

Conference Call with Rep Mike Reese Hosted by PCPCS, Excellent Schools PA and ExcelinEd

April 4, 2018, 11:00 am

PCPCS Executive Director Ana Meyers welcomed all the participants to the phone call. On the line was Representative Mike Reese, prime sponsor of HB 97, Steve DeMaura – Excellent Schools PA, Ashley DeMauro Mullins – ExcelinEd, Colleen Kopp – Wodjak, Dennis Giorno – Malady & Wooten, Jessica Hickernell – Excellent Schools PA, Brandie Karpew and myself from PCPCS, as well as Senator Jeff Piccola, former Senate Education Committee Chair, PCPCS board member and practicing attorney.

Ana thanked Rep Reese for all taking time from his busy schedule to join us on the call. Rep. Reese is a believer in school choice and has done a nice job in trying to strike a balance between those in the General Assembly and interest groups that would like to see charter schools go away. She further said that HB 97 is the first step to making updates to 20-year antiquated charter law and it will hopefully open pathways for further reform. She turned the call over to Steve DeMaura.

Steve DeMaura, ED Excellent Schools PA, expressed his appreciation to Rep Reese for all the work he has put into this legislation. Steve said that the comprehensive charter reform in this bill represents a negotiation between charter supporters, within the House and Senate, and also for entities that would like to see charters to disappear altogether. He added that there are many good provisions in the bill and that it represents a very good first step in addressing many of the issues that charters face every day. He thanked Rep Reese for the hard work he has done to get the bill where it is and turned the call over to Rep Reese.

Rep Reese thanked Ana Meyers of PCPCS and thanked her for her leadership and the work PCPCS is doing to advocate for children. He mentioned that PCPCS always provides accurate and balanced information to the members of the General Assembly and because of that has a great reputation with the members of the General Assembly. He also expressed his appreciation to Chairman Hickernell, the new Education chairman on the House side who has been very helpful in kicking the bill over to the Senate.

Ana Meyers began with the previously submitted questions.

Can you address the intent of the funding commission on the bill? -- Bob Lysek, Executive Education Academy Charter School in Allentown.

House 97 is very large and comprehensive, and the funding commission is one part tasked with looking at the funding holistically. There are two sides to the argument, one side that wants to cut or flat line funding, while the other wants charter's cost drivers to be examined. We have heard from you about your concerns about your cost drivers. These two sides are very different. The idea of the funding commission is to bring the two sides together in order to have an honest and robust conversation about how best to fund brick and mortar and cyber charter school in the Commonwealth of Pennsylvania. So the overall intent is just that, to bring the two sides together, hammer out the differences and come up with a way to properly fund our brick-and-mortar and cyber charter schools.

As the next two questions were similar, Ms. Meyers combined the questions.

I would like to better understand how this language will be implemented, if the bill passes. Will the 3-tiered approach be analyzed before it's implemented? -- Wendy Ornsby, Souderton Charter School Collaborative, Montgomery County

- a. THE APPROPRIATE MANNER OF IMPLEMENTING THE RECOMMENDATIONS OF THE SPECIAL EDUCATION FUNDING COMMISSION WITH RESPECT TO CHARTER SCHOOLS, REGIONAL CHARTER SCHOOLS AND CYBER CHARTER SCHOOLS.***

My reading of HB 97 requires the Charter Funding Commission to recommend the appropriate manner of implementing the three-tier Special Education Funding formula for charter schools as recommended by the Special Education Funding Commission. This would result in my school losing \$2.2 million. How is this good for charter school students. – Donna Archer, Avon Grove Charter School, West Grove

Rep Reese offered to go over how we got to where we are currently in the legislation. When running this bill through the house, and it came up on second consideration, there were many, many, many amendments filed to the bill. At that time there was very intense conversation about the Special Education Commission Report and how best to implement it or if to implement it at all. As the conversation was going on second consideration, they decided it was appropriate and important to negotiate with some of the members who were looking to offer that as an amendment and take that language and inject it into HB 97 and run with it. Rep Reese does not believe that it is good language for charter schools and does not think it strikes the right balance, so they negotiated so that instead of having that language inserted into the bill as it were, they decided to kick it to the Funding Commission and have them look at it to determine if it was appropriate or not and move on from there. That is how they got to the position that the funding commission will be looking at that special education commission report. It is not a cut and dry thing. Our traditional public schools had a provision in there that held them harmless so going forward all dollars were intact and of course as the years went forward they were able to add on the special education dollars. There was a hold harmless clause for them.

Rep Reese suggested that if the Commission came back with some recommendation on special education funding, perhaps they would put in a hold harmless agreement, but right now we can not be sure. That is the work of the Commission to decide what is appropriate and what is not. The Commission will consist of 14 members, very balanced Commission with both Democrats and Republicans and he has no doubt that they will hold many hearings on this topic and he is hopeful that many charter leaders will be able to provide testimonies and support for the charter cause and what charters think those issues may be for them as the Commission takes a look at this important piece of legislation. To be clear there is a long process attached to this, it is not necessarily slam dunk, and to be clear even if they make a recommendation, it does not mean it will be implemented, it will come back to the House, the Senate and Governor's office to decide if it works or not. It is a very lengthy process and he has no doubt charters will have a seat at the table.

At this time Senator Jeff Piccola asked to address the group. Senator Piccola agreed with everything Rep Reese said and stated that it is important to emphasize that whatever recommendations the Commission comes up with on anything, and there are numerous things in this bill that the Commission will consider and make recommendation on, whatever recommendations they come up with is just that,

recommendations. It is up to the legislature, the House, Senate and Governor's office to enact them into statute or just ignore them. The odds are ignoring or changing what the Commission comes up with is probably more likely than actually implementing word for word what the Commission comes up with. That has been his experience with Commissions of any sort, they are either ignored or completely modified. He would not be concerned with the language at all. He feels like it is most likely that they will make changes to any recommendation before implementing.

Charter reform has been talked about for the last several years. What are the chances of this bill getting across the finish line? Donna Archer, Avon Grove Charter School, West Grove

Rep Reese agreed that it has taken a long time at least 5 or 6-years. They are now at a point where they have a very good product. The House worked very hard with the Senate to get the language to where it is now. It is currently sitting with the House Rules Committee. At this point they can continue to negotiate, the bill has been voted on by both chambers and they are now looking at concurrence votes from the House and Senate when they start moving it. They don't have to go thru second consideration so it is easier. They are continuing to have conversations with stake holders about how to make it language work and hopefully get it moved out of the House with 102 votes (he would argue more than 102 votes out of the House) and hopefully the Senate will concur on it. At that point it will be up to the Governor and they are not sure where the Governor will be with his signature, but they are very hopeful that they will be able to update this very outdated law this year.

Previous funding commissions (for example the special ed and general school funding commissions) have relied on staff from mainline school organizations such as PASBO to do the legwork of the commission. In some way this is inevitable because these organizations have staff and are willing to contribute it at no cost. However, the result is a process is a process that is inherently biased against the needs of children who are in charter schools. How can we be confident that the same thing will not happen with the commission proposed in HB 97? Jeremy Resnick-Propel Schools

Rep Reese expressed hope that everyone on the call would be involved with the process and the work that the Commission will be doing. He is sure that PASBO will be asked to provide reports, information and research to the Commission and charter schools will be encouraged to participate at the same level. He thinks that is the only way to get a good balanced report from the Commission. He has visited Propel and he is a big fan of Propel's work and thinks Propel can provide solid information to the Commission's members as they are considering how best to fund our charters both brick-and-mortars and cybers. He said the answer is simple and that he hopes that Propel will be involved with this process work of the Commission. He encouraged Propel to provide information to Rep Reese highly encourages schools like Propel (who asked the question) to participate and be involved with the Commission.

Our students receive less money per pupil than the sending district (in our county our school per pupil subsidy is significantly lower than the other 13 school systems), primarily because the average salaries in traditional districts are significantly higher (almost \$15,000 per staff), why is the thinking and proposed focused on reducing our revenue? Dr. Nick Viglione- Perseus House Charter School of Excellence, Erie

Rep Reese says that again that he thinks there are two sides to the argument. There are those that believe there should be cuts to charters and there are those who are on the other side who believe there are areas that need to be funded in the charter school side. The idea is to look at this holistically

and bring the two sides together through the commission and figure out how to best fund brick and mortar and cyber charter schools. Every year there are proposals to randomly take cuts to the charter schools. Rep Reese thinks just making random cuts to charters like is often proposed is a bad idea and that establishing the funding commission that is very balanced is the best way to look at how the charter schools are funded. He reiterated that the funding commission is a very small part of HB 97 and many other components contribute to update the antiquated charter school laws.

Our brick and mortar school has to pay all the building operational expenses as the chartering district, we are mandated to adhere to the same special education laws as the chartering district, we are audited by the same process as the chartering district, and we provide the same services as the chartering district (or for the highest need students we inform the family that they would be better served elsewhere, yet enroll them if the parent chooses us), we have the same staffing patterns as the chartering district (ratio per capita)... why would we receive less monies per special education student than our chartering district and how is this fair for the students? Dr. Nick Viglione- Perseus House Charter School of Excellence, Erie

Rep Reese doesn't think this would be fair to the students and this is why this Commission work is important. He understands the concerns that cuts might be put out there as an option, but he does not see that as a certainty particularly when talking about special education funding. He feels it is better to take the approach of HB 97, put together the bipartisan committee that will come up with a realistic approach to fund charters. He believes it is important for charters to provide the Commission with information about their specific costs. This will be a good, healthy process and will not necessarily result in the cuts that charter schools are concerned about.

What are the pieces in this bill that are beneficial to charter schools? Patty Rosetti, PA Distance Learning, Wexford

Rep Reese feels that one of the most important features of HB 97 is that it allows for dual enrollment for charter schools. This portion will allow students to be enrolled in college courses while working towards their high school diploma. He also mentioned that cyber charter schools will be permitted access to testing facilities. He also said it will put the current issues that charters and districts are experiencing with the 363-form into statute; there will be a 363 like form for everyone to utilize.

There is also a provision for the use of digital books and for parent opt out on multiple devices for cyber charters. HB 97 also allows 'in person interaction' for cyber charters allowing cybers to comply with federal law. For high performing charters, there are concerns about the charter terms and the legislature has heard that loud and clear. HB 97 allows authorization to go from 5 to 10 years.

Also included is information on the charter school amendment process. There was a recent court ruling that said there was no amendment process for charters, but HB 97 would change that. Currently there is no amendment process, but HB 97 plans to put that into statute.

The Charter School Appeal Board will add 3 charter schools representatives to the CAB where there had previously been no representation on the board from charter schools. Lastly, Rep Reese mentioned the addition of charter schools being granted the right of first refusal to purchase school building as they go on the market.

Those of some of the provisions that are very positive. There are many more, but at least this gives a sampling.

Does this bill address anything related to authorization? Wayne Jones, Penn Hills Charter School of Entrepreneurship, Pittsburgh

It does not address anything related to a statewide authorizer or independent authorizer in HB 97, but does provide for a standardized authorization form, which would be a benefit to have a standard authorization form that can be utilized statewide. Rep Reese feels like anything related to alternative authorizers should wait to be discussed after all the other things are looked at in HB 97.

In cities like Philadelphia, charter schools represent a new and vibrant path out of the dismal prospects that come with an inadequate educational system. There is significant data to support this. This is more of a request than a question. Will you keep in mind that we are successfully serving some of the Commonwealth's most vulnerable citizens and those with a tremendous upside? And will you commit to making their needs a priority in these deliberations? Dave Hardy, former CEO of Boys Latin Charter School, Excellent Schools PA, PCPCS board member

Rep. Reese's simple response is absolutely. Rep Reese agreed that he would definitely make this a consideration as he does believe in school choice. He firmly believes that charter schools are clearly meeting the needs of family in parts of the state. He feels that wait lists for charters signify that charter schools are important to parents. He confirmed that the House caucus also cares about the children of this Commonwealth and they are looking to make sure that they have every opportunity to find success. He has seen this in the House Leadership, in the Education Committee Chairman Hickernell and they will always put the students first.

With all questions answered, Ana thanked Rep Reese as he had another commitment. She turned the call over to Ashley DeMauro Mullins.

Ashley mentioned that this has been a long uphill battle and many folks on the call have been working on this for about 5 to 6 years. She mentioned that it is very important for us to unify and work together to pass this legislation. She thanked Rep. Reese for his leadership.