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**TO:** Members of the State Board of Education

**FROM:** Lillian M. Lowery, Ed.D. *Lillian M. Lowery*

**DATE:** August 25, 2015

**SUBJECT:** Update on Maryland's Charter School Law, § 9-101 *et seq*

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**PURPOSE:**

The purpose of this agenda item is to provide a general update on the implementation of Maryland's Charter School Law, § 9-101 *et seq* of the Education Article, Annotated Code of Maryland which was revised in the 2015 Session of the Maryland General Assembly; and to request representation on a workgroup tasked to develop standards and criteria by which an eligible public charter schools shall be assessed by local boards of education as required in Education Article § 9-104.1.

**BACKGROUND:**

The Maryland Public Charter School Program was enacted in 2003 to enable public school staff, parents of public school students, nonsectarian nonprofit entities, and nonsectarian institutions of higher education to apply to a county board of education to establish a public charter school. The program as enacted in 2003, had to be nonsectarian and open to all students in the local school system on a space-available basis. Under State law, public charter schools may not charge tuition; instead, they receive public funds on a per pupil basis commensurate with the amount of funds disbursed to other public schools in the local school system in which the public charter school operates. Public charter schools must comply with the laws, regulations, and policies that govern traditional public schools, although waivers from some rules may be requested through an appeal to the Maryland State Board of Education (State Board).

In Maryland, local boards of education have chartering authority. An application to establish a public charter school must be submitted to the local board of education in the jurisdiction in which the public charter school will be located. If the local board of education denies the application, the denial may be appealed to the State Board.

Other key provisions of Maryland's Charter School law include:

- Public charter schools are bound by all state and local laws, policies and regulations, unless waived.
- Public charter school teachers and staff are employees of the local school system and are represented by local collective bargaining agreements.
- Per pupil funding must be commensurate with the amount of funding expended on behalf of all public school students.
- Admission is by lottery.

The Maryland Public Charter School Program has grown from serving 3,363 students during the 2005-2006 school year, the first year in which public charter schools were operational in accordance with the law, to serving over 19,000 students during the 2015-2016 school year. The number of public charter schools has grown from 15 public charter schools during the 2005-2006 school year to 50 public charter schools during the 2015-2016 school year. Although nine different counties have had at least one public charter school at some point over the last 10 years, the majority of public charter schools are located in Baltimore City (34 public charter schools) and Prince George's County (10 public charter schools).

The Maryland General Assembly enacted Chapter 311, Acts of 2015 (Act), which amended the Maryland Public Charter School Program (Education Article § 9-101 et seq.). The Maryland charter law now allows for a weighted lottery in certain circumstances. A public charter school may give added weight to educationally disadvantaged students. A public charter school may propose a geographic attendance area, and reserve up to 35% of available seats for applicants from that area. The geographic attendance area must have a median income equal to or less than that of the county. If an operator operates two or more public charter schools and the schools form an integrated multiyear academic program, then the operator can propose that it provide placement through a lottery for students from one school seeking to attend the other (e.g. middle to high school). This provision is also limited to 35% of available seats. Public charter schools will propose weighted lottery plans to local boards of education. The local board may approve or reject this provision separately from the application as a whole.

The Act created a pathway for additional operational flexibility for public charter schools that meet eligibility criteria based on performance and sound management. The public charter school, determined to be eligible by the local board is exempt from policies of the local board regarding



textbooks, instructional program, professional development, requirements to have a school community council, and class size ratios. The flexibility provisions include development of a communication and supervision process by mutual agreement of the charter school and the local board. An eligible school may not be assigned a principal without the consent of the charter operator. The local board will assign teachers to the public charter school when the teacher and the public charter school agree to the assignment.

The State Board of Education is charged with developing standards and criteria by which an eligible public charter school shall be assessed by the local board. The standards will include requiring evidence of sound fiscal management, and student achievement.

The Act also requires that a study be conducted of local school system spending at the school and central office levels. Per the Act, the Maryland State Department of Education (MSDE) is collaborating with the Department of Legislative Services (DLS) to implement the study. The primary purpose of the study is to calculate the average operating expenditures by each local school system for students enrolled in a public school that is not a public charter school or stand-alone special education school. This is to be aggregated at the State level to serve as the baseline for determining commensurate funding for all public schools.

To date, MSDE staff have met several times with DLS staff to draft and revise the Request for Proposals (RFP). The RFP will be posted in early September. MSDE and DLS will work collaboratively on selection of the contractor and on oversight. The final report is due to the Governor and the Maryland General Assembly in October 2016.

#### **EXECUTIVE SUMMARY:**

The Maryland Charter School Law as revised in 2015, introduces the option of weighted lotteries in certain circumstances. The State Board of Education is required to develop standards and criteria with which local school systems will assess the academic performance and fiscal management of public charter schools. The law specifies operational flexibility for public charters determined eligible by the local board of education, according to the standards established by the State Board. Public charter schools determined eligible by local boards will have the flexibility provisions listed in Education Article § 9-104.1.

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**ACTION:**

I request the State Board of Education provide representation on a workgroup tasked to create appropriate standards and criteria for assessment of public charter schools by local boards of education as required in Education Article § 9-104.1.

LML/CB

# Maryland State Department of Education

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Maryland Public Charter Schools

Presentation to

Maryland State Board of Education

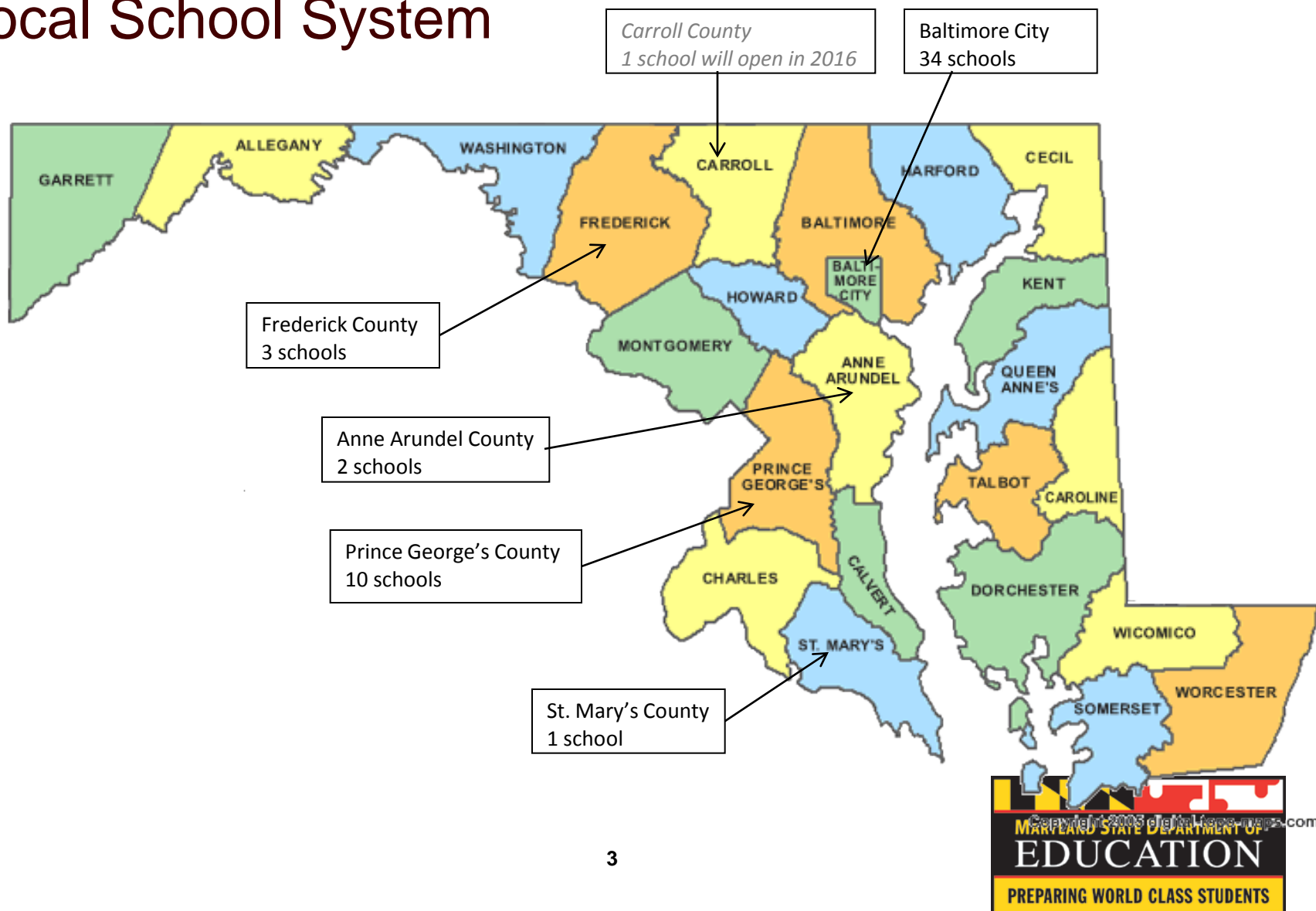
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# Public Charter Schools in Maryland

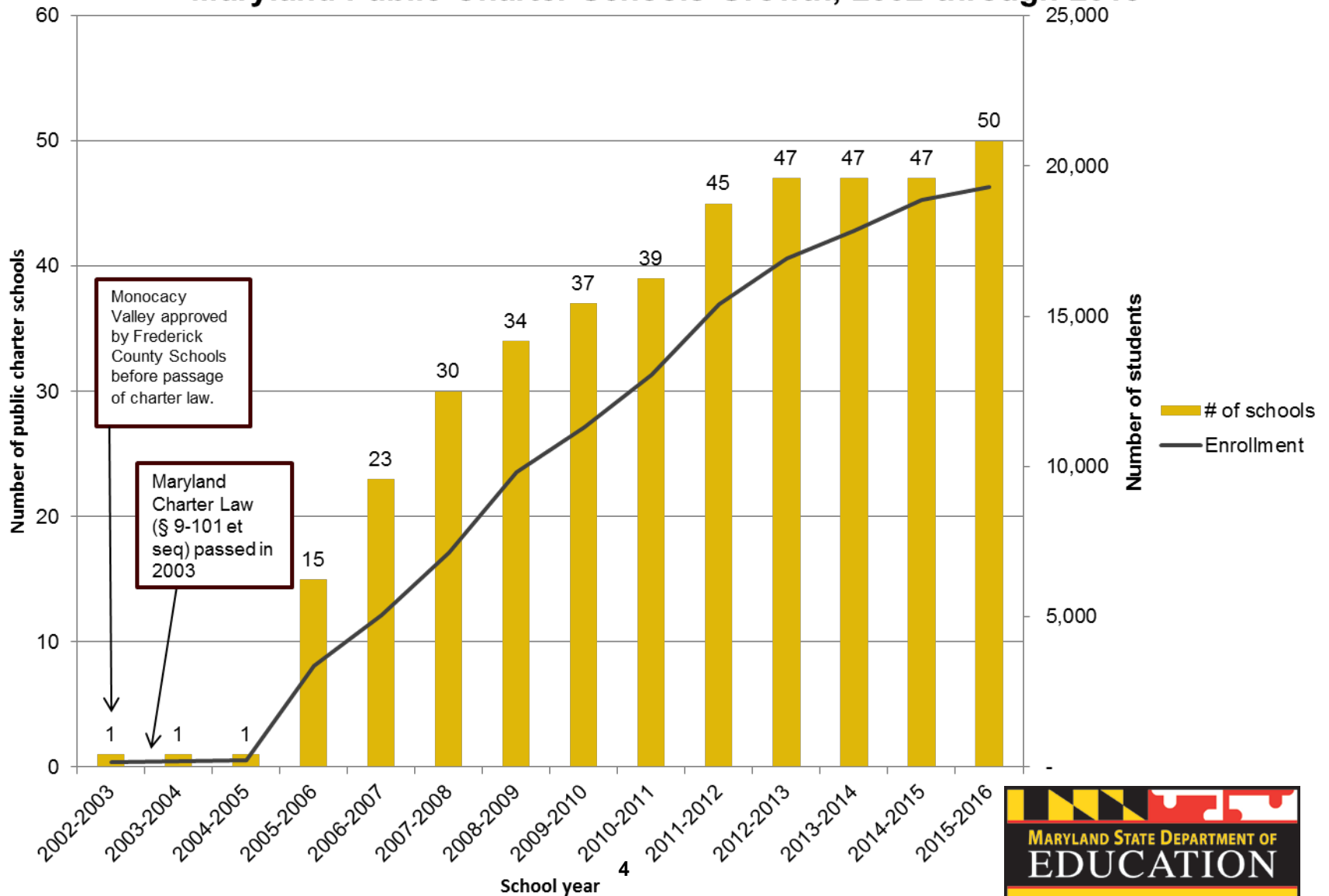


- ◆ 50 public charter schools - 62 approved, 12 closed
- ◆ 5 local school systems
- ◆ 19,000 K-12 students
- ◆ 18,000 students on waiting lists in 2015
- ◆ 33 non profit operators

# Maryland's Public Charter Schools by Local School System



## Maryland Public Charter Schools Growth, 2002 through 2015





## Maryland State Assessment, 2014, % Proficient and Advanced for Charter and non-Charter Schools

School Type	4th English	4th Math	8th English	8th Math
Baltimore City Charter School	75.8	63.6	68.5	44.1
Baltimore City Non-Charter	67.5	53.1	54.7	28.4
Baltimore Charter compared to District	8.3	10.5	13.8	15.7
Baltimore Charter compared to State	-10.5	-17	-8.3	-14.6
PGCPS Charter School	88.6	75.8	84.4	63.3
PGCPS Non-Charter	80	73	67.5	41.3
PGC Charter compared to District	8.6	2.8	16.9	22
PGC Charter compared to State	2.3	-4.8	7.6	4.6
Frederick Charter School	98.8	94.4	100	89.3
Frederick Non-Charter	92.3	87.5	83.2	67.5
Frederick Charter compared to District	6.5	6.9	16.8	21.8
Frederick Charter compared to State	12.5	13.8	23.2	30.6
Anne Arundel Charter	90.5	85.1	86.1	74.8
Anne Arundel Non-Charter	91.5	90.2	77.5	60.4
Anne Arundel Charter compared to District	-1	-5.1	8.6	14.4
Anne Arundel Charter compared to State	4.2	4.5	9.3	16.1
St. Mary's Charter Schools	97.5	92.5	84.2	73.6
St. Mary's Non-Charter	87.4	86.7	80.2	66.2
St. Mary's Non-Charter Difference	10.1	5.8	4	7.4
State Average Difference	11.2	11.9	7.4	14.9
State Averages	86.3	80.6	76.8	58.7

### Shading indicates:

Charter students outperform district

Charter students outperform state avg.

Charter students under district or state avg.

# Maryland State Board of Education Policy on Public Charter Schools (2010)

- Purpose of the State's public charter schools...
  - *Close achievement gaps*
  - *Increase high quality educational opportunities*
  - *Allow, through chartering, public school freedom and flexibility in exchange for exceptional levels of results-driven accountability*
  - *Encourage the replication of successful public charter schools*

# Provisions of MD Public Charter School Law (2003, Education Article § 9-101 et seq)

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Local School Boards are the authorizers of public charter schools. The State Board hears appeals.

Public Charter Schools are bound by all state and local laws, policies and regulations, unless waived.

Public Charter School staff are employees of the Local School System and are represented by the local bargaining units.

Per pupil funding must be commensurate with the amount of funding expended on behalf of all public school students.

Open Enrollment and admission by lottery.

# Amendments to the Law, 2015

Weighted Lotteries

Funding Study

Flexibility Provisions for  
Eligible Schools

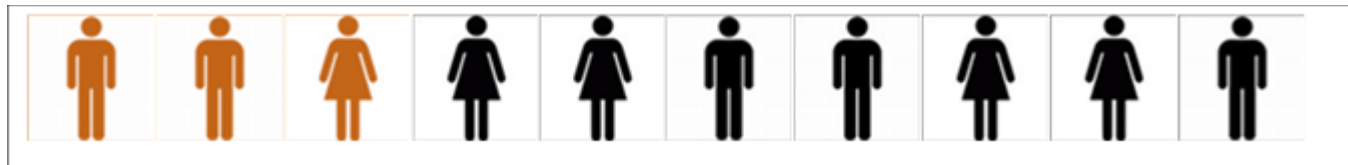


# Weighted Lotteries may be proposed by the public charter school.

- ❑ Greater weight for disadvantaged students.
- ❑ Geographic attendance area with median income < median income of county/city.
- ❑ Students from another school of same operator, e.g. middle to high.
- ❑ A converted school may retain its zone.

# Weighted Lotteries - process

- ❑ The public charter school proposes a plan.
- ❑ The local board of education approves or rejects.
- ❑ Weighted lottery plan can be severed from the application.
- ❑ 35% limit for the geographic attendance area and students from another school of the operator.



# Funding Study

- Purpose: “to calculate the average operating expenditures by each local school system for students enrolled in a public school...to be aggregated at the State level to serve as the baseline for determining commensurate funding for all public schools.” (SB 595, Chapter 311, Acts of 2015)



# Funding Study - process

- ❑ MSDE team: Division of Student, Family and School Support, Deputy for Finance, and Government Relations
- ❑ In consultation with the Department of Legislative Services

RFP and Selection:  
September – October  
2015

Contract issued; monitoring  
December 2015-September 2016

Report due to Governor and  
General Assembly  
October 2016



# Flexibility Provisions - Eligibility

## □ Criteria

- ☑ Operating at least 5 years.
- ☑ Sound fiscal management.
- ☑ Student achievement exceeding the average of the local school system.

# Flexibility Provisions - Policy

- The law provides eligible charter schools exemption from local policies including:
  - Textbook, instructional program, curriculum, professional development and scheduling.
  - School community council
  - School improvement plan (except as required by Title I)
  - Class size, except for pre-Kindergarten

# Flexibility Provisions - Staffing

- An eligible charter school may not be assigned a principal without consent of the charter school operator.
- For an eligible charter school, staff members shall be assigned to the charter school, when the staff member wants the assignment and the charter school agrees.

# Flexibility Provisions - Implementation

- The State Board shall develop standards and criteria by which an eligible charter school shall be assessed by the local board.
- Criteria
  - Operating at least 5 years
  - Sound fiscal management
  - Student achievement exceeding the average of the local school system.





# Thank you.

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