House Panel Approves ASD Bill, Gives Nod To Private Operators At Low-Performing Schools

By Adam Pridemore for NCASA

The House Education K-12 Committee on an 18-11 vote Wednesday evening approved legislation authorizing the State to take over 5 of the lowest-performing schools in North Carolina and transfer operation of those schools to private-for-profit charter management companies. House Bill 1080 would create the Achievement School District (ASD), a State-level and statewide school administrative unit for low-performing schools from across the State, operated by a separate school management organization.

The legislation could be considered by the full House membership as early as Tuesday May 31 in what is expected to be a close vote. It is imperative that you contact your House members before Tuesday afternoon to express your concerns with this troubling legislation. An issue brief expressing NCASA’s concerns can be found here.

NCASA emailed each member of the committee prior to Wednesday’s meeting to express concerns with the legislation and urge the committee not to approve the bill as written. Some committee members, including the main bill sponsor – Rep. Rob Bryan (R-Mecklenburg) – referenced the concerns and feedback shared by NCASA and our members.

Ultimately the legislation was approved in the 18-11 vote that crossed party lines with 4 Republicans – Reps Kyle Hall (Stokes), Linda Johnson (Cabarrus), J.H. Langdon (Johnston) and Pat Hurley (Randolph) voting against the measure, while one Democrat, Rep. Ed Hanes (Forsyth) voted for it.

The bill would form an advisory committee that would recommend an Achievement School District Superintendent for approval by the State Board of Education (SBE). The Superintendent would recommend 5 schools to the SBE for placement in the Achievement School District. To be considered, the schools must meet the following criteria:

1. Received a school performance score in the lowest 5% of all schools in the prior school year that meet the following requirements:
   - The school includes all or part of grades K-5.
   - The school did not exceed growth in at least one of the prior 3 school years and did not meet growth in at least one of the prior 3 school years.
   - One of the reform models for continually low-performing schools has not been adopted for the school in the prior school year.

2. Received a school performance score in the lowest 10% of all schools that include all or part of grades K-5 in the prior school year and was designated by the local board of education for consideration as an achievement school by the SBE.

The ASD Superintendent must consider the school's performance over the past 3 years, conduct an evaluation of the school, confer with local officials, hold a public hearing, and make recommendations to the SBE by November 15. The SBE must select the prospective schools by January 15.
The SBE, upon recommendation from the ASD Superintendent, must select an entity, most likely a for-profit education management organization, to operate the ASD. Upon notice of selection of one of its schools as a prospective ASD school, an LEA must 1) close the school, 2) transfer the school into the ASD, or 3) request adoption of the principal turnaround reform model as outlined in the bill. Should the LEA choose to transfer the school into the ASD, the LEA would then be granted the opportunity to ask the SBE to be allowed to create an iZone for up to three continually low-performing schools within the LEA. Under the legislation, the SBE must grant this request.

The management company selected by the SBE would be contracted for 5 years to operate the ASD. After year 3 of the pilot, the contract could be terminated or extended for an additional 3 years, for an up to 8-year contract/pilot. The pilot would cease to operate at that time without legislative action to extend it. NCASA worked with the bill sponsor to include the principal turnaround model as an alternative for LEAs to the ASD; however, the organization remains opposed to the main premise of the bill – the private takeover of district-led public schools. Schools operating in the ASD would have charter-like flexibilities.

The legislation is a result of the interim House Select Committee on Achievement School District, formed to examine a proposal for turning around continually low-performing schools by shifting control of them to a private company. Committee chairman, and lead sponsor of the legislation, Rep. Rob Bryan (R-Mecklenburg) stressed the bill is only a pilot program, and in fact is three pilot programs as the legislation includes three separate models a low-performing school and district can choose, the Achievement School District (ASD), Innovation Zones (iZones), and a Principal Turnaround Model.

As previously reported by NCASA, that Committee heard from experts in that in Tennessee, district-run iZone schools had moderate to large positive effects in reading, math and science, while effects were negligible for ASD schools. However, it was noted that the positive effects in iZone schools may not have been possible without the pressure of state takeover through the ASD, but that the results suggest it is not necessary for these priority schools to be managed outside of the district to experience significant improvement.

NCASA supports the Principal Turnaround model and iZone model proposed in the bill; however, NCASA has serious concerns with the ASD model that would take a local school out of its district and community support system and place it into a statewide bureaucracy and under the control of a for-profit charter management organization. NCASA also does not believe school districts should have to give up control of one of their local schools to be eligible for the charter-like flexibilities associated with the iZone model.

A full summary of the legislation, written by General Assembly staff, can be found here. To read more on this bill and the committee meeting, please click here for an article by WRAL-TV.