

Assembly Committee on Urban Education
January 9, 2014

Department of Public Instruction Testimony
on 2013 Assembly Bill 549

I want to thank Chairman Pridemore and members of the committee for the opportunity to testify before you today on behalf of the State Superintendent in opposition to Assembly Bill 549 (AB 549). My name is Jennifer Kammerud and I am the legislative liaison for the Department of Public Instruction.

AB 549 would eliminate 78 percent of charter schools in the state, change the oversight of education by locally elected officials, cut off access to charter school grants, and take money out of local school district budgets.

78 percent of charter schools in the state are instrumentality charters. This means they are authorized by school districts and have staff that is employed by school boards. These schools are independently governed schools with their own governing boards. AB 549 would eliminate all of these schools upon the completion of their contracts and their operators can decide how, or if, they want to try and seek permission to operate in a different manner.

What are the policy implications for this change? It could spell the end of many new and innovative home grown charters across the state. The vast majority of this state's existing charter schools were created using funds from federal charter school grants. If you are not a charter school you do not have access to these funds. For the 2009-14 grant cycle, DPI was awarded \$69.6 million in federal funds, the largest award in the country.

Additionally, we suddenly look like we have few charter schools. Right now Wisconsin has 243 charter schools. This is one of the largest numbers in the country. This bill would suddenly change that making it appear that overnight we have shrunk to having only 54 charter schools.

While the bill creates a new designation in state statute called magnet schools, committee members should be aware that magnet schools already exist in Wisconsin. School districts have opened and operated magnet schools in Wisconsin for years. This bill would change how boards authorize these schools. It would also make them virtually indistinguishable from charter schools, calling into question why the designation is needed at all.

AB 549 also cuts to the heart of the local control of public education. This oversight has traditionally been vested locally in elected school board members. Suddenly, under this bill there would be over 40 new UW campuses, Wisconsin Technical College boards, and CESA boards authorizing charter schools. With the potential for vast new networks of schools across the state, that any student in the state may attend, what does this do to the concept of locally elected officials overseeing education in their districts? What implications does it hold for the

constitutionality of a system that, under Article X, Section 3 of the state constitution, states that the legislature shall provide by law for the establishment of district schools which shall be as nearly uniform as practicable?

Moreover, the bill would continue the state's current manner of paying for students not enrolled in school board authorized charter schools by taking state general school aids away from each school district in the state, which directly results in higher property taxes.

For nearly 15 years, the state's method of paying for students enrolled in non-school board authorized charter schools has been to not only fund such charter schools by reducing nearly every school district's state general aid entitlement but to also not allow school districts (currently the Milwaukee and Racine school districts in which these students reside) to count these students for state general aid or revenue limit purposes.

Based on the 2013-15 biennial budget bill (Act 20), the state reduced nearly all school districts' 2013-14 state general aid by nearly 1.5 percent of their entitlement, to fund a sum sufficient appropriation, which totaled over \$64 million to pay for the 8,100 students attending non-school district authorized charter schools in Milwaukee and Racine this year.

School districts are allowed to replace this lost general aid with property taxes under their revenue limit. Ultimately, nearly all school boards choose to raise additional property taxes, instead of cutting their own existing school programs or laying off staff.

Finally it should be noted that the automatic replication process in AB 549 raises some significant questions.

- Who is doing the calculation? The bill does not direct DPI to calculate it so is it the intent of the legislature that the charter school seeking replication is doing this calculation?
- How does the legislature plan to ensure a consistent calculation? For instance, are only full academic year student results used or are the scores from everyone tested used? The department reports both.
- What about cell size? Is there a point at which the number of students tested in a charter is too small to be comparable?
- Is the intent to allow charter schools performing well in one district to replicate in completely different school districts? County boundaries referenced in the bill are not contiguous with school district ones, technical college and UW boundaries overlap, and CESAs contain multiple school districts.

The department supports charter schools and charter school expansion, but not at the expense of the existing successful public school infrastructure that exists in this state.

At this time I would be happy to answer any questions you may have.