TEXAS PUBLIC POLICY FOUNDATION

PolicyPerspective



Charter Schools in Texas: The Waiting Lists Grow Longer

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Key Findings

- The number of students on waiting lists in Texas more than doubled from 16,810 to 40,813.
- Demand is growing as enrollment and waiting lists increase, but supply is not meeting parental demand.

Recommendations

- Eliminate or increase the arbitrary cap on charter schools.
- Measure demand by annually tracking charter school waiting list data by region and statewide.
- Lower barriers to expansion and replication for successful charter schools.
- Remove unnecessary regulations that limit flexibility and innovation.

Introduction

Demand for charter schools is strong in Texas. Through word of mouth, more parents are learning about the benefits of charter schools and are sending their children to charter schools. In fact, nearly 128,000 Texas students attended a charter school last year, up from 113,000 the year before. Yet, demand in the Lone Star State outweighs supply with more than 40,000 students on a waiting list to attend a charter school last year.¹

It is important to note that charter schools serve a higher proportion of poor and minority students than traditional public schools in Texas. In the 2007-08 school year, 83 percent of Texas students in charters were minorities compared to 65 percent at traditional schools. In addition, 70 percent of Texas students in charters were from economically disadvantaged families compared to 55 percent in traditional public schools.

Background

First created in Minnesota in 1991, charter schools have proven to be an effective educational option within the public school system. Texas lawmakers passed legislation in 1995 making charter schools a reality in Texas. Since then, their demand has steadily grown and is showing no signs of decline.

Charter schools are public schools. Charter schools cannot charge tuition, teach religious doctrine, or discriminate. They are open to

all students and must follow the same major laws and regulations as other public schools, but are freed from some red tape that often diverts a school's energy and resources away from acting in the best needs of students. Students in both traditional public schools and charter schools take the state accountability test (the Texas Assessment of Knowledge and Skills or TAKS). Many charter schools have a specific focus such as preparing students to attend four-year colleges, serving dropouts, math and science, or fine arts. Charter schools have the flexibility to innovate and not be confined by the one-size-fits all model. Currently, 39 states and the District of Columbia have laws allowing charter schools to open.2*

Growing Enrollment

Texas has three types of charters: open-enrollment, university[†] (which are also openenrollment), and district. The majority of Texas students in charter schools attend an open-enrollment school.

Open-enrollment charter schools are not created by a local school district or school board; instead, they have a contract with the state to educate students. Texas' State Board of Education is the authorizing body for all open-enrollment charter schools including university charter schools. State law caps the number of charters the State Board of Education may issue to 215. University charter schools do not count towards the cap. In November 2008, Texas hit the cap of 215.[‡] Thus,

^{*}The 11 states without charter school laws are Alabama, Kentucky, Maine, Mississippi, Montana, Nebraska, North Dakota, South Dakota, Vermont, Washington, and West Virginia.

[†] Both two-year and four-year public universities may open up charter schools in Texas.

[‡] In the summer of 2009, one charter was non-renewed and another was returned. This means 213 of the 215 charters have been issued and two are available.

120.000 102,903 100,000 90,845 80,629 80,000 70,861 60,748 53,156 60,000 46,979 37,978 40,000 25,687 12,226 20.000 2,498 3,856 2002:2003 2003-2004 2004.2005

Figure 1: Student Growth at Texas Charter Schools

Note: Data includes open-enrollment charter schools & excludes district charter schools.

Source: Texas Education Agency

no new charter school operators may be approved until lawmakers raise the cap or unless a charter is revoked and returned to the state. Enrollment in open-enrollment charter schools has increased from roughly 2,500 in the 1996-97 school year to more than 102,000 students in the 2008-09 school year.³ See Figure 1 for student enrollment growth at Texas open-enrollment charter schools.

Texas public school districts can choose to open their own charter school. Texas school boards are the authorizing body for district charter schools. Fourteen Texas school districts currently have one or more district charter schools including: Bryan ISD, Canutillo ISD, Carrollton-Farmers Branch ISD, Cedar Hill ISD, Clear Creek ISD, Colorado ISD, Corpus Christi ISD, Dallas ISD, Galveston ISD, Houston ISD, Laredo ISD, McAllen ISD, San Antonio ISD, and Spring Branch ISD.⁴ District charters are also called campus charters. Houston ISD has the most district charters with 41 of the 71 total statewide.⁵ Approximately 25,000 students attend a district charter school.⁶*

Charter schools continue to have a greater market share in the Texas public school system as enrollment grows. In the

Table 1: Charter School Enrollment Breakdown for the 2008-09 School Year

| Charter Type | Enrollment | | |
|-----------------|------------|--|--|
| Open-Enrollment | 102,903 | | |
| District | 24,883 | | |
| Total | 127,786 | | |

Source: Texas Education Agency

2008-09 school year, Texas charter schools served nearly 3 percent of all public school students.^{7†}

Demand

More parents in Texas and across the nation are choosing to send their children to charter schools. Nationwide, more than 1.4 million students attended one of 4,600 charter schools in the 2008-09 school year.⁸ During that same time period in Texas, 437 open enrollment charters and 62 district charters, totaling 499 charter schools, served a combined total of 127,786 students.^{9‡}

^{*} In the 2008-09 school year, public school enrollment in Texas totaled 4,749,571: 4,621,785 students attended a traditional public school, 24,883 students attended a district charter school, and 102,903 students were enrolled in open-enrollment charter schools.

[†] Total charter school enrollment in Texas was 127,786 students giving charters a 2.69% market share.

[‡] Open-enrollment charter operators can open multiple schools or campuses under a single charter.

To accurately gauge the current demand for charter schools in Texas, we contacted open-enrollment charter schools (including university charter schools) around the state and tallied up their waiting list numbers.* There were 115 of the 213 charter holders that responded to our survey, representing 54 percent of charter holders (65,704 students) and 64 percent of charter school enrollment.

Last year, we calculated the statewide waiting list number for the 2007-08 school year and identified 16,810 students on waiting lists. For the 2008-09 school year, we identified 40,813 students on waiting lists, more than doubling last year's total. Nationwide, an estimated 365,000 students are on a waiting list for a seat in a charter school accord-

ing to the National Alliance for Public Charter Schools.¹¹ These numbers demonstrate a large parental and student demand for options other than the traditional public school.[†]

Students on waiting lists are part of a lottery system and are randomly selected when spots become available, meaning merit and selective criteria are not taken into account when placing students. Each charter school has a separate lottery to place students who are on their waiting list. Many times these lotteries are held in the Spring for the upcoming school year. Typically, the school invites students on the waiting list and their parents to a meeting at the school where they randomly draw students' names.[‡]

Table 2: Texas Charter School Enrollment and Waiting List by Region, 2008-09 School Year

| Area | Charter Enrollment | Percent Charter | Waiting List |
|----------------------------|--------------------|-----------------|--------------|
| Abilene | 261 | 0.5% | 45 |
| Amarillo | 349 | 0.4% | 9 |
| Austin | 5,422 | 1.5% | 3,085 |
| Beaumont | 1,483 | 1.8% | 258 |
| Corpus Christi | 1,629 | 1.6% | 171 |
| Dallas/Fort Worth | 33,919 | 2.7% | 10,184 |
| El Paso | 2,667 | 1.5% | 881 |
| Houston/Galveston | 28,703 | 2.7% | 17,685 |
| Huntsville/College Station | 1,011 | 0.6% | 61 |
| Kilgore | 1,397 | 0.8% | 11 |
| Lubbock | 979 | 1.2% | 225 |
| Midland/Odessa | 1,044 | 1.4% | 95 |
| Rio Grande Valley | 8,866 | 2.3% | 6,696 |
| San Antonio | 12,318 | 3.2% | 1,086 |
| Victoria | 227 | 0.4% | n/a |
| Waco | 1,979 | 1.3% | 321 |
| Wichita Falls | 173 | 0.4% | n/a |
| Texas | 102,903 | 2.2% | 40,813 |

Note: Charter enrollment and waiting list data is for open-enrollment charter schools only. Source: Texas Education Agency, 2008-09 Student Enrollment Reports and authors' calculations

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^{*} Some charter schools do not keep a waiting list even though demand exceeds supply. In addition, charter schools that are residential treatment centers do not have a waiting list as students are placed there.

[†] While it is possible that a student may be on more than one waiting list, it is also possible that students do not add their name to a long waiting list because the chances of getting into that particular school seem slim.

[†] The Texas Education Code does specify that performing arts charter schools can require an audition for admission (TEC Subchapter D, Section 12.111(6) and Section 12.1171).

African American Hispanic Caucasian Other

3%

17%

30%

Figure 2: 83% of Students in Texas Charter Schools Are Minorities

Source: Texas Education Agency 2008 Snapshot Summary for the 2007-08 school year

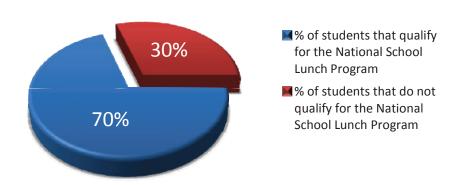


Figure 3: 70% of Students in Texas Charter Schools Are Low-Income

Source: Texas Education Agency 2008 Snapshot Summary for the 2007-08 school year

(In order to keep families together, if one sibling wins a seat into a charter school, the other siblings are also given spots in the school.)

Waiting lists are not spread evenly by region across Texas. The Dallas/Ft. Worth, Houston, and the Rio Grande Valley regions have a disproportionately high demand for charter schools. See Table 2 (previous page) for enrollment and waiting list data by region.

Demographics

Texas charter schools serve a higher percentage of minorities and low-income students than traditional public schools. During the 2007-08 school year, 83 percent of students at Texas charter schools were minorities compared to 65 percent of students at traditional public schools. ¹² Interestingly, there is a marked difference in the African American and Caucasian populations in the two systems. While Caucasians make up 35 percent of the student population in traditional public schools, they are only 17

percent in charter schools.¹³ It is the opposite for African Americans which comprise nearly 30 percent of the population in charter schools but only 14 percent of students in traditional public schools.¹⁴

Charter schools also continue to serve a higher percentage of students from low-income families with almost 70 percent of students from economically disadvantaged families in 2007-08 compared to the 55 percent of students in traditional public schools.¹⁵

Conclusion

Even though charter schools have operated for more than 15 years, many Americans are uninformed and undecided about them. A recent national poll by *Education Next* and Harvard University found that 44 percent of Americans remained undecided on charter schools. ¹⁶ It is important for parents and the general public to know about the variety of options and the freedom they have to choose a public charter school for their child.

The lengthy waiting list of more than 40,000 students demonstrates strong demand for charter schools in Texas. Since Texas hit the cap of 215 charters last year, several bills were filed during the 2009 Texas Legislative Session to raise or lift the cap on charter schools. Ultimately, none of these proposals passed and Texas still has a cap limiting the number of open-enrollment charters operators to 215.

Many charter schools are innovative and use nontraditional methods to serve the individual needs of each student. Charter schools can be part of the solution in reducing the dropout rate, increasing the number of students academically prepared for college, and offering specialized curriculum and programs. Yet, an arbitrary cap and bureaucratic rules prevent charter schools from operating more freely in meeting parental demand. In the meantime, more than 40,000 Texas students are waiting in line.

Recommendations

- Eliminate or increase the arbitrary cap on charter schools:
- Measure demand by annually tracking charter school waiting list data by region and statewide;
- Lower barriers to expansion and replication for successful charter schools; and
- Remove unnecessary regulations that limit flexibility and innovation.

For more information on charter schools please read "A Charter School Q&A: Examining Charter Schools in Texas and the Nation," Texas Public Policy Foundation (Mar. 2009) http://www.texaspolicy.com/pdf/2009-03-PP05-charterschools-bdt.pdf. ★

Endnotes

- ¹ Texas Education Agency data for charter school enrollment provided on 10 Sept. 2009; Waiting list data is from the author's calculations based on a survey taken between Aug. 30, 2009 and Oct. 30, 2009 on Texas open-enrollment charter schools during the 2008-2009 school year.
- ² National Alliance for Public Charter Schools, "Policy Overview: 2009-10 National," http://www.publiccharters.org/dashboard/policy/page/overview/year/2010.
- ³ Texas Education Agency data provided on 10 Sept. 2009.
- ⁴ Data accessed by author on 13 Oct. 13, 2009 per the Texas Education Agency, AskTEd website.
- ⁵ Ibid.
- ⁶ Texas Education Agency data provided on 10 Sept. 2009.
- ⁷ Author's calculations based on charter enrollment and public school enrollment.
- 8 National Alliance for Public Charter Schools, Dashboard, http://www.publiccharters.org/dashboard/home.
- ⁹ Texas Education Agency data provided on 10 Sept. 2009.
- ¹⁰ Brooke Dollens Terry and Michael Alexander, "Calculating the Demand for Charter Schools," Texas Public Policy Foundation (Aug. 2008) http://www.texaspolicy.com/pdf/2008-08-PP14-charter-bt.pdf.
- National Alliance for Public Charter Schools, "2008-2009 National Student Overview," http://www.publiccharters.org/dashboard/students/page/overview/year/2009, accessed 29 Sept. 2009.
- ¹² Texas Education Agency, "Snapshot 2008 Summary Tables," http://ritter.tea.state.tx.us/perfreport/snapshot/2008/state.html, accessed 21 Sept. 2009.
- 13 Ibid.
- 14 Ibid.
- 15 Ibid.
- ¹⁶ William G. Howell, Paul E. Peterson, Martin R. West, "The Persuadable Public," *Education Next*, Fall 2009 vol.9 no.4, 25, http://educationnext.org/persuadable-public/.

About the Authors

Brooke Dollens Terry is an education policy analyst at the Texas Public Policy Foundation. Since joining the Foundation in October of 2006, she has written extensively on the math/science teacher shortage, teacher incentive pay, charter schools, teacher certification, end-of-course assessments, career and technology education, and a host of other k-12 education issues. Her work has been published in numerous publications including the Dallas Morning News, the Houston Chronicle, the Fort Worth Star-Telegram, and the San Antonio Express-News. Her research has also been mentioned in The Economist, The Wall Street Journal, Education Week, and other prominent publications. Before joining the Foundation, she worked at the Texas Workforce Commission in government relations and as a policy analyst for Commissioner Diane Rath. At the Workforce Commission, Brooke researched and analyzed child care, welfare, foster care, food stamps, and a host of other workforce issues.

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