



Every Student Succeeds Act

Charter Schools

The Every Student Succeeds Act provides some opportunities for boosting accountability, transparency, and equity in state charter sectors while pointing towards a need for continuing consideration of legislative and regulatory options in many states.

KEY PROVISIONS

- ▶ **Purposes** of the federal Charter Schools Program remain the same: expanding state charter sectors through grant and subgrant awards to charter developers for startup, replication or expansion, and expanding access to credit for acquiring and renovating facilities.
- ▶ **Funding** has been increased, from \$231.2 million in FY 2015 to a maximum of \$270 million in FY 2017 and 2018 and \$300 million in FY 2019 and 2020.
- ▶ **A minimum of three grants to state entities** per year is required. Eligible state entities include Governors and charter school support organizations in addition to state education agencies and state charter school boards. Applications must identify and offer justification for waivers sought, and describe how state entities will work with charter schools to promote student retention, including by reducing overuse of discipline practices, and how the state addresses charter schools in its open meetings and open records laws. State entities in turn award subgrants to charter operators to open new charter schools or expand or replicate existing ones.
- ▶ **Direct federal grants** to charter management organizations, in the amount of 22.5 percent of annual allocated funding for the program, are another feature of the program.
- ▶ **Diverse charter school models** are encouraged. These can include teacher-led schools popular with some Association members.
- ▶ **Parents and other members of the community** must be solicited for input on the implementation and operation of each charter school that will receive funds. Subgrant applicants must say how in their applications to State entities.
- ▶ **State level oversight of authorizing activity**, to improve the quality of authorizer decisions on charter applications and their oversight of approved charter schools, is required. State applications must say how this will be done.
- ▶ **The annual state report card** must include specified information on charter schools receiving funds under the program.

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(continued)

- ▶ **Charter sector school accountability** is left to states to determine according to their charter school laws. It need not be the same, or comparable, to whatever school accountability policies states adopt for their traditional sectors. In states that are committed to pursuing charter sector expansion, efforts to establish more stringent school accountability policies may be pursued (which could lead to more net closures of traditional public schools than charter schools), as well as efforts to convert to charter status entire districts either directly or as a potential consequence of state takeover of school district initiatives being pushed in several states. Subgrant applications must include a description of the quality controls agreed to between the applicant and its authorizer, “such as...how a school’s performance in the State’s accountability system and impact on student achievement (which may include student academic growth) will be *one of the most important* factors for renewal or revocation of the school’s charter.” (italics added)
- ▶ **States that choose to adopt charter caps**, or maintain or lower existing caps, are not risking their access to any federal ESSA education funding source, other than charter expansion funding.
- ▶ **The new statute does not prohibit the use of parent contracts, or state charter cap circumvention** by entities operating multiple schools under one “campus” that is counted as a single charter school under a state’s cap. States that have not done so may choose to ban both ill-advised practices.
- ▶ **Presses for ‘equitable financing,’ adding non-LEA charter authorizers and several facility-financing policies**—including the ability of charter schools to share in bonds or mill levies, a right of first refusal to purchase public school buildings, and low or no-cost leasing privileges—may be anticipated in state legislatures. The new law requires the U.S. Secretary of Education to award grant funding priority to states adopting policies in these areas.
- ▶ **The new law is silent on a number of key accountability, transparency, and equity concerns.** These include: public disclosure of non-public funding amounts and length of commitments; disclosure of student behavior codes and disciplinary policies; reporting of student retention rates; staff hiring requirements along with disclosure of staff qualifications and retention rates; disclosure of ownership of legal title to land and facilities and whether public subsidies were used to help obtain it; clear requirements in state law vesting authorizers with authority to obtain access to all documents, records and information appropriate to monitor operations of schools they have authorized; public reporting, for each authorizer, of data on applications received and status of approved schools; and the establishment, monitoring, and enforcement of financial conflict of interest laws for charter sectors, among others. States have opportunities to fill these voids in the federal law in order to protect students, parents, communities, and taxpayers from harm.