WILL

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Chairman Thiesfeldt and members of the Assembly Committee on Education,

Thank you for the opportunity to testify today in favor of Assembly Bill 967, a proposal by Representative Wittke and Senator Darling regarding the expansion of high-performing charter schools. I am Libby Sobic from the Wisconsin Institute for Law & Liberty.

Wisconsin was one of the first states to create public charter schools in the 1990s. Since then, parental demand for charter schools has only grown. A charter school is a public school that must be authorized via a contract to exist. In Wisconsin, a variety of governmental entities may authorize charter schools including a school district, the University of Wisconsin system, and the City of Milwaukee, among others.

Last year, over 50,800 Wisconsin students attended a public charter school.[1] The most common type of charter school is one authorized by the local school district. In 2020-21, 86% of all charter schools in Wisconsin were authorized by a district.[2] These charter schools are called instrumentality and non-instrumentality charter schools.[3] The distinction depends on the agreement with the district authorizer.

The charter school contract between school and authorizer is a detailed agreement on a variety of topics, including school performance standards, funding, school discipline and accountability requirements. Typically, the charter is a five-year contract. At the end of the time period, the authorizer has the opportunity to renew the contract, renegotiate the terms or end the relationship with the school. Charter schools may not exist without an authorizer in Wisconsin.

Unfortunately, as charter schools have grown in popularity, the tension between school-district authorizers and the schools they authorize and compete against have grown. This has happened time and again in Milwaukee. Milwaukee Public Schools authorizes several non-instrumentality charter schools.[4] But as their popularity grew and the charter schools wanted to expand, the district was hesitant to approve these expansions. For example, Carmen Schools of Science and Technology is the state's largest charter school network, with over 2,000 students attending five

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[1] DPI Quick Facts on Charter Schools, https://dpi.wi.gov/sites/default/files/imce/parental-education-options/Charter-Schools/pdf/Wisconsin_Charter_Schools_Quick_Facts.pdf
[2] 236 total charter schools: 204 are district-authorized and 32 are independent charter schools.
[3] An instrumentality charter school is most similar to the authorizing public school district because the district employs the staff. A non-instrumentality charter school does not have any staff employed by the district.
[4] MPS authorizes a total of 19 schools and 13 are non-instrumentality.

local middle and high-school locations. Four of the Carmen schools are authorized by MPS.[5] But as Carmen has tried to re-authorize with Milwaukee Public Schools over the years, they have had to fight every step of the way.[6]

Carmen, like other charter schools, is often accused of taking away funding from the district or even getting access to additional resources that are not available to traditional district schools. But this cannot be farther from the truth. District-authorized charter schools not only receive less money per pupil than traditional MPS schools, they also have to pay rent for the vacant MPS schools they use.[7] In fact, MPS makes money from the charter schools through a "skim"[8] i.e., the per pupil funds that the state sends to the district, including charter school students, but the district's per pupil amount is much lower according to the charter contract. The district keeps the remaining funds and also collects an administrative fee and rent from its district-authorized charters. WILL calculated that MPS made about $4,000 per charter school student due to the skim in 2020-21.[9]

AB 967 ensures that high-performing charter schools have a chance to expand when they meet the state's two highest levels of performance on the state's report card. Students across the state deserve access to more high-quality schools and AB 967 helps meet that demand.

Thank you,

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[5] All 4 of Carmen Charter Schools authorized by MPS were rated "meets expectations" and "significantly exceeds expectations" on DPI's 2020-21 report cards.

[6] "The Milwaukee Public Schools board has granted the charter network Carmen Schools of Science and Technology a two-year extension on its contract and leases, but not before adding provisions aimed at addressing complaints about inequities at MPS schools where it rents space. In weeks of often contentious testimony, the Milwaukee teacher's union and some parents had opposed the extensions, saying the board had created a caste system that has disadvantaged students at ALBA elementary and Pulaski High, two traditional MPS schools where Carmen has "co-location" agreements. …" Milwaukee Journal Sentinel, "MPS extends Carmen contracts but vows to address alleged inequities in schools." January 25, 2019. https://www.jsonline.com/story/news/education/2019/01/25/mps-extends-carmen-contracts-vows-address-inequities-schools/2678637002/

[7] "Under the terms of the new contract, [Carmen] will pay about $3.7 million for the MPS sites over the next two years." Milwaukee Journal Sentinel, "MPS extends Carmen contracts but vows to address alleged inequities in schools." January 25, 2019. https://www.jsonline.com/story/news/education/2019/01/25/mps-extends-carmen-contracts-vows-address-inequities-schools/2678637002/

[8] The Wisconsin Policy Forum found that MPS' skim was $2,243 in 2017-18. Wisconsin Policy Forum, "A Teachable Moment," August 2018, https://wispolicyforum.org/research/a-teachable-moment-understanding-the-complexities-of-charter-school-financing-in-milwaukee/

[9] https://will-law.org/the-risk-of-unionizing-charter-schools/