

2025 SENATE EDUCATION

SB 2241

2025 SENATE STANDING COMMITTEE MINUTES

Education Committee Room JW216, State Capitol

SB 2241
2/3/2025

Relating to the authorization and administration of public charter schools; and to provide for a legislative management report.

Members Present: Chairman Beard; Vice-Chairman Lemm; Senators: Axtman, Boschee, Gerhardt, and Wobbema.

10:02 a.m. Chairman Beard called the meeting to order.

Discussion Topics:

- Public charter schools requirements
- Nonprofit federal grants
- Application process
- Close achievement gaps
- Proposed amendment

10:02 a.m. Senator Axtman, District 7, introduced the bill and submitted testimony #33625 and #33626 in favor.

10:14 a.m. Calvin Benson, National Alliance for Public Charter Schools, introduced Lisa Grover.

10:15 a.m. Dr. Lisa Grover, Senior Director of State Advocacy and Support National Alliance for Public Charter Schools, testified in favor and submitted testimony #33708.

10:26 a.m. Maria Neset, Chief of Staff to the Lieutenant Governor and Senior Advisor to the Governor, testified in favor and submitted testimony #33792 and #33793.

10:30 a.m. Russ Hanson, Executive Vice President Associated General Contractors of ND, testified in favor and submitted testimony #33810.

10:33 a.m. Dr. Jacob Francom, Founding Principal North Idaho Classical Academy, testified in favor and submitted testimony #33606.

10:40 a.m. Amy Gibson, Director of Growth Gateway Academy, testified in favor and submitted testimony #33610.

10:43 a.m. Bobbie Smith, Gateway Academy Teacher, testified in favor and submitted testimony #33607.

10:47 a.m. Deven Mantz, Minot ND District 5, testified in opposition and submitted testimony #33586.

10:50 a.m. Nick Archuleta, President ND United, testified in opposition and submitted testimony #33679.

10:57 a.m. Anna Rackley, Legal Team Member Protection and Advocacy Project, testified in opposition and submitted testimony #33684.

11:02 a.m. Amy De Kok, Executive Director ND School Boards Association, testified in opposition and submitted testimony #33655.

11:07 a.m. Michael Heilman, ND Small Organized Schools, testified in opposition and submitted testimony #33683.

11:12 a.m. Dr. Aimee Copas, Executive Director ND Council of Educational Leaders, testified in opposition and submitted testimony #33649.

11:19 a.m. Vicki Voldal Rosenau, Valley City ND, testified in opposition and submitted testimony #33501.

11:24 a.m. Adam Tescher, School Finance Officer ND Department of Public Instruction, testified neutral.

11:31 a.m. Senator Gerhardt moved a Do Pass on Amendment #25.0799.01001.

11:31 a.m. Senator Boschee seconded the motion.

Senators	Vote
Senator Todd Beard	Y
Senator Randy D. Lemm	Y
Senator Michelle Axtman	Y
Senator Josh Boschee	Y
Senator Justin Gerhardt	Y
Senator Mike Wobbema	Y

Motion Passed 6-0-0

Additional written testimony:

Michael Chartier, Director of Charter School Policy Excel in Ed, submitted testimony in favor #33611.

Kimberly Ritterhouse, Principal Red River Valley Charter School, submitted testimony in favor #33613.

Mark Jorritsma, Executive Director ND Family Alliance Legislative Action, submitted testimony in favor #33485.

Kristy Rose submitted testimony in favor #33531.

Justin Forde, American for Prosperity ND, submitted testimony in favor #33532.

Scott Jensen, American Federation for Children, submitted testimony in favor #33687.

Andrew Alexis Varvel submitted neutral testimony #33601.

Sharon Buhr submitted testimony #33604 in opposition.

Amber Edelman, Director Promontory School of Expeditionary Learning, submitted testimony in favor #33609.

11:32 a.m. Chairman Beard closed the hearing

Susan Helbling, Committee Clerk

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2241

Introduced by

Senators Axtman, Hogue, Schaible

Representatives Bosch, Heinert, Lefor

2-3-25
Jb 10/13

- 1 A BILL for an Act to create and enact a new chapter to title 15.1 of the North Dakota Century
2 Code, relating to the authorization and administration of public charter schools; and to provide
3 for a legislative management report.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

- 5 **SECTION 1.** A new chapter to title 15.1 of the North Dakota Century Code is created and
6 enacted as follows:

7 **Definitions.**

8 As used in this chapter:

- 9 1. "At-risk student" means a student with an economic or academic disadvantage
10 requiring additional services or assistance to succeed in educational programs,
11 including special education students and English language learners.
12 2. "Charter performance agreement" means an agreement for a fixed term between a
13 public charter school and the superintendent of public instruction describing academic,
14 operational, and financial performance expectations, defining operational
15 responsibilities, and outlining the autonomy and accountability for each party to the
16 agreement.
17 3. "Education service provider" means a for-profit or nonprofit entity a public charter
18 school intends to enter a performance agreement with for education services and
19 resources, including academic program design and implementation, educational

JB 2013

1 services and resources, administrative support, charter implementation, or
2 management.

3 4. "Public charter school" means a public school operating to achieve specific
4 educational objectives according to the charter performance agreement as authorized
5 and overseen by the superintendent of public instruction.

6 5. "Public meeting" means a meeting subject to the requirements for public meetings
7 under chapter 44-04.

8 **Public charter schools - Authority - Governance - Requirements.**

9 A public charter school formed under this chapter:

10 1. Is a public school within the state's public education system.

11 2. May decide matters related to budgeting, curriculum, and operating procedures,
12 subject to the school's charter performance agreement.

13 3. Shall obtain insurance against loss or damage to its property, liability resulting from the
14 use of its property, and liability from the acts or omissions of its officers and
15 employees.

16 4. Is under the control of a governing board, the members of which are elected or
17 selected pursuant to the school's charter performance agreement.

18 5. Is established by a charter performance agreement between the governing board and
19 the superintendent of public instruction.

20 6. Is a school to which a parent or guardian may choose to send the parent or guardian's
21 child.

22 7. Provides a program of education that:

23 a. Meets or exceeds state performance standards, instructional hours, and
24 graduation requirements.

25 b. Includes one or more grade levels from kindergarten through grade twelve.

26 c. May focus on at-risk students, including English language learners, students in
27 foster care, and students involved with the juvenile justice system.

28 d. May include a specific academic approach or theme.

29 8. May receive and disburse funds for school purposes.

JB 30813

- 1 9. May enter an agreement or cooperate with a public or nonpublic entity for services for
- 2 students with special needs, English language learners, and other specialized
- 3 populations or administrative services.
- 4 10. May sue and be sued in its name.
- 5 11. May not engage in religious practices in its educational program, admissions,
- 6 employment policies, or operations.
- 7 12. May not charge tuition and/or fees for any services provided for students, except fees
- 8 for field trips, clubs, organizations, and athletic participation.
- 9 13. Must be an in-person school. A public charter school may not provide online, virtual, or
- 10 home education as the primary method of educational programming.
- 11 14. Is responsible for collecting, analyzing, and reporting student data from state
- 12 assessments administered by the superintendent of public instruction under section
- 13 15.1-21-08 in accordance with the performance framework in the approved charter
- 14 performance agreement.
- 15 15. Is subject to the public school approval requirements under section 15.1-06-06.

Applicability of other laws, rules, and regulations.

- 17 1. Except as provided in this chapter, a public charter school is not subject to a state or
- 18 local law, rule, regulation, policy, or procedure related to education.
- 19 2. A public charter school is subject to federal laws and authorities related to education.

Superintendent of public instruction - Information - Guidance - Rules.

The superintendent of public instruction:

- 22 1. Shall publish information and procedures regarding forming and operating a public
- 23 charter school and enrolling students in a public charter school.
- 24 2. May provide assistance and guidance for developing effective authorization and
- 25 oversight procedures.
- 26 3. Shall adopt rules in accordance with chapter 28-32 to implement this chapter.

Charter schools - Eligibility - Enrollment.

- 28 1. A prospective student is eligible to enroll in a public charter school if the prospective
- 29 student resides in the state.
- 30 2. A public charter school:

Ag 9/10/13

- 1 a. Shall enroll all students who wish to attend the school, unless the number of
- 2 students exceeds the enrollment capacity of a program, class, grade level, or
- 3 building.
- 4 b. Shall determine admission by a lottery if initial capacity is insufficient to enroll all
- 5 students who timely submit an application. The selection process must take place
- 6 in a public setting. An applicant must have a fair opportunity to be selected in the
- 7 lottery. The lottery must be randomized and conducted competently,
- 8 transparently, and impartially.
- 9 c. May not base admissions on ethnicity, national origin, religion, gender, income
- 10 level, disabling condition, proficiency in the English language, or academic or
- 11 athletic ability, except as provided under this section.
- 12 d. May limit enrollment to students to a given age group, grade level, or pursuant to
- 13 a special emphasis stated in the school's application for a charter performance
- 14 agreement.
- 15 e. Shall give enrollment preference to students and the siblings of students enrolled
- 16 in the public charter school the previous school year.
- 17 f. May give enrollment preference to children of a public charter school's
- 18 employees, if the students constitute no more than ten percent of the total
- 19 student population.

20 **Superintendent of public instruction - Powers and duties - Report to the legislative**

21 **management.**

- 22 1. The superintendent of public instruction shall:
- 23 a. Evaluate an application from the organizer of a proposed public charter school.
- 24 b. Deny an application that does not meet identified educational needs.
- 25 c. Determine whether a charter school application merits approval, conditional
- 26 approval, renewal, or revocation.
- 27 d. Negotiate and execute a charter performance agreement with an approved public
- 28 charter school.
- 29 e. Monitor the performance and compliance of a public charter school.
- 30 2. The superintendent of public instruction shall provide to the legislative management a
- 31 report within three years of approving the first public charter school summarizing the:

- 1 a. Strategic vision and progress of each public charter school.
- 2 b. Performance of each operating public charter school, according to the
- 3 performance measures and expectations specified in the charter performance
- 4 agreement.
- 5 c. Status of charter applications, including charter schools that were not approved,
- 6 not renewed, and closed.
- 7 d. Oversight and services provided by the superintendent of public instruction to
- 8 public charter schools.
- 9 e. Total amount of fees collected from each public charter school, how the funds
- 10 were expended to support the public charter school, and the costs incurred by
- 11 the superintendent of public instruction to oversee each public charter school.
- 12 3. To cover costs of overseeing public charter schools in accordance with this chapter,
- 13 the superintendent of public instruction may:
- 14 a. Expend resources available to the department of public instruction, seek grant
- 15 funds, and establish partnerships.
- 16 b. Charge an administrative fee of up to three percent of annual per student
- 17 allocations received by each public charter school.
- 18 4. An employee of the superintendent of public instruction may not serve as an
- 19 employee, trustee, agent, representative, or vendor of a public charter school.
- 20 5. The superintendent of public instruction is not liable for the acts, omissions, debts, or
- 21 other obligations of a public charter school.

22 **Establishment of a public charter school - Conversion to a public charter school -**

23 **Application requirements.**

- 24 1. To establish a public charter school, the organizer of a public charter school shall
- 25 submit an application to the superintendent of public instruction and notify the board of
- 26 the school district where the public charter school will be located of the intent to
- 27 establish a public charter school.
- 28 2. For a school seeking to convert to a public charter school, the application must
- 29 demonstrate support for the proposed public charter school conversion with a petition
- 30 signed by a majority of teachers and parents or guardians of students at the existing

1 school. Students who attended the school before conversion to a public charter school
2 may be given enrollment preference.

3 3. The superintendent of public instruction shall create an application to establish a
4 public charter school or convert to a public charter school, which must include the
5 following essential elements:

- 6 a. School mission and vision.
- 7 b. Academic program.
- 8 c. Grade levels to be offered and growth plan.
- 9 d. Student evaluation plans.
- 10 e. Governance plan.
- 11 f. Organization chart.
- 12 g. Plan to serve at-risk students.
- 13 h. Community input and involvement.
- 14 i. Finances and audits.
- 15 j. Student policies, including discipline plans.
- 16 k. Staff policies.

17 **Education service providers.**

18 If a proposed public charter school intends to enter an agreement with an education service
19 provider for education or management services, in addition to the other application
20 requirements, a public charter school organizer shall:

- 21 1. Explain the selection process and reasoning for selecting the education service
22 provider.
- 23 2. Provide evidence of the education service provider's success in serving student
24 populations similar to the targeted population, including demonstrated academic
25 achievement and, if applicable, successful management of nonacademic school
26 functions.
- 27 3. Provide information on the proposed duration of the service performance agreement,
28 roles, responsibilities, and scope of services and resources to be provided by the
29 education service provider, performance evaluation measures and timelines,
30 compensation structure, methods of performance agreement oversight and

Ag 7013

1 enforcement, and conditions for renewal and termination of the performance
2 agreement.

3 4. Explain the relationship between the governing board, the school's leadership and
4 management team, and the education service provider, specifying how the governing
5 board and the school's leadership and management team will monitor and evaluate
6 the performance of the education service provider.

7 5. Provide a statement of assurance the governing board and the school's leadership
8 and management team are legally and operationally independent from the education
9 service provider.

10 6. Ensure faculty performance agreements are separate from management performance
11 agreements.

12 7. Ensure the governing board retains the right to terminate the performance agreement
13 for failure to meet defined performance standards after notice has been given to the
14 education service provider, a reasonable cure period has expired, and material
15 deficiencies have not been cured.

16 8. Disclose and explain any existing or potential conflicts of interest between the
17 governing board, the school's leadership and management team, and the education
18 service provider or any affiliated business entities.

19 **Application review process - Approval decisions.**

20 1. The application review process must include a thorough evaluation of the application
21 and an in-person interview with the applicant at a public meeting.

22 2. The superintendent of public instruction shall:

23 a. Grant charters to applicants demonstrating competence in the charter
24 application.

25 b. Base decisions on documented evidence collected through the application review
26 process.

27 c. Follow charter granting policies and practices that are transparent, merit based,
28 and avoid a conflict of interest or the appearance of a conflict of interest.

29 3. No later than ninety days after the deadline for filing applications, the superintendent
30 of public instruction shall approve or deny each application. The superintendent of

AB 8013

1 public instruction shall publicly notice and publish public charter school application
2 decisions.

3 4. An approval decision may include reasonable conditions the applicant must meet
4 before a charter performance agreement may be executed. Reasonable conditions
5 may not include enrollment caps.

6 5. If the superintendent of public instruction conditionally approves or denies an
7 application, the superintendent of public instruction clearly shall state the reasons in
8 writing.

9 6. The superintendent of public instruction shall maintain a list of approved charter
10 applications in chronological order by date of approval.

11 7. An approved application is not a charter performance agreement.

12 **Charter performance agreements - Performance-based accountability - Data**
13 **reporting.**

14 1. If an application is approved, the superintendent of public instruction and the
15 governing board of the public charter school shall execute a charter performance
16 agreement no later than sixty days after approval, including:

17 a. Academic, operational, and fiscal performance expectations and measures by
18 which the public charter school will be judged.

19 b. A description of the standards and processes under which the superintendent of
20 public instruction will oversee and monitor the public charter school.

21 c. Actions the superintendent of public instruction may pursue to revoke a charter
22 performance agreement.

23 2. A charter performance agreement must be signed by the superintendent of public
24 instruction and the public charter school's governing board.

25 3. A public charter school may not commence operations without a charter performance
26 agreement executed in accordance with this section and approved in a public meeting.

27 4. A public charter school governing board or its designee may negotiate with the
28 superintendent of public instruction to amend a charter performance agreement. The
29 superintendent of public instruction's review of the charter performance agreement
30 must be limited to the proposed request for amendments.

31 5. The charter performance agreement must include:

13 Oct 13

- 1 a. Indicators related to student academic proficiency, student academic growth,
- 2 attendance, recurrent enrollment, readiness for success upon graduation,
- 3 financial performance, governance performance, and family and community
- 4 engagement.
- 5 b. Annual performance targets to support the public charter school's compliance
- 6 with federal and state requirements.
- 7 6. More than one public charter school may be authorized under a charter performance
- 8 agreement as approved by the superintendent of public instruction, if the public charter
- 9 schools are separate and distinct from one another.

10 **Charter performance agreement - Terms - Delayed opening.**

- 11 1. An initial charter performance agreement term is five years. The term commences on
- 12 the public charter school's first day of operation.
- 13 2. A public charter school may delay its opening for up to one school year after approval.
- 14 If the public charter school requires an opening delay of more than one school year,
- 15 the public charter school shall request an extension from the superintendent of public
- 16 instruction, which may be granted at the discretion of the superintendent.
- 17 3. The superintendent of public instruction may grant renewal of a charter performance
- 18 agreement for successive terms of five years.

19 **Superintendent of public instruction - Monitoring - Annual evaluation - Opportunity**

20 **for remediation.**

- 21 1. The superintendent of public instruction shall monitor the performance and legal
- 22 compliance of the public charter schools, including an annual evaluation for each
- 23 public charter school according to the charter performance agreement.
- 24 2. If a public charter school's performance or legal compliance is unsatisfactory, the
- 25 superintendent of public instruction promptly shall notify the public charter school and
- 26 provide a reasonable opportunity for the school to remedy the problems identified by
- 27 the superintendent of public instruction. A public charter school must be given at least
- 28 fifteen days to respond to the superintendent of public instruction's notification.

29 **Public charter school performance report - Renewal responsibilities.**

- 30 1. The superintendent of public instruction shall issue a public charter school
- 31 performance report for each five-year term of a charter performance agreement no

1 later than seventy-five days before a public charter school's fourth year of operation
2 begins.

3 2. The report must include renewal application guidance, as needed, and notice of any
4 concerns that may jeopardize the public charter school's position in seeking renewal if
5 not timely rectified.

6 3. A public charter school must be given at least thirty days to respond to the
7 performance report and submit any corrections or clarifications for the report.

8 **Renewal application - Decision.**

9 1. The superintendent of public instruction shall create a uniform renewal application and
10 evaluation process.

11 2. The governing board shall submit a renewal application to the superintendent of public
12 instruction no later than the first day of instruction of a public charter school's final
13 authorized year of operation.

14 3. The renewal application must include:

15 a. A performance report and additional evidence in support of renewal.

16 b. Improvements undertaken or planned for the school.

17 c. Plans for the next charter term.

18 4. Renewal decisions must be supported by evidence of the public charter school's
19 performance under the performance framework in the charter performance agreement.

20 5. The superintendent of public instruction shall render a decision on a renewal
21 application no later than forty-five days after the renewal application was filed.

22 6. The public charter school is entitled to a public meeting with the superintendent of
23 public instruction regarding the renewal decision.

24 7. The superintendent of public instruction shall provide to the public charter school and
25 publish a report summarizing the basis for each decision, including supporting
26 evidence.

27 **Charter performance agreement - Revocation - Nonrenewal.**

28 1. A charter performance agreement may be revoked at any time or not renewed if the
29 superintendent of public instruction determines the public charter school:

30 a. Failed to comply with this chapter or other law.

2/12/13 I find this section in the
testimony packet when I generate it
but I don't see it in here.

Jan 11/08/13

- 1 b. Committed a material violation of a term, condition, standard, or procedure
- 2 required under the charter performance agreement.
- 3 c. Failed to meet or make sufficient progress toward the performance expectations
- 4 under the charter performance agreement.
- 5 d. Failed to meet accepted standards of fiscal management.
- 6 2. Revocation may not occur before a public meeting with the charter holder occurs,
- 7 unless the superintendent of public instruction determines the continued operation of
- 8 the public charter school presents an imminent public safety issue, in which case the
- 9 charter performance agreement may be revoked immediately.
- 10 3. A public charter school has thirty days to respond to the superintendent of public
- 11 instruction's notice to revoke the school's charter performance agreement.
- 12 4. If the superintendent of public instruction revokes or does not renew a charter
- 13 performance agreement, the superintendent of public instruction shall publish the
- 14 reasons for the revocation or nonrenewal.

15 **School closure and dissolution.**

16 If a public charter school intends to close and dissolve, the school shall:

- 17 1. Notify the parents or guardians of students of the intent to close and dissolve.
- 18 2. Transition students and student records as necessary.
- 19 3. Properly distribute the public charter school's assets, first to satisfy outstanding payroll
- 20 obligations for employees of the public charter school and then to other creditors of the
- 21 public charter school. If the assets of the public charter school are insufficient to pay
- 22 creditors, the distribution of assets may be determined by court order.

23 **Local education agency status.**

24 A public charter school:

- 25 1. Is a local education agency for purposes related to the funding of special education
- 26 services within the limits of legislative appropriations.
- 27 2. Shall provide services to students in public charter schools as required by federal,
- 28 state, and local law and the charter performance agreement.

29 **Governing board.**

- 30 1. A governing board:
- 31 a. May enter more than one charter performance agreement concurrently.

John 12/13

- 1 b. Shall adopt a viable conflict of interest policy and code of ethics.
- 2 c. Shall adopt a policy to avoid nepotism in hiring and supervision. The policy must
- 3 require disclosure to the board of potential nepotism in hiring and supervision. An
- 4 individual with a nepotism conflict may not be involved in the hiring decision or
- 5 supervision of an employee.
- 6 d. Shall have access to education service provider records to oversee the education
- 7 service provider contract.
- 8 e. Is a public entity under chapter 44-04.
- 9 2. Individuals compensated by an education service provider are prohibited from serving
- 10 as a voting member on a governing board contracting with the education service
- 11 provider, except if approved by the superintendent of public instruction.

12 **Public school employees.**

- 13 1. Public charter school teachers must be licensed by the education standards and
- 14 practices board and must meet the requirements under chapter 15.1-18.
- 15 2. An employee of a public charter school is eligible to participate in retirement and
- 16 benefits programs of the state, if the public charter school elects to participate and
- 17 satisfies the requirements of the internal revenue service.

18 **Generally accepted accounting principles - Independent audits.**

19 A public charter school shall:

- 20 1. Adhere to generally accepted accounting principles.
- 21 2. Engage a qualified certified public accountant or public accountant to independently
- 22 audit the public charter school's finances once every six months. The public charter
- 23 school shall submit the audit to the superintendent of public instruction.

24 **Funding - Categorical aid - Transportation.**

- 25 1. A public charter school shall certify to the superintendent of public instruction its
- 26 student enrollment in accordance with section 15.1-27-02.
- 27 2. The state shall pay to the public charter school the per-pupil state aid payment, which
- 28 is the dollar amount for the respective year under subsection 3 of section
- 29 15.1-27-04.1, for each student enrolled in the public charter school.
- 30 3. The state shall pay the proportionate share of moneys derived from federal and state
- 31 categorical aid programs to public charter schools with students or teachers who are

1 eligible for such aid. A public charter school that receives categorical aid shall comply
2 with related reporting requirements.

3 4. A public charter school may enter a contract with a local school district or private
4 provider to provide transportation to students of the public charter school.

5 5. Any moneys remaining in an account of a public charter school at the end of a budget
6 year must remain in the account for use by the public charter school during
7 subsequent budget years.

8 6. This chapter does not prohibit any person from providing funding or other assistance
9 to a public charter school. The governing board of a public charter school may accept
10 gifts, donations, and grants and may expend or use gifts, donations, and grants in
11 accordance with the conditions prescribed by the donor, if the condition is not contrary
12 to law or the charter performance contract.

13 **Facilities - Activities.**

14 1. A public charter school may enter an agreement with a public or private entity for the
15 use of the entity's facility.

16 2. A public charter school holds a right of first refusal to part or all of an unused state-
17 owned facility or property located in the state. The superintendent of public instruction
18 shall maintain a list of available buildings.

19 3. A facility or part of a facility that is the location of a public charter school is exempt
20 from property taxes under subsection 6 of section 57-02-08.

21 4. A public charter school may enter a cooperative agreement with a public or private
22 school to facilitate athletics and other activities.

23 5. A public charter school may become a member of the North Dakota high school
24 activities association.



Testimony in Support of Senate Bill 2241

Mark Jorritsma, Executive Director
North Dakota Family Alliance Legislative Action
February 3, 2025

Dear Chairman Beard and honorable members of the Senate Education Committee,

North Dakota Family Alliance Legislative Action would like to testify in support of Senate Bill 2241 and respectfully requests that you render a "DO PASS" on this bill.

North Dakota is one of five states that does not yet offer charter schools. The very first charter school opened in St. Paul, Minnesota in 1992¹ and now 45 states offer them to their citizens with nationwide enrollment at 3.7 million students as of Fall 2021.² Because charter schools are by definition public schools according to the National Charter School Resource Center and must remain tuition-free³, they have surged in popularity.

Educational options are in high demand nationwide as parents seek out the best opportunities for their children. Charter schools offer innovative and specialized educational programs tailored to the needs of specific student populations, which provide more choices for families. Charter schools have greater curriculum flexibility than standard public schools and can emphasize areas like math and science, classical education, fine arts, or language immersion. We support the creation of charter schools in North Dakota, as it gives families more options as they consider the best educational fit for their children and circumstances.

This bill mentions that North Dakota charter schools may charge tuition. We recommend that wording be amended out of this bill, as charter schools are tuition-free by definition, as noted above. In the 45 states that currently offer charter schools, none charge tuition for K-12 enrollment.

For the above reasons, North Dakota Family Alliance Legislative Action respectfully requests that you please vote Senate Bill 2241 out of committee with a "DO PASS" recommendation, with the suggested amendment.

Thank you for the opportunity to provide this testimony, and feel free to contact us if you have any questions.

Sincerely,

Mark Jorritsma
Executive Director
North Dakota Family Alliance Legislative Action

¹ <https://www.greatschools.org/gk/articles/seven-facts-about-charter-schools/>

² <https://nces.ed.gov/programs/coe/indicator/cgb/public-charter-enrollment>

³ <https://charterschoolcenter.ed.gov/what-charter-school>

Senate Bill 2241
Senate Education Committee
Sen. Todd Beard, Chair
February 2-3, 2025
Testimony in Opposition to SB 2241

Chairman Beard and Members of the Senate Education Committee, I am Vicki Voldal Rosenau, a patriot, a parent and a lifelong resident of Valley City, ND. Thank you for this opportunity to respectfully offer my testimony in strong opposition to Senate Bill 2241.

SB 2241 seeks to authorize a number of public charter schools in North Dakota, and it comes with a fiscal note stating that “The fiscal impact ... cannot be determined.” However, under “Funding,” starting with Line 20 on page 12, the bill specifies that, for each student enrolled in a charter school, “The state shall pay to the public charter school the per-pupil state aid payment...”

This diverting of taxpayer funds from traditional public schools to unproven, experimental charter schools forms the primary basis for my opposing this bill. Along with a storm of other dangerous, controversial proposals for diverting public money to private entities, the authorization of public charter schools would gravely jeopardize the excellence --and even the survival-- of our North Dakota public schools.

Our traditional public schools, which unmistakably need major funding increases instead of decreases, comprise the economic and social life-blood of communities across the state and, in fact, of our freedom-loving North Dakota way of life. Whatever worthwhile educational opportunities that charter schools might offer can more-efficiently be provided through our existing public schools -- as long as we provide the necessary resources. It makes no sense to spend many millions of dollars to create a redundant, unneeded system of parallel schools—including new bricks-and-mortar buildings.

The claim that North Dakota can appropriate taxpayers’ dollars for charter schools without defunding our cash-strapped public schools is flatly dishonest. Allocating our finite tax dollars is a “zero-sum game,” because taxpayers cannot and will not go along with paying ever-increasing taxes. Tax-dollar allocations for public schools would inevitably be lessened if any tax dollars were diverted to charter schools.

I urge you, as leaders serving the public on this Education Committee of statewide scope, to vote “Do Not Pass” on SB 2241. Instead, please focus your important efforts on providing our existing public schools with all the resources they need to attract talented innovators in order to strengthen and modernize the education they are universally providing to all of our precious children.

Thank you very much for your consideration,
Vicki Voldal Rosenau, Valley City

Kristy Rose
6725 Apple Creek Drive
Bismarck, ND 58504
kristywrose@gmail.com

ND Legislature
69th Assembly

RE: SB 2241

I am writing in support of SB 2241 which would allow for charter schools in North Dakota.

Here in ND, we pride ourselves on being “legendary” yet we are one of only five states that do not allow charter schools. Why? They're not new; charter schools have been an integral part of education in for more than 30years. They're not just for urban populations; states with higher rates of rural population than North Dakota have successful charter schools.

How can ND be legendary when our educational choices are not?

Charter schools provide more personalized education with diversified teaching philosophies and practices that better meet the needs of students. They have a record of producing better educational outcomes for their students. Charter schools create competition, urging public and private schools to do better. They're much “cheaper” than offering ESAs or vouchers to private schools and homeschoolers. And most importantly, they give parents another choice in how their children are educated.

For these reasons, I urge you to allow charter schools in North Dakota. Let's really be legendary.

Sincerely,
Kristy Rose

American for Prosperity North Dakota – IN SUPPORT SB 2241

Americans for Prosperity strongly supports educational choice.

We are in support of charter schools, we urge you to support SB 2241.

Educational choice refers to policies that allow families the freedom to select the best educational options for their children, including public charter schools, private schools, homeschooling, and education savings account programs. These options are seen as a mechanism to promote competition, empower parents, and improve educational outcomes. From a conservative perspective, the expansion of educational choice is viewed as essential for fostering accountability, improving public schools, and promoting individual freedom. The positive impact educational choice can have on public schools, highlighting the ways in which it can drive reform, enhance student achievement, and ensure a more effective use of taxpayer dollars.

Key Points:

1. Increased Competition Improves Quality

Educational choice introduces competition into the education system, compelling public schools to improve their performance in order to retain students. Just as competition in any market drives businesses to innovate and offer better services, competition in education pushes public schools to become more responsive to the needs of students and parents. When families are empowered with the choice to select the best educational fit for their children, public schools are incentivized to improve curriculum, teaching quality, and overall student experience.

- **Evidence:** Studies have shown that areas with robust school choice programs see improvements in public schools. A report by the *Cato Institute* found that in cities with strong charter school options, traditional public schools showed significant gains in reading and math scores.

2. Increased Parental Engagement and Empowerment

Educational choice fosters greater parental involvement in education by allowing parents to choose a school that best meets their child's needs. When parents have the power to select schools, they are more likely to take an active role in their child's education, creating a stronger partnership between families and schools. This engagement has been linked to higher academic achievement and better outcomes for students.

- **Evidence:** A study by the *Heritage Foundation* demonstrated that when parents are given school choice options, such as education savings accounts or charter

schools, they are more likely to engage in their children's educational decisions, leading to improved student behavior and performance.

3. Financial Efficiency and Resource Allocation

Educational choice programs allow students to access private education at a lower cost to taxpayers than the per-student spending required in public schools. By allowing parents to choose private education, the government can often reduce per-pupil funding expenditures. Public schools are still funded based on the number of students they serve, but by allowing all children to access the best environment for their learning styles-school systems are better able to allocate resources to the students who remain in the public school system.

- **Evidence:** Research from the *Institute for Justice* suggests that choice-programs lead to cost savings in the long term by promoting educational efficiency, with some studies showing savings of \$1,000 or more per student compared to traditional public school funding.

4. Addressing Inequities in Education

Educational choice offers low-income families access to quality education options that may otherwise be inaccessible. By enabling students to attend schools outside of their designated district or neighborhood, choice empowers families to bypass poorly performing schools in low-income areas, which often struggle with limited resources, overcrowded classrooms, and underqualified teachers. This ensures that all children, regardless of their socio-economic background, have access to a quality education.

- **Evidence:** The *Brookings Institution* has highlighted how school choice can provide disadvantaged students with access to better educational opportunities, helping close the achievement gap between low-income and more affluent students.

5. Promotes Innovation and Diverse Educational Options

Educational choice nurtures a diverse array of schooling options that can better meet the needs of individual students. Charter schools, private schools, and homeschooling allow for different teaching methods, specialized curriculums, and learning environments that may be more effective for certain students. The presence of diverse educational institutions encourages innovation within the public education system, as public schools are incentivized to adopt new teaching techniques and methodologies to compete with nontraditional schools.

- **Evidence:** Research has found that charter schools, in particular, have led to innovative instructional models and specialized curricula, especially for students with unique learning needs. Many charter schools focus on STEM, the arts, or

college preparatory programs, giving families access to educational opportunities that public schools may not offer.

6. Safeguarding Constitutional Freedoms

Educational choice supports fundamental freedoms by empowering parents to make decisions that are in the best interests of their children. The government should not have a monopoly on education. By expanding educational choice, we affirm the principle of parental rights and responsibility in shaping their children's futures. Alternatives like tutoring, micro-schools, and charter schools allow families to exercise greater control over their children's education, ensuring that government institutions do not become the sole gatekeepers of knowledge and values.

- **Evidence:** In *Zelman v. Simmons-Harris* (2002), the U.S. Supreme Court upheld the constitutionality of school vouchers, reaffirming the principle that parents have the right to choose the education that best suits their children, including private and religious schools.

7. Public Schools Benefit from the Reform Agenda

Rather than threatening the existence of public schools, educational choice helps reform and strengthen them. By introducing a market-driven approach to education, public schools are forced to become more accountable to the families they serve. Schools that are ineffective or inefficient may lose students to better-performing options, which acts as a direct motivator for public schools to improve.

- **Evidence:** Studies in cities with school choice policies (e.g., New Orleans post-Katrina) have shown that public school systems can thrive and even improve when they are subjected to market forces and competition.

Conclusion: Educational choice is a powerful tool that can drive improvement in the public education system while promoting parental rights, student achievement, and fiscal responsibility. The expansion of educational choice is vital to ensuring that all students receive a quality education, regardless of their background or zip code. By fostering competition, empowering parents, and promoting innovation, educational choice enhances the quality of education for all students, both within the public and private sectors. Lawmakers should consider expanding educational choice to create a more effective, accountable, and equitable education system that serves the best interests of all American children.

Recommendations for Legislators:

1. Expand school choice programs, including tutoring, education savings accounts, tax-credit scholarships, and charter schools.
2. Ensure accountability in all forms of school choice, including monitoring academic outcomes and financial transparency while maintaining and prioritizing parental autonomy and freedom in academic decision making.
3. Support policies that promote competition and innovation in the public school sector, allowing for greater flexibility and autonomy for educators and administrators.
4. Ensure that low-income families have access to school choice options to help bridge the achievement gap.

Sources:

- Cato Institute. (2015). *The Impact of School Choice on Public Education*.
- Heritage Foundation. (2019). *School Choice: A Parent's Right*.
- Brookings Institution. (2017). *School Choice and Inequity: How School Choice Programs Help Close the Achievement Gap*.
- Institute for Justice. (2014). *The Case for School Vouchers*.
- U.S. Supreme Court, *Zelman v. Simmons-Harris* (2002).
- Institute for Justice. (2014). *The Case for School Vouchers*.
- U.S. Supreme Court, *Zelman v. Simmons-Harris* (2002).

Contact:

Justin Forde

Americans for Prosperity North Dakota

jforde@afphq.org

701-527-4293

DO NOT PASS SB 2241

Chairman and Committee Members,

My name is Deven Mantz from District 5 in Minot. I am a concerned citizen and father of 4 children who are utilizing our public school system today.

I would like to express my strong opposition to SB 2241. While the intention behind these charter schools may be to enhance educational opportunities, the harsh reality is that this initiative diverts essential public funds away from our traditional public schools, which are already facing significant funding and staffing issues.

Public moneys are intended for public schools, which serve as the backbone to our educational system. Our schools are accountable to the communities they serve, ensuring that every student, has access to a good, quality education. By siphoning off funds to these charter schools, we undermine the very foundation of our public education system, leaving our public schools with fewer resources to support our students and teachers.

The argument that charter schools are a solution to a problem that does not exist is deeply concerning. Our public schools are not failing - rather, they are in need of support and investment now more than ever. Instead of creating a parallel system that undermines our educational system, we should be focusing on strengthening our existing public schools, making sure that they have the necessary resources, support, and funding to thrive.

I urge you to give this a DO NOT PASS on SB 2241. Let's prioritize our public schools and the students they serve, rather than fix a problem where there is none.

Deven Mantz

701-833-0182

Minot, ND District 5

Senate Education Committee

Senate Bill 2241

Andrew Alexis Varvel

Written Testimony

February 3, 2025

Chairman Beard and Members of the Committee:

My name is Andrew Alexis Varvel.

I live in Bismarck.

This testimony is neutral. Although I don't necessarily oppose this attempt to create charter schools in North Dakota, I think that this bill would need considerable revision before I could ever support it.

I dislike page 2, line 31. It says: "May charge tuition and fees."

Please take it out.

If we are going to have charter schools, they must not become enclaves of wealthy entitlement. Rather, these schools must provide a solid education to people of various economic strata and provide an educational theme which significantly differentiates itself from the curriculum normally found in public schools.

For example, if charter schools could provide an opportunity for immersive teaching in local indigenous languages within an urban setting, I'd feel considerably less skeptical about this legislation.

Furthermore, charter schools should be restricted to incorporated cities with a minimum population. Perhaps the lower limit should be 45,000, which would restrict these schools to four cities.

This restriction is important, as charter schools would provide considerable economic stress to small districts in rural areas – where every student lost means fewer tax dollars available.

In contrast, larger cities have considerably more wiggle room to make adjustments. Furthermore, there would be more demand in urban areas for specialties not necessarily offered in public schools.

Without considerable revision, I don't think I could – in my heart of hearts – support Senate Bill 2241. This doesn't mean I oppose charter schools categorically. And with the revisions I am recommending, I think I could come around to supporting this bill.

This concludes my **NEUTRAL** testimony on Senate Bill 2241.

Thank you.

TESTIMONY on SB 2241 to the SENATE EDUCATION COMMITTEE

February 2, 2025

Submitted by Sharon E. Buhr

613 Chautauqua Blvd
Valley City, ND 58072
701-840-0973

Chairman, committee members, thank you for hearing my testimony on SB 2241 related to Charter Schools. I am a former long term school board member, and appreciate the incredible importance of education for our students and the state's constitutional commitment to provide education for ALL our students.

I've spent some time reviewing the effectiveness/benefits of charter schools across the USA and I do not see that they offer much benefit to our students in North Dakota and there is potential for harm.

1. On page 2 line 29 the bill uses the words “**May not** engage in religious practices in its educational program...” The words MAY NOT indicate something could happen or would not have to happen. I would suggest changing the words to say “**MUST NOT** engage in religious practices”
2. There is little explanation in the bill regarding funding. With the wide range of responsibility of the superintendent of public instruction for supervising charter schools, it would be obvious that DPI would need to expand in some way thereby incurring costs.
3. Regarding cost, there is an economy of scale that is lost when students are removed from a public school and attend a charter school—operating two schools where previously there was one.
4. Removing policy and programming from an elected school board to a private/non elected board while using public funds/tax payer money is not acceptable.
5. In a report by the Brookings Institute they conclude there is some evidence that funding charter schools results in reduced funding of traditional public schools or creates funding uncertainty for them.

Thank you for reviewing my testimony. Please **vote no** on SB 2241.

Testimony to the North Dakota Legislature

Introduction

Good morning, Mr. Chairman and members of the Senate Education Committee. My name is Jacob Francom, and I am the founding principal of North Idaho Classical Academy, a public charter school in Bonners Ferry, Idaho. I have been an administrator for twenty years, the last ten of which I was a district superintendent and also have had the honor of being Montana's High School Principal of the Year. I have visited schools as a lead accreditor throughout the United States and in more than a dozen countries. It is an honor to speak with you today about the tremendous potential and proven benefits of charter schools, and how schools like North Idaho Classical Academy are transforming education and communities.

I'm here today in support of Senate Bill 2241.

I'd like to talk a little about North Idaho Classical Academy in Bonners Ferry, the very top of the state.

- North Idaho Classical Academy's approach to education is rooted in timeless principles and is not a new concept. The Northwest Ordinance of 1787 affirmed that, *"Morality and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."* Reflecting this vision, our school's mission is to shape good citizens by fostering both knowledge and virtue. This approach has proven to resonate deeply with families in rural areas and across the nation.
- The school will be the first public charter school in the county located in the rural community of Bonners Ferry, set to open in 2026.
- The school is a candidate member of the Hillsdale K-12 School Initiative.
- Approximately 40% of students will qualify for Title I services.
- More than 20% are expected to use special education services.
- The local district provides 100% free breakfast and lunch, and our charter school expects to do the same.
- The school will serve students from the local Native American tribe.
- Over 60% of expected enrollees are currently homeschooled.
- The school will generate an estimated \$5 million in annual economic benefits for the local community.
- The school has been awarded a \$2 million federal Charter School Program grant and a \$1.54 million grant from the J.A. and Kathryn Albertson Family Foundation to get the school up and running.

Benefits of Charter Schools that we will use in the North Idaho Classical School

- Charter schools allow communities to design schools that meet their unique needs while maintaining the high standards of public education.
- Charter schools empower parents to choose the best fit for their children's education. This is particularly important in rural areas, where families often have limited educational options.
- Charter schools are held to rigorous accountability standards by both state authorizers and the communities they serve. In Idaho, we've seen charter schools consistently outperform statewide averages in academic achievement, particularly in math and reading.
- Charter schools bring more than education to a community—they bring opportunities. North Idaho Classical Academy is located in a small town, yet it will become a hub of activity and collaboration. We will partner with local businesses, we will partner with the local school district, we will partner with local private schools, we will provide community access to our facilities, we will continue to partner with community leaders and organizations and serve as a catalyst for development in our area. Charter schools like ours strengthen communities, economically and socially.

Closing

Fears that charter schools in rural areas won't work are baseless, because if parents and community members don't want a school, it simply won't happen. Public charter schools are community driven, like our school.

North Idaho Classical Academy exists because families wanted more for their children—a place where their values and aspirations are reflected in the education they receive. Charter schools have the unique ability to meet those needs while remaining accountable to their communities and to the state.

I encourage you to embrace the potential of charter schools in North Dakota, recognizing that every child deserves access to an excellent education, and that parents should have a meaningful choice in how their children are educated.

Verbal Testimony for the North Dakota Senate Education Committee
Monday, Feb 3, 2025

Good morning, Mr. Chair and members of the Senate Education Committee. My name is Bobbi Smith. I am currently a teacher in a 4th/5th grade classroom at a Montessori Charter School in rural Utah. I was born and raised in North Dakota in a small town called Carson; it's about 60 miles SW of Bismarck. The town I grew up in had a population of about 150 people. My roots and heart are deeply embedded in this state. My father and brother still reside here in North Dakota. I will always hold a love for this state and I am honored to be able to speak to you today.

I have been an educator for 24 years. I began my career in Arizona where I had the opportunity to work in a few different traditional school districts in the Phoenix metro area. I have taught grades first through fifth. I have taught in a rapidly growing district (we were enrolling approximately 200 students a week), an inner city school district (this was in the heart of Phoenix in a predominantly hispanic area), and a smaller suburban district (this was very much a "normal" student population). All had a great influence on myself as a teacher. I had opportunities to try new things, but it never felt truly satisfying to me. I then moved to southern Utah, where after 12 years of teaching, I was unsure if I even wanted to continue my career in education, I thought this might be a good time for me to try something new. Little did I know that my something new would be a rural charter school.

That is when I had been presented with the opportunity to try something different, something I was very indifferent about. I had always heard rumors about how charter schools don't have the same expectations, that it may be "less" of an education, it's expensive, it's going to harm the school districts and we will lose our staff, these are just a few that I personally believed. I was hesitant to even apply, but I did and it was so invigorating and refreshing. In many ways it reminded me of how I went to school. The school gave me a sense of community and belonging. I felt recognized and was awarded so many more opportunities to grow as a teacher. In the charter setting, there are so many chances to be a part of many things you may not get from the larger district approach. Your voice is heard and matters in affairs that affect the school and your classroom. I soon found that many of the "rumors" I had heard were vastly untrue. It is another choice for parents, teachers, and students to find the place that best fits their learning and educational philosophies. I fell in love with this rural charter school. I soon came to realize that charter schools are an amazing choice for everyone, especially the rural community.

To close, I believe that charter schools give many opportunities for flexibility in teaching and learning. I was able to gain my Montessori training through our charter school and found that this really appealed to me and my future as a teacher. I once again found my love for teaching which has been quite dull prior. I have been able to have several leading roles at my school too. I was able to be a grade level lead, worked on curriculum choices and mapping, aligning our beliefs to meet the state guidelines. I have been able to work closely with our teaching staff and the SPED program to lead the Response to Intervention team, which has been highly rewarding for me as a teacher. These are all very valuable to make me feel like an important member of our school's community. I truly believe that this was all because I found an amazing charter school. Never would I have thought this would be my place, but it really is. I would like to thank you for your time today for me to share my experiences as a charter school teacher. I'd be more than happy to answer any questions you may have. Thank you!

Warm Regards;

Bobbi Smith
4th & 5th Grade Teacher
Gateway Preparatory Academy
Enoch Utah

Good Morning Mr. Chair and Members of the Senate Education Committee.

My name is Amber Edelman, I'm a military wife with teaching in both Special and General Education and have also served as a School Board Executive Chair. Now, I lead as the Principal of Promontory School of Expeditionary Learning, a rural K-8 charter school in Northern Utah. Having lived in many states as both a military child and spouse, I've gained a broad perspective on education.

My charter school is located in Perry Utah, its population is 6,000. We have students attending from all over our large rural county, with many families driving 40 minutes each way to be part of our school.

At our school, education is more than textbooks and lectures—it's an experience. We take learning beyond the classroom, giving students the opportunity to apply their knowledge through hands-on exploration. By using the world as our classroom, we foster curiosity, creativity, and deeper understanding. Let me take you through a day where learning becomes an adventure. On this fieldtrip, students paddled canoes across a local reservoir, studying the CCC-built dam and its role in the Great Depression. As they paddled over to the steep embankments, they observed erosion firsthand—identifying cracks, landslides, and sediment movement—then sketched their observations. Back on shore, they completed a service project to clean the state park. The day concluded with a reflective writing assignment, deepening their understanding of history, science, and human impact on the environment. Back in the classroom, students spent weeks expanding on their experience through discussions, research, and hands-on learning.

When Promontory first opened, there were many misconceptions—some feared that a charter school in our area would be detrimental to the local rural school district. However, instead of creating division, it sparked growth and collaboration.

At first, the district was confident in the progress they were making, but the presence of a charter school challenged us both to level up. When they raised the bar, we did too, creating a cycle of continuous improvement. Now, 13 years later, this dynamic has led to even greater opportunities for students across our rural community.

At Promontory, we have a high level of achievement, and success. We have been tracking our students after they leave our school. At the local district high school, nearly 80% of the Sterling Scholars are former Promontory students. Imagine the opportunities this could create for students in North Dakota.

One of the reasons I love charter schools is the innovation we bring to education—using the world as our classroom and ensuring that funding goes directly where it matters most. In our local district, teachers receive \$100 for classroom supplies; at our school, I provide \$2,300 for supplies. The flexibility of a charter school allows us to prioritize classroom instruction, ensuring

smaller class sizes, and a classroom teacher assistant in every room. This structure makes a real difference in both teaching and learning.

Thank you, Mr Chair, and members of the committee, for your time and commitment to education. I appreciate the opportunity to speak with you today. I urge you to consider approving charter schools in your great state of North Dakota to cultivate your Great Thinkers of the 21st century. I welcome any questions you may have.

Verbal Testimony for the North Dakota Senate Education Committee

Good morning, Mr. Chair and members of the committee. My name is Amy Gibson, and I am the Assistant Director at Gateway Preparatory Academy, a public charter school in Enoch, Utah. We serve students in grades K-8 through on-site, hybrid, and distance learning. As a rural school, we are dedicated to providing an individualized education that emphasizes both academic excellence and practical life skills.

Because we are not a boundary school, families make a deliberate choice to attend Gateway. This means we must work intentionally to create a sense of community—and we have. Our families love the relationships we have built, the welcoming environment we foster, and the strong connections between students, teachers, and staff. We are more than just a school; we are a place where every child belongs.

Accountability and Oversight

There is often a misconception that charter schools operate without accountability, but in reality, we answer to multiple layers of oversight. In addition to state and federal Title I requirements, Gateway is held to a comprehensive performance framework by the Utah State Charter School Board (SCSB). This framework evaluates whether we are:

1. Academically successful
2. Financially healthy
3. Operationally sound

As part of this oversight, Gateway recently underwent its 15-year comprehensive review, which assessed our academic outcomes, financial stability, governance, and operational effectiveness. The results highlight our strong financial position, exemplary student growth, and compliance with state requirements. Notably, the review found no material audit findings, no unresolved compliance issues, and a financial health rating well above the charter school portfolio average.

Academic Performance & Student Success

I want to be clear—I'm not sharing this data to brag, but to show that it is possible. It is possible to run a highly accountable charter school that prioritizes students, fosters community, and achieves real academic success.

Over the past year:

- English Language Arts proficiency increased by 8%
- Math scores improved by 12%
- Science scores grew by 10%
- Third-grade reading proficiency exceeded the state's goal of 70%, reaching 71%

Additionally, our RISE assessment growth has been recognized as exemplary by the Utah State Board of Education, and we are outperforming many of our peer schools in English, math, and science growth metrics.

Financial Stability & Efficient Resource Use

Without a district structure, we can allocate resources directly to classrooms—resulting in two adults in every K-5 classroom and extensive special education support. Our recent financial review shows Gateway maintains over 200 days of cash on hand, demonstrating strong fiscal health, and we continue to prioritize teacher compensation and student-focused investments.

A Community-Driven Charter School

What makes working at a charter school so special is the ability to prioritize students first. At Gateway, we see challenges firsthand and can address them immediately without bureaucratic red tape. Our small administrative team wears many hats, allowing us to secure grants quickly, pivot when student needs evolve, and continuously improve our programs.

Most importantly, we have built a true community—a place where every student, teacher, and family feels welcome. Our mission is not just a statement; it's something we live every day:

"To provide children an individualized education emphasizing practical life skills and demonstrations of student learning in a safe, respectful, and supportive environment."

In an unsure world, we give students the tools, confidence, and resilience to succeed. When students leave Gateway, they are confident, capable, and prepared for the opportunities ahead.

Thank you for your time and the opportunity to share our story. I welcome any questions you may have.

My name is Michael Chartier and I am a policy director for Excel in Ed. Excel in Ed is a national non-profit that supports state leaders in transforming education to unlock opportunity and lifelong success for each and every child. We are focused on educational quality, innovation, and opportunity—both within and outside of the traditional education system.

While charter schools are often thought of in urban settings, rural charter schools also play an important role for those communities. Across the country, there are over 900 rural charter schools operating in the 2023-24 school year educating about 360,400 students. These schools account for around 12% of the overall charter schools in the country. In neighboring Minnesota, the state with the first charter school law, there are 75 charter schools that educate students in the state's rural communities. Each school educates anywhere between 20 and 600 students.

Rural charter schools can utilize their flexibility to tailor their mission and operations to their unique context. This could include things such as addressing teacher and staffing shortages, or providing a curriculum tailored specifically to things like an agricultural setting.

Rural charter schools can also fill educational and workforce needs in the community, like the Academy of Seminole in Oklahoma. The rural charter school founder established the school because of the workforce shortages he experienced trying to hire in manufacturing. Now, the school supports high school students with an emphasis on career planning and dual enrollment.

We know from experience that the states with the most robust charter sectors provide transparent guidance around academic and fiscal transparency, yet leave the finer details to be worked out between the charter school and their authorizer. Twenty states leave at least some of their authorizing power to their state education agency or their superintendent of public instruction. This strong relationship between an authorizer and the charter school is the basis for delivering an education that works for their individual students.

Additionally, one might ask how charter school students perform academically. Luckily, the Center for Research on Education Outcomes (CREDO) at Stanford University has compiled the most comprehensive series of studies on the academic progress of charter students. The most recent study, released in 2023, found that overall, charter school students received an additional 16 days of learning in reading and 6 days of learning in mathematics, compared to their traditional public-school counterparts.

Students in poverty had stronger growth than their traditional public school (TPS) peers with 17 additional days of learning in math and 23 days stronger growth in reading.

While the above results were positive, SPED students had weaker growth with 13 fewer days in reading and 14 fewer in math. An area of concern.

However, we also know from this research that the longer a student is in a charter school, the more additional learning will take place. By their fourth year, students in charter schools showed an additional 45 days of reading and 39 days of math.

In closing, thank you for allowing me to share a little about our thoughts on charter schools. This is an intense process, with lots of different policy considerations, from authorization to funding, but we believe that any program should center students and families. From having a transparent straightforward application for all potential charter operators, to allowing a wide variety of innovative models and increased flexibility for operators, students are the ultimate “customer” for these schools. Policymakers will never go wrong by putting them first.



P.O Box 742 - Red River, NM 87558 • 575.754.6117 • administration@redrivervalleycs.com

About me:

My name is Kimberly Ritterhouse, and I am the executive director/superintendent of Red River Valley Charter School. I have been an educator at Red River Valley Charter School for 20 years. I began my journey here as a 1st grade teacher and throughout my tenure have taught grades 1st through 8th. I moved from the classroom to the executive director/superintendent position 6 years ago and am happy to tell you a little about our school and our journey from part of a district school, to a district authorized charter school, and finally to a state authorized charter school.

Red River Valley Charter School Mission and Academic Program

Red River Valley Charter School is an educational institution nestled in the beautiful rural town of Red River, New Mexico, and serves grades PreK through eighth grade. Red River has approximately 540 residents. Our school's mission is to foster a nurturing and stimulating environment where every student can excel academically, develop critical thinking skills, and embrace their creativity through the Core Knowledge Curriculum, developed by E.D. Hirsch. We offer a comprehensive academic program that combines rigorous core subjects with enriching extracurricular activities, ensuring our students receive a well-rounded education.

Location & School Outcomes

Red River Valley Charter School is located in the rural community of Red River in the Southern Rocky Mountains. Our rural setting provides unique opportunities for students to connect with nature and the local community, enhancing their learning experiences. Red River Valley Charter School's location and proximity to bordering communities provides an additional choice that goes beyond the Red River boundaries and the traditional school district. The Core Knowledge Curriculum supports growth in community (near and far), at school, and at home. All of our students PK-8 participate in service learning at least once a quarter, ski for 3-4 weeks in January, mentor within our school, participate/volunteer at town events, and reflect upon their contributions to the community and to themselves.

Establishing Red River Valley Charter School

Red River Charter School was established to address the educational needs of our rural community, providing families with an alternative to traditional public schools. Our founding vision was to create a learning environment that honors the unique cultural and environmental heritage of our region while preparing students for higher education, whether that be academic or vocational.

Community Support and Value

The support from our community has been instrumental in the success of Red River Charter School. Our school is a vital part of the community, offering educational opportunities that contribute to the overall well-being and growth of the area. The value of our rural charter school extends beyond academics; we serve as a hub for community activities, fostering connections and collaborations among residents.



P.O Box 742 - Red River, NM 87558 • 575.754.6117 • administration@redrivervalleycs.com

As a charter school principal, I encourage you to support SB 2241 so that rural communities in North Dakota may begin exploring whether a public charter school is right for them. Please do not hesitate to contact me at kimberly@redrivervalleycs.com. Thank you.

TESTIMONY IN SUPPORT OF SB 2241

by Sen. Michelle Axtman

Senate Education Committee

Todd Beard, Chair

Monday, February 3, 2025

Mr. Chairman and members of the Senate Education Committee-

For the record, I am Senator Michelle Axtman, representing District 7. I am here to present Senate Bill 2241, which establishes a framework for the creation, governance, and oversight of public charter schools in North Dakota.

What is a public charter school? Simply said, charter schools **are public schools**. There is no cost to attend, and they are open to all students. What makes charter schools different is they operate under a performance agreement that outlines their academic, operational and fiscal goals. They will have slightly increased flexibility in exchange for a higher level of accountability. Public charter schools will help expand educational opportunities and innovation. More importantly, they will allow parents to choose the best public school for their children.

North Dakota's public education system has long served our students well. However, I also recognize that not every child thrives in the same traditional school setting. Families across our state have voiced the need for more options—particularly for students who have had challenges in traditional school settings, students who are interested in certain career paths, or students who may thrive with a more tailored set of educational opportunities.

Across the country, public charter schools currently serve more than 3.8 million students in 8,100 public charter schools. Rural charter schools make up 11% of charter schools and serve 10% of charter school students. Public charter schools have been around for more than 35 years, and North Dakota is one of only four states which do not currently allow for their creation. The time is now for us to enact a **highly accountable** charter

school law that will bring more innovation to our public schools and help meet the values and unique needs of our communities and students.

SB 2241 creates the framework for North Dakota public charter schools, ensuring high standards, financial accountability, and student-focused decision making while allowing schools to customize their academic programs to best serve their students and communities.

This legislation ensures that public charter schools remain part of the state's public education system while operating under a charter performance agreement with the Superintendent of Public Instruction. These performance agreements outline academic, operational, and financial expectations of each public charter school. Charter schools must also meet or exceed state academic and graduation requirements. These schools are required to report student data like other public schools and comply with federal and state education laws and regulations.

In addition, SB 2241 provides that public charter schools:

- Are open to **all North Dakota students** regardless of where they live, prior academic performance, and special needs.
- Take the same state assessments and follow the same standards in the Century Code and report results to the state.
- Hire licensed teachers and follow the North Dakota Education Standards and Practices Board requirements.
- Employees are eligible to participate in the state retirement plan.
- Follow the same state, local, and federal special education laws and regulations like IDEA and 504 plans.
- Follow the same school finance laws and regulations, including audits. All audit results will be sent to the State Superintendent.
- Follow the same civil rights, health, and safety requirements applicable to other public schools in the state.
- May not engage in any religious practices in curriculum, admissions, and employment and may not be a home school or virtual school.

SB 2241 encourages innovation while maintaining oversight by the state superintendent. They will have flexibility to implement unique academic models, including STEM-focused programs, classical education, career readiness initiatives, and specialized learning pathways for at-risk youth. However, to ensure quality and accountability, the Superintendent of Public Instruction will review and approve all charter school

applications to ensure they are academically and financially sound. In addition, an application for a public charter school must demonstrate community support. Without strong community support, a charter school will not open. That's another unique feature of public charter schools.

This bill also provides clear mechanisms to revoke or deny renewal for any public charter school that fails to meet or exceed academic or financial performance standards in their performance agreement. The state superintendent will approve and oversee all charter schools.

For funding, charter schools will receive the same per-pupil state funding as all other public schools but will not receive a dollar of the local funding which will continue to exclusively fund our traditional North Dakota Public Schools. Public Charters will also be required to undergo independent financial audits, ensuring transparency and fiscal responsibility. The bill makes clear that charter schools do not divert funding from traditional public schools, but instead allows state education dollars to follow the student, giving families a choice while minimizing impact to existing schools.

We all know academics are not the only function of a school. Students attending a public charter school will have access to extracurricular activities and athletics through agreements with the North Dakota High School Activities Association. In addition, a public charter school may enter into a cooperative agreement with a public or private school to facilitate athletics and extracurriculars ensuring they receive the same well-rounded educational experience as their peers in traditional schools.

SB 2241 is not about replacing or reducing the importance of our traditional public schools—it is about expanding opportunities for students and families who are looking for a public-school option. By passing this legislation, we are allowing for educational innovation while opening up new professional opportunities for teachers and support personnel. Opponents of Public Charter Schools often fear the closure of schools, the diversion of resources, and the impacts of potential public charter schools in rural areas. Yet data does not support these fears. Public Charter schools have been around for 35 years, and nowhere have we found that a district school has closed down because of a public charter school. With this legislation, **100% of public dollars** remain within the public school system. And we will hear from a few current school leaders and a teacher about how their rural charter schools are thriving today.

Opponents of charter schools often claim that they do not serve all students or that they are not accountable. This bill ensures an equal opportunity for all North Dakota students to

enroll in a public charter school. This bill requires transparency in admission and enrollment at a public charter school.

Improved student outcomes are the ultimate goal of our public education system, and this bill provides for another public-school tool we can use to achieve that goal, all while empowering parents to send their children to a public school that meets their needs.

Mr. Chairman and members of the Senate Education committee, this bill puts North Dakota students first and ensures charter schools operate with transparency and accountability. This legislation is pro-education, pro-growth, and most importantly, pro-student.

Two final points: Governor Armstrong noted the need for charter schools in his State-of-the-State address several weeks ago, and just last Wednesday President Trump issued an executive order (Expanding Educational Freedom and Opportunity for Families) which specifically directs the Department of Defense and the Bureau of Indian Education to allow for the use of public funds by parents to allow their children to attend public charter schools.

I respectfully ask for your support of SB 2241 to bring high-quality, innovative education opportunities to North Dakota's students and families.

Thank you, and I am happy to answer any questions you may have.

25.0799.01001
Title.

Prepared by the Legislative Council
staff for Senator Axtman
January 31, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2241

Introduced by

Senators Axtman, Hogue, Schaible

Representatives Bosch, Heinert, Lefor

1 A BILL for an Act to create and enact a new chapter to title 15.1 of the North Dakota Century
2 Code, relating to the authorization and administration of public charter schools; and to provide
3 for a legislative management report.

4 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

5 **SECTION 1.** A new chapter to title 15.1 of the North Dakota Century Code is created and
6 enacted as follows:

7 **Definitions.**

8 As used in this chapter:

- 9 1. "At-risk student" means a student with an economic or academic disadvantage
10 requiring additional services or assistance to succeed in educational programs,
11 including special education students and English language learners.
12 2. "Charter performance agreement" means an agreement for a fixed term between a
13 public charter school and the superintendent of public instruction describing academic,
14 operational, and financial performance expectations, defining operational
15 responsibilities, and outlining the autonomy and accountability for each party to the
16 agreement.
17 3. "Education service provider" means a for-profit or nonprofit entity a public charter
18 school intends to enter a performance agreement with for education services and
19 resources, including academic program design and implementation, educational

1 services and resources, administrative support, charter implementation, or
2 management.

3 4. "Public charter school" means a public school operating to achieve specific
4 educational objectives according to the charter performance agreement as authorized
5 and overseen by the superintendent of public instruction.

6 5. "Public meeting" means a meeting subject to the requirements for public meetings
7 under chapter 44-04.

8 **Public charter schools - Authority - Governance - Requirements.**

9 A public charter school formed under this chapter:

10 1. Is a public school within the state's public education system.

11 2. May decide matters related to budgeting, curriculum, and operating procedures,
12 subject to the school's charter performance agreement.

13 3. Shall obtain insurance against loss or damage to its property, liability resulting from the
14 use of its property, and liability from the acts or omissions of its officers and
15 employees.

16 4. Is under the control of a governing board, the members of which are elected or
17 selected pursuant to the school's charter performance agreement.

18 5. Is established by a charter performance agreement between the governing board and
19 the superintendent of public instruction.

20 6. Is a school to which a parent or guardian may choose to send the parent or guardian's
21 child.

22 7. Provides a program of education that:

23 a. Meets or exceeds state performance standards, instructional hours, and
24 graduation requirements.

25 b. Includes one or more grade levels from kindergarten through grade twelve.

26 c. May focus on at-risk students, including English language learners, students in
27 foster care, and students involved with the juvenile justice system.

28 d. May include a specific academic approach or theme.

29 8. May receive and disburse funds for school purposes.

- 1 9. May enter an agreement or cooperate with a public or nonpublic entity for services for
- 2 students with special needs, English language learners, and other specialized
- 3 populations or administrative services.
- 4 10. May sue and be sued in its name.
- 5 11. May not engage in religious practices in its educational program, admissions,
- 6 employment policies, or operations.
- 7 12. May not charge tuition and or fees for any services provided for students, except fees
- 8 for field trips, clubs, organizations, and athletic participation.
- 9 13. Must be an in-person school. A public charter school may not provide online, virtual, or
- 10 home education as the primary method of educational programming.
- 11 14. Is responsible for collecting, analyzing, and reporting student data from state
- 12 assessments administered by the superintendent of public instruction under section
- 13 15.1-21-08 in accordance with the performance framework in the approved charter
- 14 performance agreement.
- 15 15. Is subject to the public school approval requirements under section 15.1-06-06.

16 **Applicability of other laws, rules, and regulations.**

- 17 1. Except as provided in this chapter, a public charter school is not subject to a state or
- 18 local law, rule, regulation, policy, or procedure related to education.
- 19 2. A public charter school is subject to federal laws and authorities related to education.

20 **Superintendent of public instruction - Information - Guidance - Rules.**

21 The superintendent of public instruction:

- 22 1. Shall publish information and procedures regarding forming and operating a public
- 23 charter school and enrolling students in a public charter school.
- 24 2. May provide assistance and guidance for developing effective authorization and
- 25 oversight procedures.
- 26 3. Shall adopt rules in accordance with chapter 28-32 to implement this chapter.

27 **Charter schools - Eligibility - Enrollment.**

- 28 1. A prospective student is eligible to enroll in a public charter school if the prospective
- 29 student resides in the state.
- 30 2. A public charter school:

- a. Shall enroll all students who wish to attend the school, unless the number of students exceeds the enrollment capacity of a program, class, grade level, or building.
- b. Shall determine admission by a lottery if initial capacity is insufficient to enroll all students who timely submit an application. The selection process must take place in a public setting. An applicant must have a fair opportunity to be selected in the lottery. The lottery must be randomized and conducted competently, transparently, and impartially.
- c. May not base admissions on ethnicity, national origin, religion, gender, income level, disabling condition, proficiency in the English language, or academic or athletic ability, except as provided under this section.
- d. May limit enrollment to students to a given age group, grade level, or pursuant to a special emphasis stated in the school's application for a charter performance agreement.
- e. Shall give enrollment preference to students and the siblings of students enrolled in the public charter school the previous school year.
- f. May give enrollment preference to children of a public charter school's employees, if the students constitute no more than ten percent of the total student population.

Superintendent of public instruction - Powers and duties - Report to the legislative management.

1. The superintendent of public instruction shall:
 - a. Evaluate an application from the organizer of a proposed public charter school.
 - b. Deny an application that does not meet identified educational needs.
 - c. Determine whether a charter school application merits approval, conditional approval, renewal, or revocation.
 - d. Negotiate and execute a charter performance agreement with an approved public charter school.
 - e. Monitor the performance and compliance of a public charter school.
2. The superintendent of public instruction shall provide to the legislative management a report within three years of approving the first public charter school summarizing the:

- 1 a. Strategic vision and progress of each public charter school.
- 2 b. Performance of each operating public charter school, according to the
- 3 performance measures and expectations specified in the charter performance
- 4 agreement.
- 5 c. Status of charter applications, including charter schools that were not approved,
- 6 not renewed, and closed.
- 7 d. Oversight and services provided by the superintendent of public instruction to
- 8 public charter schools.
- 9 e. Total amount of fees collected from each public charter school, how the funds
- 10 were expended to support the public charter school, and the costs incurred by
- 11 the superintendent of public instruction to oversee each public charter school.
- 12 3. To cover costs of overseeing public charter schools in accordance with this chapter,
- 13 the superintendent of public instruction may:
- 14 a. Expend resources available to the department of public instruction, seek grant
- 15 funds, and establish partnerships.
- 16 b. Charge an administrative fee of up to three percent of annual per student
- 17 allocations received by each public charter school.
- 18 4. An employee of the superintendent of public instruction may not serve as an
- 19 employee, trustee, agent, representative, or vendor of a public charter school.
- 20 5. The superintendent of public instruction is not liable for the acts, omissions, debts, or
- 21 other obligations of a public charter school.

22 **Establishment of a public charter school - Conversion to a public charter school -**

23 **Application requirements.**

- 24 1. To establish a public charter school, the organizer of a public charter school shall
- 25 submit an application to the superintendent of public instruction and notify the board of
- 26 the school district where the public charter school will be located of the intent to
- 27 establish a public charter school.
- 28 2. For a school seeking to convert to a public charter school, the application must
- 29 demonstrate support for the proposed public charter school conversion with a petition
- 30 signed by a majority of teachers and parents or guardians of students at the existing

1 school. Students who attended the school before conversion to a public charter school
2 may be given enrollment preference.

3 3. The superintendent of public instruction shall create an application to establish a
4 public charter school or convert to a public charter school, which must include the
5 following essential elements:

- 6 a. School mission and vision.
- 7 b. Academic program.
- 8 c. Grade levels to be offered and growth plan.
- 9 d. Student evaluation plans.
- 10 e. Governance plan.
- 11 f. Organization chart.
- 12 g. Plan to serve at-risk students.
- 13 h. Community input and involvement.
- 14 i. Finances and audits.
- 15 j. Student policies, including discipline plans.
- 16 k. Staff policies.

17 **Education service providers.**

18 If a proposed public charter school intends to enter an agreement with an education service
19 provider for education or management services, in addition to the other application
20 requirements, a public charter school organizer shall:

- 21 1. Explain the selection process and reasoning for selecting the education service
22 provider.
- 23 2. Provide evidence of the education service provider's success in serving student
24 populations similar to the targeted population, including demonstrated academic
25 achievement and, if applicable, successful management of nonacademic school
26 functions.
- 27 3. Provide information on the proposed duration of the service performance agreement,
28 roles, responsibilities, and scope of services and resources to be provided by the
29 education service provider, performance evaluation measures and timelines,
30 compensation structure, methods of performance agreement oversight and

1 enforcement, and conditions for renewal and termination of the performance
2 agreement.

3 4. Explain the relationship between the governing board, the school's leadership and
4 management team, and the education service provider, specifying how the governing
5 board and the school's leadership and management team will monitor and evaluate
6 the performance of the education service provider.

7 5. Provide a statement of assurance the governing board and the school's leadership
8 and management team are legally and operationally independent from the education
9 service provider.

10 6. Ensure faculty performance agreements are separate from management performance
11 agreements.

12 7. Ensure the governing board retains the right to terminate the performance agreement
13 for failure to meet defined performance standards after notice has been given to the
14 education service provider, a reasonable cure period has expired, and material
15 deficiencies have not been cured.

16 8. Disclose and explain any existing or potential conflicts of interest between the
17 governing board, the school's leadership and management team, and the education
18 service provider or any affiliated business entities.

19 **Application review process - Approval decisions.**

20 1. The application review process must include a thorough evaluation of the application
21 and an in-person interview with the applicant at a public meeting.

22 2. The superintendent of public instruction shall:

23 a. Grant charters to applicants demonstrating competence in the charter
24 application.

25 b. Base decisions on documented evidence collected through the application review
26 process.

27 c. Follow charter granting policies and practices that are transparent, merit based,
28 and avoid a conflict of interest or the appearance of a conflict of interest.

29 3. No later than ninety days after the deadline for filing applications, the superintendent
30 of public instruction shall approve or deny each application. The superintendent of

1 public instruction shall publicly notice and publish public charter school application
2 decisions.

3 4. An approval decision may include reasonable conditions the applicant must meet
4 before a charter performance agreement may be executed. Reasonable conditions
5 may not include enrollment caps.

6 5. If the superintendent of public instruction conditionally approves or denies an
7 application, the superintendent of public instruction clearly shall state the reasons in
8 writing.

9 6. The superintendent of public instruction shall maintain a list of approved charter
10 applications in chronological order by date of approval.

11 7. An approved application is not a charter performance agreement.

12 **Charter performance agreements - Performance-based accountability - Data**
13 **reporting.**

14 1. If an application is approved, the superintendent of public instruction and the
15 governing board of the public charter school shall execute a charter performance
16 agreement no later than sixty days after approval, including:

17 a. Academic, operational, and fiscal performance expectations and measures by
18 which the public charter school will be judged.

19 b. A description of the standards and processes under which the superintendent of
20 public instruction will oversee and monitor the public charter school.

21 c. Actions the superintendent of public instruction may pursue to revoke a charter
22 performance agreement.

23 2. A charter performance agreement must be signed by the superintendent of public
24 instruction and the public charter school's governing board.

25 3. A public charter school may not commence operations without a charter performance
26 agreement executed in accordance with this section and approved in a public meeting.

27 4. A public charter school governing board or its designee may negotiate with the
28 superintendent of public instruction to amend a charter performance agreement. The
29 superintendent of public instruction's review of the charter performance agreement
30 must be limited to the proposed request for amendments.

31 5. The charter performance agreement must include:

a. Indicators related to student academic proficiency, student academic growth, attendance, recurrent enrollment, readiness for success upon graduation, financial performance, governance performance, and family and community engagement.

b. Annual performance targets to support the public charter school's compliance with federal and state requirements.

6. More than one public charter school may be authorized under a charter performance agreement as approved by the superintendent of public instruction, if the public charter schools are separate and distinct from one another.

Charter performance agreement - Terms - Delayed opening.

1. An initial charter performance agreement term is five years. The term commences on the public charter school's first day of operation.

2. A public charter school may delay its opening for up to one school year after approval. If the public charter school requires an opening delay of more than one school year, the public charter school shall request an extension from the superintendent of public instruction, which may be granted at the discretion of the superintendent.

3. The superintendent of public instruction may grant renewal of a charter performance agreement for successive terms of five years.

Superintendent of public instruction - Monitoring - Annual evaluation - Opportunity for remediation.

1. The superintendent of public instruction shall monitor the performance and legal compliance of the public charter schools, including an annual evaluation for each public charter school according to the charter performance agreement.

2. If a public charter school's performance or legal compliance is unsatisfactory, the superintendent of public instruction promptly shall notify the public charter school and provide a reasonable opportunity for the school to remedy the problems identified by the superintendent of public instruction. A public charter school must be given at least fifteen days to respond to the superintendent of public instruction's notification.

Public charter school performance report - Renewal responsibilities.

1. The superintendent of public instruction shall issue a public charter school performance report for each five-year term of a charter performance agreement no

1 later than seventy-five days before a public charter school's fourth year of operation
2 begins.

3 2. The report must include renewal application guidance, as needed, and notice of any
4 concerns that may jeopardize the public charter school's position in seeking renewal if
5 not timely rectified.

6 3. A public charter school must be given at least thirty days to respond to the
7 performance report and submit any corrections or clarifications for the report.

8 **Renewal application - Decision.**

9 1. The superintendent of public instruction shall create a uniform renewal application and
10 evaluation process.

11 2. The governing board shall submit a renewal application to the superintendent of public
12 instruction no later than the first day of instruction of a public charter school's final
13 authorized year of operation.

14 3. The renewal application must include:

15 a. A performance report and additional evidence in support of renewal.

16 b. Improvements undertaken or planned for the school.

17 c. Plans for the next charter term.

18 4. Renewal decisions must be supported by evidence of the public charter school's
19 performance under the performance framework in the charter performance agreement.

20 5. The superintendent of public instruction shall render a decision on a renewal
21 application no later than forty-five days after the renewal application was filed.

22 6. The public charter school is entitled to a public meeting with the superintendent of
23 public instruction regarding the renewal decision.

24 7. The superintendent of public instruction shall provide to the public charter school and
25 publish a report summarizing the basis for each decision, including supporting
26 evidence.

27 **Charter performance agreement - Revocation - Nonrenewal.**

28 1. A charter performance agreement may be revoked at any time or not renewed if the
29 superintendent of public instruction determines the public charter school:

30 a. Failed to comply with this chapter or other law.

- b. Committed a material violation of a term, condition, standard, or procedure required under the charter performance agreement.
 - c. Failed to meet or make sufficient progress toward the performance expectations under the charter performance agreement.
 - d. Failed to meet accepted standards of fiscal management.
2. Revocation may not occur before a public meeting with the charter holder occurs, unless the superintendent of public instruction determines the continued operation of the public charter school presents an imminent public safety issue, in which case the charter performance agreement may be revoked immediately.
 3. A public charter school has thirty days to respond to the superintendent of public instruction's notice to revoke the school's charter performance agreement.
 4. If the superintendent of public instruction revokes or does not renew a charter performance agreement, the superintendent of public instruction shall publish the reasons for the revocation or nonrenewal.

School closure and dissolution.

If a public charter school intends to close and dissolve, the school shall:

1. Notify the parents or guardians of students of the intent to close and dissolve.
2. Transition students and student records as necessary.
3. Properly distribute the public charter school's assets, first to satisfy outstanding payroll obligations for employees of the public charter school and then to other creditors of the public charter school. If the assets of the public charter school are insufficient to pay creditors, the distribution of assets may be determined by court order.

Local education agency status.

A public charter school:

1. Is a local education agency for purposes related to the funding of special education services within the limits of legislative appropriations.
2. Shall provide services to students in public charter schools as required by federal, state, and local law and the charter performance agreement.

Governing board.

1. A governing board:
- a. May enter more than one charter performance agreement concurrently.

b. Shall adopt a viable conflict of interest policy and code of ethics.

c. Shall adopt a policy to avoid nepotism in hiring and supervision. The policy must require disclosure to the board of potential nepotism in hiring and supervision. An individual with a nepotism conflict may not be involved in the hiring decision or supervision of an employee.

d. Shall have access to education service provider records to oversee the education service provider contract.

e. Is a public entity under chapter 44-04.

2. Individuals compensated by an education service provider are prohibited from serving as a voting member on a governing board contracting with the education service provider, except if approved by the superintendent of public instruction.

Public school employees.

1. Public charter school teachers must be licensed by the education standards and practices board and must meet the requirements under chapter 15.1-18.

2. An employee of a public charter school is eligible to participate in retirement and benefits programs of the state, if the public charter school elects to participate and satisfies the requirements of the internal revenue service.

Generally accepted accounting principles - Independent audits.

A public charter school shall:

1. Adhere to generally accepted accounting principles.

2. Engage a qualified certified public accountant or public accountant to independently audit the public charter school's finances once every six months. The public charter school shall submit the audit to the superintendent of public instruction.

Funding - Categorical aid - Transportation.

1. A public charter school shall certify to the superintendent of public instruction its student enrollment in accordance with section 15.1-27-02.

2. The state shall pay to the public charter school the per-pupil state aid payment, which is the dollar amount for the respective year under subsection 3 of section 15.1-27-04.1, for each student enrolled in the public charter school.

3. The state shall pay the proportionate share of moneys derived from federal and state categorical aid programs to public charter schools with students or teachers who are

1 eligible for such aid. A public charter school that receives categorical aid shall comply
2 with related reporting requirements.

3 4. A public charter school may enter a contract with a local school district or private
4 provider to provide transportation to students of the public charter school.

5 5. Any moneys remaining in an account of a public charter school at the end of a budget
6 year must remain in the account for use by the public charter school during
7 subsequent budget years.

8 6. This chapter does not prohibit any person from providing funding or other assistance
9 to a public charter school. The governing board of a public charter school may accept
10 gifts, donations, and grants and may expend or use gifts, donations, and grants in
11 accordance with the conditions prescribed by the donor, if the condition is not contrary
12 to law or the charter performance contract.

13 **Facilities - Activities.**

14 1. A public charter school may enter an agreement with a public or private entity for the
15 use of the entity's facility.

16 2. A public charter school holds a right of first refusal to part or all of an unused state-
17 owned facility or property located in the state. The superintendent of public instruction
18 shall maintain a list of available buildings.

19 3. A facility or part of a facility that is the location of a public charter school is exempt
20 from property taxes under subsection 6 of section 57-02-08.

21 4. A public charter school may enter a cooperative agreement with a public or private
22 school to facilitate athletics and other activities.

23 5. A public charter school may become a member of the North Dakota high school
24 activities association.



Testimony in Opposition to SB 2241– Public Charters

I appreciate the opportunity to present my concerns regarding SB2241, which proposes the authorization of public charter schools in North Dakota. While the intention to enhance educational opportunities is commendable, I believe that introducing charter schools may not be the most suitable path for our state. My reservations are rooted in the potential negative impacts on our existing public education system and the unique characteristics of our communities.

1. Financial Implications for Public Schools

Charter schools, though publicly funded, often divert essential resources from traditional public schools. In North Dakota, where many school districts already operate under tight budgets, this reallocation could exacerbate financial strains. Public schools have fixed costs—such as facility maintenance and staffing—that do not decrease proportionally with declining student enrollment. The introduction of charter schools could lead to reduced funding for these essential services, thereby diminishing the quality of education for the majority of our students.

2. Impact on Rural Communities

North Dakota's rural communities rely heavily on their public schools, which often serve as central hubs for community activities and identity. The establishment of charter schools could undermine these institutions by drawing away students and resources, potentially leading to rural school fiscal detriment. This would not only affect educational outcomes but also erode the social fabric that binds our rural communities together.

5. Fiscal Impact to the State Underscored.

The fiscal note on the bill shows that the avg. student in ND is weighted at 1.2, so they get 120% of the state payment. Mr. Tescher has indicated the state would realize a 20% savings on average if the student had previously attended a public school.

However, we need to dig into the potential actual cost to the state. The large school districts receive a weighted factor of 1.0. However, the state does not send the full \$11,072 to districts, it is reduced by to subtract the dollars raised by the 60-mill local levy. - - - Since most of the large schools only receive \$7,000-\$8,000 per pupil after being adjusted for the local 60-mill levy, wouldn't it be fair to say that it is likely to carry a state fiscal note if there is no taxable authority to cover the local share?

6. Unrecognized innovation and work of our public schools.



1 Our public schools in North Dakota have done measurable and outstanding work in the past 4-6
2 years regarding innovation and attention to personalized learning which begets the question of
3 the need for a bill such as this. If this is a carve-out to help out in part our friends from Twin
4 Buttes, I have believe we could find an answer for them that doesn't open an entire can of worms
5 that this might.

6 Please acknowledge the work ou r schools have done and so many more that I haven't even bee
7 able to document here. So much of this work is done by the innovation academy hosted by
8 NDCEL.

9 Central Cass – Jag academy, BPS – empower ed, Mandan – Blended online innovation
10 and personalization for every student, Oaks and Legacy – Flex-Mod Scheduling, Belcourt –
11 Trauma informed instruction, Williston – Innovation Academy, Dickinson – by school adjusting
12 structure to personalize for the student and teacher, Jamestown – personalized competency-based
13 learning increasing student choice and voice, Richardton-Taylor – personalized learning
14 academy, Garrison & Numerous others – apprenticeship learning. This is just a sample. The
15 Learning continuum that the legislature passed gives every district the pathway toward
16 answering their community's needs without watering down efforts toward funding or realizing
17 those needs.

18 In conclusion, while the pursuit of educational innovation is important, the introduction of
19 charter schools in North Dakota, as proposed in House Bill 1358, presents significant risks to our
20 public education system and communities. We've made such strong moves toward innovation in
21 the past 2-3 legislative sessions, and I fear that the turn on our heels this session toward charter
22 and vouchers and school choice will send us decades back in growth for the overwhelming
23 majority of our students. I urge the Legislative Assembly to consider these concerns carefully
24 and to explore alternative methods of improving education that strengthen, rather than potentially
25 weaken, our existing public schools.



NDSBA
NORTH DAKOTA SCHOOL
BOARDS ASSOCIATION

1224 West Owens Avenue
Bismarck ND 58501
1-800-932-8791 • (701)255-4127
www.ndsba.org

SB 2241
Testimony of Amy De Kok
Senate Education
February 3, 2025

Chairman Beard and members of the Senate Education Committee, my name is Amy De Kok. I am the executive director of the North Dakota School Boards Association. NDSBA represents all 168 North Dakota public school districts and their governing boards. I am writing to express our opposition to SB 2241, which seeks to authorize the establishment of public charter schools in North Dakota. While the bill aims to provide families with more educational choices, its implementation raises significant concerns regarding funding, accountability, educational equity, and the overall impact on our public education system.

Diverting Resources from Traditional Public Schools

SB 2241 proposes that charter schools be publicly funded, yet it does not ensure that these schools will serve all students equitably. By allowing per-pupil state aid payments to flow to charter schools, the bill will divert critical funding from traditional public schools, which already struggle with resource limitations, teacher shortages, and infrastructure needs. Unlike public schools, charter schools may selectively contract services such as special education and transportation, further burdening public schools with the most high-cost students while depleting their funding base.

Insufficient Oversight and Accountability

The bill places the oversight of charter schools under the Superintendent of Public Instruction, yet it explicitly exempts these schools from many state and local laws, regulations, and policies governing education. Charter schools are granted autonomy in budgeting, curriculum, and operational procedures, raising concerns about financial mismanagement, conflicts of interest, and a lack of public accountability. While the bill includes provisions for performance agreements, the oversight mechanisms remain weak, especially given the past experiences in other states where financial fraud and mismanagement have plagued similar charter school systems.

Potential for Increased Segregation and Inequities

While the bill states that charter schools must enroll all students, it allows these schools to focus on "at-risk students" and include a "specific academic approach or theme." This raises concerns about

selective enrollment practices that may effectively exclude students with disabilities, English language learners, and students from low-income families. Additionally, allowing children of charter school employees to receive enrollment preference further undermines the principle of open access.

The introduction of charter schools has historically been linked to increased racial and socioeconomic segregation in states where they operate. North Dakota's public schools play a critical role in fostering inclusive and diverse learning environments. The introduction of charter schools risks creating a system of educational stratification that disadvantages the most vulnerable students.

The Risk of Privatization and For-Profit Influence

A particularly alarming provision of the bill is the allowance for charter schools to contract with education service providers, including for-profit entities, for curriculum design, management, and operations. This opens the door for private companies, largely from out-of-state, to profit from public funds while avoiding the scrutiny that traditional public schools face. There have been numerous cases in other states where for-profit charter management companies have prioritized financial gain over student success, leading to poor educational outcomes and school closures that disrupt students' education.

No Proven Long-Term Benefits for Student Achievement

The justification for charter schools often hinges on the promise of improved student performance, yet research shows that results are mixed at best. In many states, charter schools perform no better—or even worse—than traditional public schools. Given the experimental nature of this initiative and the lack of compelling evidence that charter schools consistently outperform public schools, it is unwise to divert public funds to an unproven model that could weaken our existing educational system.

Public Charter Schools Can Charge Tuition and Fees

One of the most concerning provisions in SB 2241 is the explicit allowance for charter schools to charge tuition and fees. This contradicts the fundamental principle of free public education. If charter schools can impose financial barriers, it effectively turns them into semi-private institutions that exclude students based on their ability to pay. This creates inequities that have no place in a publicly funded education system.

Prioritizing Investment in Traditional Public Schools

Rather than diverting resources to a parallel education system with questionable benefits, North Dakota should invest in strengthening its public schools—ensuring smaller class sizes, increasing teacher pay, improving facilities, and expanding academic support programs for all students. Over the past several sessions, the ND Legislature has invested significant resources into public education with the

goal of providing diverse, innovative learning opportunities and environments for students. These investments are beginning to pay off, but schools are still just at the beginning of building on these efforts. We need to allow our public schools the time to demonstrate the impact of these efforts.

For these reasons, I strongly urge the Committee to issue a DO NOT PASS recommendation on SB 2241 and instead focus on policies that enhance and support North Dakota's existing public school system.

Thank you for your time and consideration. I welcome any questions.



*Great Public Schools**Great Public Service*

**Testimony Before the Senate Education Committee
SB 2241
February 3, 2025**

Chair Beard and members of the Committee, for the record, my name is Nick Archuleta, and I am the president of North Dakota United. On behalf of our 11,000 members, I rise today in opposition to SB 2241 and to urge a ***do not pass*** recommendation for this proposed piece of legislation.

Members of the Committee, while I share Sen. Axtman's desire to improve academic outcomes for all students, I am not convinced that SB 2241 is the right vehicle to get us to our goals. If I may, I would like to share with the Committee a few of ND United's concerns regarding SB 2241 and, frankly, the other charter school bills we have seen or will see in this legislative session.

Is there a need for charter schools in ND?

When I have asked various school administrators if they are currently allowed to do the things that charter schools can do, the answer is always affirmative. Teachers and administrators have for many years been developing, adopting, and expanding innovative practices designed to make learning more meaningful and practical for the students in their charge. Programs have been implemented in some school districts which allow students to finish required coursework earlier in their academic careers so they can job shadow or intern in their expected career field. Empower Ed allows students to meet academic standards within their work environment. ND's 14 Career and Technical Education and Virtual CTE centers are meeting the needs of students in innovative ways every day while also preparing students to meet North Dakota's workforce needs. And there are several other innovative and productive programs in place in communities large and small across the state.

What is plan B if/when charter schools fail and close?

In a recent National Center for Charter School Accountability (NCCSA) study, researcher Ryan Pflieger, Ph.D., found that twenty-five percent of charter schools closed in their first five years. By year ten, that number was forty percent. By year 20, the study found five cohorts where fifty-five percent of charter schools closed. The reasons for closure showed low enrollment accounted for almost 47% of the closures, Fraud/mismanagement accounted for almost 22%, academic concerns accounted for almost 14% of closures, and financial reasons accounted for just over 10% of the closures. “Other” accounted for the remainder of the reasons charters closed during the 2022-2024 school years. The author of SB 2241 acknowledges that closures of charter schools happen on page 11, line 8 but does not address charters that *do not* intend to close nor what happens to the kids who are suddenly without a school when they do shutter their operations. It is conceivable that a charter may open in a rural community, siphon off a significant percentage of public dollars and the students the money is attached to, thus forcing the regular public school to close. When the charter school closes, the community will have no school to provide the educational services that children need.

Staffing both charter schools and existing public schools.

As we all know, North Dakota is still having a challenging time recruiting and retaining the teachers we need to meet our needs. It is difficult to see how we are going to have enough qualified and licensed teachers for both our existing public schools and charter schools. About those teachers, it is unclear what their status will be as public employees. On page 12, line 2, the author of SB 2241 writes, “*An employee of a public charter school is eligible to participate in retirement and benefits programs of the state, **if** the public charter school elects to participate and satisfies the requirements of the internal revenue service.*” As the saying goes, “that’s a mighty big **if**.” Currently, public school teachers must pay into the TFFR defined benefit retirement plan, and that is a particularly good thing. It assures that following years of service to North Dakota’s children, a teacher can retire with a modest but dependable pension. If the public charter does not want to participate in TFFR, its teachers will not be allowed the same reasonable pension enjoyed by their traditional public-school counterparts doing the same job across town. Also unclear is whose employees are the

teachers. Are they simply contract employees of the public charter school? Will they follow the same negotiated agreement as the other public-school teachers in that community? Will they have collective bargaining rights? Charter schools nationally have high staff turnover rates. How does SB 2241 address that issue?

Do charter schools produce better student outcomes?

A comparative study of charter and public schools in Louisiana found that charter school students perform worse than their traditional public school student counterparts by stark margins.

Ohio adopted an A-F report card system for grading all their schools. The state's charter schools received more F grades than all other grades combined.

After two decades of charter school expansions in Michigan, students' overall performance on national assessments had fallen from the middle to nearly the bottom in math and reading. Michigan's charters scored worse on that test than their traditional public-school counterparts.

Yes, there are some charter schools that have outperformed traditional schools, but it is certainly not guaranteed that they will.

I could go on, Chair Beard and members of the committee, but I would like to conclude my testimony with this observation. What is proposed in SB 2241 is a seismic shift for K-12 education in North Dakota. To my knowledge, there has not been a great outcry on the part of the public for charter schools. Also, to my knowledge, there has not been a concerted effort to educate the public on the ramifications of enshrining SB 2241 into law. The citizens of North Dakota deserve a more fulsome conversation about this important matter.

For these reasons, I respectfully ask this Senate Education Committee to issue a ***do not pass*** recommendation for SB 2241.



North Dakota Small Organized Schools

Mr. Michael Heilman
Executive Director
3144 Hampton Street
Bismarck, ND 58504
mheilmanndsos@gmail.com
701-527-4621

Mr. Brandt Dick
President
1929 N. Washington Steet. Ste.A
Bismarck, ND 58501
Brandt.Dick@k12.nd.us
701-415-0441

Mr. Steven Heim
Vice-President
PO Box 256
Drake, ND 58736
Steve.heim@k12.nd.us
701-465-3732

1

2 Testimony in Opposition to ND Senate Bill 2241

3 Chairman Beard, members of the committee, my name is Michael Heilman, Executive Director of North
4 Dakota Small Organized Schools. I am here on behalf of the 140+ member schools to testify in
5 opposition to Senate Bill 2241, which seeks to establish public charter schools in North Dakota. While
6 proponents argue that charter schools offer educational choice, the reality is that their implementation
7 would significantly and negatively impact our rural public schools. Specifically, this bill threatens rural
8 education through loss of students, loss of funding, and increased competition for already scarce
9 resources, including teachers, support staff, and administrators.

10 Loss of Students

11 In rural North Dakota, our public schools are the backbone of our communities. Unlike urban areas with
12 higher population densities, rural schools serve vast geographic regions with limited student
13 populations. The introduction of charter schools would siphon students away from traditional public
14 schools, leading to declining enrollment numbers. Even a modest decrease in student population can be
15 devastating for rural districts, as our funding and ability to maintain programs are tied directly to
16 enrollment figures. Unlike larger districts that may absorb such losses more easily, rural schools operate
17 on thin margins, meaning that any reduction in student numbers directly threatens their viability.

18 Loss of Funding

19 North Dakota's public schools are funded primarily through state allocations based on student
20 enrollment. When students leave a district for a charter school, the state funding follows them. This
21 means that already financially strained rural schools will receive fewer dollars, forcing them to make
22 difficult choices about program cuts, staff reductions, or even school closures. The reality is that rural
23 schools do not have the same economies of scale as larger districts. They cannot simply consolidate
24 classrooms or shift resources without serious consequences to the quality of education they provide. If
25 SB 2241 is enacted, rural schools could find themselves in a financial death spiral, unable to
26 maintain essential programs such as advanced courses in required curricula, career and technical
27 education programing, special education programing, and extracurricular activities that keep
28 students engaged and prepare them for future success.

Board of Directors

Region 1

Mr. Tim Holte, Supt. Stanley
Mr. Kris Kuehn, Supt. Ray

Region 2

Mr. Monte Mayer, Supt. Velva
Mr. Steven Heim, Anamoose & Drake

Region 3

Dr. Frank Schill, Supt. Edmore
Mr. David Wheeler, Supt. Manvel

Region 4

Mr. Brian Christopherson, Supt. New Salem
Mr. Russ Ziegler, Supt. Elgin-New Leipzig

Region 5

Mr. Rick Diegel, Supt. Kidder Co.
Mr. Brandt Dick, Supt. Burleigh County

Region 6

Mr. Mitch Carlson, Supt. LaMoure
Dr. Steven Johnson, Supt. Ft. Ransom

The mission of NDSOS is to provide leadership for the small/rural schools in North Dakota and to support legislation favorable to their philosophy while opposing legislation that is harmful.

Competition for Limited Resources

North Dakota already faces a significant shortage of qualified teachers, support staff, and administrators, particularly in rural areas. Charter schools would exacerbate this crisis by further dividing the already limited pool of educational professionals. Rural districts struggle to recruit and retain educators due to lower salaries, geographic isolation, and fewer professional development opportunities. Charter schools raise the risk of increased loss of educators from public schools, leaving rural districts unable to staff classrooms with qualified personnel. This would create an inequitable system where some students receive a well-resourced education while others are left with underfunded, understaffed schools.

Additionally, rural schools often rely on shared services such as special education teachers and coordinators, school counselors, and administration. The introduction of charter schools would divert these limited resources, further straining the ability of public schools to provide essential services to students with special needs, behavioral challenges, or those requiring additional academic support.

Conclusion

Senate Bill 2241 threatens to undermine the stability of rural education in North Dakota. By diverting students, funding, and critical resources away from traditional public schools, it jeopardizes the quality and sustainability of education in many of our communities. Our priority must be strengthening our existing public schools, not creating parallel systems that weaken them.

I urge this committee to reject SB 2241 and instead invest in policies that support and enhance our public education system, particularly in rural areas where every student, educator, and dollar is essential to maintaining a strong educational foundation.

Thank you, Chairman Beard and members of the committee, for the opportunity to provide testimony.

Mr. Michael Heilman – Executive Director
North Dakota Small Organized Schools
mheilmanndsos@gmail.com
701.527.4621



Protection & Advocacy Project

400 E. Broadway, Suite 409
Bismarck, ND 58501
701-328-2950
1-800-472-2670
TTY: 711
www.ndpanda.org



Senate Education Committee
Senate Bill 2241 – February 3, 2025
Testimony of Anna Rackley, P&A Legal Team Member

Greetings Chairman and members of the Senate Education Committee. My name is Anna Rackley and I'm a member of the legal team at the North Dakota Protection and Advocacy Project (P&A). P&A is an independent state agency established in 1977 to assert and advance the human, civil, and legal rights of people with disabilities. The agency's programs and services seek to make positive changes for people with disabilities where we live, learn, work and play.

While P&A supports innovative approaches to education, we have concerns about how this bill addresses the needs of students with disabilities. We believe that any legislation authorizing charter schools must explicitly ensure compliance with federal and state disability rights laws, and we question the assumption that charter schools inherently provide a better solution for students with disabilities.

Some of our key concerns are:

1. **Compliance with IDEA:** The Individuals with Disabilities Education Act (IDEA) guarantees a free appropriate public education (FAPE) for students with disabilities. This includes the provision of specialized services, such as speech and occupational therapy, in the least restrictive environment (LRE). Senate Bill 2241 should explicitly require charter schools to comply with all aspects of IDEA. Furthermore, it should address how charter schools will provide these services, especially given potential limitations in staffing and resources compared to traditional public schools.
2. **Funding Equity:** Charter schools receive public funding, which could divert resources from traditional public schools. This could disproportionately impact students with disabilities who remain in traditional schools. The bill should address funding concerns to ensure that all schools have adequate resources to serve students with disabilities.
3. **Non-Discrimination:** Charter school admissions processes must be non-discriminatory towards students with disabilities. The bill should explicitly prohibit discrimination based on disability and require clear, accessible information about programs for students with disabilities.

4. **Oversight and Accountability:** The Department of Public Instruction should have clear authority to oversee charter schools and ensure compliance with IDEA, the Americans with Disabilities Act (ADA), and Section 504 of the Rehabilitation Act. The bill should include accountability measures and consequences for non-compliance.

Some of our recommendations are:

- **Explicitly require compliance:** Include clear language mandating that charter schools comply with IDEA, ADA, and Section 504.
- **Ensure oversight:** Grant the Department of Public Instruction authority to monitor and enforce compliance with disability rights laws in charter schools.
- **Address funding equity:** Develop a funding model that ensures adequate resources for both charter schools and traditional public schools to serve students with disabilities.
- **Promote transparency:** Require charter schools to provide clear, accessible information about their programs and services for students with disabilities.

P&A believes that school choice should not come at the expense of vulnerable students. We urge the committee to amend Senate Bill 2241 to include these recommendations, ensuring that the rights of students with disabilities are protected in any charter school legislation.

Thank you for your time and consideration.

Anna Rackley
Legal Team Member
arackley@nd.gov

To: Senate Education Committee Members

From: Scott R. Jensen

Senior Advisor to the American Federation for Children

Re: Support for SB 2241

Date: February 3, 2025

On behalf of the American Federation for Children, the nation's largest school choice organization, I would like to express our support for SB 2241 which would allow the Superintendent of Public Instruction to authorize charter schools in the state of North Dakota.

As all parents and teachers know, even children in the same family can have very different learning styles. That is why we believe the children of North Dakota deserve a wide variety of publicly funded educational opportunities. Unfortunately, North Dakota is one of three states without public charter schools or private school choice.

SB 2241 is a well-designed bill that would give the children of this state new innovative public school options which could be crafted to meet the needs and interests of students. In neighboring states, students have the option to attend a diverse range of charter schools focused on the aviation industry, the Lakota language and culture, classical education, and computer sciences and engineering. Charter schools can and do serve both urban and rural students in these states.

The children of North Dakota should be given the education freedom available to students in almost every other state in the union. The teachers of North Dakota should be given the chance to design schools that will meet the needs of their community and inspire a passion for learning in their students. Please pass SB 2241.

Lisa S. Grover, Ph.D.
SB 2241 in Support
February 3, 2025

Good morning Mr. Chairman and Members of the Senate Education Committee.

I am Lisa Grover, Senior Director of State Advocacy and Support at the National Alliance of Public Charter Schools. Our mission is to lead public education to unprecedented levels of academic achievement by fostering a strong charter school movement. Our goal is not to have all public school students attend a public school. Rather, our vision is that every family can choose a high-performing public school that delivers an excellent education for their children. Public charter schools are not in opposition to district schools, in fact, they are often quite complimentary. Students have such different interests and learning needs, and we can't expect all public schools no matter how great they are to be all things to all kids. This is where public school options become so important

I live in ABQ, NM and I spent my career in education, first as a teacher, education advocate, and mom.

So what is a Charter School?

- A charter school is a public school that is granted more flexibility to innovate in exchange for a performance agreement. Forty-six states, Washington DC, Puerto Rico and Guam have charter school laws. In each of these jurisdictions, a charter school is statutorily defined as a public school.

Minnesota passed the first public charter school law in 1991. In the 2,000's, more than 35 states had charter schools.

- I'd like to offer a brief snapshot of the National Charter School Movement.
- 3.8 million students attend a public charter school and there are 8,100 public charter schools across our nation.

- Rural charter schools make up 11% of charter schools and serve 10% of charter school students. That is 80,000 students currently attend a public charter school.
- Public charter schools have been around for more than 35 years, and North Dakota is one of only four states which do not currently allow for their creation.

I am here in support of SB 2241. There are a number of reasons I sit here today in support of this bill. Here below are three of the primary reasons:

1. A high of accountability and transparency, from charter performance agreements and quality authorizing practices to the clear provisions for financial transparency and ensuring special education students receive full services and fair treatment. Every charter school works under a performance agreement with the state superintendent, along with the imperative to meet or exceed state performance standards and graduation requirements.
2. Student-Centered Law. What I mean is that families and students have a direct say in the kind of education that meets their children's interests and needs. Public charter schools have a different approach to public education. It's a "bottom's up" approach rather than a top-down approach. In some ways public charter schools are a return to the red school house. SB 2241 requires a local community to demonstrate support for a new public charter school. Simply put, if a community doesn't show support for the public charter school, it simply won't happen. This bill will allow communities the opportunity to begin conversations if they choose.
3. Rural Charter Schools – Positive Impact
 - More than 320,000 students attend 836 rural charter schools, or about 11%.
 - There are charter schools in rural areas around the country, but they are more prevalent in a few states. In 10 states, more than 25% of

charter school students are in rural charter schools: Alabama, Hawaii, Iowa, Idaho, Kansas, Maine, North Carolina, Oregon, Virginia, and Wyoming. Hawaii has the largest number of rural charter schools, California, Texas, and Florida have the largest numbers of students in rural charter schools. And Hawaii has the highest proportion of public charter schools, at almost 30%.

- All four states that passed a new public charter school in the last ten years are rural states: Maine, Mississippi, Alabama, and West Virginia. ci charter school law
- I'm a founder of one of the first rural charter schools in NM, now in its 20th year, and establishing our school brought the community together, especially once we opened the school. Today, despite a rocky two year start, it's a collaborative relationship between the two schools.

I sit here today having spent twenty five years in education, as a teacher, public school founder, education advocate, and mom. I've seen many great public charter schools doing amazing things for students, often on a shoe string budget. I've yet to see a public school close because of a new charter school.

I encourage you to seriously consider enacting this legislation. It's highly accountable, transparent, and provides the right level of flexibility. Thank you and I'm ready to help at any time.

Senate Bill 2241
Maria Neset
Senate Education Committee
Sen. Beard, chair
February 3, 2025
Room 216

Good morning Chair Beard and members of the Senate Education Committee. For the record, my name is Maria Neset, Chief of Staff to the Lieutenant Governor and Senior Advisor to the Governor. The Office of the Governor is here to provide supportive testimony on Senate Bill 2241 that allows for Public Charter Schools in the state of North Dakota.

Senate Bill 2241 aims to authorize and administer public charter schools. The bill proposes the creation of a new chapter in the North Dakota Century Code that outlines the requirements, governance and performance expectations for public charter schools. It also includes provisions for legislative management reports to ensure accountability.

Benefits of Public Charter Schools:

1. **Tailored Curriculum:** Charter schools can customize their curriculum to focus on specific areas like STEM, arts, or vocational training.
2. **Increased Flexibility:** They have more autonomy in decision-making, allowing them to quickly implement changes and innovate in teaching methods.
3. **Parental Involvement:** Charter schools often foster strong community ties and encourage parental participation in school activities.
4. **Accountability:** They are held accountable for meeting performance goals, driving innovation and improved student outcomes.

5. Specialized Programs: They offer unique opportunities for students to explore their interests and develop skills in particular fields.
6. Teacher Choice: The unique education focus of public charters gives educators the opportunity to teach in a school that aligns with their professional passions.

Expanded School Choice Benefits:

1. Parental Satisfaction: Parents have more options to choose schools that best meet their children's needs, leading to higher satisfaction.
2. Closing Achievement Gaps: Increased enrollment in charter schools has been shown to narrow the achievement gap between low-income students and their peers.
3. Healthy Competition: The presence of charter schools can motivate traditional public schools to adopt innovative practices and improve overall educational outcomes.

We are supportive of Senator Axtman and her efforts toward expanding school choice in North Dakota. This bill and Senate Bill 2400 begin to pave the way for improving education outcomes and access for students and families across our great state.

Testimony SB 2241

February 3, 2025
Senate Education Committee
SB 2241

Mr. Chairman and members of the Senate Education Committee, my name is Russ Hanson, and I am with the Associated General Contractors of North Dakota (AGC of ND). The AGC of ND is the largest construction trade association in North Dakota who perform all types of commercial construction (highway/bridge, vertical commercial, water/utility). Our membership also consists of equipment and material suppliers and has been in existence since 1951.

I appreciate the opportunity to provide input into consideration of the possibility of adding public charter schools to the offerings available to most other states and for our Legislature having the dialogue of whether to do so in the 2025 Legislature.

As a trade association of a business orientated organization, I am far from being well versed in the important education policy. The thing I know most about education is the members I represent build and repair the buildings and infrastructure that safely transport the students and educators to places they convene to teach and learn.

The other aspect I am aware of is the AGC members both in North Dakota and throughout the nation employ a lot of trade and craft professionals. With the curriculum flexibility I understand Charter Schools provide, perhaps adding them in North Dakota could assist in getting students started in pursuing a trade sooner than a traditional school can?

Several years ago, I did have an opportunity to spend an entire day at a St. Louis Charter school and it was a fulfilling day. To see the joy and satisfaction in the students in that school doing the tasks of that respective school is a memory that hasn't left me – many in construction related curriculum. Many were students from families that did not have resources many of us are fortunate to have and their school was a place they looked forward to going to each day. Also, composed of students who didn't do well in the traditional school setting. It seemed to be a place where they appreciated the opportunity to learn in a way that seemed to be better for their situation.

Thanks to the prime sponsor and co-sponsors for bringing SB 2241 to the 2025 Legislative Assembly to discuss whether this avenue is appropriate to advance to our offerings to assist in widening the educational opportunities and possibly offering an additional avenue to provide workforce assistance.

I appreciate the opportunity to present this testimony and request Thank you for allowing me to present this testimony and I will attempt to address any questions I may be capable of answering.

2025 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

SB 2241
2/3/2025

Relating to the authorization and administration of public charter schools; and to provide for a legislative management report.

4:08 p.m. Chairman Beard called the meeting to order.

Members Present: Chairman Beard; Vice-Chairman Lemm; Senators: Axtman, Boschee, Gerhardt, and Wobbema.

Discussion Topics:

- Safeguards and standards
- Educational opportunities initiatives
- North Dakota state specific expectations
- North Dakota retains control

4:08 p.m. Kirsten Baesler, State School Superintendent and Administrator, testified neutral and submitted testimony #34039 and 34048.

4:22 p.m. Chairman Beard adjourned the hearing

Susan Helbling, Committee Clerk



PRESIDENTIAL ACTIONS

EXPANDING EDUCATIONAL FREEDOM AND OPPORTUNITY FOR FAMILIES

EXECUTIVE ORDER

January 29, 2025

By the authority vested in me as President by the Constitution and the laws of the United States of America, and to improve the education, well-being, and

future success of America's most prized resource, her young citizens, it is hereby ordered:

Section 1. Purpose. Parents want and deserve the best education for their children. But too many children do not thrive in their assigned, government-run K-12 school. According to this year's National Assessment of Educational Progress (NAEP), 70 percent of 8th graders were below proficient in reading, and 72 percent were below proficient in math. Moreover, geographically based school assignments exacerbate the cost of housing in districts with preferred schools, straining the finances of millions of American families sacrificing for their children's futures.

When our public education system fails such a large segment of society, it hinders our national competitiveness and devastates families and communities. For this reason, more than a dozen States have enacted universal K-12 scholarship programs, allowing families — rather than the government — to choose the best educational setting for their children. These States have highlighted the most promising avenue for education reform: educational choice for families and competition for residentially assigned, government-run public schools. The growing body of rigorous research demonstrates that well-designed education-freedom programs improve student achievement and cause nearby public schools to improve their performance.

Sec. 2. Policy. It is the policy of my Administration to support parents in choosing and directing the upbringing and education of their children.

Sec. 3. Guidance on Supporting State-based K-12 Educational Choice. Within 60 days of the date of this order, the Secretary of Education shall issue guidance regarding how States can use Federal formula funds to support K-12 educational choice initiatives.

Sec. 4. Encouraging Education Freedom through Discretionary Grant

programs. (a) The Secretary of Education shall include education freedom as a priority in discretionary grant programs, as appropriate and consistent with applicable law.

(b) Within 90 days of the date of this order, the Secretary of Labor and the Secretary of Education shall review their respective discretionary grant programs and each submit a plan to the President, through the Assistant to the President for Domestic Policy, that identifies, evaluates, and makes recommendations regarding using relevant discretionary grant programs to expand education freedom for America's families and teachers.

Sec. 5. Expanding Opportunities for Low-Income, Working Families. Within 90 days of the date of this order, the Secretary of Health and Human Services shall issue guidance regarding whether and how States receiving block grants for families and children from the Department, including the Child Care and Development Block Grant (CCDGB), can use them to expand educational choice and support families who choose educational alternatives to governmental entities, including private and faith-based options.

Sec. 6. Helping Military Families. Within 90 days of the date of this order, the Secretary of Defense shall review any available mechanisms under which military-connected families may use funds from the Department of Defense to attend schools of their choice, including private, faith-based, or public charter schools, and submit a plan to the President describing such mechanisms and the steps that would be necessary to implement them beginning in the 2025-26 school year.

Sec. 7. Helping Children Eligible for Bureau of Indian Education (BIE) Schools.

Within 90 days of the date of this order, the Secretary of the Interior shall

review any available mechanisms under which families of students eligible to attend BIE schools may use their Federal funding for educational options of their choice, including private, faith-based, or public charter schools, and submit a plan to the President describing such mechanisms and the steps that would be necessary to implement them for the 2025-26 school year. The Secretary shall report on the current performance of BIE schools and identify educational options in nearby areas.

Sec. 8. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

News

Administration

Issues

THE WHITE HOUSE

1600 Pennsylvania Ave NW
Washington, DC 20500

THE WHITE HOUSE

WH.GOV

Copyright

Privacy

Comments Accompanying the Presidential Executive Order on Educational Opportunity

Chairman, and members of the committee,

I appreciate the opportunity to address you today.

The recent Presidential Executive Order on Expanding Educational Freedom and Opportunity for Families, issued on January 29, 2025, underscores for me the importance of North Dakota being prepared and establishing its own framework governing educational opportunities initiatives.

The Order makes it clear that at the federal level school choice is no longer a question of "if" but "how." And without clear state legislation, the Department will be left with only broad federal directives to guide the operation of school choice programs.

If we do not establish state-specific expectations—such as assessment requirements, reporting structures, and program guidelines—the Department will be forced to default to federal regulations that may not align with our state's priorities and beliefs until the legislature reconvenes in 2027.

Please understand that I am not advocating one way or another or supporting one idea over another; it is about ensuring that **when** school choice funding from the federal level becomes available, it operates within a framework designed by our state lawmakers.

The legislature is considering at least six versions of educational savings accounts and two public charter school bills. I do not envy the work you must do as you consider each of them. I am simply here today to share my belief that establishing a solid state framework this session will prevent a regulatory void that could otherwise be filled by expansive allowances.

By setting our own parameters in advance, we retain control over educational standards and accountability measures, ensuring they are appropriate for North Dakota's students and families. State control is also a priority of this federal administration.

I recognize that there has been historical and significant resistance to implementing any type of school choice in North Dakota. For good or for bad, the landscape has shifted. Within 90 days, the U.S. Secretaries of Education, Labor, Health & Human Services and Interior will provide a plan that uses discretionary grant funds to expand education freedom. Within 60 days, the Secretary of Education has been directed to issue guidance regarding how states can use Federal formula funds to support education choice initiatives.

I believe legislators have a choice to consider this session: either proactively establish the parameters that align with our state's needs and high-expectations or risk leaving a void and having external entities define them for us until the legislature reconvene in 2027.

I hope that lawmakers will choose to ensure that any educational opportunities in North Dakota are implemented thoughtfully, with safeguards and standards that reflect our educational objectives for all students.

2025 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

SB 2241
2/17/2025

Relating to the authorization and administration of public charter schools; and to provide for a legislative management report.

9:03 a.m. Chairman Beard called the meeting to order.

Members Present: Chairman Beard; Vice-Chairman Lemm; Senators: Axtman, Boschee, Gerhardt, and Wobbema.

Members Absent: Senators Boschee and Wobbema.

Discussion Topics:

- Committee action

9:03 a.m. Senator Gerhardt moved a Do Pass as amended with LC # 25.0799.01001 previously voted on 2/3/25.

9:03 a.m. Senator Axtman seconded the motion.

Senators	Vote
Senator Todd Beard	Y
Senator Randy D. Lemm	Y
Senator Michelle Axtman	Y
Senator Josh Boschee	AB
Senator Justin Gerhardt	Y
Senator Mike Wobbema	AB

Motion Passed 4-0-2

Senator Axtman will carry the bill.

9:05 a.m. Chairman Beard closed the hearing.

Susan Helbling, Committee Clerk

**REPORT OF STANDING COMMITTEE
SB 2241**

Education Committee (Sen. Beard, Chairman) recommends **AMENDMENTS** [\(25.0799.01001\)](#) and when so amended, recommends **DO PASS** (4 YEAS, 0 NAYS, 2 ABSENT OR EXCUSED AND NOT VOTING). SB 2241 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

2025 HOUSE EDUCATION

SB 2241

2025 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

SB 2241
3/11/2025

Relating to the authorization and administration of public charter schools; and to provide for a legislative management report.

2:28 p.m. Chairman Heinert opened the hearing.

Members Present: Chairman Heinert, Vice Chairman Schreiber- Beck, Representatives, Conmy, Hager, Hatlestad, Hauck, Heilman, Jonas, Longmuir, Maki, Marchall, Morton, Novak, Osowski

Discussion Topics:

- Charter schools
- Athletics
- Teacher retention

2:28 p.m. Senator Michelle Axtman, North Dakota Senator for District 7, introduced the bill and submitted testimony #40511.

2:53 p.m. Maria Neset, Chief of Staff, Office of the Governor, testified in favor and submitted testimony #40466.

2:56 p.m. Lisa Grover, Senior Director, National Alliance for Public Charter Schools, testified in favor and submitted testimony #40065.

3:13 p.m. Russ Hanson, Associated General Contractors of North Dakota, testified in favor and submitted testimony #40645.

3:16 p.m. Bobbi Smith, Teacher, Gateway Preparatory Academy, testified in favor and submitted testimony #40207.

3:19 p.m. Nick Archuletta, President, ND United, testified in opposition and submitted testimony #40160, #40656.

3:25 p.m. Roxane Romanick, Designer Genes of North Dakota, testified in opposition and submitted testimony # 40579.

3:33 p.m. Anna Rackley, Legal Team Member at Protection & Advocacy Project, testified in opposition and submitted testimony #40078.

Additional written testimony:

Benson Calvin, ND Resident, submitted testimony in favor. #40588

Justin Forde, American for Prosperity North Dakota, submitted testimony in favor. #39885

Amy Gibson, Assistant Director, Gateway Academy, submitted testimony in favor.
#40042

Jacob Francom, Principal, North Idaho Classical Academy, submitted testimony in favor.
#40044

Kimberly Ritterhouse, Superintendent, Red River Valley Charter School, submitted
testimony in favor. #40169

Amber Edelman, Director, Promontory School of Expeditionary Learning, submitted
testimony in favor. #40216

Mark Jorritsma, Executive Director, North Dakota Family Alliance Legislative Action,
submitted testimony in favor. #40345

Catrin Wigfall, Policy Fellow, American Experiment North Dakota, submitted testimony in
favor. #40548

Amy De Kok, Executive Director, North Dakota School Boards Association, submitted
tesimony in opposition. #40393

Ashley Ladbury Hrichena, ND Resident, submitted testimony in opposition. #39632

Amalia Dillin, ND Resident, submitted testimony in opposition. #40214

Kristin Nelson, ND Resident, submitted testimony in opposition. #40244

Samantha Harrison, ND Resident, submitted testimony in opposition. #40256

Karen Eriksmoen, ND Resident, submitted testimony in opposition. #40535

3:36 p.m. Chairman Heinert closed the hearing.

Wyatt Armstrong for Leah Kuball, Committee Clerk

:

Dear House Education Committee,

I am writing to **oppose SB 2241**. I urge you to oppose this for a number of reasons.

- This bill will especially hurt rural schools. Rural schools are a life blood to rural communities and a reduction in funding would be decimating to rural schools and communities.
- As legislators, it your responsibility to represent the people. Surveys have shown that the majority of people in North Dakota oppose public money going to private schools.

Please oppose SB 2241 to support young people, schools, and our rural communities in North Dakota.

Respectfully,
Ashley Ladbury Hrichena

American for Prosperity North Dakota – IN SUPPORT SB 2241

Americans for Prosperity strongly supports educational choice.

We are in support of charter schools, we urge you to support SB 2241.

Educational choice refers to policies that allow families the freedom to select the best educational options for their children, including public charter schools, private schools, homeschooling, and education savings account programs. These options are seen as a mechanism to promote competition, empower parents, and improve educational outcomes. From a conservative perspective, the expansion of educational choice is viewed as essential for fostering accountability, improving public schools, and promoting individual freedom. The positive impact educational choice can have on public schools, highlighting the ways in which it can drive reform, enhance student achievement, and ensure a more effective use of taxpayer dollars.

Key Points:

1. Increased Competition Improves Quality

Educational choice introduces competition into the education system, compelling public schools to improve their performance in order to retain students. Just as competition in any market drives businesses to innovate and offer better services, competition in education pushes public schools to become more responsive to the needs of students and parents. When families are empowered with the choice to select the best educational fit for their children, public schools are incentivized to improve curriculum, teaching quality, and overall student experience.

- **Evidence:** Studies have shown that areas with robust school choice programs see improvements in public schools. A report by the *Cato Institute* found that in cities with strong charter school options, traditional public schools showed significant gains in reading and math scores.

2. Increased Parental Engagement and Empowerment

Educational choice fosters greater parental involvement in education by allowing parents to choose a school that best meets their child's needs. When parents have the power to select schools, they are more likely to take an active role in their child's education, creating a stronger partnership between families and schools. This engagement has been linked to higher academic achievement and better outcomes for students.

- **Evidence:** A study by the *Heritage Foundation* demonstrated that when parents are given school choice options, such as education savings accounts or charter

schools, they are more likely to engage in their children's educational decisions, leading to improved student behavior and performance.

3. Financial Efficiency and Resource Allocation

Educational choice programs allow students to access private education at a lower cost to taxpayers than the per-student spending required in public schools. By allowing parents to choose private education, the government can often reduce per-pupil funding expenditures. Public schools are still funded based on the number of students they serve, but by allowing all children to access the best environment for their learning styles-school systems are better able to allocate resources to the students who remain in the public school system.

- **Evidence:** Research from the *Institute for Justice* suggests that choice-programs lead to cost savings in the long term by promoting educational efficiency, with some studies showing savings of \$1,000 or more per student compared to traditional public school funding.

4. Addressing Inequities in Education

Educational choice offers low-income families access to quality education options that may otherwise be inaccessible. By enabling students to attend schools outside of their designated district or neighborhood, choice empowers families to bypass poorly performing schools in low-income areas, which often struggle with limited resources, overcrowded classrooms, and underqualified teachers. This ensures that all children, regardless of their socio-economic background, have access to a quality education.

- **Evidence:** The *Brookings Institution* has highlighted how school choice can provide disadvantaged students with access to better educational opportunities, helping close the achievement gap between low-income and more affluent students.

5. Promotes Innovation and Diverse Educational Options

Educational choice nurtures a diverse array of schooling options that can better meet the needs of individual students. Charter schools, private schools, and homeschooling allow for different teaching methods, specialized curriculums, and learning environments that may be more effective for certain students. The presence of diverse educational institutions encourages innovation within the public education system, as public schools are incentivized to adopt new teaching techniques and methodologies to compete with nontraditional schools.

- **Evidence:** Research has found that charter schools, in particular, have led to innovative instructional models and specialized curricula, especially for students with unique learning needs. Many charter schools focus on STEM, the arts, or

college preparatory programs, giving families access to educational opportunities that public schools may not offer.

6. Safeguarding Constitutional Freedoms

Educational choice supports fundamental freedoms by empowering parents to make decisions that are in the best interests of their children. The government should not have a monopoly on education. By expanding educational choice, we affirm the principle of parental rights and responsibility in shaping their children's futures. Alternatives like tutoring, micro-schools, and charter schools allow families to exercise greater control over their children's education, ensuring that government institutions do not become the sole gatekeepers of knowledge and values.

- **Evidence:** In *Zelman v. Simmons-Harris* (2002), the U.S. Supreme Court upheld the constitutionality of school vouchers, reaffirming the principle that parents have the right to choose the education that best suits their children, including private and religious schools.

7. Public Schools Benefit from the Reform Agenda

Rather than threatening the existence of public schools, educational choice helps reform and strengthen them. By introducing a market-driven approach to education, public schools are forced to become more accountable to the families they serve. Schools that are ineffective or inefficient may lose students to better-performing options, which acts as a direct motivator for public schools to improve.

- **Evidence:** Studies in cities with school choice policies (e.g., New Orleans post-Katrina) have shown that public school systems can thrive and even improve when they are subjected to market forces and competition.

Conclusion: Educational choice is a powerful tool that can drive improvement in the public education system while promoting parental rights, student achievement, and fiscal responsibility. The expansion of educational choice is vital to ensuring that all students receive a quality education, regardless of their background or zip code. By fostering competition, empowering parents, and promoting innovation, educational choice enhances the quality of education for all students, both within the public and private sectors. Lawmakers should consider expanding educational choice to create a more effective, accountable, and equitable education system that serves the best interests of all American children.

Recommendations for Legislators:

1. Expand school choice programs, including tutoring, education savings accounts, tax-credit scholarships, and charter schools.
2. Ensure accountability in all forms of school choice, including monitoring academic outcomes and financial transparency while maintaining and prioritizing parental autonomy and freedom in academic decision making.
3. Support policies that promote competition and innovation in the public school sector, allowing for greater flexibility and autonomy for educators and administrators.
4. Ensure that low-income families have access to school choice options to help bridge the achievement gap.

Sources:

- Cato Institute. (2015). *The Impact of School Choice on Public Education*.
- Heritage Foundation. (2019). *School Choice: A Parent's Right*.
- Brookings Institution. (2017). *School Choice and Inequity: How School Choice Programs Help Close the Achievement Gap*.
- Institute for Justice. (2014). *The Case for School Vouchers*.
- U.S. Supreme Court, *Zelman v. Simmons-Harris* (2002).
- Institute for Justice. (2014). *The Case for School Vouchers*.
- U.S. Supreme Court, *Zelman v. Simmons-Harris* (2002).

Contact:

Justin Forde

Americans for Prosperity North Dakota

jforde@afphq.org

701-527-4293

Dear Chairman Heinert and Members of the House Education Committee,

My name is Amy Gibson, and I am the Assistant Director at Gateway Preparatory Academy, a public charter school in Enoch, Utah. We serve students in grades K-8 through on-site, hybrid, and distance learning. As a rural school, we are dedicated to providing an individualized education that emphasizes both academic excellence and practical life skills.

Because we are not a boundary school, families make a deliberate choice to attend Gateway. This means we must work intentionally to create a sense of community—and we have. Our families love the relationships we have built, the welcoming environment we foster, and the strong connections between students, teachers, and staff. We are more than just a school; we are a place where every child belongs.

Accountability and Oversight

There is often a misconception that charter schools operate without accountability, but in reality, we answer to multiple layers of oversight. In addition to state and federal Title I requirements, Gateway is held to a comprehensive performance framework by the Utah State Charter School Board (SCSB). This framework evaluates whether we are:

1. Academically successful
2. Financially healthy
3. Operationally sound

As part of this oversight, Gateway recently underwent its 15-year comprehensive review, which assessed our academic outcomes, financial stability, governance, and operational effectiveness. The results highlight our strong financial position, exemplary student growth, and compliance with state requirements. Notably, the review found no material audit findings, no unresolved compliance issues, and a financial health rating well above the charter school portfolio average.

Academic Performance & Student Success

I want to be clear—I'm not sharing this data to brag, but to show that it is possible. It is possible to run a highly accountable charter school that prioritizes students, fosters community, and achieves real academic success.

Over the past year:

- English Language Arts proficiency increased by 8%
- Math scores improved by 12%
- Science scores grew by 10%
- Third-grade reading proficiency exceeded the state's goal of 70%, reaching 71%

Additionally, our RISE assessment growth has been recognized as exemplary by the Utah State Board of Education, and we are outperforming many of our peer schools in English, math, and science growth metrics.

Financial Stability & Efficient Resource Use

Without a district structure, we can allocate resources directly to classrooms—resulting in two adults in every K-5 classroom and extensive special education support. Our recent financial review shows Gateway maintains over 200 days of cash on hand, demonstrating strong fiscal health, and we continue to prioritize teacher compensation and student-focused investments.

A Community-Driven Charter School

What makes working at a charter school so special is the ability to prioritize students first. At Gateway, we see challenges firsthand and can address them immediately without bureaucratic red tape. Our small administrative team wears many hats, allowing us to secure grants quickly, pivot when student needs evolve, and continuously improve our programs.

Most importantly, we have built a true community—a place where every student, teacher, and family feels welcome. Our mission is not just a statement; it's something we live every day:
"To provide children an individualized education emphasizing practical life skills and demonstrations of student learning in a safe, respectful, and supportive environment."

In an unsure world, we give students the tools, confidence, and resilience to succeed. When students leave Gateway, they are confident, capable, and prepared for the opportunities ahead.

Thank you for your time and the opportunity to share our story. I welcome any questions you may have.

Testimony to the North Dakota Legislature

In Support of SB 2241

March 11, 2025

Introduction

Dear Chairman Heinert and Members of the House Education Committee, my name is Jacob Francom, and I am the founding principal of North Idaho Classical Academy, a public charter school in Bonners Ferry, Idaho. I have been an administrator for twenty years the last ten of which I was a district superintendent and also have had the honor of being Montana's High School Principal of the Year. I have visited schools as a lead accreditor throughout the United States and in more than a dozen countries. It is an honor to speak with you today about the tremendous potential and proven benefits of charter schools, and how schools like North Idaho Classical Academy are transforming education and communities.

I'm here today in support of Senate Bill 2241.

I'd like to talk a little about North Idaho Classical Academy in Bonners Ferry, the very top of the state.

- North Idaho Classical Academy's approach to education is rooted in timeless principles and is not a new concept. The Northwest Ordinance of 1787 affirmed that, *"Morality and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."* Reflecting this vision, our school's mission is to shape good citizens by fostering both knowledge and virtue. This approach has proven to resonate deeply with families in rural areas and across the nation.
- The school will be the first public charter school in the county located in the rural community of Bonners Ferry, set to open in 2026.
- The school is a candidate member of the Hillsdale K-12 School Initiative.
- Approximately 40% of students will qualify for Title I services.
- More than 20% are expected to use special education services.
- The local district provides 100% free breakfast and lunch, and our charter school expects to do the same.
- The school will serve students from the local Native American tribe.
- Over 60% of expected enrollees are currently homeschooled.
- The school will generate an estimated \$5 million in annual economic benefits for the local community.

- The school has been awarded a \$2 million federal Charter School Program grant and a \$1.54 million grant from the J.A. and Kathryn Albertson Family Foundation to get the school up and running.

Benefits of Charter Schools that we will use in the North Idaho Classical School

- Charter schools allow communities to design schools that meet their unique needs while maintaining the high standards of public education.
- Charter schools empower parents to choose the best fit for their children's education. This is particularly important in rural areas, where families often have limited educational options.
- Charter schools are held to rigorous accountability standards by both state authorizers and the communities they serve. In Idaho, we've seen charter schools consistently outperform statewide averages in academic achievement, particularly in math and reading.
- Charter schools bring more than education to a community—they bring opportunities. North Idaho Classical Academy is located in a small town, yet it will become a hub of activity and collaboration. We will partner with local businesses, we will partner with the local school district, we will partner with local private schools, we will provide community access to our facilities, we will continue to partner with community leaders and organizations and serve as a catalyst for development in our area. Charter schools like ours strengthen communities, economically and socially.

Closing

Fears that charter schools in rural areas won't work are baseless, because if parents and community members don't want a school, it simply won't happen. Public charter schools are community driven, like our school.

North Idaho Classical Academy exists because families wanted more for their children—a place where their values and aspirations are reflected in the education they receive. Charter schools have the unique ability to meet those needs while remaining accountable to their communities and to the state.

I encourage you to embrace the potential of charter schools in North Dakota, recognizing that every child deserves access to an excellent education, and that parents should have a meaningful choice in how their children are educated.

Lisa S. Grover, Ph.D.
House Education Committee
SB 224: Testimony in Support
March 11, 2025

Good morning, Mr. Chairman and Members of the House Education Committee.

I am Lisa Grover, Senior Director of State Advocacy and Support at the National Alliance of Public Charter Schools. Our mission is to lead public education to high levels of academic achievement by fostering a strong charter school movement. Our goal is not to have all public school students attend a public charter school. Rather, our vision is that every family can choose a public school that delivers an excellent education for their children. Public charter schools are not in opposition to district schools, in fact, they can be often quite complimentary.

So, what is a Charter School?

- A charter school is a public school that is granted more flexibility to innovate in exchange for a performance agreement. Public charter schools have a school-based governing board which is made up of community leaders, teachers, parents and business people. A charter school reports directly to the State Superintendent. Forty-six states, Washington DC, Puerto Rico and Guam have charter school laws. In each of these areas, a charter school is statutorily defined as a public school.

Minnesota passed the first public charter school law in 1991. Today, forty-six states, the District of Columbia, Puerto Rico, and Guma allow public charter schools and, in every state, they are defined as public schools. I would like to offer a brief snapshot of the National Charter School Movement.

- 3.8 million students attend a public charter school and there are 8,100 public charter schools across our nation.
- Rural charter schools make up 11% of charter schools and serve 10% of charter school students. That is 80,000 students currently attend a public charter school.

- Public charter schools have been around for more than 35 years, and North Dakota is one of only four states which do not currently allow for their creation.

There are a number of reasons I'm here today to support of this bill.

1. A high of accountability and transparency, from charter performance agreements and quality authorizing practices to the clear provisions for financial transparency and ensuring special education students receive full services and fair treatment. Every charter school works under a performance agreement with the state superintendent. Every charter school must meet or exceed state standards, attendance, and graduation rates. They take the same state assessments. Public charter schools must follow all state and federal special education laws like all other public schools in the state.
2. Student-Centered Law. What I mean is that families and students have a direct say in the kind of education that meets their children's interests and needs. Public charter schools have a different approach to public education. It is a "bottom's up" approach rather than a top-down approach. In some ways public charter schools are a return to the red schoolhouse. SB 2241 requires a local community to demonstrate support for a new public charter school. Simply put, if a community does not show support for the public charter school, it simply will not happen. This bill will allow communities the opportunity to begin conversations if they choose.
3. Rural Charter Schools – Positive Impact
 - More than 320,000 students attend 836 rural charter schools, or about 11%.
 - There are charter schools in rural areas around the country, but they are more prevalent in a few states. In ten states, more than 25% of charter school students are in rural charter schools: Alabama, Hawaii, Iowa, Idaho, Kansas, Maine, North Carolina, Oregon, Virginia,

and Wyoming. Hawaii has the largest number of rural charter schools, California, Texas, and Florida have the largest numbers of students in rural charter schools. And Hawaii has the highest proportion of public charter schools, at almost 30%.

- The four states that passed a new public charter school in the last ten years are rural states: Maine, Mississippi, Alabama, and West Virginia.
- I am a founder of one of the first rural charter schools in NM, now in its 20th year, and establishing our school brought the community together, especially once we opened the school. Today, it is a collaborative relationship between the two schools.

I've spent twenty five working in public education, as a teacher, public school founder, education advocate, and mom. I have seen many great public charter schools doing amazing things for students, often on a shoestring budget. We have yet to see a public school close because of a new charter school.

I encourage you to seriously consider enacting this legislation. It is highly accountable, transparent, and provides the right level of flexibility to do things differently. They will help accelerate the innovation already taking place here across the state.

Thank you and I am ready to help at any time.

1. New Research Finds Charter School Students Outpaced District School Peers in Reading and Math - National Alliance for Public Charter Schools

-Center for education outcomes at Stanford University released its third national charter school report, using verified data from each state's DOE. This report finds that from 2014-2019, school year, public charter school students outpaced their traditional public school peers in both reading and math learning gains. On average, in a year, charter school students had 16 days of additional learning in reading and six additional days of learning in math.



Protection & Advocacy Project

400 E. Broadway, Suite 409
Bismarck, ND 58501
701-328-2950
1-800-472-2670
TTY: 711
www.ndpanda.org



House Education Committee
Senate Bill 2241 – March 11, 2025
Testimony of Anna Rackley, P&A Legal Team Member

Greetings Chairman and members of the House Education Committee. My name is Anna Rackley and I'm a member of the legal team at the North Dakota Protection and Advocacy Project (P&A). P&A is an independent state agency established in 1977 to assert and advance the human, civil, and legal rights of people with disabilities. The agency's programs and services seek to make positive changes for people with disabilities where we live, learn, work and play.

While P&A supports innovative approaches to education, we have concerns about how Senate Bill 2241 addresses the needs of students with disabilities. We appreciate the bill's focus on at-risk students, including those with disabilities, and its provisions for non-discrimination and compliance with federal laws like IDEA. However, we urge the committee to consider the potential unintended consequences of spreading already limited resources and services too thin.

Our primary concern is the dilution of resources and services between traditional public schools and charter schools. Specialized staff like speech therapists, occupational therapists, and special education teachers are already in high demand. If charter schools recruit these professionals away from traditional public schools, it could leave public schools understaffed and unable to adequately serve students with disabilities and other at-risk populations.

For example, a traditional public school might employ a speech therapist serving 20 students with disabilities. If a charter school opens nearby and hires that therapist, the public school may struggle to find a replacement, leading to delays or reductions in services.

Similarly, services like counseling and behavioral support are already stretched thin. Spreading these resources across charter schools could further strain the system, leaving both traditional public schools and charter schools unable to meet student needs.

A study in Pennsylvania found that charter school expansion led to significant challenges for traditional public schools in serving students with disabilities. Charter schools often enrolled fewer students with severe disabilities, leaving public schools to shoulder a disproportionate share of the responsibility. This resulted in increased costs and staffing shortages, negatively impacting service quality.

<https://www.elc-pa.org/resource/inequities-in-pennsylvanias-charter-sector-segregation-by-disability/#:~:text=Published%20in%20February%202017%2C%20this%20analysis%20explains,that%20charter%20schools%20must%20provide%20quality%20public>

To address these concerns, we recommend

- **Ensure Equitable Distribution of Resources:** Develop a funding and staffing model that ensures both charter and public schools have adequate resources.
- **Promote Collaboration:** Encourage charter and public schools to share resources like specialized staff and training programs.
- **Protect Funding for Public Schools:** Safeguard funding to prevent resource diversion and ensure quality services.

While we agree with the bill's intent to prioritize at-risk students, we urge the committee to address the potential for resource and service dilution.

Thank you for your time and consideration.

Anna Rackley
Legal Team Member
arackley@nd.gov



*Great Public Schools**Great Public Service*

**Testimony Before the House Education Committee
SB 2241
March 11, 2025**

Chair Heinert and members of the Committee, for the record, my name is Nick Archuleta, and I am the president of North Dakota United. On behalf of our 11,000 members, I rise today in opposition to SB 2241 and to urge a ***do not pass*** recommendation for this proposed piece of legislation.

Members of the Committee, while I share the desire to improve academic outcomes for all students, I am not convinced that SB 2241 is the right vehicle to get us to our goals. If I may, I would like to share with the Committee a few of ND United's concerns regarding SB 2241.

Is there a need for charter schools in ND?

When I have asked various school administrators if they are currently allowed to do the things that charter schools can do, the answer is always affirmative. Teachers and administrators have for many years been developing, adopting, and expanding innovative practices designed to make learning more meaningful and practical for the students in their charge. Programs have been implemented in some school districts which allow students to finish required coursework earlier in their academic careers so they can job shadow or intern in their expected career field. Empower Ed allows students to meet academic standards within their work environment. ND's 14 Career and Technical Education and Virtual CTE centers are meeting the needs of students in innovative ways every day while also preparing students to meet North Dakota's workforce needs. And there are several other innovative and productive programs in place in communities large and small across the state.

What is plan B if/when charter schools fail and close?

In a recent National Center for Charter School Accountability (NCCSA) study, researcher Ryan Pflieger, Ph.D., found that twenty-five percent of charter schools closed in their first five years. By year ten, that number was forty percent. By year 20, the study found five cohorts where fifty-five percent of charter schools closed. The reasons for closure showed low enrollment accounted for almost 47% of the closures, fraud/mismanagement accounted for almost 22%, academic concerns accounted for almost 14% of closures, and financial reasons accounted for just over 10% of the closures. “Other” accounted for the remainder of the reasons charters closed during the 2022-2024 school years. The author of SB 2241 acknowledges that closures of charter schools happen on page 11, line 8, but does not address charters that *do not* intend to close nor what happens to the kids who are suddenly without a school when they do shutter their operations. It is conceivable that a charter may open in a rural community, siphon off a significant percentage of public dollars and the students the money is attached to, thus forcing the regular public school to close. When the charter school closes, the community will have no school to provide the educational services that children need.

Staffing both charter schools and existing public schools.

As we all know, North Dakota is still having a challenging time recruiting and retaining the teachers we need to meet our needs. It is difficult to see how we are going to have enough qualified and licensed teachers for both our existing public schools and charter schools. About those teachers, it is unclear what their status will be as public employees. On page 12, line 2, the author of SB 2241 writes, “*An employee of a public charter school is eligible to participate in retirement and benefits programs of the state, **if** the public charter school elects to participate and satisfies the requirements of the internal revenue service.*” As the saying goes, “that’s a mighty big **if**.” Currently, public school teachers must pay into the TFFR defined benefit retirement plan, and that is a particularly good thing. It assures that following years of service to North Dakota’s children, a teacher can retire with a modest but dependable pension. If the public charter does not want to participate in TFFR, its teachers will not be allowed the same reasonable pension enjoyed by their traditional public-school counterparts doing the same job across town. Also unclear is whose employees are the

teachers. Are they simply contract employees of the public charter school? Will they follow the same negotiated agreement as the other public-school teachers in that community? Will they have collective bargaining rights? Charter schools nationally have high staff turnover rates. How does SB 2241 address that issue?

Do charter schools produce better student outcomes?

A comparative study of charter and public schools in Louisiana found that charter school students perform worse than their traditional public school student counterparts by stark margins.

Ohio adopted an A-F report card system for grading all their schools. The state's charter schools received more F grades than all other grades combined.

After two decades of charter school expansions in Michigan, students' overall performance on national assessments had fallen from the middle to nearly the bottom in math and reading. Michigan's charters scored worse on that test than their traditional public-school counterparts.

Yes, there are some charter schools that have outperformed traditional schools, but it is certainly not guaranteed that they will.

I could go on, Chairman Heinert and members of the committee, but I would like to conclude my testimony with this observation. What is proposed in SB 2241 is a seismic shift for K-12 education in North Dakota. To my knowledge, there has not been a great outcry on the part of the public for charter schools. Also, to my knowledge, there has not been a concerted effort to educate the public on the ramifications of enshrining SB 2241 into law. The citizens of North Dakota deserve a more fulsome conversation about this important matter.

For these reasons, I respectfully ask this House Education Committee to issue a ***do not pass*** recommendation for SB 2241. Thank you for the opportunity to be before you today. I am pleased to stand for any questions.



P.O Box 742 - Red River, NM 87558 • 575.754.6117 • administration@redrivervalleycs.com

Testimony in Support of SB 2242

March 11, 2025

Dear Chairman Heinert and Members of the House Education Committee.

My name is Kimberly Ritterhouse, and I am the executive director/superintendent of Red River Valley Charter School. I have been an educator at Red River Valley Charter School for 20 years. I began my journey here as a first grade teacher and throughout my tenure have taught grades 1st through 8th. I moved from the classroom to the executive director/superintendent position 6 years ago and am happy to tell you a little about our school and our journey from part of a district school, to a district authorized charter school, and finally to a state authorized charter school.

Red River Valley Charter School Mission and Academic Program

Red River Valley Charter School is an educational institution nestled in the beautiful rural town of Red River, New Mexico, and serves grades PreK through eighth grade. Red River has approximately 540 residents. Our school's mission is to foster a nurturing and stimulating environment where every student can excel academically, develop critical thinking skills, and embrace their creativity through the Core Knowledge Curriculum, developed by E.D. Hirsch. We offer a comprehensive academic program that combines rigorous core subjects with enriching extracurricular activities, ensuring our students receive a well-rounded education.

Location & School Outcomes

Red River Valley Charter School is located in the rural community of Red River in the Southern Rocky Mountains. Our rural setting provides unique opportunities for students to connect with nature and the local community, enhancing their learning experiences. Red River Valley Charter School's location and proximity to bordering communities provides an additional choice that goes beyond the Red River boundaries and the traditional school district. The Core Knowledge Curriculum supports growth in the community (near and far), at school, and at home. All our students PK-8 participate in service learning at least once a quarter, ski for 3-4 weeks in January, mentor within our school, participate/volunteer at town events, and reflect upon their contributions to the community and to themselves.

Establishing Red River Valley Charter School

Red River Charter School was established to address the educational needs of our rural community, providing families with an alternative to traditional public schools. Our founding vision was to create a learning environment that honors the unique cultural and environmental heritage of our region while preparing students for higher education, whether that be academic or vocational.



P.O Box 742 - Red River, NM 87558 • 575.754.6117 • administration@redrivervalleycs.com

Community Support and Value

The support from our community has been instrumental in the success of Red River Charter School. Our school is a vital part of the community, offering educational opportunities that contribute to the overall well-being and growth of the area. The value of our rural charter school extends beyond academics; we serve as a hub for community activities, fostering connections and collaborations among residents.

As a charter school principal, I encourage you to support SB 2241 so that rural communities in North Dakota may begin exploring whether a public charter school is right for them. Please do not hesitate to contact me at kimberly@redrivervalleycs.com. Thank you.

Verbal Testimony for the North Dakota House Education Committee
Tuesday, Mar 11, 2025

Good afternoon, Chairman Heinert and Members of the House Education Committee. Thank you for allowing me to share my experiences with you today. My name is Bobbi Smith. I am currently a teacher in a 4th/5th grade classroom at a Public Charter School in rural Utah. I was born and raised in North Dakota in a small town called Carson; it's about 60 miles SW of Bismarck. The town I grew up in had a population of about 150 people. My roots and heart are deeply embedded in this state. My father, brother, and extended family reside here in Bismarck. I love this state, I am proud that it will forever be where I call home and I am honored to be able to speak to you today.

I have been an educator for 24 years. I began my career working in a traditional school in a metro area where I taught grades first through fifth. I have also worked in a rapidly growing district), an inner city school district , and a suburban district). All of these experiences have shaped my educational philosophy, and while they have informed my teaching they were never truly satisfying to me. After 12 years of teaching, I was unsure if I even wanted to continue my career in education. Luckily I found charter schools.

I had always heard rumors about charter schools, but had never experienced one myself. Now, I have spent 13 years teaching in a charter school, experiencing first hand how Public charter schools serve as an option for students, parents, and teachers. My public charter school in many ways reminds me of how I went to school. Small classes, personalized learning, and a strong interconnected community just like the community I grew up in. The school gave me a sense of community and belonging where I felt recognized and was awarded so many more opportunities to grow as a teacher.

In a public charter school as a teacher your voice is heard and matters. I have found that public charter schools are a great choice for parents, teachers, and students to find the place that best fits their learning and educational philosophies. I have fallen in love with my charter school and I hope that this committee will help make it possible for parents, students, and teachers like myself to have this opportunity in my home state.

I would like to thank you for your time today for me to share my experiences as a charter school teacher. I'd be more than happy to answer any questions you may have. Thank you!

Warm Regards;

Bobbi Smith
4th & 5th Grade Teacher
Gateway Preparatory Academy
Enoch Utah

Rural schools struggle enough without diverting tax dollars to unreliable charter schools. If people want a different education for their child, they can subsidize that education themselves--as they have done for decades prior. Public money should be spent on services that serve the WHOLE community, which is what public schools, especially in rural areas, do!

DO NOT PASS SB2241. Keep public dollars in public education.

Good afternoon Mr., Chair and Members of the House Education Committee. My name is Amber Edelman, I'm a military wife with teaching in both Special and General Education and have also served as a School Board Executive Chair. Now, I lead as the Principal of Promontory School of Expeditionary Learning, a rural K-8 charter school in Northern Utah. Having lived in many states as both a military child and spouse, I've gained a broad perspective on education. My charter school is located in Perry Utah, its population is 6,000. We have students attending from all over our large rural county, with many families driving 40 minutes each way to be part of our school. At our school, education is more than textbooks and lectures—it's an experience. We take learning beyond the classroom, giving students the opportunity to apply their knowledge through hands-on exploration. By using the world as our classroom, we foster curiosity, creativity, and deeper understanding. Let me take you through a day where learning becomes an adventure. On this fieldtrip, students paddled canoes across a local reservoir, studying the CCC-built dam and its role in the Great Depression. As they paddled over to the steep embankments, they observed erosion firsthand—identifying cracks, landslides, and sediment movement—then sketched their observations. Back on shore, they completed a service project to clean the state park. The day concluded with a reflective writing assignment, deepening their understanding of history, science, and human impact on the environment. Back in the classroom, students spent weeks expanding on their experience through discussions, research, and hands-on learning. When Promontory first opened, there were many misconceptions—some feared that a charter school in our area would be detrimental to the local rural school district. However, instead of creating division, it sparked growth and collaboration. At first, the district was confident in the progress they were making, but the presence of a charter school challenged us both to level up. When they raised the bar, we did too, creating a cycle of continuous improvement. Now, 13 years later, this dynamic has led to even greater opportunities for students across our rural community. At Promontory, we have a high level of achievement, and success. We have been tracking our students after they leave our school. At the local district high school, nearly 80% of the Sterling Scholars are former Promontory students. Imagine the opportunities this could create for students in North Dakota. One of the reasons I love charter schools is the innovation we bring to education—using the world as our classroom and ensuring that funding goes directly where it matters most. In our local district, teachers receive \$100 for classroom supplies; at our school, I provide \$2,300 for supplies. The flexibility of a charter school allows us to prioritize classroom instruction, ensuring smaller class sizes, and a classroom teacher assistant in every room. This structure makes a real difference in both teaching and learning. Thank you, Mr Chair, and members of the committee, for your time and commitment to education. I appreciate the opportunity to speak with you today. I urge you to consider

approving charter schools in your great state of North Dakota to cultivate your Great Thinkers of the 21st century. I welcome any questions you may have.

Kristin Nelson

3/10/25

5409 20th Street South

Fargo, ND

District 46

DO NOT PASS SB 2241

Chair Heinert and members of the House Education Committee:

I write to you today to urge a **DO NOT PASS** recommendation for SB **2241**. Reading the bill over it seems like this will duplicate the role of our public schools while spreading thin already **scarce state resources**. Public schools in Fargo and around the state have **innovative programs to reach all learners**. Families have **more choice than ever** in their home districts to ensure a quality education for their children.

Charter schools historically have a **poor record of sustained operation and management**. **Many close** within the first five years, and many **do not** show any educational advantage for learners than public schools.

Let's ensure our public schools can **stand strong** and **keep innovating**. We were just ranked as some of the best in the nation and our legislature should back that up with **adequate support and funding**.

DO NOT PASS SB 2241.

Respectfully submitted:

Kristin Nelson (she/her)

Samantha Harrison

Regarding Senate Bill 2241

March 10th, 2025

Dear Chairman Heinert and Members of the House Education Committee,

My name is Samantha Harrison, a constituent of District 34 in Mandan. I am writing to express my concern and to urge a **Do Not Pass** recommendation and a **No** vote on Senate Bill 2241.

I am deeply disappointed that the Senate voted to move this legislation through to the House, and I am hopeful that you will come to a more sensible conclusion on this bill, which would be a Do Not Pass recommendation.

Public schools in North Dakota can already do what charter schools are purported to be able to do. While a public school can't close overnight, leaving students and communities holding the bag, a charter school absolutely can! They have no commitment to actually do what they say they are going to do.

Charter schools are simply not something that there is a need for in our state. Even looking at the testimonies that have been submitted in support of this bill, the majority of them are from out-of-state charter school representatives or special interest groups that do not reflect the values and concerns of North Dakota citizens at large. That doesn't lead me to believe that this is a good investment of our time or my tax dollars.

I am asking that the Committee recommend a **Do Not Pass on SB 2241**.

I appreciate your time and consideration.

Samantha K. Harrison
Constituent - District 34



Testimony in Support of Senate Bill 2241

Mark Jorritsma, Executive Director
North Dakota Family Alliance Legislative Action
March 11, 2025

Dear Chairman Heinert and honorable members of the House Education Committee,

North Dakota Family Alliance Legislative Action would like to testify in support of Senate Bill 2241 and respectfully request that you would render a "DO PASS" on this bill.

North Dakota is one of five states that does not yet offer charter schools. The very first charter school opened in St. Paul, Minnesota in 1992¹ and now 45 states offer them to their citizens with nationwide enrollment at 3.7 million students as of Fall 2021.² Because charter schools are by definition public schools according to the National Charter School Resource Center and must remain tuition-free³, they have surged in popularity.

Educational options are in high demand nationwide as parents seek out the best opportunities for their children. Charter schools offer innovative and specialized educational programs tailored to the needs of specific student populations which provide more choices for families. Charter schools have greater curriculum flexibility than standard public schools and can offer emphasis in areas like math and science, classical education, fine arts, or language immersion. We support the creation of charter schools in North Dakota, as it gives families more options as they consider the best educational fit for their children and circumstances.

For these reasons, North Dakota Family Alliance Legislative Action respectfully requests that you please vote Senate Bill 2241 out of committee with a "DO PASS" recommendation.

Thank you for the opportunity to provide this testimony, and feel free to contact us if you have any questions.

Sincerely,

Mark Jorritsma
Executive Director
North Dakota Family Alliance Legislative Action

¹ <https://www.greatschools.org/gk/articles/seven-facts-about-charter-schools/>

² <https://nces.ed.gov/programs/coe/indicator/cgb/public-charter-enrollment>

³ <https://charterschoolcenter.ed.gov/what-charter-school>



NDSBA
NORTH DAKOTA SCHOOL
BOARDS ASSOCIATION

1224 West Owens Avenue
Bismarck ND 58501
1-800-932-8791 • (701)255-4127
www.ndsba.org

SB 2241

**Testimony of Amy De Kok
House Education Committee
March 11, 2025**

Chairman Heinert and members of the House Education Committee, my name is Amy De Kok. I am the executive director of the North Dakota School Boards Association. NDSBA represents all 168 North Dakota public school districts and their governing boards. I am writing to express our opposition to SB 2241, which seeks to authorize public charter schools in North Dakota. While the intent of the bill may be to expand educational options, it is both unnecessary and potentially harmful to our existing public school system.

Public Charter Schools Are Unnecessary in North Dakota

North Dakota's public schools already have the flexibility and capacity to implement many of the initiatives that charter schools propose. Due to measures enacted by the North Dakota Legislature over the past several sessions, public school districts have been granted broad latitude in innovating their educational approaches, including curriculum design, specialized academic programs, and operational autonomy. Traditional public schools in North Dakota can and do implement programs that cater to at-risk students, provide alternative educational models, and adapt to community-specific needs. There is no demonstrable need for an additional layer of public charter schools when our existing schools already have the tools necessary to provide quality, diverse educational opportunities.

Lack of Accountability and Oversight When Charter Schools Fail

One of the most glaring omissions in SB 2241 is the lack of a robust and clear plan for what happens when a charter school fails. Across the country, we have seen numerous examples of charter schools closing abruptly due to financial mismanagement, academic underperformance, or governance failures, leaving students and families in chaos. The bill does not sufficiently address how the state will ensure charter schools remain accountable or how students will be supported if a charter school ceases operations. Unlike traditional public schools, which are required to operate under public accountability standards and remain stable institutions within communities, charter schools can open and close with little consequence—disrupting students' education and wasting taxpayer funds.

Negative Impact on Teacher and Staff Availability

Another concern with SB 2241 is its potential to create a staffing crisis in North Dakota's public schools. Charter schools would draw from the same limited pool of qualified educators and staff, exacerbating existing teacher shortages in rural and urban districts alike. This would ultimately weaken our public schools, as they struggle to retain experienced educators who may be lured by charter school opportunities—often without the same stability or long-term benefits as traditional public school employment.

No Clear Evidence That Public Charter Schools Improve Student Outcomes

Proponents of charter schools often claim that they improve student outcomes, but research does not universally support this assertion. Numerous studies have shown that charter schools do not consistently outperform traditional public schools, particularly when demographic factors are accounted for. Instead, outcomes vary widely, with many charter schools performing at or below the level of their traditional public school counterparts. North Dakota's public schools already perform well by national standards, and there is no compelling evidence that charter schools would lead to better educational outcomes for our students.

SB 2241 is a solution in search of a problem. North Dakota has invested heavily in ensuring that public schools can meet the needs of all students, and this bill introduces unnecessary risks without providing clear benefits. It creates potential instability in our education system, threatens to siphon away qualified teachers and staff, and does not adequately ensure accountability if charter schools fail. For these reasons, I respectfully urge you to issue a DO NOT PASS recommendation on SB 2241 and instead continue to support the strength and success of our existing public schools.

Thank you for your time and consideration.

Senate Bill 2241
Maria Neset
House Education Committee
Rep. Heinert, chair
March 11, 2025
Couteau Room

Good afternoon Chair Heinert and members of the House Education Committee. For the record, my name is Maria Neset, Chief of Staff to the Lieutenant Governor and Senior Advisor to the Governor. The Office of the Governor is here to provide supportive testimony on Senate Bill 2241 that allows for Public Charter Schools in the state of North Dakota.

Senate Bill 2241 aims to authorize and administer public charter schools. The bill proposes the creation of a new chapter in the North Dakota Century Code that outlines the requirements, governance and performance expectations for public charter schools. It also includes provisions for legislative management reports to ensure accountability.

Benefits of Public Charter Schools:

1. Tailored Curriculum: Charter schools can customize their curriculum to focus on specific areas like STEM, arts, or vocational training.
2. Increased Flexibility: They have more autonomy in decision-making, allowing them to quickly implement changes and innovate in teaching methods.
3. Parental Involvement: Charter schools often foster strong community ties and encourage parental participation in school activities.
4. Accountability: They are held accountable for meeting performance goals, driving innovation and improved student outcomes.

5. Specialized Programs: They offer unique opportunities for students to explore their interests and develop skills in particular fields.
6. Teacher Choice: The unique education focus of public charters gives educators the opportunity to teach in a school that aligns with their professional passions.

Expanded School Choice Benefits:

1. Parental Satisfaction: Parents have more options to choose schools that best meet their children's needs, leading to higher satisfaction.
2. Closing Achievement Gaps: Increased enrollment in charter schools has been shown to narrow the achievement gap between low-income students and their peers.
3. Healthy Competition: The presence of charter schools can motivate traditional public schools to adopt innovative practices and improve overall educational outcomes.

We are supportive of Senator Axtman and her efforts toward expanding school choice in North Dakota. This bill and Senate Bill 2400 begin to pave the way for improving education outcomes and access for students and families across our great state.

TESTIMONY IN SUPPORT OF SB 2241

by Sen. Michelle Axtman

House Education Committee Pat Heinert, Chair

Tuesday, March 11, 2025

Mr. Chairman and members of the House Education Committee -

I am here to present Senate Bill 2241, which establishes a framework for the creation, governance, and oversight of public charter schools in North Dakota.

What is a public charter school? Simply said, charter schools are public schools. There is never a cost to attend, and they are open to all students, including students with special needs. What makes charter schools different is they operate under a performance agreement that outlines their academic, operational and fiscal goals. They will have slightly increased flexibility in exchange for a higher level of accountability. Public charter schools will help expand educational opportunities and innovation. More importantly, they will allow parents to choose the best public school for their children.

North Dakota's public education system has long served our students well. However, I also recognize that not every child thrives in the same traditional school setting. Families across our state have voiced the need for more options—particularly for students who have had challenges in traditional school settings, students who are interested in certain career paths, or students who may thrive with a more tailored set of educational opportunities.

Across the country, public charter schools currently serve more than 3.8 million students in 8,100 public charter schools. Public Charter schools have been around for more than 35 years, and North Dakota is one of only four states which do not allow them. It is time for us to enact a highly accountable charter school law that will bring more innovation to our public schools and help meet the values and unique needs of our communities and students.

SB 2241 creates the framework for North Dakota charter schools, ensuring high standards, financial accountability, and student focused decision making while allowing schools to customize their academic programs to best serve their students and communities.

This legislation ensures that public charter schools remain part of the state's public education system while operating under a charter performance agreement with the Superintendent of Public Instruction. These performance agreements outline academic, operational, and financial expectations of each public charter school. Charter schools

must also meet or exceed state academic and graduation requirements. These schools are required to report student data like other public schools and comply with federal and state education laws and regulations, like IDEA and 504 plans.

In addition, SB 2241 provides that charter schools:

- Are open to all North Dakota students regardless of where they live, prior academic performance, and special needs.
- Take the same state assessments and follow the same standards in the Century Code and report results to the state.
- Hire licensed teachers and follow the North Dakota Education Standards and Practices Board requirements.
- Employees are eligible to participate in the state retirement plan.
- Follow the same state, local, and federal special education laws and regulations like IDEA and 504 plans.
- Follow the same school finance laws and regulations, including audits. All audit results will be sent to the State Superintendent.
- Follow the same civil rights, health, and safety requirements applicable to other public schools in the state.
- May not engage in any religious practices in curriculum, admissions, and employment and may not be a home school or virtual school.
- This bill encourages innovation while maintaining oversight by the state superintendent. They will have flexibility to implement unique academic models, including STEM-focused programs, dual language programs, Montessori curriculum, career readiness initiatives, and specialized learning pathways for at-risk youth. However, to ensure quality and accountability, the Superintendent of Public Instruction will review and approve all charter school applications to ensure they are academically and financially sound. In addition, an application for a public charter school must demonstrate community support. Without strong community support, a charter school will not open. That's another unique feature of the public charter application process within SB 2241.

This bill also provides clear mechanisms to revoke or deny renewal for any public charter school that fail to meet or exceed academic or financial performance standards in their performance agreement. The state superintendent will approve and oversee all charter schools.

For funding, charter schools will receive the same per-pupil state funding as all other public schools but will not receive a dollar of the local funding which will continue to exclusively fund our traditional North Dakota Public Schools. Public Charters will also be required to undergo independent financial audits, ensuring transparency and fiscal responsibility. The bill makes clear that charter schools do not divert funding from traditional public schools, but instead allows state education dollars to follow the student, giving families a choice while minimizing impact to existing schools.

We all know academics are not the only function of a school. Students attending a public charter school will have access to extracurricular activities and athletics through agreements with the North Dakota High School Activities Association. In addition, a public charter school may enter a cooperative agreement with a public or private school to facilitate athletics and extracurriculars ensuring they receive the same well-rounded educational experience as their peers in traditional schools.

SB 2241 is not about replacing or reducing the importance of our traditional public schools—it is about expanding opportunities for students and families who are looking for a public school option. By passing this legislation, we are allowing for educational innovation while opening new professional opportunities for teachers and support personnel. Opponents of Public Charter Schools often fear the closure of schools, the diversion of resources, and the impacts of potential public charter schools in rural areas. Yet data does not support these fears. Public Charter schools have been around for 35 years, and nowhere have we found that a district school has closed because of a public charter school. With this legislation, 100% of public dollars remain within the public school system.

This bill ensures an equal opportunity for all North Dakota students to enroll in a public charter school. This bill requires transparency in admission and enrollment at a public charter school.

Improved student outcomes are the ultimate goal of our public education system, and this bill provides for another public school tool we can use to achieve that goal, all while empowering parents to send their children to a public school that meets their needs.

Colleagues, this bill puts North Dakota students first and ensures charter schools operate with transparency and accountability. This legislation is pro-education, pro-growth, and most importantly, pro-student.

I respectfully ask for your support of SB 2241 to bring high-quality, innovative education opportunities to North Dakota's students and families.

Thank you, and I am happy to answer any questions you may have.

Urging a DO NOT PASS on SB 2241

Karen Eriksmoen, Fargo, ND District 11

House Education Committee

March 11, 2025 Chairman Heinert and members of the House Education Committee,

I am requesting that you vote Do Not Pass on SB 2241. There are several reasons this bill is not right nor needed in North Dakota.

- This bill is not needed. Charter Schools are not necessary for North Dakotans. We have a strong public education system and the options currently available are enough.
- This bill does not have a framework for accountability. As a now retired teacher in North Dakota, I know that oversight is important for all educators. There must be a system that holds teachers accountable to the excellent and highest standards.
- This bill does not address our need for qualified and well-trained teachers in North Dakota. We must require all who are educating our youth to have proper training and licensing to lead our classrooms.
- This bill does not outline how student achievement is measured and any educational option must show that student outcomes are improving and providing quality education that is measurable.

I urge you to vote DO NOT PASS vote on SB 2241.

Thank you for your attention,

Karen Eriksmoen
1913 5th Street South
Fargo, ND 58103



March 11, 2025

House Education Committee
Coteau AB
600 East Boulevard Avenue
Bismarck, ND 58505

Subject: In support of SB 2241

Chairman Heinert and House Education Committee Members,

My name is Catrin Wigfall, and I am a policy fellow at American Experiment North Dakota. I am writing today in support of SB 2241.

As a former public charter school teacher, I experienced first-hand the numerous academic, social-emotional, and extra-curricular opportunities my Title I charter school provided the students and families it served. A number of my students transferred from their neighborhood public schools to this charter school, recognizing that while the traditional public school setting worked for others it wasn't the right fit for their individual educational needs. Not only did they find a new learning environment that challenged them academically, but one that invested in guiding and shaping their growth as a whole person. They found new ways to excel, and I am so thankful they live in a state (Arizona) where their education journey was not confined by traditional norms.

North Dakota has the opportunity to join the majority of states providing families a variety of public school options from which they can actively shape their children's education.

Addressing Accountability Concerns

Under SB 2241, charter schools would be held accountable in a number of ways — by the superintendent of public instruction, by a governing board, by those who elect or select the members of the governing board, and by the parents who can withdraw their children if the school does not perform to their standards.

Charter schools are subject to the same public school approval requirements already required in North Dakota Century Code and are subject to federal laws related to education. There are also multiple layers of oversight within charter school application requirements, charter performance agreements, annual evaluations, and renewal decisions.



Perhaps most noteworthy is the fact that a charter agreement can be revoked for failure to “meet or make sufficient progress toward the performance expectations under the charter performance agreement” — how many traditional public schools are held to this same level of accountability?

Addressing Rural Concerns

While rural areas may currently have limited school options available, creating new learning environments expands the educational opportunities available to rural families without hurting existing options. There is simply no empirical evidence to support the fear that rural schools would be harmed under additional education options, and numerous states have had charter school laws in place for decades. Eight of the top 10 most rural states, as measured by the 2020 U.S. Census rural population share, also have charter school laws: Maine, West Virginia, Mississippi, Montana, Arkansas, Alabama, New Hampshire, and Kentucky. North Dakota at number 11 does not.

Providing More Flexibility

In exchange for a performance agreement with accountability measures and oversight, charter schools are granted more flexibility than traditional public schools, allowing them to tailor their programming, curriculum, academic focus, discipline policies, and other matters in a more decentralized way. One size cannot fit all, and we must not try to force that.

It is time for North Dakota to embrace individualized, decentralized learning models fit for today's era, and creating a charter school law is one policy that evolves education from a one-dimensional path to a multi-faceted journey. I respectfully ask for a “Do Pass” on SB 2241.

Sincerely,

A handwritten signature in blue ink that reads "Catrin Wigfall". The signature is written in a cursive, flowing style.

Catrin Wigfall
Policy Fellow
American Experiment North Dakota



SB 2241
House Education
Tuesday, March 11, 2025
Representative Pat Heinert, Chair

Chairman Heinert and Members of the House Education Committee:

My name is Roxane Romanick and I'm in front of you today as a representative for Designer Genes of ND, Inc. Designer Genes' membership represents individuals with Down syndrome that either live in our state or are represented by family members in North Dakota. Designer Genes' mission is to strengthen opportunities for individuals with Down syndrome and those who support them to earn, learn, and belong.

We project, that outside of North Dakota students with Down syndrome being homeschooled or attending a non-public school, all other children, youth, and young adults with Down syndrome are covered by the guarantees of the Individuals with Disabilities Education Act (IDEA) and are served under Individual Education Plans and afforded special education services. The provisions of a free and appropriate education (FAPE) and learning in a least restrictive environment (LRE) with specially designed approaches to learning and targeted adaptations mean that our students have learning opportunities available to them that older individuals with Down syndrome went without. As an organization, who is sharply focused on students with Down syndrome, we are in a position of evaluating new initiatives with a lens of protection for students with special education needs and their families.

As the bill is written, we are in opposition of SB 2241. We appreciate the desire for additional school choice options in North Dakota, but we do not feel that the bill has enough protections for students who are identified or who will be identified as a student with protections under relevant federal laws such as IDEA, Section 504 of the Rehabilitation Act, Americans with Disabilities Act, and Every Student Succeeds Act. I will outline some of those concerns below:

- There is no language about how public charter schools will identify children with disabilities through the federal Child Find requirements under IDEA. Will they depend on the resources of the local public school district where they are located? Will they be required to have some type of agreement with the school?

- The bill is void of how IDEA services or 504 accommodations will be delivered and paid for by the public charter school.
- The bill on Page 3, lines 7 – 10, addresses the importance of reporting student data from state assessments, but does not address how the public charter school will address state assessments for students with significant disabilities and nor mention of an assurance that they abide by the requirement that only the students with the most significant disabilities take an alternate assessment. Every Student Succeeds Act (ESSA) requires a state education agency to cap this number at 1% of the total population.
- There is no requirement listed in the bill for the public charter school to gather and report the additional federal reporting data for IDEA that public schools all have to provide. Also, there is no provision for assuring that the IDEA performance information would be shared publicly. A concern is that the “n” on this data would be small making it difficult for this information to be reported publicly and then little data would be available to reveal how students with disabilities are faring in the public charter school
- The language on Page 4, lines 4 – 6, helps to prevent discrimination in access for students with disabilities but adherence to Section 504 of the Rehabilitation Act would require that a parent not be “counseled out” of attendance or even being required to provide information on a students’ disability prior to admittance, unless the public charter is specifically designed for students with disabilities.¹
- Section 504 of the Rehabilitation Act and the Americans with Disabilities Act also require the venue for the public charter school be accessible for students with disabilities. This bill does not have any provisions for oversight of this critically important element.
- We are also concerned about the language on Page 11, lines 23 – 24 that states” related to funding of special education services within the limits of legislative appropriations”. The requirements under IDEA are clear that a local education agency, which would include a public charter school, needs to provide the services required on a student’s IEP and that available funds is not an excuse.
- The bill language does not address the requirement for a public charter school to join a special education unit as required in Chapter 15.1-33 which assuming if they have the same requirement, they would need to do.

¹ [Know Your Rights: Students with Disabilities in Charter Schools](#)

- IDEA requires IEP teams to consider least restrictive environments for students with disabilities. In general, we are against schools that cater only to a segregated disability population because inclusion and integration of students with disabilities into a general education curriculum with general education students is critical to their outcomes. At this point, the legislation does not address this issue.

We are also concerned that there is no additional full-time positions for the Department of Public Instruction to administer a charter school system, that will include developing administrative code, issuing approvals, managing agreements, and ongoing monitoring. Given that a public charter school needs to meet the federal requirements of IDEA, energy would need to be expended by the Department to monitor the performance under the IDEA federal reporting requirements of additional schools.

Thank you for your time and I'd take any questions.

Roxane Romanick
Designer Genes of ND, Inc.
701-391-7421
info@designergenesnd.com

SUPPORT EDUCATION CHOICE: VOTE YES ON SB 2241

MYTH: Charters are unlikely to be viable in rural areas and could undermine local public schools.

FACT: Every rural state with charter school laws has charter schools (Wyoming, New Mexico, Mississippi, Alabama, Idaho, Maine, and more). Nationwide, rural charter schools make up 11% of all charter schools and serve 10% of all charter school students. **No state has ever determined that a public school was closed due to a public charter school.**

MYTH: Public charter schools can exclude special needs students and fail to serve all North Dakota students.

FACT: Charter schools are public schools and **must provide special education services**; see page 11, lines 17-20: Student eligibility to attend a charter school is clearly stated on page 4, lines 23-25.

MYTH: North Dakota families already have public choice.

FACT: Families want an array of choices within the public school system. “Seventy-four percent of parents would consider sending their child to a public charter school if one were available in their area.” - 2022 NAPCS Analysis of Parent Sentiment in Education & Survey.

- a. The Learning Continuum is a good first step in public education innovation and public charter schools are a research-proven method of public education innovation.
- b. Public charter schools can offer programs like Montessori, project-based learning, early college model, career, and technical education, and so many more.
- c. Public charter schools provide real, immediate innovation for students and parents, taking into account local community values and needs. o

MYTH: More than 25% of Public Charter Schools close within 5 years.

FACT: According to the [US Government Accountability Office](#):

- b. In the 2021-2020 school year, only 89 charter schools closed out of 7,800 (1%).
- c. In the 2020-2019 school year, only 179 charter schools closed out of 7,500 (2%).
- d. In the 2019-2018 school year, only 235 charter schools closed, out of 7,300 (3%).
- e. Closure rates for charter schools are at an all-time low thanks to accountability standards, financial audits, and community driven education.

SUPPORT EDUCATION CHOICE: VOTE YES ON SB 2241

SUMMARY OF SB 2241: AN ACT TO CREATE PUBLIC CHARTER SCHOOLS

DEFINITIONS:

- A charter school is a free public school open to all students that operates under a charter performance agreement with the State Superintendent.
- The State Superintendent is the authorizer of all public charter schools and will decide who can start a new charter school, oversee school performance, and if a school remains open.
- A performance agreement is a five-year agreement between a public charter school and the State Superintendent that describes academic, operational, and financial performance expectations.

AUTHORITY OF THE STATE:

- The State Superintendent and Department of Public Instruction oversee all public charter schools.
- Create a uniform charter school application form and decision processes.
- Review charter applications and decide whether to approve or deny the opening of proposed public charter schools.
- Negotiate a performance agreement with each charter school and hold the charter school accountable for its academic and financial outcomes and compliance with applicable laws and regulations.
- Facilitate revocation of a charter if it is determined that the public charter school:
 - Failed to comply with the provisions of the charter school law;
 - Committed a material violation of any of the terms, conditions, and standards required under the charter school law or the charter performance agreement;
 - Failed to meet or make sufficient progress toward the performance expectations set forth in the charter performance agreement;
 - Failed to meet standards of fiscal management, including fiscal violations.

REQUIREMENTS OF PUBLIC CHARTER SCHOOLS:

- Take the same state assessments and follow the same standards in the Century Code.
- Hire licensed teachers and follow the North Dakota Education Standards and Practices Board requirements.
- Follow the same state, local, and federal special education laws and regulations.
- Follow the same civil rights, health, and safety requirements applicable to other public schools in the state.
- May not engage in any religious practices in curriculum, admissions, and employment.
- May not be a home school or virtual school.

Vote Yes on SB 2241, An Act to Create Public Charter Schools

VOTE YES ON SB 2241: EXPANDING EDUCATION FREEDOM IN NORTH DAKOTA THROUGH PUBLIC CHARTER SCHOOLS

What is a charter school?

Charter schools are **free, public, and open to all students**. **All North Dakota students are welcome in public charter schools regardless of location, income, previous academic performance, or special needs.** Public charter schools have been meeting the unique needs of students for more than 30 years. However, North Dakota is one of only four states that do not allow public charter schools.

Enacting a bill to allow public charter schools will expand education freedom in North Dakota and help build the workforce of the future.

"We also support building on the innovations and flexibility the Legislature approved with the previous administration. That includes providing the option to create public charter schools, which are accountable to performance standards just like our K-12 public system. With Lt. Gov. Strinden's leadership and our legislative partners, we can ensure every parent has the freedom and flexibility to choose the right educational plan for their child." — Governor Kelly Armstrong

Public Charter Schools Get Results for Students

- **In Idaho**, economically disadvantaged charter school students outperform their district peers in both math and English Language Arts by about 10 points.
- **In Wyoming**, economically disadvantaged charter school students outperform their district peers in both math and English Language Arts.
- **In New Mexico**, economically disadvantaged charter school students outperform their district peers in both math and English Language Arts by more than 10 points.
- **In Colorado**, economically disadvantaged charter school students outperform their district peers in English Language Arts.

Vote Yes on SB 2241, An Act to Create Public Charter Schools

Testimony SB 2241

March 11, 2025
House Education Committee
SB 2241

Mr. Chairman and members of the House Education Committee, my name is Russ Hanson, and I am with the Associated General Contractors of North Dakota (AGC of ND). The AGC of ND is the largest construction trade association in North Dakota who perform all types of commercial construction (highway/bridge, vertical commercial, water/utility). Our membership also consists of equipment and material suppliers and has been in existence since 1951.

I appreciate the opportunity to provide input into consideration of the possibility of adding public charter schools to the offerings available to most other states and for our Legislature having the dialogue of whether to do so in the 2025 Legislature.

As a trade association of a business orientated organization, I am far from being well versed in the important education policy. The thing I know most about education is the members I represent build and repair the buildings and infrastructure that safely transport the students and educators to places they convene to teach and learn.

The other aspect I am aware of is the AGC members both in North Dakota and throughout the nation employ a lot of trade and craft professionals. With the curriculum flexibility I understand Charter Schools provide, perhaps adding them in North Dakota could assist in getting students started in pursuing a trade sooner than a traditional school can?

Several years ago, I did have an opportunity to spend an entire day at a St. Louis Charter school and it was a fulfilling day. To see the joy and satisfaction in the students in that school doing the tasks of that respective school is a memory that hasn't left me – many in construction related curriculum. Many were students from families that did not have resources many of us are fortunate to have and their school was a place they looked forward to going to each day. Also, composed of students who didn't do well in the traditional school setting. It seemed to be a place where they appreciated the opportunity to learn in a way that seemed to be better for their situation.

Thanks to the prime sponsor and co-sponsors for bringing SB 2241 to the 2025 Legislative Assembly to discuss whether this avenue is appropriate to advance to our offerings to assist in widening the educational opportunities and possibly offering an additional avenue to provide workforce assistance.

I appreciate the opportunity to present this testimony and request Thank you for allowing me to present this testimony and I will attempt to address any questions I may be capable of answering.

Special Report from Our Schools Our Democracy
February 2025

FACING FACTS: CHARTER SCHOOLS IN TEXAS

after thirty years it's time for change



It's time for Texas parents and the public to
have more power over the decisions that
impact the education of our children and cost
taxpayers billions of dollars.



OUR SCHOOLS

OUR DEMOCRACY



Special Report from Our Schools Our Democracy

Thirty years ago, Texas charter schools started as an experiment. In 1995, the Texas Legislature authorized up to 20 “open-enrollment charter schools” and gave the elected State Board of Education the power to approve charter school applications.

Thirty years later, we have the data to assess the outcome of this experiment: unlimited charter expansion approved by one appointed state official, low enrollment at new charter schools, closure of more than one-third of charter schools approved since 1995, and a harmful loss of revenue to local school districts.

We have also seen millions of Texas taxpayer dollars funneled to out-of-state charter management organizations, alarming related-party real estate deals and incidents of nepotism, the use of charter school funds to acquire condominiums and purchase a boutique hotel, and a charter school board that voted to lease a private jet for use by charter executives.

These problems are due to insufficient state oversight, unchecked expansion of charter schools, and failure to provide opportunities for public input and decision-making. The facts also underscore how unlimited charter school expansion undermines neighborhood schools and puts students at risk.

BOTTOM LINE

It's time to change how charter schools operate in Texas.

RECOMMENDATIONS:

More power for parents and taxpayers over decisions to open new charter campuses in their local communities.

An end to unlimited charter expansion that ignores the impact on local neighborhood schools and costs taxpayers about 17% of all state aid for public schools for about 8% of Texas students.

Stronger guardrails and state oversight to safeguard taxpayer dollars, including an end to nepotism and related-party real estate deals.

More transparent information for parents about charter schools so that they can make well-informed choices for their children.

A cap on the small and mid-size allotment for charter schools with enrollment of 5,000 students or more.

An end to the policies that allow charter schools to exclude certain students from enrollment and that allow expulsion for any reason. Charter schools receive public funds and should be required to accept and enroll all students, just like public school districts.

A prohibition on outsourcing key educational and financial decisions to private charter management organizations, many of which are located out-of-state. These organizations should not drive decisions that impact Texas schools and students.



Facing Facts: Charter Schools in Texas: after 30 years it's time for change

It's time for Texans to have more power over the decisions that impact the education of our children and cost billions of our taxpayer dollars.

State lawmakers authorized open-enrollment charter schools 30 years ago in Texas.¹ Texas has spent over \$35 billion state taxpayer dollars on charter schools since 2011, a massive investment of public funds.² Now that more information and data are publicly available about how state-approved charter schools operate and how they spend Texas taxpayer dollars—there's clear evidence that it's time to change the charter school system.

With little input from parents or taxpayers, multi-billion-dollar decisions are being made by one appointed state official and unelected charter school board members. These decisions affect all Texas school children who choose to attend their local public school districts and adversely impact public school districts in every corner of the state.

From Brownwood to Brownsville—every community in Texas is impacted by unlimited charter school expansion. That's because every taxpayer in Texas pays for charter schools whether there is a charter school in their community or not.

We cherish our local public schools and want to believe they will always be there for our children and grandchildren—from the beloved neighborhood school down the street to Friday Night Lights, arts and music education, and highly experienced teachers. *But we can no longer take these things for granted.*

Charter schools should be held to the same high standards as public school districts. Even though charter schools are private organizations, they receive public funds and should be accountable to parents and the public and transparent about how they spend our taxpayer dollars.

This report provides facts from the public record that demonstrate why change is needed for Texas' charter school system to ensure that public school districts have the resources they need to guarantee a quality education for all students.

.....
The stakes are high. The future of our local public schools that are dedicated to educating all children is at risk.
.....

About Our Schools Our Democracy

Our Schools Our Democracy (OSOD) is a new Texas-based nonpartisan and independent 501c3 nonprofit organization established to educate and inform parents, taxpayers, and decision-makers about the impact of unlimited charter school expansion on our public school districts, neighborhood schools, students, and our democracy.



1. Charter schools leave too many students behind

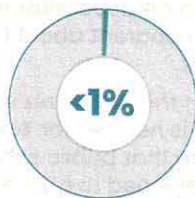
Charter schools spend less on students and more on central administration costs.

Through budget and policy decisions, many charter schools fail to provide key programs, services, and experienced teachers that contribute to student success and ensure equal opportunities for all students. This is the case even though additional state funding is often available for these programs and services. Meanwhile, charter schools spend a much higher percentage of their budget on central administration expenses than public school districts.

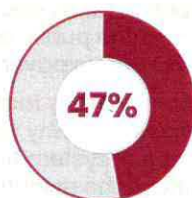
Transportation³



Nearly half of charter schools spend **NOTHING** on transportation for students.



Public School Districts
Less than 1% spend nothing on transportation



Charter Schools
47% spend nothing on transportation

Transportation is a hidden cost to many charter school parents.

Forcing parents to provide transportation means that many students lose out on educational opportunities unless their families have a reliable vehicle and the flexibility to drop-off and pick-up students daily.

Charter schools know this: Polls by charter-affiliated organizations show that over 50% of prospective students said they could not attend a charter school unless transportation was provided.⁴

Charter schools could receive additional state funding for transportation just like public school districts, but most choose not to.⁵ However, 29 charter schools have stepped up and now spend at or above the state average per student on transportation.⁶

Instruction⁷



Charter schools spend an average of **\$512 less** per student on instruction than public schools.



That's a loss of over \$11,000 for a typical classroom of 22 students – and an estimated **\$193 million loss statewide.**⁸

Career and Technical Education (CTE)⁹



High schools in public school districts routinely offer students multiple opportunities for both college and career preparation that match the interests and career goals of a diverse student body. However, students enrolled in charter schools have fewer opportunities to participate in CTE programs than students at public school districts and miss out on opportunities that can jumpstart access to college, careers, and well-paying jobs.

Percentage of Students Participating in CTE
Public School Districts

27.2%

Charter Schools

17.9%

34% fewer

34% fewer charter students are enrolled in CTE programs compared to students in public school districts.



Central Administration Costs¹⁰

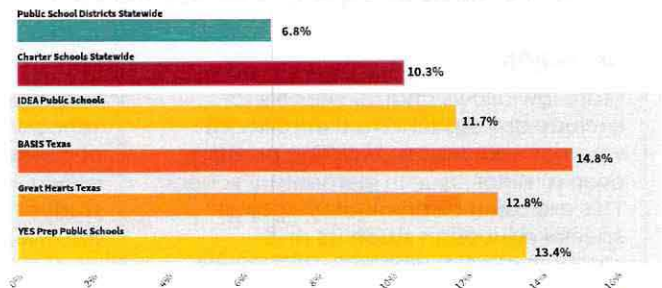


Charter schools statewide spent 51% more of total annual operating expenditures on central administration costs in 2022-23 compared to public school districts. Some of the largest charter schools in Texas spent an even higher percentage of their budget on central administration compared to the statewide charter average.

CHARTER SCHOOLS COULD SAVE an ESTIMATED \$165 MILLION EVERY YEAR¹¹

Charter schools currently spend an average of \$437 **more** per student for central administration expenses compared to public school districts. If charter schools spent the same average percentage as districts, they could save an estimated \$165 million annually that could be used to expand student support or pay for facilities.

Percentage Spent on Central Administration Expenses



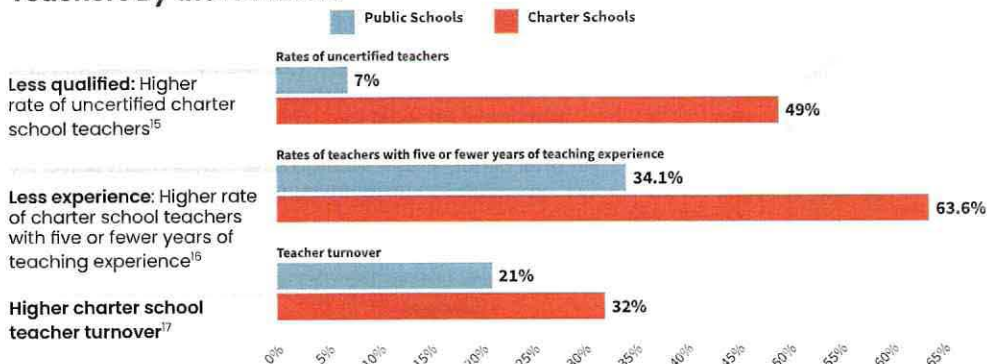
Charter School Teachers: Less Experience. Less Qualified. Higher Turnover.



Charter schools lag far behind public school districts in the percentage of certified teachers in the classroom. That's because Texas law does not require certified teachers at charter schools,¹² except for special education and bilingual teachers, even though research shows that having a certified teacher in the classroom positively influences student performance.¹³ The state of Texas sets certification standards through a test-based license that ensures teachers are qualified, and most importantly, provides parents with the assurance that their child's teacher is prepared for the job.

A new research brief on teacher certification in Texas presents evidence showing that "uncertified teachers are linked to declines in student achievement."
Texas Tech University policy brief (Summer 2024)¹⁴

Teachers By the Numbers



Less qualified: Higher rate of uncertified charter school teachers¹⁵

Less experience: Higher rate of charter school teachers with five or fewer years of teaching experience¹⁶

Higher charter school teacher turnover¹⁷

Public school teachers have nearly double the average years of teaching experience.¹⁸

Charter Schools

Public School Districts

5.8 years

11.3 years

Charter schools have a 52% higher teacher turnover rate than public schools. An average of almost 1 in 3 charter school teachers did not return to the classroom in 2022-23.

52% higher teacher turnover rate

2. Charter schools fail to serve all students

Charter schools can exclude certain students and underserve others.

Charter schools can exclude certain students from enrolling in a “public” charter school and easily expel others for discretionary reasons, while also serving significantly fewer special education students. Charter schools receive public funds and should be required to accept and enroll all students, just like public school districts.

Exclusion¹⁹

State law allows charter schools to exclude any student from enrollment who has ever had a discipline problem, even a minor issue in elementary school. This exclusion discriminates against special education students and students of color who research shows have a higher percentage of reported discipline actions.²⁰

Expulsions²¹

Unlike public school districts, charter schools can create a student code of conduct that includes undefined behavior expectations that allow students to be expelled for actions that are open to discretionary interpretation.²²

Based on data received from TEA, **84%** of charter school expulsions in 2023-24 were for discretionary reasons, not for offenses requiring mandatory expulsion.

5X Charter schools expelled students at over 5 times the rate of public school districts

Students Expelled

1 in 295 Charter Schools
1 in 1,474 Public School Districts

Fewer Special Education Students

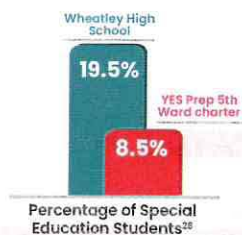
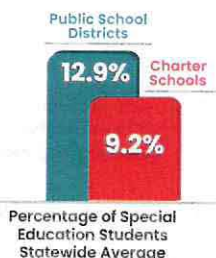
Charter schools have historically underserved special education students statewide compared to public school districts. That disparity is often much greater between charter campuses and nearby district campuses that serve similar student populations. These disparities are important because research shows that special education status can impact student performance and campus/district accountability ratings.²³

92% of charter schools spend less than the state average to provide needed services for the special education students they serve.²⁴

1/3 Over 1/3rd of charter schools report having **ZERO special education teachers** even though they enroll special education students.²⁵

29%

The percentage of **special education students served by charter schools is 29% less** than the percentage served by public school districts.²⁶



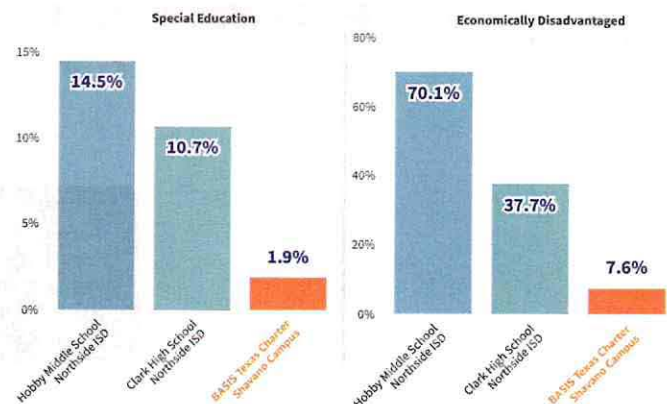
CASE STUDY: Wheatley High School, Houston
Wheatley High School's failure to receive a passing score on the state assessment for five years running was a primary reason for the state takeover of the entire Houston Independent School District in 2023.²⁷ Yet, Wheatley has historically served a much higher percentage of special education students compared to the YES Prep 5th Ward charter school that is located only 1.1 miles from Wheatley and serves far fewer special education students.

CASE STUDY: BASIS Texas, San Antonio

It's important to consider student demographics before believing charter spin about high student performance. Charter schools often compare their performance to district public schools without also comparing differences in student demographics that can impact student performance and campus ratings.²⁹

While the BASIS Texas charter school touts its A-rated Shavano campus in San Antonio as one of the highest-performing high schools in Texas,³⁰ it serves far fewer special education and economically disadvantaged students than nearby district campuses located less than two miles away. Shavano has graduated **ZERO special education students** over the last five years, and only **28 economically disadvantaged students**.³¹

Percentage Special Education and Economically Disadvantaged Students³²



3. Public school districts lose billions in revenue to charter schools—all Texas students pay the price

The loss of revenue to charter schools means a loss of opportunities and choice for students who choose to attend their public school district.

REVENUE LOSS:

When a public school district loses a student to a charter school, the per-student revenue is lost to the district. However, **the costs to the district don't simply transfer to the charter school. That's not the way it works.**

- A school district can't simply cut costs dollar-for-dollar to the loss in revenue when a student transfers to a charter school.
- The district's fixed costs—such as insurance, utilities, bus transportation, and maintenance—remain largely the same.
- A public school district can't cut a teacher when a charter school draws only 2-3 students from any given classroom because the district is still responsible for educating all of its remaining students and is subject to class size limits.

WHY IT MATTERS:

With largely the same fixed costs, but fewer dollars, public school districts must cut expenses. Non-mandated programs and services that provide educational opportunities for students throughout the district are most frequently on the cutting block. **Some neighborhood schools will even be forced to close to save money.**

★ THE TEXAS TRIBUNE

SEP. 19, 2023

Facing declining enrollment and charter school competition, San Antonio and Plano consider closing campuses³⁴

School officials in San Antonio announced earlier this week that they are looking at closing about 20% of their campuses while Plano school officials are starting those discussions.

BY BRIAN LOPEZ, SEPT. 19, 2023, 6 PM CENTRAL

ECONOMICALLY DISADVANTAGED STUDENTS HIT THE HARDEST:

Charter schools are concentrated in urban areas within public school districts that see the greatest revenue loss from charter transfers and impact a high percentage of economically disadvantaged students. Five of the largest public school districts in Texas, with up to **89%** economically disadvantaged students,³³ lost an estimated **\$5.3 billion** to charter schools over the last five years.

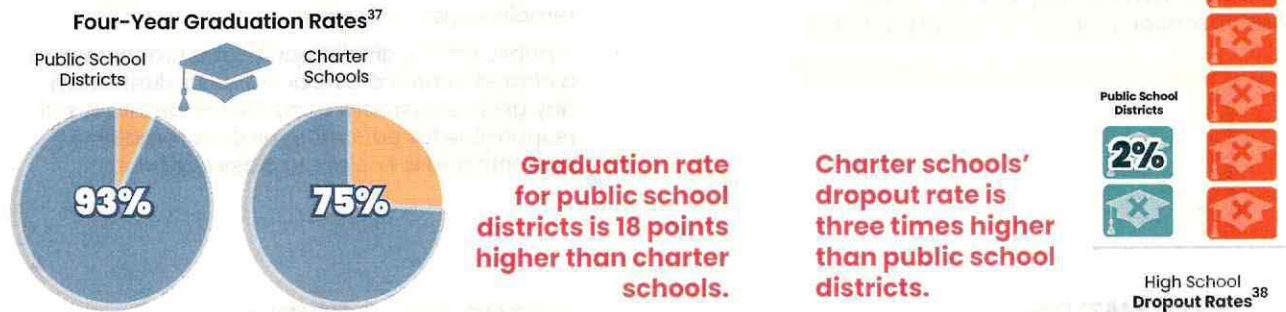
District	5-year estimated revenue loss to charter schools 2020–2024 ³⁵	Number of students lost to charter schools 2023–24 ³⁶	
Houston ISD	\$1,892,247,213	51,965	28%
Dallas ISD	\$1,669,977,849	33,421	24%
Austin ISD	\$624,927,517	12,636	17%
Fort Worth ISD	\$634,717,401	15,042	21%
San Antonio ISD	\$490,470,090	11,858	27%
TOTAL LOSS	\$5,312,340,070		

4. Public school districts consistently outperform charter schools statewide

Charter schools lag behind public school districts in high school graduation rates.

Charter schools promise higher student performance in return for receiving exemptions from certain state laws that apply to public school districts. However, after operating for 30 years in Texas, charter schools lag behind public school districts in statewide high school graduation rates and many statewide performance measures.

1. Public school districts have **higher** graduation rates and **lower** dropout rates than charter schools.

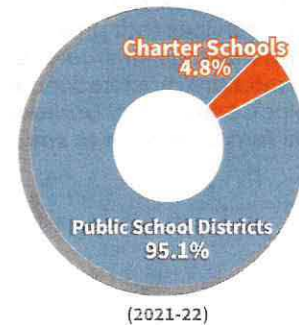


2. Public school districts account for 95% of all public high school graduates in Texas.³⁹

Charter schools serve about 8% of all students in Texas, but they graduate less than 5%.

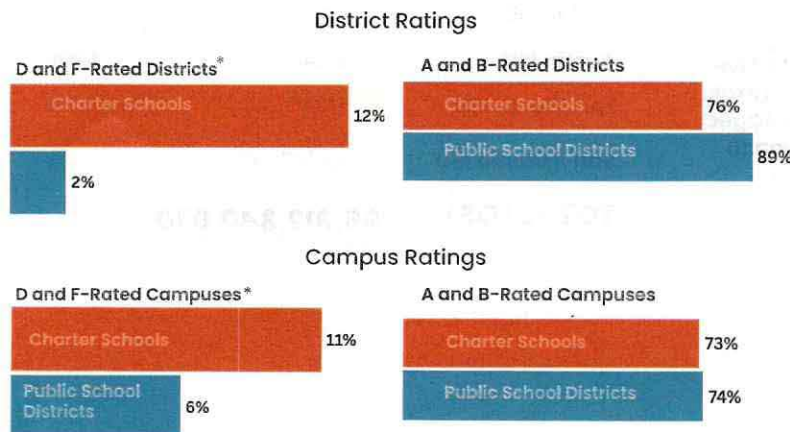
Statewide Total:	368,686
Public School Districts:	350,656 (95.1%)
Charter Schools:	17,670 (4.8%)

All High School Graduates



3. Charters have a higher percentage of D and F-rated districts and campuses and a lower percentage of A and B-rated districts

2022 STAAR Ratings:⁴⁰



Charter schools have 6 times the percentages of D and F-rated districts.

Charter schools have almost double the percentage of D and F-rated campuses.

*Not rated Senate Bill 1365

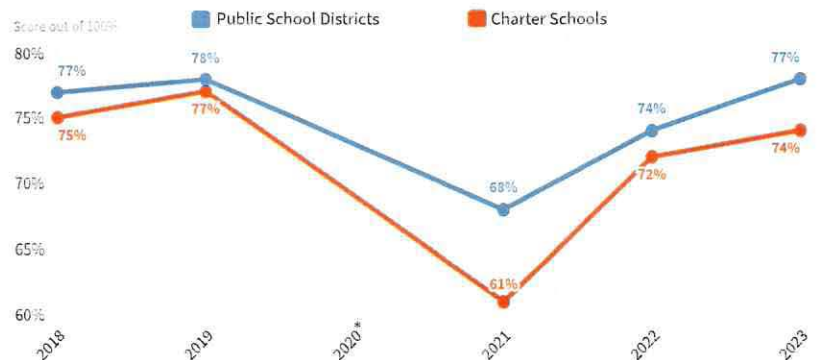


4. Over the last 20 years, public school districts have outperformed charter schools on statewide STAAR performance for All Students/All Subjects and in most individual subject areas.⁴²

Statewide STAAR over the Last Five Years: 2018–2023

All Students/All Subjects

(At/Approaches Grade Level or Above—which is the passing standard for Texas)



*STAAR test not administered in 2020 due to COVID-19 pandemic

Every Student Should Count

Publications from the Texas Public Charter School Association (TPCSA) often use data indicating that charter schools perform higher than public school districts.⁴³ Why does TPCSA show performance results that may differ from data provided in reports from the Texas Education Agency (TEA)?

The TEA includes all students in the annual performance data provided on Snapshot reports—whether they are enrolled in standard accountability schools or alternative education accountability schools (AEA).⁴⁴ In contrast, TPCSA often excludes

charter students from its performance data who are enrolled in AEA campuses,⁴⁵ which are primarily for students at risk of dropping out. Because 17.1% of all charter campuses are AEA, compared to only 2.8% of public school district campuses,⁴⁶ the TPCSA data may skew performance results because it does not provide performance data for all students. This report includes all charter and district campuses and students when referring to data from TEA's Texas Academic Performance Report and TEA Snapshot.⁴⁷

For the Record:

Charter Schools by the Numbers

School Year 2023-24⁴⁸

422,930



Students enrolled



916

Charter campuses

186

Charter operators



123

Number of new campuses approved by Commissioner



\$4.4 billion

State funds to charter schools

5. Many Texas laws that apply to public school districts to protect taxpayers do not apply to charter schools

This report provides concrete examples of how charter school officials are leveraging the flexibility provided to them in statute to take advantage of lax state oversight and spend funds for questionable purposes with Texas taxpayers picking up the tab:⁴⁹ related-party real estate deals, nepotism, and transfer of millions of dollars to out-of-state charter management organizations.

HOUSTON CHRONICLE

Lax Texas charter school laws allow splashy land buys, profits for leaders⁵⁰

JAN. 22, 2023

In some cases, administrators own school facilities and collect millions from charging the schools rent.
By Edward McNamara, Eric Decker, Austin Dunne
Jan. 22, 2023

HOUSTON CHRONICLE

A Houston charter school lacks a playground, but pays for a high-rise condo⁵¹

School operations deserve oversight from the Texas Education Agency.

Nov 15, 2017

CASE STUDY: Questionable use of charter funds

Over the years the media has uncovered questionable use of funds, including “numerous allegations of financial and operational misconduct.”⁵²

IDEA Public Schools:

- ▶ Voted to **lease a private jet for \$15.8 million** and only changed its decision after reports in the press.⁵³
- ▶ Leased a **luxury box at a sports arena** in San Antonio for \$400,000 per year.⁵⁴
- ▶ Purchased a **boutique hotel for \$1 million** and sued the Texas Attorney General to keep the deal quiet.⁵⁵
- ▶ Placed under a **conservatorship** by the TEA in 2024 “after a years-long investigation into improper spending.”⁵⁶
- ▶ Used state funds to **repay \$28 million** to the U.S. Department of Education after an independent audit revealed serious concerns over how federal dollars were spent.⁵⁷

“What does any of this out-of-control spending have to do with educating students?”⁵⁹

San Antonio Express News
March 8, 2023

HOUSTON CHRONICLE

POLITICS // TEXAS POLITICS

Aug. 8, 2022

IDEA Public Schools signed \$15M lease for luxury jet despite being under state investigation⁵⁸

By Edward McNamara, Austin Dunne
Published Aug. 16, 2022 1:28 a.m.



CASE STUDY: State nepotism rules don't always apply

The president and secretary of the five-member Board of Directors for Faith Family Academy in Dallas are a married couple.⁶⁰ They are also the uncle and aunt of the current superintendent for Faith Family.⁶¹ The superintendent's contract was signed by her uncle, the Board President.⁶²

Charter schools were exempt from state nepotism laws that would prohibit this type of family connection until 2013 when the law was extended to charter schools.⁶³ However, charter staff employed before 2013 were grandfathered into the law.⁶⁴ The current Faith Family superintendent was hired in that position in 2012,⁶⁵ so the Texas nepotism law does not apply.

Over the last five years, despite enrollment at Faith Family that never exceeded 2,882 students, the Faith Family Board approved total compensation for the superintendent that far exceeds the compensation of most superintendents in the state, even those with much higher student enrollment.⁶⁶ In 2020–21, the Faith Family superintendent received total compensation of \$594,046 which included “other reportable compensation” of \$220,415.⁶⁷

CASE STUDY: Related-party real estate deal

Unlike public school districts, superintendents of charter schools are allowed by law to lease property they own to the charter school they operate.⁶⁸ The superintendent of Horizon Montessori Public Schools leased property he owned in Weslaco to the Horizon charter school for 20 years starting in 1999.⁶⁹ He collected an estimated \$2 million in lease payments⁷⁰ from his own charter school during this time. The property was appraised at only \$307,364 in 2003.⁷¹ In 2022, the same superintendent sold his property to Horizon for \$1.9 million, almost double the \$845,138 appraised value of the facility at the time.⁷²

“How is it not illegal for a superintendent to lease property that he personally owns to the school that he runs? Quite clearly, state lawmakers need to tighten loopholes to ensure such questionable land deals and other spending comes to an end.”

San Antonio Express News Opinion Editorial, March 8, 2023⁷³

CASE STUDY: Purchase of luxury horse ranch

A nonprofit organization formed by Universal Academy in North Texas spent an estimated \$10-12 million to purchase a luxury horse ranch and equestrian center in Denton County.⁷⁴ According to the Houston Chronicle, "the 12-building complex features 'a show barn designed with Normandy-style cathedral ceilings' and a 120,000 square-foot climate controlled riding area."⁷⁵ The nonprofit planned to lease the property to Universal for a new charter campus, approved by the TEA in 2022, that would offer riding lessons to charter students as an after-school activity advertised at \$9,500/student per year.⁷⁶

"An analysis by Hearst Newspapers found cases in which charter schools collected valuable real estate at great cost to taxpayers but with a tenuous connection to student learning."⁷⁷

Houston Chronicle, Jan. 22, 2023

CASE STUDY: High rise condos for ... records storage?

Accelerated Learning Academy purchased two luxury condominiums: one in a high-rise building in the Houston Galleria area and another in Dallas's Metropolitan Club for "records storage" at a cost of hundreds of thousands of dollars. The Dallas purchase was made even though "the school already had a 9,600-square-foot, nearly empty campus in nearby Lancaster."⁷⁸ Real estate listings for the two properties noted that "The Dallas unit came with hardwood floors, stainless steel appliances, a wine cooler, granite countertops and access to a rooftop deck with a hot tub. The 1,118-square-foot Houston condo has floor-to-ceiling windows, hardwood floors and access to a pool with skyline views."⁷⁹

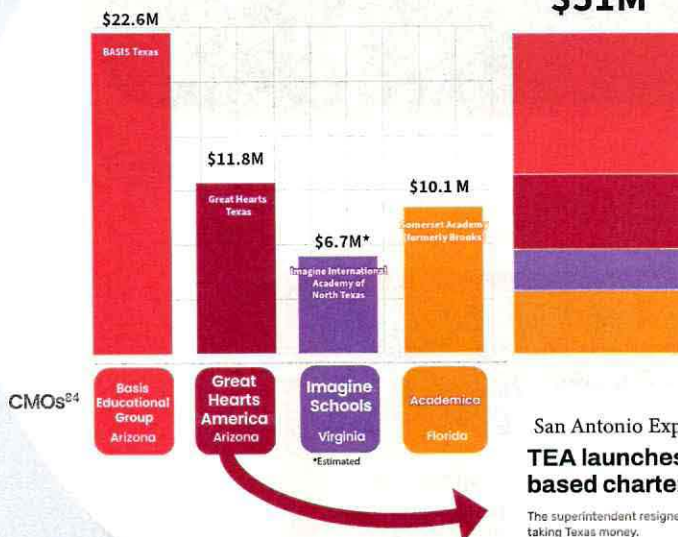
"Personally, I cannot imagine that the state of Texas would allow the use of state funds to purchase this property." – Harris County appraisal district official⁸⁰

Houston Chronicle Jan. 22, 2023

Texas Taxpayer Dollars To Out-Of-State Charter Management Organizations⁸³

2019-2023

Total \$51M



MILLIONS OF TEXAS TAXPAYER DOLLARS GO TO OUT-OF-STATE CHARTER MANAGEMENT ORGANIZATIONS (CMOs)

Millions of taxpayer dollars flow to private out-of-state charter management organizations (CMOs) that operate without sufficient transparency or accountability over how they spend Texas public funds, yet they often drive important decisions for Texas charter schools and students. For example, four Texas charter schools paid a total of over \$51 million to out-of-state CMOs over five years.⁸¹ This large-scale transfer of funds to out-of-state organizations means that fewer taxpayer dollars stay in Texas to support local economies. In addition, these out-of-state CMOs are not generally subject to public records requests and open meetings laws.⁸²

San Antonio Express News

Nov 27, 2023

TEA launches special investigation into San Antonio-based charter network Great Hearts Texas⁸⁵

The superintendent resigned Monday, weeks after the network accused its Arizona parent organization of illegally taking Texas money.

By Melissa Manno, Staff writer
Nov 27, 2023 12:12 p.m.

6. No cap on charter school enrollment

Charter schools can open an unlimited number of new campuses anywhere in Texas.

No limit to charter expansion: While state law limits the number of charter operators to 305,⁸⁶ there is no limit on the number of new charter campuses that existing charter schools can open through a charter expansion amendment and no limit on charter school student enrollment.

A single appointed state official controls most charter growth:⁸⁷

Since 2010, the Governor-appointed Texas Commissioner of Education has approved 1,128 new charter campuses through charter expansion amendments—123 new campuses in 2024 alone.⁸⁸

Parents and taxpayers left behind: Little, if any consideration, is given to the impact of the new campus on local neighborhood schools and students, and public involvement is minimal.

No vote by an elected body: The request for a new charter campus is made by self-appointed charter school board members who often do not live in the communities where they plan to open a new campus, and some may even live out-of-state. While the elected State Board of Education has authority to veto new charter applications, it has no authority over the approval of charter expansion amendments.⁸⁹

“Parents and the public should have input into any proposal to locate a new charter campus in their community through a charter expansion amendment. A democratically-elected entity accountable to the public should have final approval. An elected body is likely to reject the expansion of under-performing charter schools or those with a low enrollment.”

Pat Hardy

Former member of the elected Texas State Board of Education
R-Fort Worth, District 11
(2002–2024)

CHARTER EXPANSION AMENDMENTS: LITTLE OR NO ACCOUNTABILITY TO THE PUBLIC



NO....

- ✗ NO general notice to the public
- ✗ NO public meeting
- ✗ NO public vote
- ✗ NO vote by any elected body
- ✗ NO accountability to the public
- ✗ NO guarantee of “quality”—the Commissioner has expanded charter schools with low-performing campuses
- ✗ NO appeal process for the affected community

IDEA Public Schools

1

One campus for IDEA Public Schools was approved by the **elected** State Board of Education through a new charter application (2000)⁹⁰

135

135 campuses were approved by one **appointed** state official through charter expansion amendments (2006–2024)⁹¹

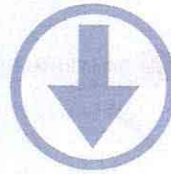
7. Taxpayers foot the bill for new charter campuses

Millions of taxpayer dollars are spent on an inefficient parallel system of publicly-funded charter schools.

When seeking approval to open a new campus, charter schools routinely provide little or no evidence to justify the need for the new campus.⁹² The state's failure to fully investigate and verify the actual need often results in low enrollment at new charter schools and subpar student performance, in addition to duplicative administrative, academic, staff, and facility costs.

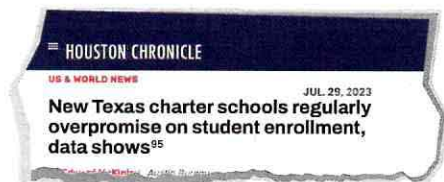
LOW ENROLLMENT

The Houston Chronicle reported that of the 19 new charter schools approved since 2017 that have opened in Texas, 18 fell short of their enrollment projections.⁹³ In Harris County, for example, Legacy School of Sports Sciences projected to have 1,850 students by school year 2023-24, while actual data shows its enrollment was 447 students —75% below the projection in its charter application.⁹⁴



LOW PERFORMANCE ON 2024 STAAR

81% of new charter schools approved between 2016-2022 scored lower on 2024 STAAR for All Grades/All Subjects than the state average—up to 40 points lower.⁹⁶



CASE STUDY: New charter campus approved in an A-rated district

In 2021, the Texas Commissioner of Education approved two new International Leadership of Texas (ILTexas) charter campuses near Mansfield ISD (MISD)⁹⁷ that were within three miles of three newly opened MISD campuses. At that time, MISD was an A-rated district with 91% A and B-rated campuses, no D or F-rated campuses,⁹⁸ and a stable teacher workforce. In contrast, 28% of ILTexas' campuses were rated D or F,⁹⁹ and its teacher turnover was far higher than the state average.¹⁰⁰ The decision to apply for this new campus was made by the seven ILTexas Board members, while the new MISD campuses were approved by 65% of Mansfield voters in a 2017 bond election.¹⁰¹

	Mansfield ISD	International Leadership of Texas
A & B-rated campuses 2018-19*	91%	34%
D & F-rated campuses 2018-19*	0	28%
Teacher turnover rate ¹⁰² 2020-21	9.4%	22.8%

*Most recent state rating in 2021¹⁰²



CASE STUDY: New charter campus falls 75% short on enrollment

In 2020, the Texas Commissioner of Education approved the opening of a new Pioneer Technology & Arts Academy STEM charter school campus in Richardson ISD (RISD)¹⁰⁵ within 2.3 miles of 11 A or B-rated RISD campuses that all had multiple academic distinctions.

Pioneer claimed that the new 1,200 student campus (Pioneer North Campus) was needed to provide a STEM curriculum for economically disadvantaged students and to meet the needs of students who commuted to other Pioneer campuses.¹⁰⁶ However, RISD's Westwood Math and Science Leadership Magnet school was located only a few blocks away from Pioneer's campus. In 2019-20, Westwood already served a diverse student body, including 57% economically disadvantaged students.¹⁰⁷

Pioneer has not come close to meeting its 1,200 student enrollment projection at this campus. With only 297 students enrolled in 2023-24,¹⁰⁸ Pioneer was 900 students (75%) short of the 1,200 students projected by its fourth year of operation, calling the need for the new campus into question. What's more, Pioneer had a student attrition rate of 43% in 2022-23 and 35% in 2023-24.¹⁰⁹

UNDER-ENROLLED BY 75%

8. Every Texas taxpayer pays for charter schools

Taxpayer Alert: Cost of charter schools has quadrupled and increases every year.

Taxpayers in 70 percent of Texas counties don't have a charter school—but they still pay for them.¹¹⁰ That's because charter schools are funded almost entirely with state taxes generated from all across Texas.

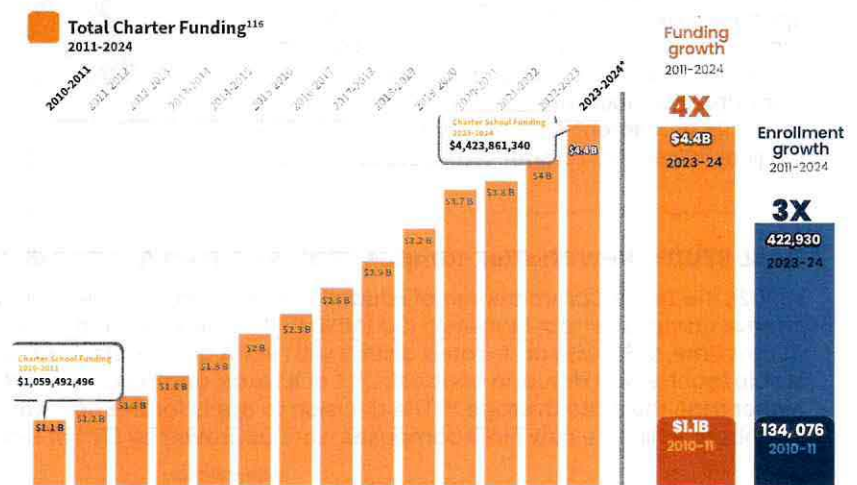
Charter schools serve about 8% of Texas students but receive nearly 17% of all state aid for public schools.¹¹¹

1. WHILE CHARTER ENROLLMENT HAS **TRIPLED** SINCE 2011,¹¹² THE AMOUNT OF STATE FUNDS GOING TO CHARTER SCHOOLS HAS **QUADRUPLED**.¹¹³

Charter schools have received over \$35 billion from Texas taxpayers since 2011.¹¹⁴

Charter funding will continue to increase, costing all Texas taxpayers more money every year.¹¹⁵ Why? Because there is no cap on the number of new charter campuses approved in Texas and no cap on charter school student enrollment.

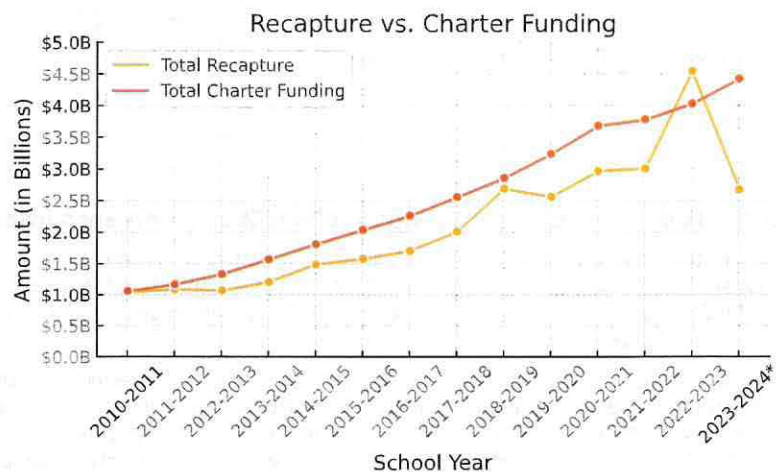
As a result, the cost of charter schools to the state—and to taxpayers—will continue to escalate as more and more new charter campuses are approved every year, often without evidence of actual need for a new charter campus, or assurance of quality.



2. RECAPTURE PAYMENTS FROM DISTRICTS TRACK CHARTER FUNDING.

Recapture of local property taxes in property-wealthy school districts was created to distribute state aid to less property-wealthy school districts—a system widely known as “Robin Hood.”

But as less-wealthy districts’ property values have grown, reducing their state aid, recaptured local property taxes seem to have been funding charter school growth instead. In fact, in many years, the growth in charter school state aid tracks recapture growth almost dollar-for-dollar.¹¹⁷



*The data for 2023-24 is “near final”. Recapture dropped in 2023-24 due to legislative action and funding of property tax reductions

3. THE LARGEST CHARTER SCHOOLS HAVE A FUNDING ADVANTAGE OVER PUBLIC SCHOOL DISTRICTS

This funding advantage is largely because all charters—regardless of their size—receive the average per student amount of the small and mid-size state allotment—over \$1,000 per student in 2023-2024.¹¹⁸

This allotment is intended to help smaller public school districts (fewer than 5,000 students ADA*) address economies of scale.

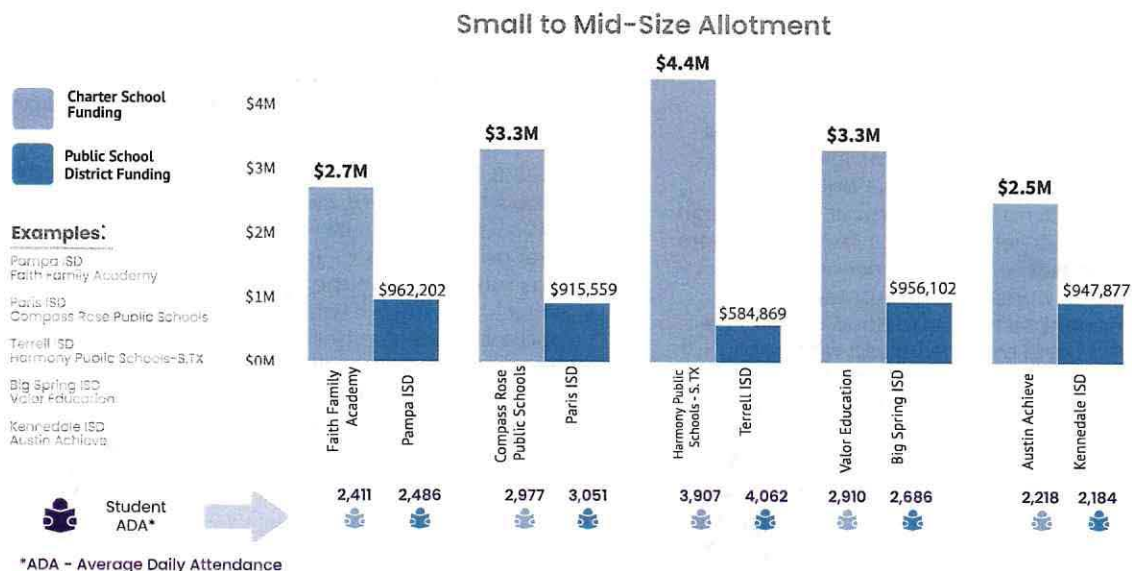
However, charter schools with over 5,000 students receive the allotment, while public school districts with over 5,000 students receive NOTHING.¹¹⁹

The 15 charter schools with enrollment (ADA*) of over 5,000 students received a total of over \$245 million from the allotment.¹²⁰

*ADA- Average Daily Attendance

Example: In 2023-24 IDEA Public Schools with a statewide enrollment of nearly 77,000 students at 126 campuses received almost \$75 million from this allotment,¹²¹ while public school districts of similar size received NOTHING.¹²²

MID-SIZED CHARTER SCHOOLS RECEIVE UP TO SEVEN TIMES MORE FROM THE SMALLER DISTRICT ALLOTMENT THAN PUBLIC SCHOOL DISTRICTS WITH A SIMILAR ENROLLMENT.¹²³



9. Charter schools are not accountable to the public for major decisions

Taxation without representation: parents and the public have little say on charter expansions or spending.

Unlike public school districts, charter schools lack direct public accountability for the most critical decisions they make that affect millions of Texas children in public school districts and thousands of students in charter schools.

For too long, parents and taxpayers have been left out of the loop on decisions that have a significant impact on their local public schools and on the public funds that are spent on charter schools and charter school facilities.

— “

“Our neighborhood was shocked to accidentally find out that a new charter campus we didn’t ask for and didn’t need was proposed for our community. Its location was just a half mile from our newly-opened public elementary school that was approved by 75% of our voters in a bond election. We received no public notice, and no one asked us whether we even wanted a new charter school.” – Claire Campos O’Neal (Central Texas parent)

” —

FACTS

FACT: 34% OF ALL CHARTER SCHOOLS APPROVED SINCE 1995 IN TEXAS HAVE CLOSED¹²⁴

110 charter campuses closed within the last six years.¹²⁵

The closure of charter schools and charter campuses disrupts the education of thousands of Texas students, often forcing parents to find an alternative educational setting for their children with little lead time. For example, Rocketship Education in Fort Worth announced the closure of its second campus mid-year on December 4, 2024 because of “mounting financial pressure and lower than expected enrollment.”¹²⁶



FACT: TAXATION WITHOUT REPRESENTATION—NO PUBLIC VOTE ON CHARTER BOND DEBT

Unlike public school districts that require voters to approve bond debt for new facilities, charter board members incur billions in bond debt for new facilities with no voter approval, even though the debt will be largely repaid by Texas taxpayers from state funds that charters receive.¹²⁷ Most of those charter bonds are guaranteed by the Texas Permanent School Fund Bond Guarantee Program (PSF) and may be repaid with public funds if charter schools default. Most concerning? Of the \$4.93 billion in PSF-guaranteed charter school bonds (as of October 31, 2024),¹²⁸ several charters’ underlying bond ratings already have been downgraded to “junk bond” status.¹²⁹



FACT: CHARTER SCHOOL BOARDS ARE SELF-APPOINTED—NOT ELECTED AND NOT ACCOUNTABLE TO THE PUBLIC

Charter schools in Texas are private nonprofit organizations, but receive public funds. Unlike the boards of public school districts who are elected by voters:

- Charter board members are self-selected and cannot be voted out of office by the public.
- Charter board members often don’t live in the community where the charter campus is located, and some members may even live out-of-state.
- Charter parents or community members who disagree with charter policies or actions have little recourse.

CASE STUDY: Largest-ever charter bond deal in United States—\$400 million in debt approved by only five charter board members

In 2018, the five-member board of the International Leadership of Texas charter school (ILTexas) approved \$400 million in bonds—“believed to be the largest-ever deal for charter schools.”¹³⁰ No voter approval was required even though Texas taxpayers will repay most of the debt.¹³¹ Facing financial difficulties and a budget deficit, the bonds were non-investment rated (i.e., “junk bonds”) with a much higher interest rate that increased the total cost of the bonds by millions of dollars.¹³²



NO VOTER APPROVAL



CASE STUDY: Charter expansions often don't address waiting lists

Unlike public school districts that expand to meet student demand, charter schools are not required to serve all students who apply even if they have not met their maximum approved enrollment. In fact, instead of providing extra capacity to serve students at a campus with a waiting list, charter schools often apply to open new campuses that can be hundreds of miles away.

For example, BASIS Texas reported a waiting list of 7,529 students primarily at its existing campuses in San Antonio and Central Texas in 2023-24.¹³³ Instead of expanding campuses in these areas to meet the need where there was a waiting list, BASIS requested four new campuses in Plano and Richardson in February 2024, expanding to the Dallas area where BASIS had no existing campuses and therefore, no apparent waiting list.¹³⁴

FACT: NO LEGISLATIVE HEARING FOR A \$4.4 BILLION CHARTER BUDGET

All Texas universities and state agencies that receive state funds must justify their budgets to legislators every two years during legislative hearings. **Not so with charter schools**—even though they received \$4.4 billion in state taxpayer dollars for school year 2023-24—and over \$35 billion since 2010-11.¹³⁵ **The Legislature has never held a budget hearing on charter schools' growing percentage of state funds.**

One charter network alone—IDEA Public Schools received over \$800 million in state revenue in 2023-24 and nearly \$3.5 billion over the last five years.¹³⁶ That level of state general revenue funding for one charter network dwarfs every Texas university and all but the largest state agencies.

State Agency or University	State general revenue for FY2024 (School Year 2023-24)	Legislative hearing for budget
All state-approved charter schools ¹³⁷	\$4.4 B received	NO
IDEA Public Schools ¹³⁸	\$846 M received	NO
University of Texas at Austin ¹³⁹	\$454 M appropriated	YES*
Texas Tech University ¹⁴⁰ System and its five institutions	\$613 M appropriated	YES
Texas Commission on Environmental Quality ¹⁴¹	\$390 M appropriated	YES

*as part of UT System hearing

Public School Districts...More Accountable to the Public

	Charter Schools	Public School Districts
Governing Board elected by voters and accountable to the public	X	✓
Board members reside in the local community ¹⁴²	X	✓
Some board members can live out-of-state	✓	X
Voter approval required for bonds to finance new facilities	X	✓
Meetings and records/communications subject to open records and open meetings legislation ¹⁴³	✓	✓
STAAR exams required	✓	✓
Generally, all teachers must be certified	X	✓
Generally, class size limits for grades K-4	X	✓
Laws on nepotism apply in all cases	X	✓
Superintendents are prohibited from related party transactions with their own school ¹⁴⁴	X	✓

Endnotes

Abbreviations used in citations:

LBB: Legislative Budget Board

TEA: Texas Education Agency

TEA PEIMS FSP: Financial Standard Report

TEA TAPR: Texas Academic Performance Report

TEA SOF: Summary of Finances

TEA SOF CSSS: Summary of Finances Charter School Statewide Summary

TPEIR: Texas Public Education Information Report

1. Charter schools were authorized in Senate Bill 1, 74th Regular Session as part of a comprehensive rewrite of education laws.
2. TEA SOF CSSS 2010–2011 through 2023–2024. Link: <https://teaiprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>
3. TEA PEIMS FSP 2022–2023. Link: https://rptsvr1.tea.texas.gov/school/finance/forecasting/financial_reports/2223_FinActRep.html
4. Heritage Classical Academy 2022 new charter application (p. A-30; PDF p. 138). Link: http://casro.tea.state.tx.us/charter_apps/content/downloads/HerAcad/27-8.pdf; National Charter School Association (ND). Link: <https://qualitycharters.org/state-policy/transportation/>
5. TEC 12.106(a). Link: <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.106>
6. TEA PEIMS FSP (2022–2023). Link: https://rptsvr1.tea.texas.gov/school/finance/forecasting/financial_reports/2223_FinActRep.html
7. TEA Snapshot 2023. Link: https://rptsvr1.tea.texas.gov/cgi/sas/broker?_service=marykay&_program=perfreport_perfmost_sas&_debug=0&ccyy=2023&lev=5&prgopt=reports%2Fsnapshot%2Fsnapshot_sas
8. TEA Snapshot 2022. Statewide calculation based on 2021–2022 charter enrollment of 377,148. Link: https://rptsvr1.tea.texas.gov/cgi/sas/broker?_service=marykay&_program=perfreport_perfmost_sas&_debug=0&ccyy=2022&lev=5&prgopt=reports%2Fsnapshot%2Fsnapshot_sas
9. TEA Snapshot 2023. Link: https://rptsvr1.tea.texas.gov/cgi/sas/broker?_service=marykay&_program=perfreport_perfmost_sas&_debug=0&ccyy=2023&lev=5&prgopt=reports%2Fsnapshot%2Fsnapshot_sas
10. TEA Snapshot 2023 (Statewide and by charter school). Link: https://rptsvr1.tea.texas.gov/perfreport/snapshot/snapshot_srch.html
11. TEA Snapshot 2023. Statewide calculation uses per student operating expenditure and 2021–22 charter student enrollment. Link: https://rptsvr1.tea.texas.gov/cgi/sas/broker?_service=marykay&_program=perfreport_perfmost_sas&_debug=0&ccyy=2023&lev=5&prgopt=reports%2Fsnapshot%2Fsnapshot_sas
12. TEC 12.103(b) and 12.111(a)(9). Link: <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.103>; <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.111>
13. J. Jacob Kirksey (2024). Amid Rising Number of Uncertified Teachers, Previous Classroom Experience Proves Vital in Texas (Policy Briefing). Texas Tech University. Link: <https://ttu-ir.tdl.org/server/api/core/bitstreams/67c8dbef-c952-42a8-940b-aac406c74bc/content>
14. Ibid.
15. TPEIR 2022–2023. Longitudinal count of personnel by role. Link: <https://www.texaseducationinfo.org/Home/Topic/Staff%20and%20Teachers?br=Educators;Employed%20Teachers%20by%20Certification?br=Educators>
16. TEA Snapshot 2023. Link: https://rptsvr1.tea.texas.gov/cgi/sas/broker?_service=marykay&_program=perfreport_perfmost_sas&_debug=0&ccyy=2023&lev=5&prgopt=reports%2Fsnapshot%2Fsnapshot_sas
17. Ibid.
18. Ibid.
19. TEC 12.111(a)(5)(A). Link: <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.111>
20. Center for Reinventing Education (2015). Understanding Student Discipline Practices in Charter Schools: A Research Agenda. Link: <https://cree.org/understanding-student-discipline-practices-in-charter-schools-a-research-agenda/>
21. TEC 12.131. Link: <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.131>. Expulsion data (non-education setting, JJAEP, and DAEP) received from TEA via public information request. (Oct 2024–Jan 2025).
22. TEA data on expulsions received via request from legislative office to TEA (November 2024–January 2025). Data received on JJAEP, DAEP, and non-educational setting expulsion.
23. Jackson, J. Effect of special education challenges. The Inequity of Standardized Testing for Students with Disabilities." California State University, Chico (2023). Link: <https://scholarworks.calstate.edu/downloads/tm70n2039>
24. TEA PEIMS FSP 2022–2023. Data for all districts and charter schools). Link: Available at https://rptsvr1.tea.texas.gov/school/finance/forecasting/financial_reports/2223_FinActRep.html
25. TAPR 2022–2023. Link: <https://rptsvr1.tea.texas.gov/perfreport/tapr/2023/index.html>
26. TEA Snapshot 2023. Link: https://rptsvr1.tea.texas.gov/cgi/sas/broker?_service=marykay&_program=perfreport_perfmost_sas&_debug=0&ccyy=2023&lev=5&prgopt=reports%2Fsnapshot%2Fsnapshot_sas
27. Mendez, M. (2023, March 16). What happens when Texas takes over a school district like Houston ISD. Texas Tribune. Link: <https://www.texastribune.org/2023/03/16/tea-hisd-takeover-texas-houston-schools/#:~:text=A%20state%20takeover%20of%20a%20led%20to%20big%20staffing%20changes,Senate%20Bill%201842%20allows%20the%20Texas%20Education%20Agency%20to%20takeover%20an%20entire%20school%20district%20if%20only%20one%20campus%20receives%20a%20failing%20score%20on%20state%20test%20for%20five%20years%20in%20a%20row>
28. TEA TAPR 2023–2024. Link: <https://rptsvr1.tea.texas.gov/perfreport/tapr/2024/index.html>
29. Reardon, S. "The Widening Academic Achievement Gap Between the Rich and the Poor" Stanford University (2011). Link: <https://cepa.stanford.edu/sites/default/files/reardon%20whither%20opportunity%20-%20chapter%205.pdf>; Jackson, J. "The Inequity of Standardized Testing for Students with Disabilities." California State University, Chico (2023). Link: <https://scholarworks.calstate.edu/downloads/tm70n2039>
30. Testimony from Basis leadership to Texas House Public Education Committee (July 26, 2022).
31. TEA TAPR 2023–24. Link: <https://rptsvr1.tea.texas.gov/perfreport/tapr/2024/index.html>
32. Ibid.
33. Ibid.
34. Lopez, B. (2023, Sept. 19). Facing declining enrollment and charter school competition, San Antonio and Plano consider closing campuses. Texas Tribune. Link: <https://www.texastribune.org/2023/09/19/texas-sao-antonia-plano-school-districts-closures/>
35. TEA SOF 2019–2020 through 2023–2024. Data from Tier One Subchapter B & C allotments (other relevant revenue). Link: <https://teaiprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>
36. TEA District Transfer Reports (2023–2024). Link: <https://rptsvr1.tea.texas.gov/adhocrpt/StandardReports/TransferReports/district-transfer-report.html>
37. TEA 2023 Snapshot. Link: https://rptsvr1.tea.texas.gov/cgi/sas/broker?_service=marykay&_program=perfreport_perfmost_sas&_debug=0&ccyy=2023&lev=5&prgopt=reports%2Fsnapshot%2Fsnapshot_sas
38. Ibid.
39. TEA 2023 Snapshot. Link: https://rptsvr1.tea.texas.gov/cgi/sas/broker?_service=marykay&_program=perfreport_perfmost_sas&_debug=0&ccyy=2023&lev=5&prgopt=reports%2Fsnapshot%2Fsnapshot_sas
- The graduate count is for the 2021–2022 school year because there is a lag year for graduate data on TEA Snapshot.
40. TEA State Accountability Ratings State Summary (2022) (Most recent state ratings). Link: https://rptsvr1.tea.texas.gov/cgi/sas/broker?_service=marykay&_program=perfreport_perfmost_sas&_debug=0&ccyy=2022&lev=5&prgopt=reports/acct/state_summary_sas
- Note: TEA's ratings summary uses standard accountability for districts and campus ratings because AEA campuses have a different rating scale.
41. Senate Bill 1365 only allowed a letter rating of A – C in 2022; campuses that had numeric rating equivalent to a D or F received a Not Rated Senate Bill 1365 (NR SB 1365).
42. TEA Snapshot (2003–2023). Link: Available at https://rptsvr1.tea.texas.gov/perfreport/snapshot/index_old.html
43. Texas Public Charter School Association (Research paper: Redefining Possible – Endnotes p. 6). Link: <https://txcharterschools.org/wp-content/uploads/2024/10/Redefining-Possible.pdf>
44. Email from TEA confirming that TEA Snapshot data includes all students.
45. Texas Public Charter School Association (Research paper: Redefining Possible – Endnotes p. 6). Link: <https://txcharterschools.org/wp-content/uploads/2024/10/Redefining-Possible.pdf>
46. TEA TAPR 2023–24. Link: <https://rptsvr1.tea.texas.gov/perfreport/tapr/2024/index.html>
47. TEA TAPR 2022–23. Also list of AEA campuses 2023–2024 (disaggregated by charter and district). Link: <https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/aea-charter-final-2024.pdf>
48. Enrollment in Texas Public Schools 2023–24 (p. 57; PDF p. 69). Link: <https://tea.texas.gov/reports-and-data/school-performance/accountability-research/enroll-2023-24.pdf>; State aid to charters: TEA SOF CSSS 2023–24. Link: <https://teaiprod.tea.state.tx.us/fsp/Reports/CrystalReportViewer.aspx?rpt=33&year=2024&run=44999&charters=1&format=html>; Charter amendments received from TEA public information request.
49. TEC 12.103(b) and 12.1058(c). Link: <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.103>; <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.1058>
50. McKinley, E. and Dexheimer, E. (2023, January 22). Lax Texas charter school laws allow splashy land buys, profits for leaders. Houston Chronicle. Link: https://www.houstonchronicle.com/politics/article/laws-texas-charter-school-profits-DRAW-Horizon-1723803.php?aid=63883e2ea3338139a400ac&utm_source=newsletter&utm_medium=email&utm_term=news&utm_campaign=HC_MorningReport
51. Opinion Editorial. (2017, Nov 15). Houston charter school lacks a playground, but pays for a high-rise condo. Houston Chronicle. Link: <https://www.houstonchronicle.com/opinion/editorials/article/A-Houston-charter-school-lacks-a-playground-but-12360975.php>
52. Mohammed, I. (2024, March 6). Texas places state's largest charter school network under conservatorship. The Texas Tribune. Link: <https://www.texastribune.org/2024/03/06/idea-schools-conservatorship-texas/>
53. Carpenter, J. (2020, Jan 31). After backlash over \$2m luxury jet, IDEA to stop spending \$400k on "spurs tickets." Houston Chronicle. Link: <https://www.houstonchronicle.com/news/houston-texas/education/article/After-jet-backlash-IDEA-charter-schools-curbng-15017880.php>
54. Ibid.
55. Hendricks, D. (2021, Oct 29). IDEA sues Texas attorney general to keep hotel purchase secret. Progress Times. Link: <https://www.progress-times.net/2021/10/29/idea-sues-texas-attorney-general-to-keep-hotel-purchase-records-secret/>
56. Mohammed, I. (2024, March 6). Texas places state's largest charter school network under conservatorship. The Texas Tribune. Link: <https://www.texastribune.org/2024/03/06/idea-schools-conservatorship-texas/>
57. IDEA Public Schools Annual Financial Report (2022–2023) (p. 41). Link: <https://ideapublicschools.org/wp-content/uploads/2023/12/IPS-Consolidated-Audit-Report-2022-23.pdf>
58. McKinley, E. (2022, Aug 18). IDEA Public Schools signed a \$15M lease for luxury jet despite being under state investigation. Houston Chronicle. Link: <https://www.houstonchronicle.com/politics/texas/article/IDEA-Public-Schools-2019-luxury-jet-deal-coverage-17378084.php>
59. Opinion Editorial. (2023, March 8). Lax oversight of charter schools raises questions about vouchers. San Antonio Express News. Link: <https://www.expressnews.com/opinion/editorial/article/editorial-oversight-charter-schools-texas-17824653.php>
60. Faith Family Kids IRS Form 990 (2021–2022) (Schedule O – Supplemental Information; PDF p. 34; and Schedule C, Part VII – Officers, Trustees – PDF p. 8). Link: <https://projects.propublica.org/nonprofits/organizations/61889571/202421949349301862/full>
61. Faith Family Academy Series 2021A Bonds (7/6/2021). Official Statement – Certain Business Relationships – PDF p. 108/A–26. Link: <https://emma.msrb.org/211812363-PII170506-PII586206.pdf>
62. Employment contract for the Faith Family Academy Superintendent (2020 – 2025). Link: https://www.faithfamilyacademy.org/uploaded/Required_Postings/Superintendent_contract_20-25.pdf

63. TEC 12.1055. Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.1055>. 19 Tex. Adm. Code Sec. 100.1031.
64. TEC 12.1055(d). Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.1055>.
65. IRS Form 990 (2011-2012) (PDF p. 12). Superintendent in position as of August 31, 2012. Link https://projects.propublica.org/nonprofits/display_990/61689571/2013_05_F0%2E06-1689571_990_201208.
66. TEA Superintendent Salary Report 2020-2021. Link <https://rptswr1.tea.texas.gov/adhocrpt/adpda.html>.
67. IRS Form 990 2020-2021 (Schedule J, Part II – PDF p. 30). Faith Family Kids (“DBA Faith Family Academy of Waxahachie”). Link. Available at <https://projects.propublica.org/nonprofits/organizations/61689571/202241829349300429/full>.
68. TEC 11.01(a) and 12.103(b). Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.11.htm#11.01>; Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.103>. Note that a 2023 law change, which followed a newspaper investigation, restricts such personal benefits for real estate transactions if the charter school wants more favorable land-development treatment from a political subdivision. TEC 12.1058(e). Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.1058>.
69. Horizon Montessori Public Schools (South Texas Educational Technologies). Annual Financial Reports (2021-2022) (p. 22-23). Link <https://tealprod.tea.state.tx.us/Audit/Public/PDFViewer.asp>.
70. Horizon Montessori (South Texas Educational Technologies). Annual Financial Reports 2003 – 2022 (For example: AFR 8.31.2022 – see p. 22). Link <https://tealprod.tea.state.tx.us/Audit/Public/PDFViewer.asp>.
71. Hidalgo County Central Appraisal District. Archived information retrieved by phone (January 2022). Property appraised value in 2003 was \$307,364.
72. Hidalgo County Central Appraisal District (Values in 2022). Link <https://hidalgo.prodprodgcad.com/property-detail/324544/2022>.
73. Opinion Editorial. (2023, March 8). Tax oversight of charter schools raises questions about vouchers. San Antonio Express News. Link <https://www.expressnews.com/opinion/editorial/article/editorial-oversight-charter-schools-texas-17874653.php>.
74. McKinley, E. and Dexheimer, E. (2023, January 22). Tax Texas charter school laws allow splashy land buys, profits for leaders. Houston Chronicle. Link https://www.houstonchronicle.com/politics/article/laws-Texas-charter-school-profits-DRAW-Horizon-17723803.php?cid=83863e2ea3536738a400acdc&utm_source=newsletter&utm_medium=email&utm_term=news_a&utm_campaign=HC_MorningReport.
75. Ibid.
76. Ibid.
77. Ibid.
78. Ibid.
79. Carpenter, J. (2017, Dec 23). Houston charter network bought Dallas condo for office, storage. Houston Chronicle. Link <https://www.houstonchronicle.com/news/education/article/Houston-charter-network-bought-Dallas-condo-for-12452726.php>.
80. McKinley, E. and Dexheimer, E. (2023, January 22). Tax Texas charter school laws allow splashy land buys, profits for leaders. Houston Chronicle. Link https://www.houstonchronicle.com/politics/article/laws-Texas-charter-school-profits-DRAW-Horizon-17723803.php?cid=83863e2ea3536738a400acdc&utm_source=newsletter&utm_medium=email&utm_term=news_a&utm_campaign=HC_MorningReport.
81. TEA Annual Financial Reports for each charter operator by year 2019 – 2023. Link <https://tealprod.tea.state.tx.us/Audit/Public/PDFViewer.asp>.
82. TEC 12.101(4) and 19 Tex. Adm. Code Sec. 100.1001 (management company y definitions); TEC 12.1051 (applicability of public information and open meetings laws); TEC Sec. 12.1058(m) (CMO property transactions financial information subject to disclosure); Govt Code 552.0222 (certain contracting information public). Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.1012>. Link https://texasreg.sos.state.tx.us/public/readText.asp?DocPage=1&Doc=9&Dir=&P_Loc=6&P_Ploc=&Pg=1&P_Loc=6&Pg=2&Ch=100&Id=1001. Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.1012>. Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.1058>. Link <https://statutes.capitol.texas.gov/Docs/GV/htm/GV.552.htm#552.0222>.
83. TEA Annual Financial Reports for each charter operator by year 2019 – 2023. Link <https://tealprod.tea.state.tx.us/Audit/Public/PDFViewer.asp>; Imagine estimate: AFR, IRS 990, 2016 bond.
84. Texas Secretary of State – Business organization search (January 2025). Link <https://direct.sos.state.tx.us/aocct/aocct-login.asp>.
85. Manno, M. (2023, Nov. 27). TEA launches special investigation into San Antonio-based charter network Great Hearts Texas. San Antonio Express News. Link <https://www.expressnews.com/news/education/article/tea-launches-special-investigation-great-hearts-18506538.php>.
86. TEC 12.101(b-2). Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.101>.
87. TEC 12.114(a). Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.114>.
88. List of final charter expansion amendments by year provided by TEA in response to public information requests.
89. TEC 7.102(c). Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.7.htm#7.102>; TEC 12.101(b-0). Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.101>.
90. TEA Charter School Portfolio – IDEA new charter application – 2000. Link http://casro.tea.state.tx.us/charter_apps/content/downloads/Applications/108807.pdf.
91. TEA Charter School Portfolio – IDEA new campus amendments. Link https://prior.tea.state.tx.us/Charter/Forms/ReportViewerPublic.aspx?reportid=rpt_omendmentstatus.rpt&cdn=108807.
92. Also TEA AskTED – IDEA campuses 2024-25. Link <https://tealprod.tea.state.tx.us/TeaAskTed/Web/Forms/BrowseSchool.aspx?infotype=org00>.
93. TEA Charter Expansion Amendment Application. See Section II: “Justification for Expansion Amendment Request: State justification for the expansion request below.” Examples of charter rationale received from TEA in response to public information request available upon request. Link <https://tea.texas.gov/system/files/ExpansionAmendmentRequestForm.pdf>.
94. McKinley, E., (2023, July 29). New Texas charter schools regularly overpromise on student enrollment, data shows. Houston Chronicle. Link https://www.houstonchronicle.com/politics/article/laws-charter-schools-enrollment-data-18189072.php?utm_source=marketing&utm_medium=email&utm_campaign=article-share&utm_source=HRC&utm_medium=email&utm_term=news_a&utm_campaign=HC_MorningReport.
95. Ibid. Also TEA Charter Application Portfolio. Legacy the School of Sports Sciences (PDF p. II – 12). Link https://casro.tea.state.tx.us/charter_apps/content/downloads/Applications/101874.pdf.
96. Ibid.
97. TEA TAPR 2023-2024. STAAR results: All Grades/All Subjects (At/Approaches grade level or above). Link <https://rptswr1.tea.texas.gov/perfreport/tapr/2024/index.html>.
98. TEA Charter Application Portfolio. Charter Amendments: International Leadership of Texas (p. 38-39). Link https://prior.tea.state.tx.us/Charter/Forms/ReportViewerPublic.aspx?reportid=rpt_omendmentstatus.rpt&cdn=057850.
99. TEA Final List of Campus and District Ratings (p. 151-152). Link <https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/2019-listmasterbydistname.pdf>.
100. Ibid.
101. TEA TAPR 2020-2021. Link <https://rptswr1.tea.texas.gov/perfreport/tapr/2021/index.html>.
102. Tarrant County Joint General and Special Elections (5.6.17) (PDF p. 9). Link <https://www.tarrantcountytx.gov/content/dam/main/Elections/2017/0517/cumulative.pdf>.
103. TEA TAPR 2020-2021. Link <https://rptswr1.tea.texas.gov/perfreport/tapr/2021/index.html>.
104. TEA Final List of Campus and District Ratings (p. 151-152). Link <https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/2019-listmasterbydistname.pdf>.
105. Texas Tribune (10/10/2023). “Texas schools chief took over Houston district, but has let underperforming charter networks expand.” (10/10/2023). Link <https://www.texastribune.org/2023/10/10/texas-mike-morath-underperforming-charter-schools-expand/>.
106. TEA Charter Application Portfolio. Charter Amendments: Pioneer Technology and Arts Academy (p. 2). Link https://prior.tea.state.tx.us/Charter/Forms/ReportViewerPublic.aspx?reportid=rpt_omendmentstatus.rpt&cdn=057850.
107. Pioneer Arts and Technology charter expansion application for new campus in Richardson ISD – available from TEA upon request.
108. TEA School Report Card (2019-2020). Link. Available at https://rptswr1.tea.texas.gov/cgi/sas/broker?_service=marykay&_program=perfreport&perfmas=sas&debug=0&cnv=2020&lev=C&id=057916048&prgopt=reports%2FScrc%2Fscs.sas.
109. TEA TAPR 2022-2023 and 2023-2024. Link <https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/texas-ocademic-performance-reports>.
110. Ibid.
111. TEA AskTED data report – List of charter campuses by Texas county (2023-2024). Link <https://tealprod.tea.state.tx.us/TeaAskTed/Web/Forms/ReportMain.aspx>.
112. 2024-25 Biennium LBB Fiscal Size-Up 2024-25 Biennium (p. 229, Figure 157). Link https://www.lbb.texas.gov/Documents/Publications/Fiscal_Sizeup/Fiscal_Sizeup_2024-25.pdf.
113. Enrollment in Texas Public Schools 2023-2024 (p. 58; PDF p. 70). Link. Available at <https://tea.texas.gov/reports-and-data/school-performance/accountability-research/enroll-2023-24.pdf>.
114. TEA SOF CSSS (2010-II through 2023-24). Link <https://tealprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>.
115. Ibid.
116. TEA SOF Charter School Statewide Summary (Years 2013-14 – Line 52 and 2023-24 – Line 57). Link. Available at <https://tealprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>.
117. TEA SOF Charter School Statewide 2010-2011 through 2023-2024. Total FSP/ASK State Aid. Link <https://tealprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>.
118. Charter School Statewide SOF – Local revenue in excess of entitlement (2010-21 through 2023-2024). Link <https://tealprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>.
119. TEC 12.106(a-2) Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.106>; also TEC 48.101 (b) or (c). Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.48.htm#48.101>; also TEA SOF CSSS 2023-24 (ADA – Line 2; Allotment – Line 22).
120. TEA SOF by charter/district (Line 22 – Small to Mid-Size Allotment). Link <https://tealprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>.
121. TEA SOF 2023-2024 for public school districts with enrollment over 5,000 (Line 22). Link <https://tealprod.tea.state.tx.us/fsp/Reports/CrystalReportViewer.aspx?rpt=6&year=2024&run=44817&cdn=079907&format=html>.
122. TEA SOF 2023-2024 – IDEA Public Schools (Line 22). Link <https://tealprod.tea.state.tx.us/fsp/Reports/CrystalReportViewer.aspx?rpt=6&year=2024&run=44116&cdn=108807&format=html>.
123. TEA SOF 2023-2024 – Charter schools with 5,000 ADA and over (Line 2 – Regular Program ADA and Line 22 – Small to Mid-Size Allotment). Link <https://tealprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>.
124. TEA SOF 2023-2024 (Line 22 – Small to Mid-Size Allotment) – Comparison by district/charter. Link. Available at <https://tealprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>.
125. TEA Summary of Charter Awards and Closures. Total does not include consolidations. Link <https://tea.texas.gov/texas-schools/texas-schools-charter-schools/summary-of-awards-and-closures-1.pdf>.
126. TEA Charter Amendment Final Reports by year received from TEA through public information requests.
127. Sanchez, J. (2024, Dec 5). Rocketship parents, students disappointed after Fort Worth merger approved. Fort Worth Report. Link. Available at <https://fortworthreport.org/2024/12/05/rocketship-parents-students-disappointed-after-fort-worth-school-merger-approved/>.
128. Official Statements from bond documents indicate bonds are repaid with state funds. Examples: Valor Education 2024A Bond (p. 15 – PDF p. 27). Link <https://emma.msrb.org/PI1785332-PI1370102-PI1807842.pdf>; IDEA Public Schools: 2024 Bond (p. 5- PDF p. 11). Link <https://emma.msrb.org/PI21809184-P21388123-P21828807.pdf>.
129. Texas Bond Review Board. Local Government Annual Report 2024 (p. iv). Link <https://www.brb.texas.gov/wp-content/uploads/2025/01/2024LocalARFinal.pdf>.
130. Email from Permanent School Fund Corporation to House Appropriations Committee (February 2023).
131. Williamson R. (2018, Dec 10). Unrated Texas deal will be largest for charter schools. The Bond Buyer. Link <https://www.bondbuyer.com/news/unrated-texas-deal-will-be-largest-for-charter-schools/>.
132. Official Statement in International Leadership Texas 2018D bond document (p. 28; PDF p. 42). Link <https://emma.msrb.org/ESI223835-ES955425-ESI355412.pdf>.
133. Carpenter, J. (2018, Nov 4). Texas fastest growing charter network planning massive bond package. Houston Chronicle. Link <https://www.houstonchronicle.com/news/houston-texas/houston/article/Texas-fastest-growing-charter-network-planning-13359520.php>.
134. Arlington Higher Education Finance Corporation Revenue Bonds for BASIS Texas – Official Statement (June 2024) – Wait List (p. B27; PDF p. 159). Link <https://emma.msrb.org/PI1763723-PI1354299-PI1790932.pdf>.
135. TEA Charter Application Portfolio – BASIS Charter Amendments (p.20-21). Link https://prior.tea.state.tx.us/Charter/Forms/ReportViewerPublic.aspx?reportid=rpt_omendmentstatus.rpt&cdn=015834.
136. TEA SOF CSSS (2010-II through 2023-2024). Link <https://tealprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>.
137. TEA SOF for IDEA Public Schools 2020 – 2024 (See Total FSP/ASF State Aid). Link <https://tealprod.tea.state.tx.us/fsp/Reports/ReportSelection.aspx>.
138. TEA SOF Charter School Statewide Summary 2023-2024 (Line 57). Link <https://tealprod.tea.state.tx.us/fsp/Reports/CrystalReportViewer.aspx?rpt=3&year=2024&run=44898&charters=Y&format=html>.
139. TEA SOF 2023-2024 – IDEA Public Schools (Line 57). Link. Available at <https://tealprod.tea.state.tx.us/fsp/Reports/CrystalReportViewer.aspx?rpt=6&year=2024&run=44116&cdn=108807&format=html>.
140. General Appropriations Act 2024-2025 Biennium, 88th Regular Session. Total Method of Financing (p. III-86). Link. Available at https://www.lbb.texas.gov/Documents/GAA/GeneralAppropriations_Act_2024_2025.pdf.
141. Ibid. p. III-160, III-161, III-164, III-166, III-227, III-231
142. Ibid. p. VI-17
143. TEC Sec. 12.1202. A majority of charter board members must be qualified voters, i.e., Texas residents. Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.1202>.
144. TEC Sec. 12.1051. Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.1051>.
145. TEC 11.01(a) and 12.103(b). Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.11.htm#11.01>; Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.103>. TEC 12.1058(e). Link <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.12.htm#12.1058>.

FACING FACTS: CHARTER SCHOOLS IN TEXAS

after thirty years it's time for change

It's time for Texans to have more power over the decisions that impact the education of our children and cost billions of our taxpayer dollars.

HIGHLIGHTS FROM THE REPORT:



Charter schools leave too many students behind

- Unlike public school districts, charter schools can exclude certain students from enrolling and expel a student for any reason.
- The percentage of special education students served by charter schools is 29% less than the percentage served by public school districts.
- Almost half of Texas charter schools spend NOTHING on transportation for students.
- Charter schools spend an average of \$437 more per student on central administration than public school districts.

Public school districts lose billions in revenue to charter schools

- Charter schools serve about 8% of Texas students but receive about 17% of all state aid for public schools.
- Five urban public school districts have lost \$5.3 billion in revenue over the last five years due to unlimited charter expansion.

Public school districts consistently outperform charter schools statewide

- Charter schools have more than triple the high school dropout rate of public school districts.
- Public school districts have scored higher than charter schools on statewide STAAR exams for All Students/All Subjects and in most individual subject areas for the last 20 years.

Many Texas laws that apply to public school districts to protect taxpayers do not apply to charter schools

- Unlike public school superintendents, charter superintendents can lease their own property back to their charter school despite the conflict of interest.

No cap on charter school enrollment

- Existing charter schools can expand anywhere in Texas through a charter amendment with the sole approval of the appointed Texas Commissioner of Education and without a vote by any elected body.
- Since 2010, 1,128 new charter campuses have been approved by one appointed state official with no public notice, vote, or meeting.

Charter schools are not accountable to the public for major decisions

- Charter schools have incurred billions in bond debt for facilities without any voter approval.
- Charter school boards are self-appointed, not elected and not accountable to the public and taxpayers.

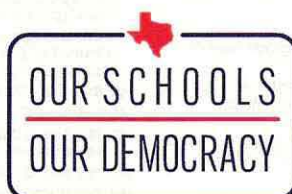
The largest charter schools have a funding advantage over public school districts

- All charter schools receive more than \$1,000 per student in state funds regardless of their size from a state allotment to help small to mid-size school district.
- IDEA Public Schools with almost 77,000 students received nearly \$75 million from the allotment in 2023-24, while public school districts of similar size received NOTHING.

**All citations for this page are included on pages 18-19 of this report*

The stakes are high.

The future of our local public schools that are dedicated to educating all children is at risk.



About Our Schools Our Democracy

Our Schools Our Democracy (OSOD) is a new Texas-based nonpartisan and independent 501c3 nonprofit organization established to educate and inform parents, taxpayers, and decision-makers about the impact of unlimited charter school expansion on our public school districts, neighborhood schools, students, and our democracy.

2025 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

SB 2241
4/1/2025

Relating to the authorization and administration of public charter schools; and to provide for a legislative management report.

2:40 p.m. Chairman Heinert called the hearing to order.

Discussion Topics:

- Committee action

2:50 p.m. Amiee Copas, Executive Director, ND Council of Educational Leaders, NDCEL, answered questions for the committee.

2:54 p.m. Adam Tescher, School Finance Officer, ND Department of Public Instruction, NDDPI, answered questions for the committee.

3:03 p.m. Vice Chair Schreier- Beck moved to adopt amendment 25.0799.02001. #44534

3:03 p.m. Representative Hager seconded the motion.

Representatives	Vote
Representative Pat D. Heinert	Y
Representative Cynthia Schreiber-Beck	Y
Representative Liz Conmy	Y
Representative LaurieBeth Hager	Y
Representative Patrick R. Hatlestad	N
Representative Dori Hauck	Y
Representative Matthew Heilman	N
Representative Jim Jonas	Y
Representative Donald W. Longmuir	Y
Representative Roger A. Maki	Y
Representative Andrew Marschall	Y
Representative Desiree Morton	Y
Representative Anna S. Novak	Y
Representative Doug Osowski	Y

Motion carried: 12-2-0

3:05 p.m. Representative Heilman moved a Do Pass as Amended.

3:05 p.m. Representative Marschall seconded the motion.

Representatives	Vote
Representative Pat D. Heinert	Y
Representative Cynthia Schreiber-Beck	Y
Representative Liz Conmy	N
Representative LaurieBeth Hager	N
Representative Patrick R. Hatlestad	N
Representative Dori Hauck	Y
Representative Matthew Heilman	Y
Representative Jim Jonas	N
Representative Donald W. Longmuir	N
Representative Roger A. Maki	Y
Representative Andrew Marschall	Y
Representative Desiree Morton	Y
Representative Anna S. Novak	N
Representative Doug Osowski	Y

Motion carried: 8-6-0

Bill carrier: Representative Hauck

3:19 p.m. Chairman Heinert adjourned the meeting.

Leah Kuball, Committee Clerk

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED SENATE BILL NO. 2241

Introduced by

Senators Axtman, Hogue, Schaible

Representatives Bosch, Heinert, Lefor

CO
4/1/25
1 of 13

- 1 A BILL for an Act to create and enact a new chapter to title 15.1 of the North Dakota Century
2 Code, relating to the authorization and administration of public charter schools; and to provide
3 for a legislative management report.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

- 5 **SECTION 1.** A new chapter to title 15.1 of the North Dakota Century Code is created and
6 enacted as follows:

7 **Definitions.**

8 As used in this chapter:

- 9 1. "At-risk student" means a student with an economic or academic disadvantage
10 requiring additional services or assistance to succeed in educational programs,
11 including special education students and English language learners.
12 2. "Charter performance agreement" means an agreement for a fixed term between a
13 public charter school and the superintendent of public instruction describing academic,
14 operational, and financial performance expectations, defining operational
15 responsibilities, and outlining the autonomy and accountability for each party to the
16 agreement.
17 3. "Education service provider" means a for-profit or nonprofit entity a public charter
18 school intends to enter a performance agreement with for education services and
19 resources, including academic program design and implementation, educational

1 services and resources, administrative support, charter implementation, or
2 management.

3 4. "Public charter school" means a public school operating to achieve specific
4 educational objectives according to the charter performance agreement as authorized
5 and overseen by the superintendent of public instruction.

6 5. "Public meeting" means a meeting subject to the requirements for public meetings
7 under chapter 44-04.

8 **Public charter schools - Authority - Governance - Requirements.**

9 A public charter school formed under this chapter:

- 10 1. Is a public school within the state's public education system.
11 2. May decide matters related to budgeting, curriculum, and operating procedures,
12 subject to the school's charter performance agreement.
13 3. Shall obtain insurance against loss or damage to its property, liability resulting from the
14 use of its property, and liability from the acts or omissions of its officers and
15 employees.
16 4. Is under the control of a governing board, the members of which are elected or
17 selected pursuant to the school's charter performance agreement.
18 5. Is established by a charter performance agreement between the governing board and
19 the superintendent of public instruction.
20 6. Is a school to which a parent or guardian may choose to send the parent or guardian's
21 child.
22 7. Provides a program of education that:
23 a. Meets or exceeds state performance standards, instructional hours, and
24 graduation requirements.
25 b. Includes one or more grade levels from kindergarten through grade twelve.
26 c. May focus on at-risk students, including English language learners, students in
27 foster care, and students involved with the juvenile justice system.
28 d. May include a specific academic approach or theme.
29 8. May receive and disburse funds for school purposes.

- 1 9. May enter an agreement or cooperate with a public or nonpublic entity for services for
- 2 students with special needs, English language learners, and other specialized
- 3 populations or administrative services.
- 4 10. May sue and be sued in its name.
- 5 11. May not engage in religious practices in its educational program, admissions,
- 6 employment policies, or operations.
- 7 12. May not charge tuition or fees for any services provided for students, except fees for
- 8 field trips, clubs, organizations, and athletic participation.
- 9 13. Must be an in-person school. A public charter school may not provide online, virtual, or
- 10 home education as the primary method of educational programming.
- 11 14. Is responsible for collecting, analyzing, and reporting student data from state
- 12 assessments administered by the superintendent of public instruction under section
- 13 15.1-21-08 in accordance with the performance framework in the approved charter
- 14 performance agreement.
- 15 15. Is subject to the public school approval requirements under section 15.1-06-06.

Applicability of other laws, rules, and regulations.

- 17 1. Except as provided in this chapter, a public charter school is not subject to a state or
- 18 local law, rule, regulation, policy, or procedure related to education.
- 19 2. A public charter school is subject to federal laws and authorities related to education.

Superintendent of public instruction - Information - Guidance - Rules.

The superintendent of public instruction:

- 22 1. Shall publish information and procedures regarding forming and operating a public
- 23 charter school and enrolling students in a public charter school.
- 24 2. May provide assistance and guidance for developing effective authorization and
- 25 oversight procedures.
- 26 3. Shall adopt rules in accordance with chapter 28-32 to implement this chapter.

Charter schools - Eligibility - Enrollment.

- 28 1. A prospective student is eligible to enroll in a public charter school if the prospective
- 29 student resides in the state.
- 30 2. A public charter school:

- 1 a. Shall enroll all students who wish to attend the school, unless the number of
2 students exceeds the enrollment capacity of a program, class, grade level, or
3 building.
- 4 b. Shall determine admission by a lottery if initial capacity is insufficient to enroll all
5 students who timely submit an application. The selection process must take place
6 in a public setting. An applicant must have a fair opportunity to be selected in the
7 lottery. The lottery must be randomized and conducted competently,
8 transparently, and impartially.
- 9 c. May not base admissions on ethnicity, national origin, religion, gender, income
10 level, disabling condition, proficiency in the English language, or academic or
11 athletic ability, except as provided under this section.
- 12 d. May limit enrollment to students to a given age group, grade level, or pursuant to
13 a special emphasis stated in the school's application for a charter performance
14 agreement.
- 15 e. Shall give enrollment preference to students and the siblings of students enrolled
16 in the public charter school the previous school year.
- 17 f. May give enrollment preference to children of a public charter school's
18 employees, if the students constitute no more than ten percent of the total
19 student population.

20 **Superintendent of public instruction - Powers and duties - Report to the legislative**
21 **management.**

- 22 1. The superintendent of public instruction shall:
 - 23 a. Evaluate an application from the organizer of a proposed public charter school.
 - 24 b. Deny an application that does not meet identified educational needs.
 - 25 c. Determine whether a charter school application merits approval, conditional
26 approval, renewal, or revocation.
 - 27 d. Negotiate and execute a charter performance agreement with an approved public
28 charter school.
 - 29 e. Monitor the performance and compliance of a public charter school.
- 30 2. The superintendent of public instruction shall provide to the legislative management a
31 report within three years of approving the first public charter school summarizing the:

- 1 a. Strategic vision and progress of each public charter school.
- 2 b. Performance of each operating public charter school, according to the
- 3 performance measures and expectations specified in the charter performance
- 4 agreement.
- 5 c. Status of charter applications, including charter schools that were not approved,
- 6 not renewed, and closed.
- 7 d. Oversight and services provided by the superintendent of public instruction to
- 8 public charter schools.
- 9 e. Total amount of fees collected from each public charter school, how the funds
- 10 were expended to support the public charter school, and the costs incurred by
- 11 the superintendent of public instruction to oversee each public charter school.
- 12 3. To cover costs of overseeing public charter schools in accordance with this chapter,
- 13 the superintendent of public instruction may:
- 14 a. Expend resources available to the department of public instruction, seek grant
- 15 funds, and establish partnerships.
- 16 b. Charge an administrative fee of up to three percent of annual per student
- 17 allocations received by each public charter school.
- 18 4. An employee of the superintendent of public instruction may not serve as an
- 19 employee, trustee, agent, representative, or vendor of a public charter school.
- 20 5. The superintendent of public instruction is not liable for the acts, omissions, debts, or
- 21 other obligations of a public charter school.

22 **Establishment of a public charter school - Conversion to a public charter school -**

23 **Application requirements.**

- 24 1. To establish a public charter school, the organizer of a public charter school shall
- 25 submit an application to the superintendent of public instruction and notify the board of
- 26 the school district where the public charter school will be located of the intent to
- 27 establish a public charter school.
- 28 2. For a school seeking to convert to a public charter school, the application must
- 29 demonstrate support for the proposed public charter school conversion with a petition
- 30 signed by a majority of teachers and parents or guardians of students at the existing

1 school. Students who attended the school before conversion to a public charter school
2 may be given enrollment preference.

3 3. The superintendent of public instruction shall create an application to establish a
4 public charter school or convert to a public charter school, which must include the
5 following essential elements:

6 a. School mission and vision.

7 b. Academic program.

8 c. Grade levels to be offered and growth plan.

9 d. Student evaluation plans.

10 e. Governance plan.

11 f. Organization chart.

12 g. Plan to serve at-risk students.

13 h. Community input and involvement.

14 i. Finances and audits.

15 j. Student policies, including discipline plans.

16 k. Staff policies.

17 **Education service providers.**

18 If a proposed public charter school intends to enter an agreement with an education service
19 provider for education or management services, in addition to the other application
20 requirements, a public charter school organizer shall:

21 1. Explain the selection process and reasoning for selecting the education service
22 provider.

23 2. Provide evidence of the education service provider's success in serving student
24 populations similar to the targeted population, including demonstrated academic
25 achievement and, if applicable, successful management of nonacademic school
26 functions.

27 3. Provide information on the proposed duration of the service performance agreement,
28 roles, responsibilities, and scope of services and resources to be provided by the
29 education service provider, performance evaluation measures and timelines,
30 compensation structure, methods of performance agreement oversight and

1 enforcement, and conditions for renewal and termination of the performance
2 agreement.

3 4. Explain the relationship between the governing board, the school's leadership and
4 management team, and the education service provider, specifying how the governing
5 board and the school's leadership and management team will monitor and evaluate
6 the performance of the education service provider.

7 5. Provide a statement of assurance the governing board and the school's leadership
8 and management team are legally and operationally independent from the education
9 service provider.

10 6. Ensure faculty performance agreements are separate from management performance
11 agreements.

12 7. Ensure the governing board retains the right to terminate the performance agreement
13 for failure to meet defined performance standards after notice has been given to the
14 education service provider, a reasonable cure period has expired, and material
15 deficiencies have not been cured.

16 8. Disclose and explain any existing or potential conflicts of interest between the
17 governing board, the school's leadership and management team, and the education
18 service provider or any affiliated business entities.

19 **Application review process - Approval decisions.**

20 1. The application review process must include a thorough evaluation of the application
21 and an in-person interview with the applicant at a public meeting.

22 2. The superintendent of public instruction shall:

23 a. Grant charters to applicants demonstrating competence in the charter
24 application.

25 b. Base decisions on documented evidence collected through the application review
26 process.

27 c. Follow charter granting policies and practices that are transparent, merit based,
28 and avoid a conflict of interest or the appearance of a conflict of interest.

29 3. No later than ninety days after the deadline for filing applications, the superintendent
30 of public instruction shall approve or deny each application. The superintendent of

1 public instruction shall publicly notice and publish public charter school application
2 decisions.

3 4. An approval decision may include reasonable conditions the applicant must meet
4 before a charter performance agreement may be executed. Reasonable conditions
5 may not include enrollment caps.

6 5. If the superintendent of public instruction conditionally approves or denies an
7 application, the superintendent of public instruction clearly shall state the reasons in
8 writing.

9 6. The superintendent of public instruction shall maintain a list of approved charter
10 applications in chronological order by date of approval.

11 7. An approved application is not a charter performance agreement.

12 **Charter performance agreements - Performance-based accountability - Data**
13 **reporting.**

14 1. If an application is approved, the superintendent of public instruction and the
15 governing board of the public charter school shall execute a charter performance
16 agreement no later than sixty days after approval, including:

17 a. Academic, operational, and fiscal performance expectations and measures by
18 which the public charter school will be judged.

19 b. A description of the standards and processes under which the superintendent of
20 public instruction will oversee and monitor the public charter school.

21 c. Actions the superintendent of public instruction may pursue to revoke a charter
22 performance agreement.

23 2. A charter performance agreement must be signed by the superintendent of public
24 instruction and the public charter school's governing board.

25 3. A public charter school may not commence operations without a charter performance
26 agreement executed in accordance with this section and approved in a public meeting.

27 4. A public charter school governing board or its designee may negotiate with the
28 superintendent of public instruction to amend a charter performance agreement. The
29 superintendent of public instruction's review of the charter performance agreement
30 must be limited to the proposed request for amendments.

31 5. The charter performance agreement must include:

- 1 a. Indicators related to student academic proficiency, student academic growth,
- 2 attendance, recurrent enrollment, readiness for success upon graduation,
- 3 financial performance, governance performance, and family and community
- 4 engagement.
- 5 b. Annual performance targets to support the public charter school's compliance
- 6 with federal and state requirements.
- 7 6. More than one public charter school may be authorized under a charter performance
- 8 agreement as approved by the superintendent of public instruction, if the public charter
- 9 schools are separate and distinct from one another.

10 **Charter performance agreement - Terms - Delayed opening.**

- 11 1. An initial charter performance agreement term is five years. The term commences on
- 12 the public charter school's first day of operation.
- 13 2. A public charter school may delay its opening for up to one school year after approval.
- 14 If the public charter school requires an opening delay of more than one school year,
- 15 the public charter school shall request an extension from the superintendent of public
- 16 instruction, which may be granted at the discretion of the superintendent.
- 17 3. The superintendent of public instruction may grant renewal of a charter performance
- 18 agreement for successive terms of five years.

19 **Superintendent of public instruction - Monitoring - Annual evaluation - Opportunity**

20 **for remediation.**

- 21 1. The superintendent of public instruction shall monitor the performance and legal
- 22 compliance of the public charter schools, including an annual evaluation for each
- 23 public charter school according to the charter performance agreement.
- 24 2. If a public charter school's performance or legal compliance is unsatisfactory, the
- 25 superintendent of public instruction promptly shall notify the public charter school and
- 26 provide a reasonable opportunity for the school to remedy the problems identified by
- 27 the superintendent of public instruction. A public charter school must be given at least
- 28 fifteen days to respond to the superintendent of public instruction's notification.

29 **Public charter school performance report - Renewal responsibilities.**

- 30 1. The superintendent of public instruction shall issue a public charter school
- 31 performance report for each five-year term of a charter performance agreement no

1 later than seventy-five days before a public charter school's fourth year of operation
2 begins.

3 2. The report must include renewal application guidance, as needed, and notice of any
4 concerns that may jeopardize the public charter school's position in seeking renewal if
5 not timely rectified.

6 3. A public charter school must be given at least thirty days to respond to the
7 performance report and submit any corrections or clarifications for the report.

8 **Renewal application - Decision.**

9 1. The superintendent of public instruction shall create a uniform renewal application and
10 evaluation process.

11 2. The governing board shall submit a renewal application to the superintendent of public
12 instruction no later than the first day of instruction of a public charter school's final
13 authorized year of operation.

14 3. The renewal application must include:

15 a. A performance report and additional evidence in support of renewal.

16 b. Improvements undertaken or planned for the school.

17 c. Plans for the next charter term.

18 4. Renewal decisions must be supported by evidence of the public charter school's
19 performance under the performance framework in the charter performance agreement.

20 5. The superintendent of public instruction shall render a decision on a renewal
21 application no later than forty-five days after the renewal application was filed.

22 6. The public charter school is entitled to a public meeting with the superintendent of
23 public instruction regarding the renewal decision.

24 7. The superintendent of public instruction shall provide to the public charter school and
25 publish a report summarizing the basis for each decision, including supporting
26 evidence.

27 **Charter performance agreement - Revocation - Nonrenewal.**

28 1. A charter performance agreement may be revoked at any time or not renewed if the
29 superintendent of public instruction determines the public charter school:

30 a. Failed to comply with this chapter or other law.

- 1 b. Committed a material violation of a term, condition, standard, or procedure
- 2 required under the charter performance agreement.
- 3 c. Failed to meet or make sufficient progress toward the performance expectations
- 4 under the charter performance agreement.
- 5 d. Failed to meet accepted standards of fiscal management.
- 6 2. Revocation may not occur before a public meeting with the charter holder occurs,
- 7 unless the superintendent of public instruction determines the continued operation of
- 8 the public charter school presents an imminent public safety issue, in which case the
- 9 charter performance agreement may be revoked immediately.
- 10 3. A public charter school has thirty days to respond to the superintendent of public
- 11 instruction's notice to revoke the school's charter performance agreement.
- 12 4. If the superintendent of public instruction revokes or does not renew a charter
- 13 performance agreement, the superintendent of public instruction shall publish the
- 14 reasons for the revocation or nonrenewal.

15 **School closure and dissolution.**

16 If a public charter school intends to close and dissolve, the school shall:

- 17 1. Notify the parents or guardians of students of the intent to close and dissolve.
- 18 2. Transition students and student records as necessary.
- 19 3. Properly distribute the public charter school's assets, first to satisfy outstanding payroll
- 20 obligations for employees of the public charter school and then to other creditors of the
- 21 public charter school. If the assets of the public charter school are insufficient to pay
- 22 creditors, the distribution of assets may be determined by court order.

23 **Local education agency status.**

24 A public charter school:

- 25 1. Is a local education agency for purposes related to the funding of special education
- 26 services within the limits of legislative appropriations.
- 27 2. Shall provide services to students in public charter schools as required by federal,
- 28 state, and local law and the charter performance agreement.

29 **Governing board.**

- 30 1. A governing board:
- 31 a. May enter more than one charter performance agreement concurrently.

- 1 b. Shall adopt a viable conflict of interest policy and code of ethics.
- 2 c. Shall adopt a policy to avoid nepotism in hiring and supervision. The policy must
- 3 require disclosure to the board of potential nepotism in hiring and supervision. An
- 4 individual with a nepotism conflict may not be involved in the hiring decision or
- 5 supervision of an employee.
- 6 d. Shall have access to education service provider records to oversee the education
- 7 service provider contract.
- 8 e. Is a public entity under chapter 44-04.
- 9 2. Individuals compensated by an education service provider are prohibited from serving
- 10 as a voting member on a governing board contracting with the education service
- 11 provider, except if approved by the superintendent of public instruction.

12 **Public school employees.**

- 13 1. Public charter school teachers must be licensed by the education standards and
- 14 practices board and must meet the requirements under chapter 15.1-18.
- 15 2. An employee of a public charter school is eligible to participate in retirement and
- 16 benefits programs of the state, if the public charter school elects to participate and
- 17 satisfies the requirements of the internal revenue service.

18 **Generally accepted accounting principles - Independent audits.**

19 A public charter school shall:

- 20 1. Adhere to generally accepted accounting principles.
- 21 2. Engage a qualified certified public accountant or public accountant to independently
- 22 audit the public charter school's finances once every six months. The public charter
- 23 school shall submit the audit to the superintendent of public instruction.

24 **Funding - Categorical aid - Transportation.**

- 25 1. A public charter school shall certify to the superintendent of public instruction its
- 26 student enrollment in accordance with section 15.1-27-02.
- 27 2. The state shall pay to the public charter school ~~the per pupil state aid payment, which~~
- 28 ~~is the dollar amount for the respective year under subsection 3 of section~~
- 29 ~~15.1-27-04.1, an amount equal to the statewide average amount distributed per~~
- 30 ~~student under subsection 5 of section 15.1-27-04.1 for the previous year for each~~
- 31 student enrolled in the public charter school.

- 1 3. The state shall pay the proportionate share of moneys derived from federal and state
2 categorical aid programs to public charter schools with students or teachers who are
3 eligible for such aid. A public charter school that receives categorical aid shall comply
4 with related reporting requirements.
- 5 4. A public charter school may enter a contract with a local school district or private
6 provider to provide transportation to students of the public charter school.
- 7 5. Any moneys remaining in an account of a public charter school at the end of a budget
8 year must remain in the account for use by the public charter school during
9 subsequent budget years.
- 10 6. This chapter does not prohibit any person from providing funding or other assistance
11 to a public charter school. The governing board of a public charter school may accept
12 gifts, donations, and grants and may expend or use gifts, donations, and grants in
13 accordance with the conditions prescribed by the donor, if the condition is not contrary
14 to law or the charter performance contract.

15 **Facilities - Activities.**

- 16 1. A public charter school may enter an agreement with a public or private entity for the
17 use of the entity's facility.
- 18 2. A public charter school holds a right of first refusal to part or all of an unused state-
19 owned facility or property located in the state. The superintendent of public instruction
20 shall maintain a list of available buildings.
- 21 3. A facility or part of a facility that is the location of a public charter school is exempt
22 from property taxes under subsection 6 of section 57-02-08.
- 23 4. A public charter school may enter a cooperative agreement with a public or private
24 school to facilitate athletics and other activities.
- 25 5. A public charter school may become a member of the North Dakota high school
26 activities association.

**REPORT OF STANDING COMMITTEE
ENGROSSED SB 2241**

Education Committee (Rep. Heinert, Chairman) recommends **AMENDMENTS** ([25.0799.02001](#)) and when so amended, recommends **DO PASS** (8 YEAS, 6 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). Engrossed SB 2241 was placed on the Sixth order on the calendar.

25.0799.02001
Title.

Prepared by the Legislative Council
staff for Representative Richter
March 19, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2241

Introduced by

Senators Axtman, Hogue, Schaible

Representatives Bosch, Heinert, Lefor

1 A BILL for an Act to create and enact a new chapter to title 15.1 of the North Dakota Century
2 Code, relating to the authorization and administration of public charter schools; and to provide
3 for a legislative management report.

4 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

5 **SECTION 1.** A new chapter to title 15.1 of the North Dakota Century Code is created and
6 enacted as follows:

7 Definitions.

8 As used in this chapter:

- 9 1. "At-risk student" means a student with an economic or academic disadvantage
10 requiring additional services or assistance to succeed in educational programs,
11 including special education students and English language learners.
12 2. "Charter performance agreement" means an agreement for a fixed term between a
13 public charter school and the superintendent of public instruction describing academic,
14 operational, and financial performance expectations, defining operational
15 responsibilities, and outlining the autonomy and accountability for each party to the
16 agreement.
17 3. "Education service provider" means a for-profit or nonprofit entity a public charter
18 school intends to enter a performance agreement with for education services and
19 resources, including academic program design and implementation, educational

1 services and resources, administrative support, charter implementation, or
2 management.

3 4. "Public charter school" means a public school operating to achieve specific
4 educational objectives according to the charter performance agreement as authorized
5 and overseen by the superintendent of public instruction.

6 5. "Public meeting" means a meeting subject to the requirements for public meetings
7 under chapter 44-04.

8 **Public charter schools - Authority - Governance - Requirements.**

9 A public charter school formed under this chapter:

10 1. Is a public school within the state's public education system.

11 2. May decide matters related to budgeting, curriculum, and operating procedures,
12 subject to the school's charter performance agreement.

13 3. Shall obtain insurance against loss or damage to its property, liability resulting from the
14 use of its property, and liability from the acts or omissions of its officers and
15 employees.

16 4. Is under the control of a governing board, the members of which are elected or
17 selected pursuant to the school's charter performance agreement.

18 5. Is established by a charter performance agreement between the governing board and
19 the superintendent of public instruction.

20 6. Is a school to which a parent or guardian may choose to send the parent or guardian's
21 child.

22 7. Provides a program of education that:

23 a. Meets or exceeds state performance standards, instructional hours, and
24 graduation requirements.

25 b. Includes one or more grade levels from kindergarten through grade twelve.

26 c. May focus on at-risk students, including English language learners, students in
27 foster care, and students involved with the juvenile justice system.

28 d. May include a specific academic approach or theme.

29 8. May receive and disburse funds for school purposes.

- 1 9. May enter an agreement or cooperate with a public or nonpublic entity for services for
- 2 students with special needs, English language learners, and other specialized
- 3 populations or administrative services.
- 4 10. May sue and be sued in its name.
- 5 11. May not engage in religious practices in its educational program, admissions,
- 6 employment policies, or operations.
- 7 12. May not charge tuition or fees for any services provided for students, except fees for
- 8 field trips, clubs, organizations, and athletic participation.
- 9 13. Must be an in-person school. A public charter school may not provide online, virtual, or
- 10 home education as the primary method of educational programming.
- 11 14. Is responsible for collecting, analyzing, and reporting student data from state
- 12 assessments administered by the superintendent of public instruction under section
- 13 15.1-21-08 in accordance with the performance framework in the approved charter
- 14 performance agreement.
- 15 15. Is subject to the public school approval requirements under section 15.1-06-06.

16 **Applicability of other laws, rules, and regulations.**

- 17 1. Except as provided in this chapter, a public charter school is not subject to a state or
- 18 local law, rule, regulation, policy, or procedure related to education.
- 19 2. A public charter school is subject to federal laws and authorities related to education.

20 **Superintendent of public instruction - Information - Guidance - Rules.**

21 The superintendent of public instruction:

- 22 1. Shall publish information and procedures regarding forming and operating a public
- 23 charter school and enrolling students in a public charter school.
- 24 2. May provide assistance and guidance for developing effective authorization and
- 25 oversight procedures.
- 26 3. Shall adopt rules in accordance with chapter 28-32 to implement this chapter.

27 **Charter schools - Eligibility - Enrollment.**

- 28 1. A prospective student is eligible to enroll in a public charter school if the prospective
- 29 student resides in the state.
- 30 2. A public charter school:

- a. Shall enroll all students who wish to attend the school, unless the number of students exceeds the enrollment capacity of a program, class, grade level, or building.
- b. Shall determine admission by a lottery if initial capacity is insufficient to enroll all students who timely submit an application. The selection process must take place in a public setting. An applicant must have a fair opportunity to be selected in the lottery. The lottery must be randomized and conducted competently, transparently, and impartially.
- c. May not base admissions on ethnicity, national origin, religion, gender, income level, disabling condition, proficiency in the English language, or academic or athletic ability, except as provided under this section.
- d. May limit enrollment to students to a given age group, grade level, or pursuant to a special emphasis stated in the school's application for a charter performance agreement.
- e. Shall give enrollment preference to students and the siblings of students enrolled in the public charter school the previous school year.
- f. May give enrollment preference to children of a public charter school's employees, if the students constitute no more than ten percent of the total student population.

Superintendent of public instruction - Powers and duties - Report to the legislative management.

1. The superintendent of public instruction shall:
 - a. Evaluate an application from the organizer of a proposed public charter school.
 - b. Deny an application that does not meet identified educational needs.
 - c. Determine whether a charter school application merits approval, conditional approval, renewal, or revocation.
 - d. Negotiate and execute a charter performance agreement with an approved public charter school.
 - e. Monitor the performance and compliance of a public charter school.
2. The superintendent of public instruction shall provide to the legislative management a report within three years of approving the first public charter school summarizing the:

- 1 a. Strategic vision and progress of each public charter school.
- 2 b. Performance of each operating public charter school, according to the
- 3 performance measures and expectations specified in the charter performance
- 4 agreement.
- 5 c. Status of charter applications, including charter schools that were not approved,
- 6 not renewed, and closed.
- 7 d. Oversight and services provided by the superintendent of public instruction to
- 8 public charter schools.
- 9 e. Total amount of fees collected from each public charter school, how the funds
- 10 were expended to support the public charter school, and the costs incurred by
- 11 the superintendent of public instruction to oversee each public charter school.
- 12 3. To cover costs of overseeing public charter schools in accordance with this chapter,
- 13 the superintendent of public instruction may:
- 14 a. Expend resources available to the department of public instruction, seek grant
- 15 funds, and establish partnerships.
- 16 b. Charge an administrative fee of up to three percent of annual per student
- 17 allocations received by each public charter school.
- 18 4. An employee of the superintendent of public instruction may not serve as an
- 19 employee, trustee, agent, representative, or vendor of a public charter school.
- 20 5. The superintendent of public instruction is not liable for the acts, omissions, debts, or
- 21 other obligations of a public charter school.

22 **Establishment of a public charter school - Conversion to a public charter school -**

23 **Application requirements.**

- 24 1. To establish a public charter school, the organizer of a public charter school shall
- 25 submit an application to the superintendent of public instruction and notify the board of
- 26 the school district where the public charter school will be located of the intent to
- 27 establish a public charter school.
- 28 2. For a school seeking to convert to a public charter school, the application must
- 29 demonstrate support for the proposed public charter school conversion with a petition
- 30 signed by a majority of teachers and parents or guardians of students at the existing

1 school. Students who attended the school before conversion to a public charter school
2 may be given enrollment preference.

3 3. The superintendent of public instruction shall create an application to establish a
4 public charter school or convert to a public charter school, which must include the
5 following essential elements:

- 6 a. School mission and vision.
- 7 b. Academic program.
- 8 c. Grade levels to be offered and growth plan.
- 9 d. Student evaluation plans.
- 10 e. Governance plan.
- 11 f. Organization chart.
- 12 g. Plan to serve at-risk students.
- 13 h. Community input and involvement.
- 14 i. Finances and audits.
- 15 j. Student policies, including discipline plans.
- 16 k. Staff policies.

17 **Education service providers.**

18 If a proposed public charter school intends to enter an agreement with an education service
19 provider for education or management services, in addition to the other application
20 requirements, a public charter school organizer shall:

- 21 1. Explain the selection process and reasoning for selecting the education service
22 provider.
- 23 2. Provide evidence of the education service provider's success in serving student
24 populations similar to the targeted population, including demonstrated academic
25 achievement and, if applicable, successful management of nonacademic school
26 functions.
- 27 3. Provide information on the proposed duration of the service performance agreement,
28 roles, responsibilities, and scope of services and resources to be provided by the
29 education service provider, performance evaluation measures and timelines,
30 compensation structure, methods of performance agreement oversight and

1 enforcement, and conditions for renewal and termination of the performance
2 agreement.

3 4. Explain the relationship between the governing board, the school's leadership and
4 management team, and the education service provider, specifying how the governing
5 board and the school's leadership and management team will monitor and evaluate
6 the performance of the education service provider.

7 5. Provide a statement of assurance the governing board and the school's leadership
8 and management team are legally and operationally independent from the education
9 service provider.

10 6. Ensure faculty performance agreements are separate from management performance
11 agreements.

12 7. Ensure the governing board retains the right to terminate the performance agreement
13 for failure to meet defined performance standards after notice has been given to the
14 education service provider, a reasonable cure period has expired, and material
15 deficiencies have not been cured.

16 8. Disclose and explain any existing or potential conflicts of interest between the
17 governing board, the school's leadership and management team, and the education
18 service provider or any affiliated business entities.

19 **Application review process - Approval decisions.**

20 1. The application review process must include a thorough evaluation of the application
21 and an in-person interview with the applicant at a public meeting.

22 2. The superintendent of public instruction shall:

23 a. Grant charters to applicants demonstrating competence in the charter
24 application.

25 b. Base decisions on documented evidence collected through the application review
26 process.

27 c. Follow charter granting policies and practices that are transparent, merit based,
28 and avoid a conflict of interest or the appearance of a conflict of interest.

29 3. No later than ninety days after the deadline for filing applications, the superintendent
30 of public instruction shall approve or deny each application. The superintendent of

1 public instruction shall publicly notice and publish public charter school application
2 decisions.

3 4. An approval decision may include reasonable conditions the applicant must meet
4 before a charter performance agreement may be executed. Reasonable conditions
5 may not include enrollment caps.

6 5. If the superintendent of public instruction conditionally approves or denies an
7 application, the superintendent of public instruction clearly shall state the reasons in
8 writing.

9 6. The superintendent of public instruction shall maintain a list of approved charter
10 applications in chronological order by date of approval.

11 7. An approved application is not a charter performance agreement.

12 **Charter performance agreements - Performance-based accountability - Data**
13 **reporting.**

14 1. If an application is approved, the superintendent of public instruction and the
15 governing board of the public charter school shall execute a charter performance
16 agreement no later than sixty days after approval, including:

17 a. Academic, operational, and fiscal performance expectations and measures by
18 which the public charter school will be judged.

19 b. A description of the standards and processes under which the superintendent of
20 public instruction will oversee and monitor the public charter school.

21 c. Actions the superintendent of public instruction may pursue to revoke a charter
22 performance agreement.

23 2. A charter performance agreement must be signed by the superintendent of public
24 instruction and the public charter school's governing board.

25 3. A public charter school may not commence operations without a charter performance
26 agreement executed in accordance with this section and approved in a public meeting.

27 4. A public charter school governing board or its designee may negotiate with the
28 superintendent of public instruction to amend a charter performance agreement. The
29 superintendent of public instruction's review of the charter performance agreement
30 must be limited to the proposed request for amendments.

31 5. The charter performance agreement must include:

a. Indicators related to student academic proficiency, student academic growth, attendance, recurrent enrollment, readiness for success upon graduation, financial performance, governance performance, and family and community engagement.

b. Annual performance targets to support the public charter school's compliance with federal and state requirements.

6. More than one public charter school may be authorized under a charter performance agreement as approved by the superintendent of public instruction, if the public charter schools are separate and distinct from one another.

Charter performance agreement - Terms - Delayed opening.

1. An initial charter performance agreement term is five years. The term commences on the public charter school's first day of operation.

2. A public charter school may delay its opening for up to one school year after approval. If the public charter school requires an opening delay of more than one school year, the public charter school shall request an extension from the superintendent of public instruction, which may be granted at the discretion of the superintendent.

3. The superintendent of public instruction may grant renewal of a charter performance agreement for successive terms of five years.

Superintendent of public instruction - Monitoring - Annual evaluation - Opportunity for remediation.

1. The superintendent of public instruction shall monitor the performance and legal compliance of the public charter schools, including an annual evaluation for each public charter school according to the charter performance agreement.

2. If a public charter school's performance or legal compliance is unsatisfactory, the superintendent of public instruction promptly shall notify the public charter school and provide a reasonable opportunity for the school to remedy the problems identified by the superintendent of public instruction. A public charter school must be given at least fifteen days to respond to the superintendent of public instruction's notification.

Public charter school performance report - Renewal responsibilities.

1. The superintendent of public instruction shall issue a public charter school performance report for each five-year term of a charter performance agreement no

1 later than seventy-five days before a public charter school's fourth year of operation
2 begins.

3 2. The report must include renewal application guidance, as needed, and notice of any
4 concerns that may jeopardize the public charter school's position in seeking renewal if
5 not timely rectified.

6 3. A public charter school must be given at least thirty days to respond to the
7 performance report and submit any corrections or clarifications for the report.

8 **Renewal application - Decision.**

9 1. The superintendent of public instruction shall create a uniform renewal application and
10 evaluation process.

11 2. The governing board shall submit a renewal application to the superintendent of public
12 instruction no later than the first day of instruction of a public charter school's final
13 authorized year of operation.

14 3. The renewal application must include:

15 a. A performance report and additional evidence in support of renewal.

16 b. Improvements undertaken or planned for the school.

17 c. Plans for the next charter term.

18 4. Renewal decisions must be supported by evidence of the public charter school's
19 performance under the performance framework in the charter performance agreement.

20 5. The superintendent of public instruction shall render a decision on a renewal
21 application no later than forty-five days after the renewal application was filed.

22 6. The public charter school is entitled to a public meeting with the superintendent of
23 public instruction regarding the renewal decision.

24 7. The superintendent of public instruction shall provide to the public charter school and
25 publish a report summarizing the basis for each decision, including supporting
26 evidence.

27 **Charter performance agreement - Revocation - Nonrenewal.**

28 1. A charter performance agreement may be revoked at any time or not renewed if the
29 superintendent of public instruction determines the public charter school:

30 a. Failed to comply with this chapter or other law.

- 1 b. Committed a material violation of a term, condition, standard, or procedure
- 2 required under the charter performance agreement.
- 3 c. Failed to meet or make sufficient progress toward the performance expectations
- 4 under the charter performance agreement.
- 5 d. Failed to meet accepted standards of fiscal management.
- 6 2. Revocation may not occur before a public meeting with the charter holder occurs,
- 7 unless the superintendent of public instruction determines the continued operation of
- 8 the public charter school presents an imminent public safety issue, in which case the
- 9 charter performance agreement may be revoked immediately.
- 10 3. A public charter school has thirty days to respond to the superintendent of public
- 11 instruction's notice to revoke the school's charter performance agreement.
- 12 4. If the superintendent of public instruction revokes or does not renew a charter
- 13 performance agreement, the superintendent of public instruction shall publish the
- 14 reasons for the revocation or nonrenewal.

15 **School closure and dissolution.**

16 If a public charter school intends to close and dissolve, the school shall:

- 17 1. Notify the parents or guardians of students of the intent to close and dissolve.
- 18 2. Transition students and student records as necessary.
- 19 3. Properly distribute the public charter school's assets, first to satisfy outstanding payroll
- 20 obligations for employees of the public charter school and then to other creditors of the
- 21 public charter school. If the assets of the public charter school are insufficient to pay
- 22 creditors, the distribution of assets may be determined by court order.

23 **Local education agency status.**

24 A public charter school:

- 25 1. Is a local education agency for purposes related to the funding of special education
- 26 services within the limits of legislative appropriations.
- 27 2. Shall provide services to students in public charter schools as required by federal,
- 28 state, and local law and the charter performance agreement.

29 **Governing board.**

- 30 1. A governing board:
- 31 a. May enter more than one charter performance agreement concurrently.

b. Shall adopt a viable conflict of interest policy and code of ethics.

c. Shall adopt a policy to avoid nepotism in hiring and supervision. The policy must require disclosure to the board of potential nepotism in hiring and supervision. An individual with a nepotism conflict may not be involved in the hiring decision or supervision of an employee.

d. Shall have access to education service provider records to oversee the education service provider contract.

e. Is a public entity under chapter 44-04.

2. Individuals compensated by an education service provider are prohibited from serving as a voting member on a governing board contracting with the education service provider, except if approved by the superintendent of public instruction.

Public school employees.

1. Public charter school teachers must be licensed by the education standards and practices board and must meet the requirements under chapter 15.1-18.

2. An employee of a public charter school is eligible to participate in retirement and benefits programs of the state, if the public charter school elects to participate and satisfies the requirements of the internal revenue service.

Generally accepted accounting principles - Independent audits.

A public charter school shall:

1. Adhere to generally accepted accounting principles.

2. Engage a qualified certified public accountant or public accountant to independently audit the public charter school's finances once every six months. The public charter school shall submit the audit to the superintendent of public instruction.

Funding - Categorical aid - Transportation.

1. A public charter school shall certify to the superintendent of public instruction its student enrollment in accordance with section 15.1-27-02.

2. The state shall pay to the public charter school ~~the per-pupil state aid payment, which is the dollar amount for the respective year under subsection 3 of section 15.1-27-04.1,~~ an amount equal to the statewide average amount distributed per student under subsection 5 of section 15.1-27-04.1 for the previous year for each student enrolled in the public charter school.

- 1 3. The state shall pay the proportionate share of moneys derived from federal and state
2 categorical aid programs to public charter schools with students or teachers who are
3 eligible for such aid. A public charter school that receives categorical aid shall comply
4 with related reporting requirements.
- 5 4. A public charter school may enter a contract with a local school district or private
6 provider to provide transportation to students of the public charter school.
- 7 5. Any moneys remaining in an account of a public charter school at the end of a budget
8 year must remain in the account for use by the public charter school during
9 subsequent budget years.
- 10 6. This chapter does not prohibit any person from providing funding or other assistance
11 to a public charter school. The governing board of a public charter school may accept
12 gifts, donations, and grants and may expend or use gifts, donations, and grants in
13 accordance with the conditions prescribed by the donor, if the condition is not contrary
14 to law or the charter performance contract.

15 **Facilities - Activities.**

- 16 1. A public charter school may enter an agreement with a public or private entity for the
17 use of the entity's facility.
- 18 2. A public charter school holds a right of first refusal to part or all of an unused state-
19 owned facility or property located in the state. The superintendent of public instruction
20 shall maintain a list of available buildings.
- 21 3. A facility or part of a facility that is the location of a public charter school is exempt
22 from property taxes under subsection 6 of section 57-02-08.
- 23 4. A public charter school may enter a cooperative agreement with a public or private
24 school to facilitate athletics and other activities.
- 25 5. A public charter school may become a member of the North Dakota high school
26 activities association.