establish fundamentally different educational opportunities.

They observed that Minnesota and Wisconsin are at opposite ends of the spectrum regarding charter schools, noting that Minnesota has expanded who may authorize charter schools to include: a school board, intermediate school district school board, higher education institutions (both public and private; both two- and four-year institutions), and large nonprofit foundations. Mr. Graba questioned whether a charter school that is an instrumentality of a school district can establish a true charter school that is different enough from the traditional model public school to serve the 40% of pupils who are not well served in the traditional model. He said his questioning is based on the observation that organizations typically resist fundamental change. He said that, in Minnesota, he prefers nonschool district authorizers as they may be the most willing to operate in a nontraditional manner. Mr. Graba also indicated that sustaining a charter school is an issue, not simply establishing it in the first place.

In response to questions, the speakers reviewed the history of the Minnesota charter school law and indicated that currently there are about 140 charter schools in Minnesota. They also indicated that good authorizers want excellent charter schools and often ask entities proposing charter schools to revise their proposals before they are accepted.

When asked about the lower number of charter school pupils in Minnesota than in Wisconsin, they explained that Minnesota has a large number of alternative schools that were created for pupils not doing well in traditional schools and that these "charter-like" schools serve about 120,000 pupils in Minnesota who are not counted as charter school pupils.

Ms. Zautcke asked about the 40% of pupils that Mr. Graba indicated are not doing well in traditional schools. Mr. Graba stated that they are rural as well as urban pupils, are majority as well as minority pupils, and are from all socio-economic backgrounds. He also indicated that the system does

not serve pupils well if they are not provided with accelerated learning when they are ready for it. He said that there is a need to customize learning for each pupil.

Mr. Graba also indicated that in order to expand the growth of charter schools, there needs to be research to identify successful models.

In response to a question about how Minnesota law deals with transportation to charter schools and eligibility of charter school staff under the state retirement system, the speakers stated that ch. 353 of the Minnesota Statutes provides that charter school staff are eligible under the Minnesota Retirement System. They also explained that, in Minnesota, the same amount of money is provided to charter schools to transport pupils as is provided to school districts and that charter schools can use that money to purchase transportation from school districts or to arrange their own transportation.

In response to a question about state funding of charter schools, they explained that state funding goes directly to charter schools and that, in general, Minnesota provides about 80% of funding for K-12 education. They also explained that school districts may levy property taxes to help pay for education but that this option is not available to charter schools. They think that the average per pupil revenue is about the same for charter schools in Minnesota as school district schools.

Sheri Krause, Legislative Services Coordinator, Wisconsin Association of School Boards (WASB), addressed the committee and provided a written copy of her remarks. She explained that WASB supports charter schools if they are authorized by school boards. She indicated that one of the issues of concern with respect to independent (2r) charter schools is that state aid for all school districts is reduced in order to pay for the (2r) charter schools. She stated that school districts use the charter school law and have established most of the 180 plus existing charter schools now. Ms. Krause said that while it is a long, difficult process to have a charter school approved by a school board, approval rates are high.

Ms. Krause noted that 60% of school districts have declining enrollment and that many are small school districts that have issues with revenue limits. She said that school boards sometimes have to make difficult decisions to close schools and that allowing additional entities to authorize independent charter schools in such a district without school board approval would have a large impact on the district. She also expressed concern about establishing an appeal process to overturn a local school board decision not to establish a charter school.

While agreeing that innovation needs to be fostered, she stated that the local community should decide what is needed by means of their elected local school board. Ms. Krause said that if state mandates are getting in the way of innovation, they should be reviewed.

She also indicated that transportation is a costly item for some school districts, consuming up to 10% of the budget in some school districts. She explained that transportation categorical aid covers only a small portion of transportation costs. She stated that being required to additionally provide transportation to charter schools would be costly for school districts.

Ms. Krause stated that WASB does not have a position about staff of a charter school that is not an instrumentality of a governmental unit being eligible for the Wisconsin Retirement System (WRS); however, WASB does not want employees of independent charter schools to be classified as employees of a school district for WRS purposes.

Chair Vukmir noted that school boards sometimes turn down proposals from parents for charter schools and asked why WASB would oppose an appeal process for that. Ms. Krause stated that school boards very rarely turn down a proposed charter. Ms. Barkmeier asked if the Department of Public Instruction (DPI) had more current information available about the number of applications and denials for charter schools since the most recent DPI report provided data only through school year 2003-04. Committee staff was asked to obtain information from DPI about application and denial rates in more recent school years. Ms. Zautcke observed that not many charter school proposals are officially turned down but that there have been many preliminary conversations between groups of individuals, typically parents, and school board members in which people have become discouraged about officially proposing a charter school. There is no official record of this type of rejection.

Russ Allen, Wisconsin Education Association Council (WEAC), next addressed the committee and provided a written copy of his remarks. He indicated that WEAC supports charter schools but is opposed to the expansion of independent (2r) charter schools. He stated that before considering the issue of expanding the types of entities that may create charter schools, the committee should first establish whether any valid and reliable research shows that independent (2r) charter schools are more effective than charter schools authorized by local school boards. He said that school boards are the entities established to govern local schools and that no other entity is set up to do so.

Mr. Allen also expressed concern that funding for independent (2r) charter schools reduces state aid provided to school districts. He stated that if independent (2r) charter schools are appropriate, then funding should be provided for them without reducing state aid to all school districts.

Mr. Allen also stated that the use of value-added measurement to evaluate charter schools may be problematic as it could raise the stakes associated with testing and create a culture of teaching to the test and eliminating subjects that are not tested. Committee members briefly discussed the issue of testing, with some members indicating that value-added testing can help determine if a school is improving.

Discussion of Committee Assignment

Chair Vukmir said that she hopes the committee will focus on two or three issues in its recommendations. She indicated that eligibility under the WRS for charter school employees would be considered at the next meeting with staff from the Department of Employee Trust Funds making a presentation about the issue. She also indicated that she thought the committee should make recommendations about creating an appeals process when a charter is denied and recommendations about additional authorizers for independent charter schools.

With regard to an appeals process, Ms. Kiel described current law which includes an appeal to DPI only when the Milwaukee Board of School Directors denies a petition for a charter school in Milwaukee. (Petitions may be made by at least 10% of the teachers employed by the school district or by at least 50% of the teachers employed at one school of the school district.)

Senator Darling stated that she thinks an outlet is needed to appeal a local school board decision. A suggestion was made that any appeal consider nonrenewal of a charter and revocation of a charter as well as denial for establishing a charter school. Ms. Kiel indicated that if the entity to which an appeal is directed overturns a school board decision and the school board is subsequently ordered to enter into a

contract with a person establishing a charter school, issues may arise if the school board and person cannot agree on the specific terms of the charter contract. Chair Vukmir suggested that various options for entities to which the appeal could be directed be considered, such as the Department of Administration or an administrative law judge. Committee staff was asked to draft a memorandum providing various options for committee consideration.

The committee also requested that staff begin drafting a bill draft or memorandum setting forth options relating to expanding the list of entities that may authorize an independent charter school. Ideas suggested for inclusion were the technical college boards, University of Wisconsin campuses, Medical College of Wisconsin, nonprofit organizations, and tribal colleges. Ms. Kiel noted that one issue that would have to be addressed relates to the geographic attendance area for independent charter schools, that is, which pupils may be allowed to attend a charter school established by one of additional entities.

Ms. Mills indicated that she would like to add accountability of charter schools as an issue to be addressed by the committee.

Plans for Future Meetings

The next meeting of the Special Committee will be ***Tuesday, November 28, 2006, at 10:00 a.m., in Room 225 Northwest, State Capitol.*** Chair Vukmir also has tentatively scheduled a subsequent meeting for December 19, 2006 at 10:00 a.m. in Madison.

Adjournment

The meeting was adjourned at 3:00 p.m.

JLK:ksm