

### Texas: Raising Expectations by Closing Schools that Fail

In the early years of the Texas charter law, charters were easy to obtain and charter schools opened at a precipitous rate. A lack of uniform standards for applicants, along with poor performance results, fed a negative public perception of charter schools. State policies now include strong, explicit, consistent standards for charter school authorizing and for charter school performance, buoyed with additional authorizer authority to enforce them. This has had a direct, transformative effect on the quality of the state's charter schools, including the closure of 20 failing charter schools since 2013.

## CHALLENGES

The number of Texas charter schools increased rapidly from zero in 1995 to 176 schools just a few years later in 1999.<sup>1</sup> Failing charters were difficult to close. Lax standards, fed by a dearth of policy guidance related to school and authorizer quality, affected the quality of existing charter schools as well as the public perception of these schools.

**”** *Texas Stakeholders Said: “In the beginning, people thought the market approach would work [to close schools], but after 20 years of chartering in Texas, we’ve realized it is a lot more difficult and challenging...”*

## POLICY FIXES

A comprehensive overhaul of the state's charter school law in 2013 provided the following corrective measures:

- **Enhanced applicant approval standards:** applicants must be capable of carrying out the responsibilities required by the charter, likely to operate a school of high quality, and must meet any financial, governing, educational, and operational standards adopted by the Commissioner
- **Specification of the academic, operational, and financial performance expectations** by which a school will be evaluated, including standards for renewal, non-renewal, and revocation
- **Default closure of schools with unacceptable performance for the three preceding years<sup>2</sup>**
- **Differentiated renewal process with clear expectations for schools at all performance levels**

**”** *Texas Stakeholders Said: “We really had an organizational shift in [the] charter application in trying to highlight the standards that were outlined in the law and tying those standards back to the application.”*

## EVIDENCE OF PROGRESS

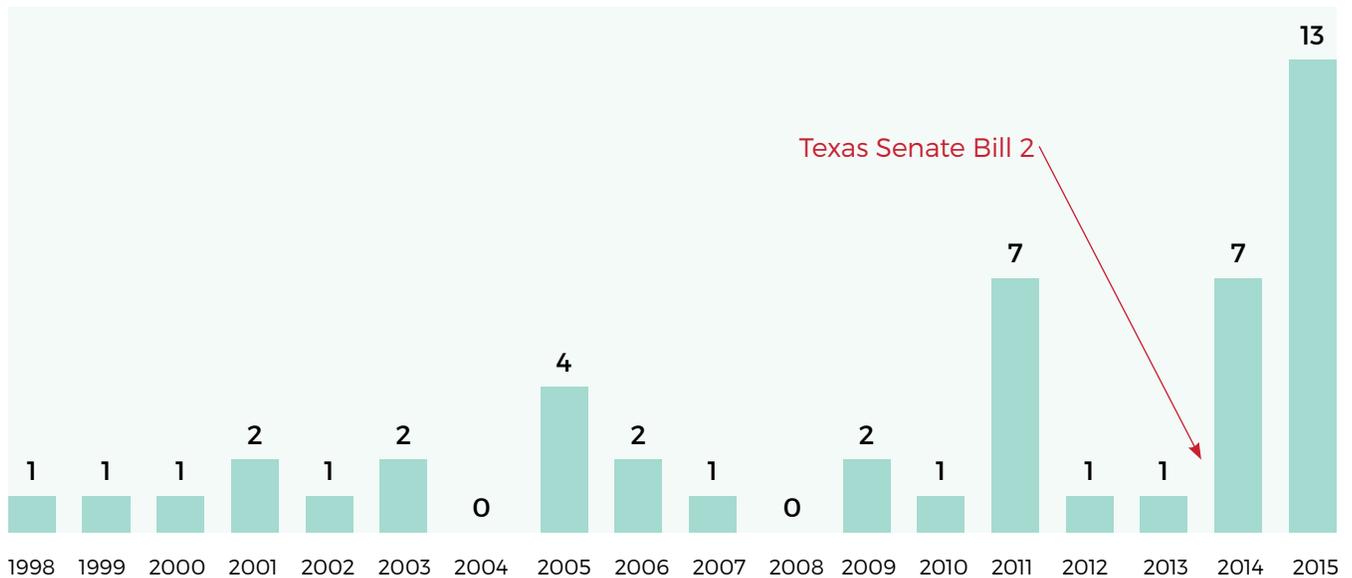
- **Application Process:** The Commissioner of Education, not the State Board of Education, is now the authorizer. This, coupled with the requirement that the Commissioner adopt enhanced application standards, has led to significant changes in the state's charter application process.
- **Closure:** From 1995, when Texas first enacted its charter law, until the passage of 2013 legislation, 27 charter schools were non-renewed or had their charters revoked.<sup>3</sup> Since the passage of that legislation, 20 low-performing charter schools have been closed by the Texas Education Agency using the default closure provisions.<sup>4</sup>

**”** *Texas Stakeholders Said: “You really have to serve kids or you’re going to get closed down because of these guidelines. You are quality checked.”*

## THE ROAD AHEAD

- Texas must continue to evaluate the measures it uses to determine academic and financial performance of charter schools—and to make any adjustments to adapt the traditional public school metrics to the charter sector as needed and allowed. The new policies ensure the robustness of charter school accountability, and now it behooves the State to make sure the new closure mechanisms are indeed identifying the right schools.
- Texas must balance needed sector clean-up with due process, especially during the current transition between old and new processes. This means putting practices in place to ensure reasonable due process for schools facing closure, including review of potential errors in the ratings that trigger closure.
- Texas needs to codify standard practices and procedures for asset distribution at closure.

Texas Charter School Closures



1. <http://www.publiccharters.org/dashboard/schools/state/TX/year/2014>

2. <https://legiscan.com/TX/drafts/SB2/2013>

3. The Texas Education agency distinguishes between default closures and voluntary closures. Default Closures include revocations under Texas Education Code (TEC) §§ 12.115(a), 12.115(c), and expirations/non-renewals under TEC §12.1141(d). Voluntary Closures include surrenders/returns, conversions, and consolidations.

4. <http://tea.texas.gov/WorkArea/DownloadAsset.aspx?id=2147485098>