### PUBLIC CHARTER SCHOOLS HOME RULE ACT OF 2008

July 28, 2008.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Waxman, from the Committee on Oversight and Government Reform, submitted the following

## REPORT

[To accompany H.R. 6322]

[Including cost estimate of the Congressional Budget Office]

The Committee on Oversight and Government Reform, to whom was referred the bill (H.R. 6322) to amend the District of Columbia School Reform Act of 1995 to permit the District of Columbia government to exercise authority over the Public Charter School Board in the same manner as the District government may exercise authority over other entities of the District government, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

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#### PURPOSE AND SUMMARY

H.R. 6322, the "Public Charter Schools Home Rule Act of 2008," amends the District of Columbia School Reform Act of 1995 to grant the District of Columbia government greater authority over its public charter school program and the District of Columbia Public Charter School Board (PCSB).

H.R. 6322, introduced by Rep. Eleanor Holmes Norton, eliminates the Secretary of Education's involvement in the selection and determination of the membership of the PCSB upon the enactment of a law by the District of Columbia establishing the membership of the PCSB and the process by which members of the PCSB are appointed. Also, under H.R. 6322, certain reports and data will no longer have to be provided to various federal government entities.

#### BACKGROUND AND NEED FOR LEGISLATION

Suffering from insolvency and considerable population loss, the District of Columbia was subjected to heightened federal control during the 1990s in order to improve the city's spending practices and governance. In 1995, the District of Columbia government began to operate under the Federal Control Board, which at the time stripped the vast majority of the powers of the local school board and appointed the city's first independent Chief Financial Officer. During this period, Congress passed the District of Columbia School Reform Act of 1995, in an effort to take a more proactive role in the city's public education system.1

The Act created the PCSB, which has the authority to grant charters in the District of Columbia. Under the Act, the mayor has the authority to appoint members to the PCSB but only based on a list provided by the Secretary of Education. The Act also includes various reporting requirements that mandate that the PCSB, the mayor, and the DC Board of Education submit information and data on the public charter school program annually to various fed-

eral government entities.

To advance the goal of home rule, H.R. 6322 gives the District of Columbia authority and oversight over its public charter school program by repealing the involvement of the Secretary of Education in the selection of PCSB members and by no longer requiring the annual submission of information and data to the Secretary of Education, Congress, and other federal entities.

#### LEGISLATIVE HISTORY

H.R. 6322 was introduced by Rep. Eleanor Holmes Norton on June 19, 2008, and referred to the Committee on Oversight and Government Reform.

On July 15, 2008, the Subcommittee on Federal Workforce, Postal Service, and the District of Columbia held a business meeting to consider H.R. 6322 and recommended, by a voice vote, that the bill be forwarded favorably to the full Committee.

The full Committee held a business meeting to consider H.R. 6322 on July 16, 2008, and ordered the bill to be reported favorably by a voice vote.

<sup>&</sup>lt;sup>1</sup> P.L. 104–134.

#### SECTION-BY-SECTION

Sec. 1. Short title

The short title of the bill is the "Public Charter Schools Home Rule Act of 2008."

Sec. 2. Authority of the District of Columbia Government to regulate Public Charter School Board

This section amends section 2214 of the District of Columbia School Reform Act of 1995 to require that the membership of the PCSB and the process by which members are appointed to the Board be determined by future laws enacted by the District of Columbia without the involvement of the Secretary of Education. Under this section, the Secretary of Education will continue to be involved in the appointments process until the District enacts such a law.

Sec. 3. Repeal of other requirements relating to receipt of reports by Federal Government

Subsection (a) eliminates the requirement that the PCSB submit an annual report on operational details to the Secretary of Education and Congress. The PCSB must continue to provide these annual reports to the mayor, the Council of the District of Columbia, and the Board of Education.

Under subsection (b), the mayor no longer has to provide an annual report on the number of students and related information to the Comptroller General and Congress. The mayor still must provide the required information to the Council of the District of Columbia.

Subsection (c) strikes the existing requirement that the Board of Education provide Congress with access to its internal financial management systems and other data bases. This section does not alter the requirement that the Board of Education provide the mayor's office and the Council of the District of Columbia access to this information.

This section is intended to provide the District of Columbia full responsibility for oversight of its public charter school program.

#### EXPLANATION OF AMENDMENTS

Rep. Foxx offered an amendment, rejected on a voice vote, to place a five-year sunset on the requirements of the bill.

#### COMMITTEE CONSIDERATION

On Wednesday, July 16, 2008, the Committee met in open session and favorably ordered H.R. 6322 to be reported to the House by a voice vote.

## ROLLCALL VOTES

No rollcall votes were held.

#### APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch where the bill

relates to terms and conditions of employment or access to public services and accommodations. H.R. 6322 gives the District of Columbia government jurisdiction over its public charter school program and therefore does not apply to employment or access to public services and accommodations in the legislative branch.

## STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of Rule XIII and clause (2)(b)(1) of Rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report, including the need to promote Home Rule by giving the District of Columbia government authority over its public charter school program.

#### STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report, including providing the government of the District of Columbia authority over its public charter school program.

#### CONSTITUTIONAL AUTHORITY STATEMENT

Under clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee must include a statement citing the specific powers granted to Congress to enact the law proposed by H.R. 6322. Article I, Section 8, Clause 18 of the Constitution of the United States grants the Congress the power to enact this law.

#### FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

#### Unfunded Mandates Statement

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104–4) requires a statement on whether the provisions of the bill include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

## EARMARK IDENTIFICATION

H.R. 6322 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI.

#### COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 6322. However, clause 3(d)(3)(B) of that rule provides that this re-

quirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

## BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 6322 from the Director of the Congressional Budget Office:

July 21, 2008.

Hon. HENRY A. WAXMAN,

Chairman, Committee on Oversight and Government Reform, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 6322, the Public Charter Schools Home Rule Act of 2008.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

Peter R. Orszag.

Enclosure.

### H.R. 6322—Public Charter Schools Home Rule Act of 2008

H.R. 6322 would amend provisions of the District of Columbia (D.C.) Official Code regarding charter schools. Charter schools are publicly funded schools that have been exempted from certain rules and regulations that apply to regular public schools. The legislation would allow the city government to select members of its Public Charter School Board. Under current law, the U.S. Department of Education provides the D.C. mayor with the names of individuals to be selected for the board.

CBO estimates that implementing H.R. 6322 would have no significant impact on the federal budget and would not affect direct spending or revenues.

H.R. 6322 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Matthew Pickford. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

#### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

#### DISTRICT OF COLUMBIA SCHOOL REFORM ACT OF 1995

## TITLE II—DISTRICT OF COLUMBIA SCHOOL REFORM

REFORM Subtitle B—Public Charter Schools SEC. 2211. POWERS AND DUTIES OF ELIGIBLE CHARTERING AUTHORI-(a) \* \* \* \* (d) ANNUAL REPORT.—On or before July 30 of each year, each eligible chartering authority that issues a charter under this subchapter shall submit a report to the Mayor, the District of Columbia Council, the Board of Education, [the Secretary of Education, the appropriate congressional committees,] and the Consensus Commission that includes the following information: (1) \* \* \* SEC. 2214. PUBLIC CHARTER SCHOOL BOARD. (a) \* \* \* (j) Determination of Membership of Board in Accordance WITH DISTRICT LAW.— (1) In General.—Notwithstanding subsection (a), the membership of the Board and the process by which members of the Board are appointed shall be determined in accordance with such laws as may be enacted by the District of Columbia. (2) Transition.—Subsection (a) shall remain in effect until a law enacted by the District of Columbia takes effect to establish the membership of the Board and the process by which members of the Board are appointed. Subtitle D—Per Capita District of Columbia Public School and Public Charter School Funding SEC. 2402. CALCULATION OF NUMBER OF STUDENTS. (a) \* \* \*

(c) ANNUAL REPORTS.—Not later than October 30 of each year the Mayor shall prepare and submit to [the Authority (during a control year), the Council, the Comptroller General of the United States, and the appropriate congressional committees] the Authority (during a control year) and the Council a report containing a summary of the calculations made pursuant to subsection (b) of

this subsection, including the 4 immediately prior reporting periods specified in subsection (a) of this section.

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# Subtitle G—Management and Fiscal Accountability; Preservation of School-Based Resources

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## SEC. 2752. ACCESS TO FISCAL AND STAFFING DATA.

(a) \* \* \*

(b) Access.—The Board of Education shall provide read-only access to its internal financial management systems and all other data bases to designated staff of the Mayor, the Council, [the Authority, and appropriate congressional committees] and the Authority.

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