

# PUBLIC SERVICES REDESIGN PROJECT

## MINNESOTA'S NEW PROGRAM OF 'CHARTER SCHOOLS'

The education bill passed by the Legislature and signed by the governor in Minnesota in 1991 includes a provision that will let licensed teachers create innovative schools, essentially on contract to a public school board. These may be existing schools, redesigned; or may be schools designed and 'built' new. A board may charter a school outside its own borders.

The schools will be schools of choice; operating within the nation's most extensive system of open enrollment. But they will be accountable to public authority as well as to parents. It is a contract arrangement, not a voucher arrangement.

The contract idea will change the form of accountability, dramatically. In Minnesota today, if a school follows the rules, no very serious questions will be asked about what the students learn. It will be different with a charter school. The charter school will be waived clear of state rules, in return for its commitment to meet the outcomes agreed-to in its charter and the requirement to attract and hold its parent/student community.

The school must be set up by teachers, who may organize either as a non-profit or as a cooperative under Minnesota law. If they become employees they may organize and bargain collectively: Their school will be a separate bargaining unit. If they form a cooperative they will not bargain since they will be working not for an employer but for themselves.

What follows briefly describes the background of this new program and its major provisions.

### How the 'Charter' Idea Developed

The legislation rose out of several different streams of thinking that flowed together in Minnesota about 1988.

\* **School-site Management** had been discussed since about 1981. The Northwest Area Foundation had underwritten a major demonstration and the idea had been actively promoted by Ruth Randall after she became commissioner of education in 1983. The system was quick to adopt the rhetoric; slow to give it reality.

\* **Contract schools** had appeared in the late 1960s. Social-service non-profits had set up educational programs for drop-out youth in Minneapolis. Gradually these developed into schools. By 1988 there were about a dozen such schools -- accredited, growing in size, enrolling middle-school students (and even at-risk elementary students) -- and the program had spread to Saint Paul. Contracting was pretty much limited, however, to the two central cities and to at-risk kids.

\* In the '80s, too, the idea of **teacher professionalism** began to get some attention. A local non-profit had explored the idea of giving teachers a private-practice option within the structure of public education. Here and there a school tried to run without a principal. Mainly the idea came from Albert Shanker, president of the American Federation of Teachers. For him the improvement of teaching (and the pay and status of teachers) was the answer to the concern expressed by the Nation at Risk report about the condition of education. This idea became the theme of the Carnegie Forum task force which reported in 1986. Commissioner Randall was a member of the task force and early in 1986 Shanker addressed the Minnesota Federation of Teachers. Some of those ideas were picked up by the president of the Federation's Minneapolis local, Louise Sundin, partly as a member of a task force on the Minneapolis schools in 1987 and later as a member of a group designing an innovative, largely site-managed school (ultimately the Chiron school).

\* The precipitating event was **the Itasca Seminar**. Shanker had floated the idea of teachers starting their own 'charter' schools in a speech to the National Press Club in March 1988. He talked about it again six months later at Itasca, a retreat sponsored by the Minneapolis (community) Foundation which that year took on a public-policy issue: K-12 education. Seymour Fliegel talked about the innovative schools in East Harlem, New York City. The president of the Minnesota Federation of Teachers, Sandra Peterson, was there, as was Louise Sundin and two legislators later to play key roles: Ken Nelson, in his eighth term and chair of the Finance Division of the House Education Committee, and Ember Reichgott, a lawyer then in her second term in the Senate.

Reichgott had played a key role in expanding the public-school choice program in the 1988 legislative session. In the 1989 session she drew a bill for charter schools, which she passed that year and again in 1990. Both times it was rejected by the House in conference, despite support from Ken Nelson. In the summer of 1990 the commissioner of education, Tom Nelson, formed a working group of public educators and others to think through the idea with some care. The proposed legislation was endorsed by the State Board of Education. Tom Nelson left office following the election that fall. Reichgott re-worked the draft bill his group had prepared, and introduced it in the 1991 session. Rep. Becky Kelso, a former school board member, authored the companion bill in the House.

## The Legislative Debate

In hearings in both houses there was strong testimony from individuals: from a teacher who had worked to set up a chemical-free school on contract to Minneapolis, for example, and from a teacher and a principal interested in 'going charter' in North Branch, a farm trade center (and a residential community for commuters to the Twin Cities) about 40 miles north of Saint Paul.

The idea had no organizational support beyond the Citizens League, a policy-studies group previously interested in choice and in site-management that had studied the idea and recommended charter schools in December 1988. The bill was opposed by the Minnesota Education Association and the Minnesota Federation of Teachers. The School Boards Association disliked at least the idea of anyone else creating such schools. The new Independent-Republican governor and his commissioner of education were not active opponents but were not supportive. Until the very end the debate got little attention either from reporters or from the editorial pages of the newspapers.

Kelso decided not to press for passage in the House, given the opposition there. (In Minnesota the conference committee can combine provisions adopted in only House or Senate.)

As passed by the Senate the bill provided that a group seeking a charter would be free to approach either a school board or some other educational body, including the State Board of Education, to be its sponsor. No limit was set on the number of schools that could be created.

An individual or an organization, parents or educators or others, could apply. To the often-asked question, "Who can start a school?" the answer was: "Only a group that can persuade a public body to give it a charter". The idea was to control not through criteria but through political judgment.

The school would be held within the essentials of public education: non-sectarian; no tuition; non-selective; non-discriminatory. It could specialize in students of a certain age, in certain subjects, or in a particular learning method. It could serve a defined geographic area. But it could not operate as an elite academy (or set up a white neighborhood school).

The charter would have a three-year term. The school would be subject to all the fiscal review of any school district. It could lease space. The district was exempted from liability: The school would buy the insurance. Transportation and special education would be handled as they are today by a district.

Teachers interested in forming or teaching in a charter school could request a leave from their district, which the district would be required to grant; and could continue to accrue retirement benefits while on leave, paying also the employer contribution if they wished.

The bill fitted charter schools into Minnesota's system for financing choice: The state will pay the average revenue per student to the school as though it were a district. For a school serving secondary students eligible for 'compensatory' revenue for at-risk students the total might approach \$5,000. This is more than is paid to the existing contract schools. A charter school could not of course levy taxes or issue public bonds.

### **The Conference-committee Compromise**

The Senate conferees were united. The House conferees were divided, with Ken Nelson the key vote; under pressure from proponents to support the Senate position and from opponents to block charter schools entirely.

Nelson decided on a compromise. He would support everything else in the Senate provision if senators would agree to narrow the sponsorship to school boards (with approval by the State Board), to let the schools be created only by teachers, and to set the program up as a pilot by limiting the total number of schools to eight. Reluctantly the senators accepted the compromise. There was also a further tightening of protection against use of the law by religious organizations.

When the conference report came back for adoption opponents mounted an intense effort get the House to reject it, largely on the issue of charter schools. The Minnesota Federation of Teachers was particularly vigorous. The motion to reject failed 60-64, in a vote that crossed both party and urban/rural lines. Two days later the Senate approved the conference report by a wide margin. June 4 Gov. Carlson signed the bill.

Efforts by teachers to use the new law will now begin. It is impossible to say at the moment what proposals will be made, or what the response of the school boards will be.

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Copies of the charter schools provisions of the 1991 education law are available from the offices of Sen. Ember Reichgott (301 Capitol, phone 612/296-2889); from Rep. Becky Kelso (415 State Office Building, 296-1072) or from Rep. Ken Nelson (367 State Office Building, 296-4244), Saint Paul MN 55155.

The three legislators may also be willing to talk further about the legislative history, about the implications of the law or about implementation and related developments. All three legislators are DFLers (as Democrats are known in Minnesota). Nelson is from Minneapolis. Reichgott and Kelso are from Minneapolis suburbs (New Hope and Shakopee).

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