

Senate Education Committee Hearing on Charter Schools
Senator Dan Patrick, Chair
August 24, 2012

Good afternoon, Senator Patrick and committee members. I am David Anthony, CEO of Raise Your Hand Texas. Raise Your Hand Texas is a non-profit, non-partisan organization that strongly supports quality education for all students wherever it occurs—whether in a traditional public school or an open-enrollment Charter school.

Thank you for extending an invitation to provide testimony in today's hearing.

The charter school experience began in Texas in 1995, with the intention to better serve our low-income/at risk students.

In many cases they have stimulated learning within that constituency.

Approximately 50% of the Exemplary charters in 2011 had more than 70% economically disadvantaged students in their schools. As you might expect, exemplary charters have outstanding principals, great teachers and engaged boards. Quality Charter schools provide students in Texas with a choice in their educational setting. We are very aware of the success of many of the charter school providers. KIPP, YES Prep, Idea, Uplift and Harmony are examples of great charter schools that could provide models for our traditional public schools. Their

students go to school more days and longer hours. They are stimulated, they are learning. We congratulate them on their success. Unfortunately, not all charters are performing as well as those mentioned and others that have earned Exemplary or Recognized status.

We are also aware of the charter schools that are failing to meet the needs of students. In the 2010-2011 accountability report, there were approximately 135,000 students enrolled in charter schools. Of those, approximately 79,000 students, almost 70%, were enrolled in a Texas charter school that performed at an Academically Acceptable or lower rating. That same year, seventeen charter operators were rated Exemplary and 35 were rated Academically Unacceptable. So with this in mind, we are supporting legislative action that strengthens the accountability for quality education in a Charter school setting, and for the efficient use of limited tax dollars.

Our organization plans to support legislation designed to address the issues of:

- low-performing Charter schools,
- replication of Charter schools, and

- the approval process for new Charter schools

First, we will propose that the State Board of Education issue a three-year provisional license rather than a charter to newly qualified applicants. By granting the provisional three-year license, it will be easier to revoke the licenses of operators that cannot prove themselves. After three years, if an operator has met certain financial and academic criteria, they would be granted a full charter with a property interest. This is akin to a teacher's three-year probationary period. The license would ensure that only high quality Charters are allowed the legal protections of a property interest.

We recommend a provision be included to allow a charter operator from another state that has proven high performance determined by federal accountability to bypass the provisional license process and receive a full charter with property interest.

Our initial data runs of charters granted from 1997-2010 found that, with the provisional license, the state would be able to more quickly revoke some of the lowest-performing Charter schools. We are all aware of who they are. According

to the National Association of Charter School Authorizers (NACSA), the national average for Charter school closures is 3 to 4 percent each year. In Texas, the annual closure percentage is a small percentage of the national average, less than 1 percent. I'm sure you can see this is a prudent financial decision for the state, as well. We have calculated the amount of funding Texas would have saved on low-performing Charter schools if the initial three-year provisional license had been in place at the time the charters were granted. The total came to more than \$170 million. Additionally, over half of the \$21.4 million in outstanding debt owed to the state by Charter schools is accounted for by Charters that would have been removed due to poor academic performance in the first three years (\$11 million). Under the provisional license, state dollars will be shifted more quickly from unacceptable Charter operators to new applicants. The 2012 Phi Delta Kappa survey reported, "For almost 10 years, we have documented Americans' increasing support for charter schools, peaking last year with 70% in favor. For the first time, **support for charter schools declined, down to 66% this year.**" There are many possible reasons for the decline in support of Charter schools, but one can certainly assume that low-performing Charters impact the public opinion of all Charter schools.

The provisional license adds efficiency to the workload of the Texas Education Agency. Prior to the last session, agency staff spent a significant amount of time on Charter schools. Due to the massive reduction in personnel at the agency that occurred after the 2011 legislative session, resources are not readily available to monitor existing Charters. The provisional three-year license will be much more effective to administer than the current practice of issuing charters to qualified applicants and then proceeding with a revocation process of the charters of the low performers. In our current economic climate this could produce a savings for the state of tens of millions of dollars.

Second, we will propose that Section 12.115 of the Texas Education Code be changed to require the Commissioner of Education to revoke the charter of an operator who has:

- failed to meet the fiscal and accountability criteria outlined in statute including failure to protect the health, safety or welfare of the students

By changing the wording of the statute from “may” to “shall” the Commissioner would be required to take action. Changing the wording will eliminate subjectivity in determining if a charter is revoked or not. Any and all Charter schools that fail the litmus test must be closed. There is already precedent for

requiring revocation in the case of financial insolvency. We will support legislation that the same requirement be in place when the welfare of the student is at stake. Over 90 percent of Texas students attend traditional public schools. Their funding was cut sharply in the last session. How can we support giving state money to a charter that performs less well than the public schools? This is unfair to the students and unfair to the state. There are enough resources in the cap for new initiatives if we close the failing charters.

Finally, RYHT will support legislation that maintains the current TEA standard for determining the type of Charter school that may replicate new campuses.

Currently, when charter operators apply for a license, they don't have to demonstrate academic credentials. We feel it is our responsibility to taxpayers, parents and students to expect all charters to perform at the Recognized or Exemplary level or whatever the equivalent rating may be in the future.

Assuming continuation of alternative accountability evaluations, charters under alternative accountability may replicate if they are rated Acceptable. We believe this is appropriate for AEA Charter schools since they serve a challenging population (75 percent at-risk), and the highest rating they can achieve is Acceptable. However, for all other Charters, we support the practice of reserving

replication for high-quality Charter operators that have earned a Recognized or Exemplary rating under the current, standard accountability system.

Raise Your Hand Texas believes that all of our students deserve a quality educational experience and we support the Charter schools that have proven to be effective in the mission of preparing students to be career and college ready. RYHT will support increasing the number of new Charter school licenses, at some level, if legislation requires the Commissioner to close low-performing Charter schools, if the standard for replicating non-AEA Charters requires a Recognized or Exemplary accountability rating, and if the state implements a three-year provisional license to precede the award of a charter.

RYHT is committed to seeing the successful ideas and leadership development found in exemplary charters replicated in traditional public schools. Chris Barbic, founder of YES Prep, is trying to turn around traditional public schools in Tennessee by using charter methods. KIPP and YES Prep are partnering with Spring Branch ISD and IDEA is opening schools in a collaborative agreement with Austin ISD. These examples of traditional and Charter public schools working together to provide students with a quality education illustrate a heroic

commitment to education. They are using the Charter model in traditional public school systems to improve student success. This is the type of replication of charter ideals that we hoped to see in Texas from the beginning, when charters were described as educational labs where ideas would be investigated and then passed on to public schools. The emphasis on creating Charters as “competition” for traditional public schools may have been a barrier to collaboration. As some Charters have matured and excelled, greater educational opportunities are being created by leaders in Charter and traditional schools working together. We believe all students deserve the benefits of innovation and best practices, and we hope the sharing of ideas and successes may finally come to fruition.

We value the leadership that exemplary Charters like KIPP, YES Prep, IDEA, Uplift and Harmony have given us. They have made the path clear for what is needed. Nevertheless, these leadership charters educate only 6 percent of the 135,378 Charter students in Texas and only 0.45 percent of the almost 5,000,000 students in our state, **so we clearly see the need to take these ideas to where the kids are!**

Thank you for this opportunity to share RHYT's commitments and recommendations. And, thank you for making quality educational opportunities a priority for public school students in Texas. **They are our future!**

I will be happy to answer your questions.



RAISE YOUR HAND TEXAS

Focus on Policy

Texas Charter Schools

- RYHT applauds the high-performing charters that are positively impacting students and families statewide, including KIPP, YES, IDEA, Uplift and Harmony.
- Academic performance among charter schools at-large is mixed, with the majority performing at the same level or worse than traditional public schools.

RYHT RECOMMENDATIONS

In order to promote healthy and high-performing charters, Texas must:

- Increase quality checks on the front-end and issue provisional licenses to new providers, so only the best and most responsible entities may open and operate a new charter school
- Implement rigorous criteria for existing charters to replicate
- Maintain a “ceiling” or cap of how many new charters may be granted by the SBOE
- Strengthen existing statute to **require** the Commissioner to revoke charters that fail to meet fiscal and accountability criteria, including failure to protect the health, safety or welfare of students
- Bring best charter ideas to all public schools

FAST FACTS

THE HIGHS

High-performing charter schools:

- Provide more classroom time than traditional public schools (220 days v. 180 days)
- Have longer instructional days (9-hour days v. 7-hour days)
- Require extra commitment from families (parents and students must sign pledges)
- Have more administrative flexibility
- Take advantage of classroom and curriculum innovation

THE LOWS

- Overall, charters have a higher percentage of *Academically Unacceptable* campuses than traditional public schools (11.2% v. 5.9%).
- National performance of charters is mixed, with a majority either performing the same or worse than traditional public schools.
 - 17% better performance
 - 50% same performance
 - 37% significantly worse performance



AND IN TEXAS?

- In 2010-11:
 - 78,686 Texas students, almost 70% of all charter schools, received an *Academically Acceptable* or lower rating
 - 17 charter operators were rated *Exemplary* and 35 were rated *Academically Unacceptable*
- A charter school in Texas is about two times more likely to be failing than passing

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TEXAS

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Raise Your Hand Texas is a non-profit, non-partisan grassroots advocacy organization made up of community and business leaders, educators and taxpayers from around the state. Our mission is to advocate for students as we strive to improve Texas public schools by investing in educational leaders and engaging the public to influence policy that strengthens our schools and the economy of our state.