Over the past two decades, the landscape of elementary and secondary education in the United States has shifted dramatically, due to the emergence and expansion of privately provided, but publicly funded, schooling options (including both charter schools and private school choice devices like vouchers, tax credits, and educational savings accounts). This transformation in the delivery of K12 education is the result of a confluence of factors—discussed in detail below—that increasingly lead education reformers to support efforts to increase the number of high quality schools serving disadvantaged students across all three educational sectors, instead of focusing exclusively on reforming urban public schools. As a result, millions of American children now attend privately operated, publicly funded schools. This rise in a “sector agnostic” education policy has profound implications for the state and federal constitutional law of education because it blurs the distinction between charter and private schools. This Article explores three of the most significant of these implications.

*  John P. Murphy Foundation Professor of Law, University of Notre Dame. I am indebted to Peg Brinig, Rick Garnett, Michael Heise, Mark McKenna, Jim Ryan, and John Schoenig for helpful feedback. Joe Connor and Ruben Gonzalez provided superb research assistance.
INTRODUCTION

In May 2014, the Louisiana Recovery School District closed the last of its traditional public schools in New Orleans and announced that it would, henceforth, no longer operate any schools in the city, but instead will authorize and regulate privately operated charter schools.1

1. The district, a statewide entity, operates a handful of schools outside of New Orleans and Orleans Parish School District, but has a stated policy of doing so only until a high-performing charter operator can be recruited to assume control of them. Direct-Run Schools, RECOVERY SCH. DISTRICT, http://www.rsdl.net/apps/pages/index.jsp?uREC_ID=195276&type=d&termREC_ID=&pREC_ID=396825 (last visited Sept. 12, 2016) [https://perma.cc/J2MR-6VLY]. The Orleans Parish School Board, which operated the public school system in New Orleans before Katrina, currently runs six traditional public schools in the city; it also serves as an authorizer of charter schools. Our Schools, ORLEANS PARISH SCH. BOARD, http://opsb.us/about/our-schools/ (last visited Sept. 12, 2016) [https://perma.cc/3RS5-38U4]. Prior to the hurricane, the Orleans Parish School Board operated over 125 traditional public schools in the city, and the district was widely regarded as one of the worst performing school districts in the United States. Transforming Public
2017] SECTOR AGNOSTICISM

Parents living in New Orleans today have the option of sending their children to a charter school or one of the five traditional public schools operated by the Orleans Parish School Board. Families under a certain income threshold also can receive a publicly funded scholarship to attend a private school. The New Orleans situation is, in many respects, sui generis, since the Recovery School District resolved to operate an “all charter” district in the city in the wake of Hurricane Katrina. In other respects, the Recovery School District’s decision is emblematic of a much broader trend in education reform. A major shift is occurring in K12 education in the United States, especially in urban centers. Frustrated with the pace and prospect of efforts to improve urban public schools, reformers are increasingly focusing on growing the supply of high quality educational options outside the traditional public school sector. As a result, millions of American children now attend privately operated, but publicly funded, schools: approximately three million attend privately operated charter schools, and at least four hundred thousand attend a private school with funds provided by a publicly funded school choice program.

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3. See, e.g., Transforming Public Education in New Orleans, supra note 1, at 1–2 (discussing the impact of the Recovery School District on education in New Orleans).

4. James A. Peyser, Boston and the Charter School Cap, EDUC. NEXT 14, 15 (2014), http://educationnext.org/files/ednext_XIV_1_peyser.pdf [https://perma.cc/9F3B-A7RD] (noting that over the past several years the Gates Foundation has brokered fifteen “district-charter collaboration compacts” between urban school districts and charter schools, each of which commits the district to making charter schools an integral part of a broader school-reform strategy).

In the education policy world, “portfolio” has become a popular buzzword. Education “portfolio” models theoretically shift the role of public education officials from public school operators to the regulators of schools across multiple educational sectors. Portfolio strategies combine continued efforts to improve urban public schools with efforts to increase the supply of high quality schools accessible to low-income students in the charter sector, and, in states with publicly funded private school choice, the private sector as well. As a practical matter, however, even the most vigorous proponents of “portfolio” reforms face serious institutional impediments to implementing them. The reality is that the diffusion of authority over K12 education usually means there is no (and there is often no realistic possibility of) a portfolio manager. Except where a state has assumed control of a local school district and vested operational authority in the hands of a mayor (as in New York City, Newark, and Chicago) or a state-controlled entity (as in Philadelphia and New Orleans), local elected officials lack the legal authority to implement education reforms directly, but rather must assume the roles of cheerleader and talent recruiter. Even where the local school district has been divested of operational authority, state education law generally distributes control over core components of the “portfolio” across a variety of actors. State laws frequently determine the extent of parental choice (if any) by establishing the baseline conditions under which charter schools are permitted to operate and determining whether (and to what extent) private schools are included in the menu of publicly funded parental choice options. The accountability rules for public, private, and charter schools also are generally a matter of state and federal law, and are sometimes supplemented by even more rigorous expectations of private philanthropists. Federal education policy further complicates the


9. See, e.g., Dale Russakoff, Schooled: Cory Booker, Chris Christie, and Mark Zuckerberg Had a Plan to Reform Newark’s Schools. They Got an Education, NEW YORKER (May 19, 2014),
picture by effectively forcing states to implement favored policies (such as the elimination of caps on charter schools and value-added teacher evaluation practices).\textsuperscript{10}

A more accurate description of the rapidly evolving landscape of urban K12 education—and the one employed throughout this Article—is what Andy Smarick dubbed “sector agnosticism.”\textsuperscript{11} That is to say, education reformers and urban leaders alike are coming to embrace a child-focused, rather than a sector-focused, reform agenda. This agenda has as its central goal maximizing the number of high quality educational options for disadvantaged children now across all three education sectors (charter, private, and traditional public), in addition to pursuing longer-term solutions to seemingly intractable academic struggles of urban public schools. While this agenda remains deeply contested, it is driving both the demand-side and supply-side of education reform.\textsuperscript{12} Sector agnosticism seeks to pair increased educational options for parents with increased supply of high-performing schools, especially schools serving disadvantaged urban students. The extent of these reforms varies dramatically from city to city: in some cities, urban leaders not only actively recruit charter school operators to open new schools, but also enlist them to “convert” and manage failing public schools as charter schools. These charter-centric efforts are combined in some states with private school choice programs, although thus far the effects of these programs have been (at least outside of Milwaukee) quite modest.\textsuperscript{13} In other cities, urban

\textsuperscript{10} See infra notes 120–133 and accompanying text.


education officials use the language of “portfolio” but eschew many of its core components, including an expansion of educational options and accountability for academic performance.14

The emergence of this “child-centered” (rather than sector-centered) approach to education reform is the result of a number of factors. The first is the rise and dramatic expansion of parental choice, especially the exponential growth of charter schools and, more recently, an expansion in the number of programs enabling parents to send their children to private schools with public funds. The second is the failure of, and massive resistance to, accountability policies imposed by the deeply unpopular No Child Left Behind Act (“NCLB”), many of which Congress eliminated in December 2015 in the new federal education legislation, called the Every Student Succeeds Act (“ESSA”).15 Somewhat ironically, the public sector’s resistance—and inability—to comply with these standards arguably fueled the transition to a sector-agnostic, child-centered education policy. NCLB’s testing and reporting requirements laid bare the persistent academic struggles of traditional public schools, especially those serving disadvantaged children. These struggles have not only stimulated efforts to increase the supply of high-performing charter schools but have also led state and local education leaders to favor enlisting charter operators to assume control of failing public schools rather than seeking to reform them from within the traditional public sector.16 Moreover, prior to the enactment of the ESSA, the Obama administration granted forty-three state regulatory waivers from complying with the most onerous of NCLB’s accountability requirements, each of which was conditioned upon an


agreement to implement certain policies,\textsuperscript{17} including an expansion of charter schools.\textsuperscript{18}

The shift toward a sector-agnostic education policy has profound implications for education law. This Article discusses three of the most significant, all of which flow from the blurring of the public-private distinction between charter and private schools. The accepted view (which is universally reflected in charter school statutes) is that charter schools are privately operated public schools, rather than publicly funded private ones. As originally conceived, charter school laws authorize the creation of new public schools through an agreement (“the charter”) between a government-authorized chartering authority and a private individual or organization. These schools would be freed of the obligation to comply with many government regulations and would add diversity to the public educational landscape. The charter school market, however, has evolved away from this model. Many developments, including the emergence of a relatively “hands-off” laissez faire charter school regulatory regime, arguably have led to a convergence between charter schools and private schools, especially private schools participating in parental choice programs. A case can be made (and is being made with some success in both state and federal courts) that charter schools are, in many legally significant respects, publicly funded private schools—not privately operated public ones.\textsuperscript{19}

The conclusion that charter schools are private entities has at least three important legal implications for the constitutional law of education. The first is the possibility of religious charter schools. Conventional wisdom holds that, while private religious schools can participate in voucher or tax-credit programs without running afoul of the Federal Establishment Clause, charter schools must be secular schools. There are two reasons why: First, charter schools are presumed to be public schools (and universally designated as such by state charter laws), and the U.S. Supreme Court has made clear that public schools must be secular. Second, in its Establishment Clause decisions, the U.S. Supreme Court has distinguished between educational programs that provide financial assistance directly to schools (which must be secular) and those that provide assistance to parents and students but that


\textsuperscript{19} See \textit{infra} notes 193–218 and accompanying text.
indirectly benefit schools (which can be religious). It is widely assumed
that charter school programs fall on the “direct assistance” side of that
equation, but vouchers and tax credits are “indirect” aid programs. As
a result of the evolution in K12 education policy described in this
Article, however, the distinctions between charter schools and private
schools have eroded to the point where religious charter schools ought
to be constitutionally permissible, at least in many states.20

The implications for both state and federal constitutional law of
characterizing charter schools as private rather than public, however,
extend beyond the Establishment Clause. In the federal context, the
U.S. Constitution only binds governmental actors (including public
schools). Therefore, if charter schools are private schools—that is, as
several federal courts have held, if they are not “state actors”—then
they are not bound by the constitutional norms that govern the
relationship between public schools and their students and teachers.21

Finally, in the state context, many state constitutions contain
provisions that explicitly or impliedly limit the government’s ability to
enlist private schools to assist in the task of public education.
Presumably, if charter schools are private schools, then they ought to
be bound by these state constitutional restrictions as well. In other
words, as charter school opponents have begun to argue, the public
funding of charter schools ought to be legally impermissible to the same
extent (if any) as the public funding of private schools.22 This once
seemingly far-fetched argument carried the day in September 2015,
when the Washington Supreme Court became the first state supreme
court to hold that charter schools were insufficiently “public” to receive
public funds. In League of Women Voters v. State of Washington, the
court held that the Washington Constitution reserved public education
funds to “common schools,” and charter schools did not satisfy the
definition of common schools.23

This Article proceeds in two parts. Part One outlines the factors
that have led to the emergence of sector-agnostic education policies,
including the rise of parental choice, the emergence and failure of public
school accountability policies, and the more recent convergence of these
trends. Part Two discusses three legal implications of sector

20. See infra notes 163–196 and accompanying text.
21. See infra notes 205–212, 224–228 and accompanying text.
22. See infra notes 245–255 and accompanying text.
23. League of Women Voters v. State, 355 P.3d 1131, 401–05 (Wash. 2015). Previously, the
Georgia Supreme Court had invalidated the establishment of a state charter school commission,
reasoning that the state constitution required closer local supervision of all public schools, but the
state constitution was subsequently amended to permit charter schools. Gwinnett Cty. Sch. Dist.
v. Cox, 710 S.E.2d 773, 775 (Ga. 2011).
agnosticism. The first implication is that the federal Establishment Clause may not preclude faith-based charter schools; the second is that charter schools may be, for purposes of federal constitutional law, private rather than public actors; and the third is that charter schools may be subject to state constitutional provisions that restrict the funding of private schools. The Article concludes by briefly reflecting on the factors that may determine—and the significant institutional and public choice impediments to—further transition to sector agnosticism.

I. The Path to Sector Agnosticism

The shift toward a sector-agnostic education policy results from the confluence of two very different policy responses to the persistent academic struggles of urban public schools. While these responses—parental choice and accountability—proceeded on separate tracks for decades, they have converged in recent years. This Section briefly outlines the emergence of sector-agnostic, child-focused education policies, including the emergence and expansion of parental choice in education, the imposition of accountability requirements for public school performance, and the shift in many cities from school “turn around” efforts to “turn over” strategies characterized by the conversion of failing public schools into charter schools. The feedback effects between each of these developments, combined with a sense of urgency about the need to narrow the achievement gap, have led—perhaps inevitably but certainly unpredictably—to a focus on increasing the number of high quality educational options for low-income kids outside of traditional public schools.24 In other words, these factors lead toward sector-agnostic education policy.

A. The Parental Choice Revolution

All efforts to increase the number of high quality options available to parents is dependent, to some extent, upon parental choice

in education. Sector-agnostic education policy necessarily requires that those options be spread across multiple education sectors. Today, most states offer parents an array—and in some jurisdictions a dizzying array—of educational options: many districts offer “magnet schools” and/or “public school choice”; twenty-five states and the District of Columbia authorize charter schools; and more than half of all states and the District of Columbia have publicly funded private school choice programs. This smorgasbord approach to delivery of public education represents a dramatic—indeed seismic—shift away from the historical status quo in the United States. The idea of publicly funded school choice is a deeply contested one in American history, dating at least to the mid-nineteenth century battles over the public funding of Catholic schools. Education policies that funded parents’ decisions to select any school other than the public school assigned to them by either geography or—in the post-desegregation world—federal court order were rare until recent decades, although parents with the financial means to do so have long chosen their children’s schools, either by moving to districts with high-performing schools or by financing private education.

1. The Public School Roots of Parental Choice

The road to sector agnosticism arguably began in an unexpected place and time—suburban Detroit, Michigan. In 1971, a federal district court ruled that the Detroit Public Schools had unconstitutionally discriminated against African American students in various ways, including the drawing of attendance zones, assignment of teachers, and

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27. See, e.g., MARGARET F. BRINIG & NICOLE S. GARNETT, LOST CLASSROOM, LOST COMMUNITY 16–18 (2014) (discussing “the funding question” in Catholic schools); PHILIP HAMBURGER, SEPARATION OF CHURCH AND STATE 221–29 (2002) (documenting the conflict between those desiring an alliance between church and state and those desiring separation); JOHN T. McGREEVY, CATHOLICISM AND AMERICAN FREEDOM 111–21 (2003) (discussing the controversy surrounding the state’s power over education).


29. See Nicole Stelle Garnett, Affordable Private Education and the Middle Class City, 77 U. CHI. L. REV. 201, 212–14 (2010) (reviewing data on private school enrollment and moving to opt into public school systems). In Pierce v. Society of Sisters, 268 U.S. 510 (1925), the Supreme Court held that parents had a constitutional right to send their children to private school, invalidating an Oregon law that mandated public school attendance.
allocation of public resources. The district court further ruled that the State of Michigan had violated the Equal Protection Clause by failing to adequately supervise the Detroit public school system to prevent this discrimination.30 A year later, the district court granted a sweeping multi-district busing remedy, which required the compulsory transfer of students between the Detroit public schools and fifty-three surrounding suburban districts.31 A divided Court of Appeals for the Sixth Circuit affirmed, reasoning that “any less comprehensive a solution than a metropolitan area plan would result in an all black school system immediately surrounded by practically all white suburban school systems.”32 In *Milliken v. Bradley*, the Supreme Court reversed, holding that the district court had exceeded its equitable powers by imposing the multi-district remedy because there was no evidence that the suburban school districts included in the remedy had engaged in intentional race discrimination. “Boundary lines may be bridged where there has been a constitutional violation calling for inter-district relief,” Chief Justice Burger wrote for the majority, “but the notion that school district lines may be casually ignored or treated as a mere administrative convenience is contrary to the history of public education in our country.”33

By effectively limiting the scope of desegregation remedies to urban school districts, many of which were, or were fast becoming, majority-minority, *Milliken* dealt a tremendous blow to integration proponents.34 But, the decision also prompted districts to experiment with strategies that sought to achieve integration by other means, including magnet schools and public school choice programs that allowed students to choose to attend a traditional public school other than one geographically assigned to them. In the 1977 *Milliken II* decision,35 the Supreme Court approved these “compensatory” strategies, and, since then, magnet schools and public school choice has

proliferated. While attendance at a traditional, geographically assigned public school remains the norm in many communities, the number of students attending a chosen public school continues to rise steadily. In 2007, over fifteen percent of all public school students reported attending a school other than the one geographically assigned to them, and forty-six percent of parents reported that public school choice was an option for them. The availability of public school choice options is even higher in urban districts, many of which offer (in theory) universal public school choice. A number of states also permit inter-district school choice, although the extent of choices available for low-income urban students is often dramatically constrained by available space and the public-choice reality that more affluent, higher-performing public schools are often not particularly welcoming of transfers.

Magnet schools arguably represented the first portfolio management effort in public education policy. As themed (and sometimes semi-autonomous) public school choice options, magnet schools also arguably paved the way for later experimentation with charter schools—the creation and exponential growth of which has been the primary factor fueling the movement toward sector-agnostic education policy. Magnet schools remain important component parts of the menu of options available to parents in many cities. The enrollment in magnet schools in 2013–2014, the last year for which data is available from the U.S. Department of Education, was approximately...


38. In practice, non-magnet schools frequently are permitted to favor residents of their geographic attendance zones, leaving limited space in high-performing schools for nonresident students. See Ryan & Heise, supra note 25, at 2064–65 (explaining that magnet schools fail to assigning students to neighborhood schools). Most seats in magnet schools are allotted by lottery, test scores, or both. See Magnet Schools: By the Numbers, SMART CHOICE TECHS., https://smartchoicetech.com/wp-content/uploads/2013/07/MSA_Infographic.pdf (last visited Sept. 14, 2016) [https://perma.cc/PZ5K-ENU6] (showing that preference lottery or blind lottery accounts for seventy-four percent of student selection, and academic criteria accounts for seventeen percent of student selection).


40. See Chester E. Finn, Jr. et al., Charter Schools in Action: Renewing Public Education 17 (2000) (“[C]harter schools have cousins in the in the K–12 family. Their DNA looks much the same under the education microscope as that of lab schools, magnet schools, site-managed schools, and special focus schools . . . .”).
the same as the number of students enrolled in charter schools (around 2.5 million), although there were nearly twice as many charter schools (6,079) as magnet schools (3,151).\footnote{Digest of Education Statistics, NAT'L CTR. FOR EDUC. STATS. tbl.216.20 (Jan. 2015), https://nces.ed.gov/programs/digest/d14/tables/dt14_216.20.asp [https://perma.cc/T3VT-JEFL] (noting number and enrollment of public elementary and secondary schools).} Given the exponential growth in charter school market share in many jurisdictions, however, magnet school enrollment is being eclipsed by charter school enrollment.

2. The Surprising Revolution: Charter Schools

If \textit{Milliken II} opened the door for parental choice, the enactment of the nation’s first charter school law by Minnesota in 1991 opened the floodgates.\footnote{See Richard D. Kahlenberg, \textit{The Charter School Idea Turns 20}, EDUC. WK. (Mar. 25, 2008), http://www.edweek.org/ew/articles/2008/03/26/29kahlenberg_ep.h27.html [https://perma.cc/6Y88-LS3G] (discussing the origin of the idea for charter schools and the first charter school legislation).} The implications of Minnesota’s reform were not immediately apparent. At their inception, charter schools were perceived as a relatively modest reform that offered a more moderate alternative to private school voucher programs. As they have evolved, however, charter schools have become conceptually and operationally quite distinct from their traditional public school progenitors. Importantly, unlike magnet schools, they are not operated by the government. Charter schools are privately operated schools that are technically “created” by an agreement—“the charter”—between a charter operator (usually a nonprofit, but, in some cases, a for-profit entity) and a charter authorizer (which, depending upon the state, can include a range of governmental, educational, and nonprofit private entities). Charter schools resemble public schools in that they are tuition free, secular, and are open to all who wish to attend—generally, oversubscribed charter schools must admit applicants by lottery, although some are permitted to prefer neighborhood students and/or to test applicants for admission.\footnote{Nicole Stelle Garnett, \textit{Disparate Impact, School Closures, and Parental Choice}, 2014 U. CHI. LEGAL F. 289, 338; Valerie Strauss, \textit{How Charter Schools Choose Desirable Students}, WASH. POST (Feb. 16, 2013), https://www.washingtonpost.com/news/answer-sheet/wp/2013/02/16/how-charter-schools-choose-desirable-students/ [https://perma.cc/PEP9-9ZFK].} Charter schools also have many attributes of private schools. Importantly, they are privately operated—increasingly by “charter management organizations,” which operate multiple schools within and across jurisdictions.\footnote{Technically, “charter management organizations” are nonprofit entities that manage two or more charter schools, and “educational management organizations” are for-profit entities that do the same. Some states prohibit for-profit entities from operating charter schools. See CMO and EMO Public Charter Schools: A Growing Phenomenon in the Charter School Sector, NAT'L...
ranging autonomy over staffing, curriculum, budget, internal organization, and many other matters (although the extent of the autonomy varies by jurisdiction). And, like private schools, they are schools of choice—that is, parents select them for their children, and public funding “follows the child” to the school, as with students participating in private school choice programs.45

The term “charter school” is attributed to the late Albert Shanker, the longtime president of the American Federation of Teachers, the nation’s second largest teachers’ union. In a 1988 speech, Shanker urged America to develop a “fundamentally different model of schooling” that would “enable any school or any group of teachers . . . within a school to develop a proposal for how they could better educate youngsters and then give them a ‘charter’ to implement that proposal[.]”46 In 1991, Minnesota enacted the first charter school law, but the legislation fundamentally altered Shanker’s proposal. The Minnesota legislation envisioned charter schools authorized by agencies independent from local education authorities, operated by private entrepreneurs, and staffed with non-unionized teachers. These changes led Shanker to reject the charter schools as a “gimmick” and later to condemn the charter movement for “corporatizing” public education and embracing “quick fixes that won’t fix anything.”47 But the Minnesota model, characterized by private operators and independence from local school authorities, rather than the Shanker model, which envisioned experimentation within the traditional public school sector, led the expansion of charter schools to other states over time.

The charter school concept expanded rapidly. Nineteen states had enacted charter school statutes by 1995.48 Today, charter schools are

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45. Finn, Jr. et al., supra note 40, at 134–38.
authorized in forty-three states and the District of Columbia. The number of charter schools and students enrolled in them rose quickly as well. In the first decade of their existence, nearly thirteen hundred charter schools opened; during the 2014–2015 school year, there were over sixty-five hundred schools serving more than 2.5 million students. Charter school enrollment continues to grow exponentially: in the past decade, the number of students enrolled in charter schools has increased by 255 percent. In 2013–2014 alone, six hundred charter schools opened, and an additional 288,000 students enrolled in charter schools—a thirteen percent increase over the previous school year. A substantial and increasing percentage of students in many urban school districts is enrolled in charter schools, including (in 2015–2016) ninety-two percent in New Orleans, Louisiana, fifty-three percent in Detroit and Flint, Michigan, and forty-five percent in Washington, D.C. (See Figure 1.) During the 2015–2016 school year, charter schools enrolled more than thirty percent of public schools students in seventeen districts and more than ten percent in 190 districts. Additionally, many districts are projecting (and indeed encouraging) substantial increases in charter school enrollment in coming years, as discussed in more detail below.


52. Id. at 2.

53. For example, a 2012 report commissioned from the Boston Consulting Group by the Philadelphia School Reform Commission (the entity that has operated the Philadelphia public school system since the Commonwealth of Pennsylvania assumed control of the district over a decade ago) predicted that, in the next five years, total charter school enrollment in Philadelphia would grow from roughly a quarter to forty percent of all public school students. See Transforming Philadelphia's Public Schools, BOS. CONSULTING GROUP 6–9 (2012), http://webgui.phila.k12.pa.us/uploads/v/1Fv_v_IFJYCor72C8KDpRdGAAQ/BCG-Summary-Findings-and-Recommendations _August_2012.pdf [https://perma.cc/2PVF-2PTJ].
**FIGURE 1: CHARTER SCHOOL MARKET SHARE BY SCHOOL DISTRICT**

**THE HIGHEST PERCENTAGE OF PUBLIC CHARTER SCHOOL STUDENTS BY SCHOOL DISTRICT, 2015–2016**

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<tr>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>New Orleans Public School System</td>
<td>LA</td>
<td>92%</td>
<td>44,190</td>
<td>3,690</td>
<td>47,880</td>
<td>#1 and 79%</td>
</tr>
<tr>
<td>2</td>
<td>Detroit City School District</td>
<td>MI</td>
<td>53%</td>
<td>51,240</td>
<td>46,100</td>
<td>97,340</td>
<td>#2 and 51%</td>
</tr>
<tr>
<td></td>
<td>School District of the City of Flint</td>
<td>MI</td>
<td>53%</td>
<td>5,940</td>
<td>5,360</td>
<td>11,300</td>
<td>#4 and 36%</td>
</tr>
<tr>
<td>3</td>
<td>District of Columbia Public Schools</td>
<td>DC</td>
<td>45%</td>
<td>38,910</td>
<td>48,440</td>
<td>87,340</td>
<td>#3 and 43%</td>
</tr>
<tr>
<td>4</td>
<td>Gary Community School Corporation</td>
<td>IN</td>
<td>43%</td>
<td>4,950</td>
<td>6,480</td>
<td>11,430</td>
<td>#5 and 43%</td>
</tr>
<tr>
<td>5</td>
<td>Kansas City Public Schools</td>
<td>MO</td>
<td>40%</td>
<td>10,570</td>
<td>15,580</td>
<td>26,150</td>
<td>#4 and 36%</td>
</tr>
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<td>6</td>
<td>Camden City School District</td>
<td>NJ</td>
<td>34%</td>
<td>4,880</td>
<td>9,290</td>
<td>14,180</td>
<td>Not in top 10 and 22%</td>
</tr>
<tr>
<td>7</td>
<td>Philadelphia City School District</td>
<td>PA</td>
<td>32%</td>
<td>63,520</td>
<td>132,180</td>
<td>195,700</td>
<td>#8 and 28%</td>
</tr>
<tr>
<td>8</td>
<td>Indianapolis Public Schools</td>
<td>IN</td>
<td>31%</td>
<td>13,580</td>
<td>29,580</td>
<td>43,160</td>
<td>#8 and 28%</td>
</tr>
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<td></td>
<td>Dayton City School District</td>
<td>OH</td>
<td>31%</td>
<td>6,300</td>
<td>13,970</td>
<td>20,270</td>
<td>#8 and 28%</td>
</tr>
<tr>
<td></td>
<td>Cleveland Municipal School District</td>
<td>OH</td>
<td>31%</td>
<td>16,920</td>
<td>37,750</td>
<td>54,670</td>
<td>#7 and 29%</td>
</tr>
<tr>
<td></td>
<td>Grand Rapids Public Schools</td>
<td>MI</td>
<td>31%</td>
<td>6,890</td>
<td>15,590</td>
<td>22,480</td>
<td>#10 and 26%</td>
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<td></td>
<td>Victor Valley Union High School District</td>
<td>CA</td>
<td>31%</td>
<td>4,220</td>
<td>9,590</td>
<td>13,810</td>
<td>Not in top 10 and 10%</td>
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<td>9</td>
<td>San Antonio Independent School District</td>
<td>TX</td>
<td>30%</td>
<td>18,710</td>
<td>42,750</td>
<td>61,460</td>
<td>#10 and 26%</td>
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<tr>
<td></td>
<td>Natomas Unified School District</td>
<td>CA</td>
<td>30%</td>
<td>4,270</td>
<td>10,020</td>
<td>14,290</td>
<td>Not in top 10 and 15%</td>
</tr>
<tr>
<td></td>
<td>Newark City School District</td>
<td>NJ</td>
<td>30%</td>
<td>15,020</td>
<td>35,330</td>
<td>50,350</td>
<td>Not in top 10 and 21%</td>
</tr>
<tr>
<td></td>
<td>St. Louis Public Schools</td>
<td>MO</td>
<td>30%</td>
<td>10,380</td>
<td>24,500</td>
<td>34,870</td>
<td>Not in top 10 and 24%</td>
</tr>
</tbody>
</table>

(Source: National Alliance for Public Charter Schools)

State regulation of charter schools differs across a number of variables, including the total number of charter schools permitted, the number and types of entities empowered to act as charter authorizers (e.g., some states limit this function to public school districts while...
SECTOR AGNOSTICISM

others have special government commissions and still others allow universities and even private nonprofit entities to authorize charter schools), accountability for academic performance, and, importantly for present purposes, the extent of autonomy from various public education regulations. Since sector-agnostic reform strategies focusing on increasing the supply of “high performing seats,” charter school performance (and accountability for performance) has become a major issue in education reform debates. It is widely accepted that there is tremendous variation in quality among charter schools. As a recent article in Slate observed, “There are some great ones but also some real duds.” The question of whether charter schools, on average, outperform traditional public schools remains deeply contested. Critics suggest that reformers are excessively starry-eyed about charter school performance, when there is little evidence that the charter schools perform better than traditional public schools. Some high-profile

54. The Obama Administration has taken steps to eliminate numerical limits on charter schools, including conditioning access to federal Race to the Top funds and the approval of No Child Left Behind waivers on states agreeing to lift charter school “caps.” See infra notes 135–143 and accompanying text.


56. This view is reflected in the Center for Education Reform’s rating system for state charter school laws, which rates state’s on an A–F scale across a variety of factors, such as “autonomy” from state education rules—including academic accountability regulations. Charter School Law Rankings and Scorecard, CTR. FOR EDUC. REFORM (2014), https://www.edreform.com/wp-content/uploads/2014/03/2014CharterSchoolLawScorecardLink.pdf [https://perma.cc/5B8F-VM76]. Some evidence suggests that parents overestimate the academic performance of the children’s charter school, and there is uncontroverted evidence that parents value factors other than academic performance when choosing among educational options. These are obviously not the same thing. The fact that parents prioritize factors other than school performance—for example, discipline and safety—does not necessarily make them poor consumers of charter schools. See JACK BUCKLEY & MARK SCHNEIDER, CHARTER SCHOOLS: HOPE OR HYPE? 115–70 (2007) (analyzing parental choice of schools).


studies, including a very influential study conducted in 2009 by Stanford University’s Center for Research on Educational Outcomes (“CREDO”), have found that charter schools do not outperform their public school counterparts. The 2009 CREDO study of sixteen states found charter school students gained seven fewer days in reading and twenty-two fewer days in math than public school students. The study also found that charter performance varied across state policy environments. For example, student performance was lower in states that capped the number of charter schools and higher in states that limited the number of charter authorizers.

59. The 2009 CREDO study of sixteen states found charter school students gained seven fewer days in reading and twenty-two fewer days in math than public school students. The study also found that charter performance varied across state policy environments. For example, student performance was lower in states that capped the number of charter schools and higher in states that limited the number of charter authorizers. Multiple Choice: Charter School Performance in 16 States, CTR. FOR RES. ON EDUC. OUTCOMES 38, http://credo.stanford.edu/reports/MULTIPLE_CHOICE_CREDO.pdf [https://perma.cc/8RW5-G48F].

60. The 2013 CREDO study of twenty-six states and the District of Columbia found that charter schools had closed the performance gap with public schools. The researchers found that charter students were now outperforming public school students reading (gaining an additional eight days of learning each year) and were on par with public school students in terms of math gains. The researchers also found that students in poverty, minority students, and English language learners gain significantly more days of learning each year in both reading and math compared to their traditional public school peers. See National Charter School Study 2013, CTR. FOR RES. ON EDUC. OUTCOMES (2013), http://credo.stanford.edu/documents/NCSS%202013%20Final%20Draft.pdf [https://perma.cc/8NBJ-6CRB]; see also, e.g., Julian R. Betts & Y. Emily Tang, The Effect of Charter Schools on Student Achievement: A Meta-Analysis of the Literature, CTR. ON REINVENTING PUB. EDUC. (Oct. 2011), http://www.crpe.org/sites/default/files/pub_NCSRP_BetsTang_Oct11_0.pdf [https://perma.cc/FV4W-AW8N] (analyzing randomized assignment studies and concluding that charter elementary schools outperform traditional public schools in both reading and math, but charter high schools have no effects and that urban charter schools perform better than suburban and rural charter schools).

heartening in light of the fact that a majority of charter schools are located in urban areas and serve minority students.62

At least three related factors may explain the divergence in charter school performance between urban and suburban/rural communities (where charter schools arguably perform worse than their public school competitors).63 The first is that the baseline academic performance of traditional public schools is higher in suburban/rural areas than in urban areas. The second is the emergence and growth of high-performing charter management organizations (“CMOs”) operating multiple charter schools, which have fueled the rapid expansion of charter schools over the last decade.64 Many of the most successful CMOs operate networks of charter schools that focus intentionally on educating disadvantaged urban populations,65 such as the Knowledge is Power Program (“KIPP”) network of schools, which has grown since the early 1990s from two to two hundred schools serving eighty thousand students.66 The third is that efforts to replicate successful charter schools have gained steam, including most recently in the ESSA, which specifically earmarks funds for high-performing charter-school replication efforts.67
Early charter school proponents did not anticipate the emergence of CMOs but expected (and hoped) that charter schools would be freestanding schools operated by community organizations or groups of parents and teachers. The emergence of successful CMOs, however, has arguably driven improvement in charter schools, especially in urban areas. Although there is a slight, but statistically significant, difference in the overall performance of CMO-operated charter schools vis-à-vis independent charter schools, the evidence suggests that CMO-operated charter schools produce strong academic gains for minority students as compared to minority students enrolled in traditional public schools or independent charter schools.68 A growing body of research suggests that certain features of successful CMOs are replicable, and this research—together with the success of a number of school networks like KIPP—has fueled charter school replication efforts.69 Tremendous resources, both public and private, have been and are being expended to replicate and grow high-performing charter school networks. Two “venture philanthropy” organizations—the New Schools Venture Fund and the Charter School Growth Fund—have collectively invested $335 million in growth and replication efforts.70 Major charitable foundations, including the Gates Foundation, the Broad Foundation, and the Walton Family Foundation, have invested hundreds of millions more.71 In recent years, the federal government has begun to focus charter school funding initiatives on efforts to


replicate high-performing charter schools, states have intensified efforts to hold charter schools accountable for academic performance, and local leaders have increasingly proactively recruited high-performing CMOs to open schools in their communities. The early evidence suggests that these efforts are working. Not only has the overall performance of charter schools improved, but the percent of charter school students enrolled in higher-performing charter schools is on the rise.

3. A Quieter Revolution: The Growth of Private School Choice

While now substantially eclipsed by charter schools, private school choice has a much older historical pedigree. The argument that parents should be given the option of spending public education funds to enroll their children in private schools usually is attributed to Nobel laureate economist Milton Friedman. In a 1955 article, Friedman argued that the injection of competition into the market for K12 education enabled by what he called “vouchers” would improve overall academic performance across educational sectors. The case for private school choice, however, predates Friedman. During the nineteenth century, Catholic bishops vigorously but unsuccessfully demanded public funds for students enrolled in Catholic schools on equality grounds, arguing that the public schools of the time were effectively


Protestant schools that were either unwelcoming of Catholic students, determined to evangelize them, or both. And James Forman, Jr. has traced the roots of parental choice to the Reconstruction era, when freed slaves established independent private schools, and, in some cases, continued to prefer them even after government-established schools for African American children emerged.

President Ronald Reagan and his education secretary, William Bennett, promoted school vouchers during the early 1980s, urging Congress to give low-income children the option of attending private schools as an alternative to the federal funding of remedial instruction in both public and private schools, which has been available since the 1960s. The idea languished, however, until two events in 1990 ignited the modern parental choice movement. The first was the publication of John Chubb and Terry Moe’s enormously influential book, Politics, Markets, and America’s Schools. Chubb and Moe, like Friedman, saw parental choice in education as a means of igniting competition with public schools. “Choice,” they asserted, “has the capacity all by itself to bring about the kind of transformation that, for years, reformers have been seeking to engineer in myriad other ways.”

The second was the emergence of a successful if unusual political coalition in Wisconsin. African American activists in Milwaukee—led by former Milwaukee school superintendent Howard Fuller and a state legislator named Polly Williams—combined forces with Republican Governor Tommy Thompson to secure the passage of the nation’s first modern school voucher program. Initially, the Milwaukee Parental Choice Program entitled poor public school children in the city of Milwaukee to spend a portion of their public education funds at secular private schools; the program was expanded to include religious schools in 1995. Ohio followed suit in 1995, enacting a private school choice program for

77. See Brinig & Garnett, supra note 27, at 15–17.
81. Since the mid-nineteenth century, Maine and Vermont both have maintained “town tuitioning” programs, which permit students in towns without public high schools to use public dollars to attend other public or private, secular schools. Illinois and Minnesota have very modest nonrefundable parental tax credit programs. See The ABCs of School Choice: The Comprehensive Guide to Every Private School Choice Program in America, FRIEDMAN FOUND. FOR EDUC. CHOICE 33–34, 55–60, 95–97 (2015), https://www.edchoice.org/wp-content/uploads/2015/09/The-ABCs-of-School-Choice-2015.pdf [https://perma.cc/7UNY-DPSK] [hereinafter The ABCs of School Choice].
disadvantaged children in Cleveland, most of whom opted to attend religious schools. The U.S. Supreme Court rejected an Establishment Clause challenge to the Cleveland program in the 2002 Zelman v. Simmons-Harris decision, thus clearing the federal constitutional path for the expansion of private school choice.\(^{83}\)

The fact that charter schools, rather than private school choice, would drive the parental choice revolution arguably is one of the most unexpected domestic policy developments in recent history. In contrast to charter school policies, which were in 1991 little more than an amorphous idea that required the establishment of new schools out of whole cloth, voucher policies had an older, more refined intellectual pedigree, a committed ideological base of support, and promised to enlist existing schools with a proven track record of educating disadvantaged kids, especially urban Catholic schools.\(^{84}\) Private school choice proponents have long drawn upon this record to build the case for parental choice in education. Indeed, prior to the emergence of charter schools, urban Catholic schools effectively were the case for parental choice in education.\(^{85}\)

That said, private school choice faced major legal and political obstacles. The constitutionality of permitting parents to expend public resources at private religious schools was not settled until more than a decade after the Wisconsin program was enacted. This was problematic because the vast majority of private schools in the United States, especially affordable ones, are religiously affiliated. The 2002 Zelman decision put an end to speculation about whether vouchers violated the First Amendment’s Establishment Clause, but significant state constitutional hurdles to parental choice remained. Specifically, thirty-seven state constitutions contain provisions that prohibit the public funding of private “sectarian” schools. Many of these are the direct result of an anti-Catholic backlash against prior generation’s battles over parental choice in education. These provisions are often called


\(^{84}\) Beginning with the groundbreaking research of James Coleman and Andrew Greeley, numerous scholars have found that Catholic school students—especially poor, minority students—tend to outperform their public school counterparts. See James S. Coleman, Thomas Hoffer & Sally Kilgore, High School Achievement: Public, Catholic, and Private Schools Compared (1982); Andrew Greeley, Catholic High Schools and Minority Students 105–07 (1st ed. 1982); see also Derek Neal, The Effects of Catholic Secondary Schooling on Educational Achievement, 15 J. Lab. Econ. 98, 100 (1997) (finding that Catholic school attendance increased the likelihood that a minority student would graduate from high school from sixty-two percent to eighty-eight percent, and more than doubled the likelihood that a similar student would graduate from college).

“Blaine Amendments,” after James Blaine of Maine, who attempted as Speaker of the House in 1875 to amend the federal constitution to prohibit the public funding of sectarian schools. Blaine’s proposal narrowly failed, but states were thereafter required to adopt similar constitutional provisions as a condition of statehood.86

Following Zelman, many commentators predicted that state constitutional limits on the public funding of private and faith-based schools would remain major impediments to the expansion of private school choice.87 Contrary to post-Zelman predictions, however, these provisions have not proven to be an insurmountable obstacle to the expansion of parental choice. Blaine Amendment challenges to private school choice programs have been rejected by a number of state supreme courts, including Indiana, Wisconsin, Ohio, Alabama, and, most recently, North Carolina.88 While a number of lower state courts have relied upon Blaine Amendments to invalidate private school choice programs, only two state supreme courts have done so. In 2009, the Arizona Supreme Court invalidated programs that provided publicly funded scholarships that enabled children with disabilities and children in foster care to attend private schools, holding that they violated a provision of the state constitution that provided, “No tax shall be laid or appropriation of public money made in aid of any church, or private or sectarian school.”89 And, in June 2015, the Colorado Supreme Court invalidated a voucher program in Douglas County, Colorado, on Blaine Amendment grounds.90 In January 2015, the Supreme Court agreed to hear arguments in Trinity Lutheran Church of Columbia v. Pauley,91 a case alleging that the application of a Blaine Amendment to exclude a Lutheran preschool from a public program that provided recycled rubber tires for its playground violated the Federal Free Exercise, Establishment, and Equal Protection Clauses. The case may have


91. 788 F.3d 779, 781–91 (8th Cir. 2015), cert. granted 136 S. Ct. 891 (Jan. 15, 2016).
significant implications for the future Blaine Amendment litigation in the parental choice context.92

Even after the Supreme Court cleared the legal path for private school choice, the political hurdles to its expansion were significant. At least until recently, private school choice has been the proverbial “third rail” in education policy for a variety of reasons—the opposition of teachers’ unions being the most significant one.93 One challenge facing private school choice proponents has been a sharp divergence between the historical base of support for (conservative Republicans), and intended beneficiaries of (disadvantaged minority children). Politically conservative Republicans championed school choice at the national level, but defection by state legislators has been a perennial impediment to program implementation. Opposition among suburban Republicans, who are, generally speaking, happy with their public schools and unhappy about the prospect of poor urban students enrolling in them, has impeded efforts to enact parental choice programs in a number of states.94 Suburban voters, on the other hand, may feel less threatened by charter schools because charter schools tend to be concentrated in urban areas, not suburban ones. As a result, the decision of a charter operator to open a school will only indirectly affect the operations of suburban public schools.95

Fear of the potentially destabilizing effects of private school choice arguably fueled the movement to enact charter laws, which in turn took the wind out of the sails of the private school choice movement. At least until recently, a tacit political truce existed between supporters of traditional public schools and proponents of charter schools, since charter schools historically have been perceived as a “safer” and more “constrained” version of parental choice—one that is both “public” and “secular.”96 As a result, and in contrast to private


94. Ryan & Heise, supra note 25, at 2088–90.

95. Id.

96. The truce has unraveled as charter school market share has grown. See, e.g., Richard D. Kahlenberg & Halley Potter, Restoring Shulman's Vision for Charter Schools, 38 AM. EDUCATOR 4, 5 (Winter 2014–2015) (“Proposed to empower teachers, desegregate students, and allow innovation from which the traditional public schools could learn, many charter schools instead prized
school choice, charter schools have historically enjoyed broad, bipartisan political support.\(^{97}\) Within debates about educational finance, many moderate reformers traditionally advocated for charter schools as an alternative to private school choice programs such as tax credits or vouchers.\(^{98}\) For example, Michael Heise has demonstrated that the likelihood that a state enacted or expanded a charter program increased along with the “threat” of publicly funded private school choice.\(^{99}\) Heise hypothesizes that opponents believed that the appetite for private school choice would decrease as the range of public school choice options increased. Heise labels this reality as “ironic.”\(^{100}\) School-voucher proponents often intentionally established private voucher programs in order to fuel demand for publicly funded vouchers, but their efforts backfired and instead fueled the political support for charters, which in turn decreased demand for private school choice.\(^{101}\)

The jury is out on whether Heise’s prediction will prove correct over the long term. After languishing for years in state legislatures, private school choice has gained significant momentum in recent years. Today, more than half of states and the District of Columbia have publicly funded private school choice programs.\(^{102}\) Although most of these programs serve a relatively small, targeted group of students

management control, reduced teacher voice, further segregated students, and became competitors, rather than allies, of regular public schools.”); Whitmire, supra note 12.

\(^{97}\) During the 2008 presidential election cycle, for example, both John McCain and Barack Obama expressed strong support for charter schools. Soon after his election, President Obama made charter schools a centerpiece of his education policy, pledging five billion in federal funds to help create new charter schools and urging states without charter school laws to adopt them and states with caps on the number of charter schools to eliminate them. *Obama’s Charter Stimulus*, WALL ST. J. (June 12, 2009), http://www.wsj.com/articles/SB124476693275708519 [https://perma.cc/67XQ-2K96].

\(^{98}\) Buckley & Schneider, supra note 56, at 3. The pro-charter/anti-voucher position has been echoed in Democratic Party platforms in each of the last three presidential election cycles. As the 2004 Democratic Party Platform provided, “Instead of pushing private school vouchers that funnel scarce dollars away from the public schools, we will support public school choice, including charter schools and magnet schools that meet the same high standards as other schools.” *Strong at Home, Respected in the World: The 2004 Democratic National Platform for America*, DEMOCRATIC NAT’L COMM. 34 (2004), http://www.presidency.ucsb.edu/papers_pdf/29613.pdf [https://perma.cc/89GG-GX94].

\(^{99}\) Heise, supra note 93, at 1929–30.

\(^{100}\) Id. at 1931.

\(^{101}\) Id. at 1929–30.

\(^{102}\) Additionally, Maine and Vermont have “tuitioning” programs that date to the mid-nineteenth century, which permit students in towns without a public high school to enroll in private, non-sectarian schools, and Minnesota and Illinois have modest programs that permit parents to claim up to $500 for educational expenses, including tuition. See The ABCs of School Choice, supra note 81, at 33, 55, 57–59, 95; Nicole Stella Garnett, *The Legal Landscape of Parental Choice Policy*, AM. ENTER. INST. 4–15 (Nov. 5, 2015), https://www.aei.org/wp-content/uploads/2015/11/The-legal-landscape-of-parental-choice-policy.pdf [https://perma.cc/537S-PNGS].
(usually low-income and/or disabled students), participation in private school choice programs has more than tripled in the last decade to 350,000 students in 2014–2015. And, there are reasons to believe that the private school choice footprint will increase dramatically in the years to come: four states’ programs (including Nevada’s universal education savings account program) launch in the 2015–2016 school year; many other programs have no participation limits and continue to grow (for example, Indiana’s Choice Scholarship Program); others automatically expand capacity each year (for example, the Florida Corporate Scholarship Tax Credit Program); and a number of states without private school choice seem poised to adopt new programs.

**Figure 2: Private School Choice: Enrollment, 2014–2015**

<table>
<thead>
<tr>
<th>2014–2015* Scholarship Recipients by State</th>
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<tr>
<td>Florida</td>
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<td>Arizona</td>
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<td>Pennsylvania</td>
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<td>South Carolina</td>
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<td>Mississippi</td>
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<td>New Hampshire</td>
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*Arkansas, Kansas, Montana, and Nevada have enacted new programs since September 2014. *(Source: Alliance for School Choice, 2014–2015 School Choice Yearbook)

104. See generally, e.g., *The ABCs of School Choice*, supra note 81.
There are several reasons why the movement for private school choice may be gaining momentum. First, at least from the perspective of public school proponents, the “charter compromise” may have backfired by opening the doors to a dramatic expansion in parental choice. Not only have charter schools drawn millions of students away from public schools, but by acculturating parents to a school choice environment, the explosion in charter schools may have delegitimized arguments against private school choice. Second, in contrast to years past, teachers’ unions often have more immediate and higher-priority battles to fight than private school choice, including the rapid expansion of charter schools and the increasing focus on accountability and value-added teacher evaluation practices in the traditional public school sector. Third, beginning with Arizona in 1997, more than a dozen states have adopted a new, and arguably more politically palatable, private school choice device. Known as “scholarship tax credits,”


106. A 2014 poll conducted by Education Next found that support for supporting school choice through tax credits was actually higher than support for charter schools, with sixty percent of respondents supporting tax credit policies but only fifty-four percent supporting charter schools. Michael B. Henderson, Paul E. Peterson & Martin R. West, No Common Opinion on the Common Core, 15 EDUC. NEXT 9, 15 (Winter 2015), http://educationnext.org/2014-ednext-poll-no-common-opinion-on-the-common-core/ [https://perma.cc/ZY9M-3PFG].
these programs do not directly fund private school scholarships, but rather incentivize donations to private scholarship organizations.\textsuperscript{107} Scholarship tax credits also may offer a way around the state constitutional restrictions discussed above. For example, while the Arizona Supreme Court relied on the state’s Blaine Amendment to invalidate a voucher program, it had previously rejected a Blaine Amendment challenge to the state’s scholarship tax credit program, suggesting that tax credits may be an option even in states with restrictive Blaine Amendments.\textsuperscript{108} In \textit{Arizona Christian School Tuition Organization v. Winn}, the Court held that the plaintiffs in the case lacked standing to challenge the program because the funds at issue—private donations incentivized by the tax credit program—were not governmental, effectively immunizing them from federal Establishment Clause challenges.\textsuperscript{109} Several state courts have followed suit, holding that taxpayers lack standing to challenge scholarship tax credit programs.\textsuperscript{110} More recently, three states—Arizona, Florida, Nevada—have adopted an innovative school choice device known as “education savings accounts,” which empowers parents to spend state education funds on a range of educational expenses, including private school tuition, and/or “bank” it for later use.\textsuperscript{111}

Finally, two decades after parental choice was first introduced into the American educational landscape, the political coalition supporting private school choice has expanded and diversified. Although public opinion polls suggest that support for parental choice is today highest among disadvantaged and minority parents, the primary political proponents have traditionally been white and

\textsuperscript{107} The nation’s three largest private school choice programs (in terms of enrollment)—in Arizona, Florida, and Pennsylvania—are all scholarship tax credit programs, although the scholarships awarded through these programs tends to be smaller than traditional “voucher” programs. Frendewey et al., \textit{supra} note 103, at 10.


\textsuperscript{109} 563 U.S. 125, 129–46 (2010).

\textsuperscript{110} See, \textit{e.g.}, Travis Pillow, \textit{Judge Dismisses Lawsuit Challenging Florida Tax Credit Scholarships}, \textit{REDEFINED} (May 18, 2015), https://www.redefinedonline.org/2015/05/judge-plaintiffs-lack-standing-to-challenge-florida-tax-credit-scholarships/ [https://perma.cc/5GRR-59U2].

In recent years, fueled in part by a shift in messaging, away from a discussion of “markets” and toward the imperative of giving poor parents options for their children, support among elected leaders for private school choice has begun to cross party and demographic lines. In this important sense, the historical evolution of American education policy described above has led to the point where once-disparate arguments for charter schools and private school choice have converged on a single, sector-agnostic argument for high quality educational options. As Terry Moe has observed:

The modern arguments for vouchers have less to do with free markets than with social equity. They also have less to do with theory than with the commonsense notion that disadvantaged kids should never be forced to attend failing schools and that they should be given as many attractive educational opportunities as possible.114

It remains to be seen whether the private school choice footprint will expand to the point of contributing meaningfully to sector agnostic education reform. At present, the number of children enrolled in private schools as a result of a publicly funded private school choice program (approximately 350,000 in 2014–2015) pales in comparison to the number of students enrolled in charter schools (2.9 million during the same year). Moreover, the universe of affordable urban private schools has been shrinking, a trend fueled in large part by the closure of thousands of urban Catholic schools over the past several decades. And, as with charter schools, questions remain as to whether private school choice programs produce their promised academic gains. The effects of private school choice on standardized test scores appear to be positive but marginal, although the longer-term effects on non-cognitive variables like high school graduation rates is significant. Given these realities, rhetoric about the need to increase educational options across multiple educational sectors may ultimately simply fuel more growth in

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113. See MOE, supra, note 93, at 329.

114. Id.


116. See BRING & GARNETT, supra note 27, at ix.

the charter school sector rather than a movement toward genuine educational pluralism in our urban areas.

**B. Education Accountability Policies**

If the rise in parental choice options outside the traditional public school sector represented the first step on the path toward sector agnosticism, the second step began within it, a decade after parental choice took hold in Wisconsin (with vouchers) and Minnesota (with charters), when Congress enacted NCLB in 2001. Now widely condemned and dramatically overhauled in the recent ESSA, NCLB enjoyed widespread bipartisan support at the time of its enactment. Championed by President George W. Bush and Senator Ted Kennedy, NCLB was an expansive and dramatic update to the 1965 Elementary and Secondary Education Act of 1965 (“ESEA”), which originally focused primarily on providing supplemental resources for schools serving disadvantaged children. Through a series of amendments, the focus of the ESEA had evolved from solely supporting low-income students in disadvantaged communities to improving schools, but the 2002 NCLB amendment to ESEA expanded the focus on school improvement even further. In a 2000 speech to the NAACP, President George W. Bush had vowed to overcome the “soft bigotry of low

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119. Janet T. Thomas & Kevin P. Brady, *The Elementary and Secondary Education Act at 40: Equity, Accountability, and the Evolving Federal Role in Public Education*, 29 REV. RES. EDUC. 51, 51 (2005) (arguing that the ESEA was “enacted to offer equitable educational opportunities to the nation’s disadvantaged” and “provide[d] financial resources to schools to enhance the learning experiences of underprivileged children”). As originally enacted, the main provision of the ESEA was Title I, “Financial Assistance to Local Educational Agencies for the Education of Low-Income Families.” Title I provides public block grants to states to distribute these funds to local education agencies to support disadvantages students. Title II, which was at issue in the *Mitchell v. Helms* decision discussed infra at notes 185 and 190–193, provides grant opportunities to states “for the acquisition of school library resources, textbooks, and other printed and published instructional materials for the use of children in public and private elementary and secondary schools.” Title III provides federal dollars through grants “for supplementary educational centers and services, to stimulate and assist in the provision of vitally needed educational services not available in sufficient quantity or quality.” Title IV provides support for “Educational Research and Training”—that is, grants to research institutions, including colleges and universities, to enhance educational research efforts. These title programs continue to provide resources to schools serving disadvantaged students. Elementary and Secondary Education Act of 1965, 20 U.S.C. § 6301 (amended 2001).


121. *Id.* at 7.
expectations.” In championing NCLB, Bush made clear that he intended to do so by holding public schools accountable for student academic performance. In his speech celebrating the signing of the landmark legislation, Bush declared:

> The fundamental principle of this bill is that every child can learn, we expect every child to learn, and you must show us whether or not every child is learning . . . . And now it’s up to you, the local citizens of our great land, the compassionate, decent citizens of America, to stand up and demand high standards, and to demand that no child—not one single child in America—is left behind.

At the core of NCLB were a number of measures designed to improve student achievement by holding states and schools more accountable for student progress: NCLB required states to administer standardized tests aligned with state academic standards in reading and mathematics and to bring all students—one hundred percent—up to the “proficient” level on these tests by the 2013–2014 school year. NCLB also required states to ensure that school districts and individual schools make “adequate yearly progress” toward this goal for both their student populations as a whole and for certain demographic subgroups. Beginning in the 2002–2003 school year, NCLB required annual report cards including student-achievement data broken down by subgroup for both schools and school districts. Schools and school districts were held accountable for student test scores on state administered standardized achievement tests, graduation rates, and other measurable objectives set by individual states. Originally, President Bush proposed that students enrolled in persistently failing schools be given vouchers to attend a private school, but the controversial private school choice provision eventually was replaced with a requirement that students enrolled in persistently failing schools be permitted to transfer to other higher-performing public schools.

Beginning in 2007, the Department of Education’s School Improvement Grant (“SIG”) program provided unprecedented amounts

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of federal dollars to improve the nation’s lowest performing schools.\textsuperscript{127} The SIG program—eliminated in the ESSA, which provides other sources of school turn around funds\textsuperscript{128}—provided grants to states to fund school district interventions to turn around low-achieving schools identified under the NCLB accountability system. The SIG program required districts to divide their schools into four academic “tiers” and conditioned federal funding on the implementation of one of four intervention methods in the lowest performing schools: \textit{turnaround} (all teachers and the principal are fired and a new staff hired, although the new principal can rehire up to fifty percent of the original teachers); \textit{transformation} (the school principal is fired and the new principal required to implement various accountability and professional development strategies); \textit{restart} (the school is closed and reopened as a charter school or privately managed public school); or \textit{closure} (the school is closed and its students transferred to higher-achieving schools in the district).\textsuperscript{129} However, the law also allowed districts to take “[a]ny other major restructuring that makes fundamental reforms.”\textsuperscript{130}

By the time that President Obama was elected in 2008, the support for NCLB had entirely evaporated. The goal of one hundred percent proficiency was unrealistic. In 2014—the established deadline for achieving universal proficiency—the National Assessment of Educational Progress, which is administered annually to a subset of

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\textsuperscript{128} Klein, supra note 15.
\textsuperscript{130} Elementary and Secondary Education Act of 1965 § 1116(b)(8)(B)(v) (repealed Dec. 10, 2015). Although accurate data is difficult to obtain, these legal requirements apparently have not directly triggered many school closures. In 2007–2008, the Center on Education Policy found that 3,500 schools were “in” or “planning” restructuring as a result of NCLB. Unfortunately, a high percentage of districts opting to employ “other” restructuring options, rather than the four set forth in NCLB, makes it difficult to determine what, exactly, “restructuring” meant in any given context. Caitlin Scott, \textit{A Call to Restructure Restructuring: Lessons from the NCLB Act in Five States}, CTR. ON EDUC. POL'Y 1, 1 (Sept. 2008), http://www.cep-dc.org/displayDocument.cfm?DocumentID=175 [https://perma.cc/Q98H-7AL5]. A more recent report found that only fourteen states reported using the “closure” model and twelve reported using the “restart” model (usually the conversion to a charter school) to address failing schools. Sarah Yatsko et al., \textit{Tinkering Toward Transformation}, CTR. ON REINVENTING PUB. EDUC. 1, 3 (Mar. 2012), http://files.eric.ed.gov/fulltext/ED532630.pdf [https://perma.cc/JF3J-AFND].
\end{multicols}
fourth and eighth graders, found that “proficiency” rates were below fifty percent in both reading and math in 4th and 8th grade. The only exceptions were for Asians in all subjects and whites in 4th grade math.\textsuperscript{131} NCLB also fueled a widespread backlash against standardized testing, as states, districts, and schools chaffed at the embarrassment of reporting their failure to make the required adequate yearly progress toward proficiency.\textsuperscript{132}

When President Obama entered office, he and his Secretary of Education, Arne Duncan, made clear their intention to move away from the NCLB accountability model toward other reform measures that they believed would more effectively promote academic gains and address the achievement gap. Their first opportunity to do so came with the enactment of the American Recovery and Reinvestment Act (the “ARRA,” more commonly known as the “Stimulus Act”), which appropriated funds to promote school improvement and directed that the funds be distributed by the Secretary of Education.\textsuperscript{133} The Act required states to request ARRA funds,\textsuperscript{134} referring to provisions of NCLB as guiding principles when determining when a state must support “struggling schools.”\textsuperscript{135} The program devised by the Obama administration to distribute these funds, dubbed “Race to the Top,” went further. The Race to the Top program established a competitive process, which distributed the funds based upon certain criteria. Implementing the school intervention tactics specified in NCLB was one of the criteria used for rating state proposals, but it was prioritized relative to the others, which included “articulating a comprehensive and coherent reform agenda”; developing and adopting “common” standards and assessments (a tacit reference to the development of the Common Core State Standards);\textsuperscript{136} using data to support classroom instruction; implementing data-driven, value-added teacher evaluation and compensation procedures; and “ensuring successful conditions for high-performing charter schools and other innovative schools.” The final criteria in particular represented a signal that the Department of Education was willing to use its funding authority to move states


\textsuperscript{132} See \textit{RAVITCH}, supra note 47.


\textsuperscript{134} American Recovery and Reinvestment Act of 2009 § 14005(a); see § 14006(b) (stipulating that the Secretary will determine which states receive funding based on their applications).

\textsuperscript{135} American Recovery and Reinvestment Act of 2009 § 14005(d)(5).

\textsuperscript{136} \textbf{COMMON CORE STATE STANDARDS INITIATIVE (2016)}, http://www.corestandards.org/ (last visited Sept. 19, 2016) [https://perma.cc/7NTC-L4R4].
toward sector-agnostic education policies: states were encouraged to eliminate numerical caps upon the number of charter schools or total charter school enrollment, to hold charter schools accountable for academic performance and close underperforming schools, to provide capital funding—in addition to per-pupil funding—for charter schools, and to equalize the funding between traditional public schools and charter schools.\footnote{137. See Race to the Top Program: Executive Summary, U.S. DEP’T EDUC. 1, 11 (Nov. 2009), http://www2.ed.gov/programs/racetothetop/executive-summary.pdf [https://perma.cc/CAL8-UB4U].}

In 2011, the Department of Education invited states to request waivers from ten of NCLB’s school-accountability requirements.\footnote{138. Section 9401 of the ESEA permits the federal government to waive certain provisions, although there is some dispute as to whether the Obama administration’s waiver practices exceed this waiver authority by effectively overhauling NCLB altogether. 20 U.S.C. § 7861 (2006).} The Department of Education justified this departure from NCLB as a way of recognizing and rewarding states for initiating “ground breaking reforms and innovations” that “were not anticipated when the No Child Left Behind Act of 2001 was enacted.”\footnote{139. Letter from Arne Duncan, Sec’y of Educ., to Chief State Sch. Officers (Sept. 23, 2011), http://www2.ed.gov/policy/gen/guid/secletter/110923.html [https://perma.cc/X7YA-4TK9].} States seeking a waiver submitted a lengthy application containing evidence of at least three core areas of reform. First, the state must have made plans to assess student growth against “college- and career-ready standards that are common to a number of states,” e.g., the Common Core State Standards.\footnote{140. The Department of Education expressly disavows “requiring” the adoption of the Common Core as a condition of receiving a waiver. See ESEA Flexibility, U.S. DEP’T EDUC. (May 5, 2016), http://www2.ed.gov/policy/elsec/guid/esea-flexibility/index.html [https://perma.cc/7YJB-VQVY] (explaining that states may request flexibility regarding ESEA requirements in exchange for “rigorous and comprehensive State-developed plans”).} Second, the state must have implemented a “differentiated recognition, accountability, and support system” that is “designed to improve student achievement and school performance, close achievement gaps, and increase the quality of instruction for students.” The waiver policy required states to divide public schools into three categories: high-performing “reward schools,” lower performing “focus schools,” and the lowest-performing “priority schools.” With respect to the bottom two categories, states were required to just specify a plan of action for improving student achievement and holding districts accountable for school turnarounds. Third, as with Race to the Top, the waiver policy required the implementation of a data-driven system of principal and teacher evaluation.\footnote{141. ESEA Flexibility Request, U.S. DEP’T EDUC. (Feb. 10, 2012), http://www2.ed.gov/policy/elsec/guid/esea-flexibility/index.html [https://perma.cc/7YJB-VQVY].}
The future of accountability as a pillar of federal education policy is currently in flux. As previously noted, in December 2015—eight years after the date of NCLB’s expiration—Congress signed the ESSA. The ESSA (which, like NCLB, was a reauthorization of the Elementary and Secondary Education Act of 1965) eliminated many of NCLB’s most onerous and unpopular accountability requirements, including the requirement that schools and districts make “adequate yearly progress” toward proficiency. While the ESSA continues to require that schools test students annually and make public information about school performance, the law gives states more latitude to shape standardized tests and mandates the inclusion of at least one non-cognitive measure of school quality. The legislation also eliminates all ESEA waivers, which were phased out by August 1, 2016.

C. The Convergence of Choice and Accountability: From Turn-Arounds to Turn-Overs

No Child Left Behind ushered in an era of school-level accountability for academic performance. But NCLB’s accountability regime is considered a failure. Most commentators agree that many provisions of NCLB, especially the demand for adequate yearly progress and aspiration for one hundred percent proficiency by 2014, were a disaster. The story, on its face, seems a simple one. The institutional and demographic realities on the ground in traditional public schools (especially those serving disadvantaged children) rendered the task of improving public school performance through NCLB’s “carrot and stick” approach impossible. Thus, with efforts to revamp the law stalled in Congress, the Obama administration necessarily stepped in to waive its onerous, unrealistic requirements. By eliminating these requirements in the ESSA, Congress effectively acknowledged the veracity of this story.

While this account captures the fate of NCLB itself, it is not clear that the demise of NCLB should be equated with the demise of school accountability policies. The failure of NCLB highlighted in a particular

142. See Klein, supra note 15.
way the problem of persistent underperformance in America’s public schools. In so doing, NCLB surfaced and activated deep undercurrents in the education-reform world—currents that are now are fueling the demand for a child-centered sector-agnostic “high-quality seats” approach to education reform. For all of the frustration generated by the NCLB accountability process, the law was always more carrot than stick. NCLB gave states and school districts a series of options (described above), and state and local officials opted almost universally for school reform models and eschewed more draconian measures, such as closing and/or “restarting” persistently failing schools. While it is true that closure of public schools for underperformance has been on the rise since NCLB, the available data suggests that forces other than NCLB—in particular, the economic and demographic realities facing many urban districts—are driving school closures.145 In fact, under the

NCLB regime, school closures and restarts were by far the least popular method of addressing failing schools, and the option of taking measures other than those specified in the law was the most popular.146

When viewed as a measuring stick for the possibility of reforming failing public schools, the optics of NCLB’s failure are bad. Arguably, public officials at all levels of government have drawn the following lesson from the NCLB debacle: public school reform is ultimately a Sisyphean task. The burden is too heavy and the hill too steep. As a result, a case can be made that public school “reform exhaustion” has set in, an exhaustion which is deeply unfavorable to traditional public schools. While public schools have been by-and-large freed from the burden and embarrassment of failing to meet NCLB’s adequate yearly progress requirement, the persistent struggles of public schools are (to varying degrees) now being addressed from outside, rather than inside, the public school sector—both by an infusion of competition, and, in some jurisdictions, by the ultimate accountability device: rather than attempting to fix public schools, public education officials are opting to close and convert them to charter schools.147

Enlisting a CMO to operate failing schools is attractive to public officials as a means of addressing a dysfunctional institutional culture. When a school is closed and converted to a charter school, the leadership and teaching staff are generally dismissed and offered the opportunity to reapply—but to the charter operator, rather than the school district.


147. State Legislation: Accountability—Sanctions/Interventions, EDUC. COMMISSION STATES (May 23, 2016), http://www.ecs.org/ecs/ecscat.nsf/WebTopicView?OpenView&count=-1&RestrictToCategory=Accountability--Sanctions/Interventions [https://perma.cc/L4NX-K87D] (compiling state laws that give states the ability to close failing schools and turn them over to charter organizations); see also, e.g., FLA. STAT. § 1008.33(4)(b)(1)–(5) (2012), (allowing a school district to either take over the school, “[r]eassign students to another school,” close and reopen the school as a charter school, contract with a private management company, or any other model “that [has] a demonstrated record of effectiveness”); ILL. ADMIN. CODE tit. 23, § 1.85(o)(1)–(4) (2012) (“Each school restructuring plan shall indicate that the district is undertaking one or more of the following actions in the affected school . . . reopening the school as a public charter school . . .”); MASS. GEN. LAWS ch. 69, § 1J(o) (2012) (listing sixteen possible actions that a superintendent may take with respect to a persistently low performing school); MICH. COMP. LAWS § 380.1280c(2) (2011) (“[T]he redesign plan shall require implementation of [one of the] [four] school intervention models that are provided for the lowest achieving schools under the federal incentive grant program . . . known as the ‘race to the top’ grant program.”); N.C. GEN. STAT. § 115C-105.37B(a) (2012) (stating that “the State Board of Education may authorize [a] local board of education to adopt” the transformation, restart, turnaround, or closure model).
Charter school teachers are rarely unionized, and even where they are, charter schools are generally not bound by the requirements of collective bargaining agreements between the local teachers' union and the public school district. This phenomenon has manifested itself most dramatically in New Orleans, where almost all traditional public schools have been closed or converted to charter schools,148 but charter conversions are being used as an accountability device in many urban districts.149 For example, Robert Bobb, the state-appointed emergency manager of the Detroit Public Schools, announced plans in 2011 to convert forty-one of the district’s 142 public schools into charter schools.150 In New York City, former Mayor Michael Bloomberg boasted at the end of his term that he had opened five hundred new schools, including nearly 150 new charter schools, many of which are small schools “co-located” in buildings that once housed now-defunct traditional public schools. Bloomberg had also promised to convert large traditional public schools into at least one hundred new small schools, including charter schools.151 However, his successor, Bill DeBlasio, sought to reverse this policy and instead demand (ultimately unsuccessfully) that charter schools pay market rents for space in closed public schools.152 And former Washington, D.C. school

149. Smarick, supra note 16, at 21; de la Torre & Gwynne, supra note 145, at 1 (noting that between 2001 and 2009, Chicago had closed forty-four schools because of either “poor academic performance or underutilization”).

We’ve opened 576 new schools over the past 11 years, and we’re on track to have added 100,000 new classroom seats by the end of this year. 149 of those new schools have been charters and yet there are still more than 50,000 children who are still on charter school waiting lists. Those children and their parents have waited long enough. This September, we’ll open 26 new charters and we’ll work to approve many more for 2014. Some of them will be located within existing public school buildings even though there are special interests who want to prohibit that from happening.

superintendent, Michelle Rhee, sparked a maelstrom of controversy when she engaged charter operators to run several of her district’s most troubled schools.  

There are hints in both state and federal education policy that this charter “conversion” trend may accelerate in the next few years. Several states have created state “turn around” or “achievement” school districts, which have as their primary goal the assumption of control of failing public schools and their conversion to charter schools. Furthermore, increasing numbers of urban districts are opting to close under-enrolled and underperforming schools. As I have previously written, academic performance is only one of the factors fueling the rise in public school closures (and their conversion to charter schools), but it is a powerful and persistent one. And, even when school officials choose not to close schools because of underperformance, academically struggling schools are almost always selected for closure over successful ones when enrollment or financial considerations necessitate closures. For example, in the fall of 2012, the Chicago Public Schools announced that school closure decisions would henceforth be based upon enrollment, not academic performance. However, on March 6, 2013, the Chicago Commission on School Utilization issued final recommendations about which under-enrolled schools the struggling district should close. One of two criteria driving the recommendations was a guarantee that displaced students could be transferred to a higher-performing school. Finally, proposals for “parent-trigger” 


156. Vevea, supra note 153.  

157. See Final Report, supra note 145, at 6 (discussing preliminary recommendations, including “don’t close any . . . high performing schools”).
laws, which give parents the option of intervening in the management of their children’s public schools (including demanding their conversion to charter schools), are gaining momentum. As of 2012, seven states had passed a “parent trigger” law, six of which give parents the option of converting their children’s schools to a charter school. The provisions received the unanimous endorsement of the bipartisan U.S. Conference of Mayors in June 2012. Former Los Angeles Mayor (and Conference of Mayors Chairman) Antonio Villaraigosa said of the decision, “Parent Trigger empowers parents to turn failing schools into high-achieving schools.” At the federal level, while neither NCLB nor the Race to the Top program directly triggered many school closures, President Obama and Secretary of Education Arne Duncan provided financial support for charter conversions and encouraged them through the waiver process. At least twenty of the forty-five successful applications for NCLB waivers included some meaningful mention of either turning failing public schools over to outside management or restarting them as charter schools. While the waivers were eliminated by the ESSA, the new law increases funding for charter schools and authorizes (but does not require) states to use these funds to convert failing public schools to


II. THE COMING TRANSFORMATION OF EDUCATION LAW

The rise of sector-agnostic education policies has profound implications not only for the delivery of K12 education in the United States, but also for the constitutional law of education at both the state and federal levels. This Section discusses perhaps the most significant implication of sector agnosticism for education law—the blurring of the public-private distinction between charter schools and private schools participating in private school choice programs. As a number of courts have already held, the case can be made that charter schools are, at least in some states, legally private schools, not public ones. Three major shifts in education law flow from this conclusion, each of which is discussed in turn below. First, if charter schools are publicly funded private schools rather than privately operated public schools, then the federal constitutional case for prohibiting authentically religious charter schools evaporates. Second, if charter schools are private schools for federal-law purposes—that is to say, if they are not “state actors”—then the federal constitutional protections governing public schools do not apply to them. Third, if charter schools are private schools for state-law purposes, then state constitutional restrictions on the public funding of private schools may apply to charter schools as well.

A. The Religious Charter School Question

The first legal implication in the rise of sector agnosticism is the possibility, as a matter of federal constitutional law, of the erosion of the assumption that all charter schools must be secular schools. This assumption may be incorrect for two related reasons: First, it is not clear whether charter schools should be considered, for federal constitutional purposes, public or private schools. Second, contrary to conventional wisdom, a case can be made that public funds flow to charter schools only indirectly, as the result of numerous parents’

private choices, rather than directly, as the result of a state’s decision to charter a school.

The charter school sector is characterized by a remarkable degree of institutional diversity. While the high-performing “no-excuses” charter schools, which emphasize traditional academics, high student expectations, and strict discipline, serving disadvantaged urban students are probably the best-known, many charter schools depart dramatically from this back-to-basics model. Some charter schools focus on a particular curricular theme—for example, STEM, Afrocentrism, international studies, fine arts, or classical education. Some charter schools do not exist in the formal, “bricks-and-mortar” sense at all. As of 2012, there were 228 “virtual” charter schools in twenty-six states. There also are a growing number of single-sex charter schools: for example, Urban Prep Academies operate three all-male college preparatory high schools serving disadvantaged, primarily African-American students in Chicago, and the Young Women’s Leadership Network is comprised of all-girls public charter schools in six states, which also serve disadvantaged urban students.

There is, however, one hard-and-fast limit on charter schools’ institutional diversity—they must be secular schools. State laws express this prohibition in various ways. The majority approach is to simply require that charter schools be “nonsectarian.” Seven states (and the federal government) additionally prohibit charter schools from being “affiliated” with religious institutions, and two others (Maine and New Hampshire) prohibit such affiliation to the extent that it is prohibited by the U.S. Constitution. Others (for example, New York) prohibit charter schools from being “under the control” of a religious institution. Still others (for example, Georgia) explicitly permit religious institutions to operate charter schools, so long as the charter schools that they operate are secular schools. Some states laws are silent on the question, although the accepted view is that the First Amendment’s Establishment Clause prohibits religious charter schools.


165. Who We Are, YOUNG WOMEN’S LEADERSHIP NETWORK (2016), http://www.ywln.org/who-we-are [https://perma.cc/TPE4-CTAL].

There are debates about the extent to which charter schools can incorporate themes with religious connotations, such as cultural or moral education, into their programs. “Character-based” or “morals-based” curricular themes pervade the world of charter schools, although, to be sure, some schools’ character-education curricula fall closer to the “religion” line than others. For example, in Daugherty v. Vanguard Charter School Academy, a federal court rejected an Establishment Clause challenge to a “morals-based” curriculum, which stressed the classical Greek virtues of prudence, temperance, fortitude, and justice and taught students that “mercy,” “compassion,” “kindness,” “forgiveness,” “grace,” “moral strength,” “conscience,” “faith,” and “self-sacrifice.” were associated with these virtues. The court reasoned that “[t]he fact that the curriculum employs words and concepts in service of character development that happen to coincide or harmonize with the tenets of some or all religions, does not necessarily betoken endorsement” of religion.167

Some charter schools also are structured around cultural themes with strong religious overtones. For example, the now-defunct Tarek Ibn Ziyad Academy (“TiZA”) in Minnesota was named for the Muslim general who conquered Spain, and the school was founded and directed by an imam. The school required a course in Arabic language, scheduled vacations around Muslim holidays, permitted “voluntary and student-led prayer,” and promised to “help students integrate into American society, while retaining their identity” as Middle Easterners. Following a settlement between the ACLU and the state of Minnesota, TiZA was forced to close.168 The Hebrew-themed Ben Gamla Charter School in Hollywood, Florida, is named for a historical figure who established Jewish schools throughout ancient Israel, was founded by a rabbi, and


initially was directed by a former Jewish day school director. The school
serves only kosher food and requires that one period each day be
dedicated to teaching Hebrew and that a second period to be taught in
a mix of English and Hebrew. Due to ACLU threats of litigation, the
school was forced to “scrub” its curricula of religious references three
times and—at one point—required to freeze Hebrew instruction.
Since then, the school, which seems to have resolved its differences with
the local school board and placated the ACLU, has come to be
considered a model for Hebrew charter schools across the United
States. In 2015, the nation’s first charter school focusing on Chaldean
culture—a minority Christian sect in Iraq and Syria—opened in
suburban Detroit. The school will require all students to become fluent
in modern Aramaic, the language spoken by Chaldean Christians, and
will offer a course on Mesopotamian history.

Since charter funding comes at the cost of secularizing the
curriculum, similar disputes arise when private religious schools
“convert” to charter schools. The conversion of religious schools to
charter schools is not uncommon. For example, in 2001, NBA
superstar David Robinson founded a private Christian school for
disadvantaged students in San Antonio, the George W. Carver
Academy. In 2012, Robinson decided to enlist a secular charter
provider, IDEA Public Schools, to operate the school as a charter school
in order secure access to public funds. Catholic bishops in a number
of dioceses, including Brooklyn, Washington, D.C., Miami, and
Indianapolis, have opted—usually with encouragement of local political

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169. Abby Goodnough, Hebrew Charter School Spurs Dispute in Florida, N.Y. TIMES (Aug. 24,
[https://perma.cc/J37K-WE5P].

170. School Can Resume Lessons in Hebrew, N.Y. TIMES (Sept. 12, 2007),

11, 2009), http://www.nytimes.com/2009/01/12/nyregion/12hebrew.html?_r=1&page wanted=1&ref
=education [https://perma.cc/S2D5-4TEJ].

172. Lori Higgins, New Charter School Boosts Chaldean, Assyrian Cultures, DETROIT FREE
08/19/chaldean-charter-school-opens-madison-heights/31237333/ [https://perma.cc/8TBE-D58Y].

173. Twelve states expressly forbid the conversion of private schools to charter schools,
although, in practice, conversions can be structured so as to easily avoid offending such statutes.
XQ3J-DZ9Q].

174. Maria Luisa Cesar, Carver Going the Charter Route, SAN ANTONIO EXPRESS-NEWS (Feb.
route-3368119.php [https://perma.cc/XAP6-CTRD].
leaders—to convert struggling urban Catholic schools to secular charter schools rather than closing them.\textsuperscript{175}

1. The “Publicness” of Charter Schools

There are two related reasons why it is broadly assumed that charter schools cannot be religious schools. The first is the universal assumption that charter schools are public schools, not private schools. The second is the assumption that public schools flow directly to charter schools as a result of the government’s decision to open a school, rather than indirectly as the result of parents’ enrollment decisions. While the Supreme Court Establishment Clause canon is riddled with confusion and inconsistencies, the Court’s opinions make abundantly clear that public schools must be secular.\textsuperscript{176} That is to say, that public schools may not teach religion as the truth of the matter. Charter schools are considered public schools for two overlapping reasons. The first reason is that charter school proponents and operators generally benefit from that categorization and routinely refer to the “publicness” of charter schools. As Aaron Saiger has observed, “Uninterrogated claims that charter schools are public schools are routine if not ubiquitous . . . . The publicness of the charter school has become central to the self-understanding of many funders, advocates, legislators, politicians, unions, scholars and ordinary folk involved in or supportive of the charter movement.”\textsuperscript{177} For example, the largest association of charter schools in the United States is the “National Alliance for Public Charter Schools.”\textsuperscript{178}

The second reason that charter schools are considered public is that state laws universally characterize charter schools as public schools. Indeed, most state statutes call them “public charter schools.” The logic of this characterization flows from the fact that, at least theoretically, charter school laws do more than permit charter schools to operate. They enable the creation of charter schools through the authorization process. Theoretically, charter schools do not exist before they are granted a “charter” by a government-authorized charter-school

\begin{itemize}
  \item \textsuperscript{175} See Brinig & Garnett, supra note 27, at 45–56.
  \item \textsuperscript{177} Aaron Saiger, Charter Schools, the Establishment Clause, and the Neoliberal Turn in Public Education, 34 Cardozo L. Rev. 1163, 1179–80 (2013).
  \item \textsuperscript{178} Nat’l Alliance for Pub. Charter Schs., http://www.publiccharters.org/ (last visited Nov. 14, 2016) [https://perma.cc/4DCC-SEHq].
\end{itemize}
authorizer (most frequently state boards of education and local school boards, and, in some states, special public commissions, universities, and not-for-profit entities). But, the “creation” of a new school through a chartering process does not necessarily make it “public” for Establishment Clause purposes. After all, private schools generally cannot operate without government approval. Moreover, most private schools—including those participating in private school choice programs—are private corporations, also created by a state’s decision to grant a “charter.”

Even if the “creation” of a school by government act made it a public entity for Establishment Clause purposes, the reality on the ground in most states is that charter schools are not being “created” when they are granted a charter. The charter market has evolved away from early expectations that the chartering process would create new schools. More and more charter schools are franchises or branches of a CMO. The CMO, in seeking a charter, is seeking permission to expand to a new market (or within an existing one). The CMO, not the state, creates the school, which is privately operated largely independently from the public educational authorities. In fact, with the expansion of CMO-managed schools, private schools participating in parental choice programs may be more likely to be “created” by state law (through the incorporation process) than charter schools. Moreover, in some states, private as well as public entities can be charter authorizers. For example, several states authorize nongovernmental entities—including private universities and nonprofit organizations—to authorize the creation of charter schools, subject to ratification by the state’s department of education. During the 2009–2010 school year, 109 out of Minnesota’s 149 charter schools were authorized by private entities, including twenty-six authorized by religious institutions. Currently in Ohio, private, not-for-profit corporations authorize more than forty percent of the state’s charter schools, including the St. Aloysius Orphanage, which alone authorizes forty-four schools. Put differently, in some states, many charter schools are not authorized by the government at all, but by private (including religious) entities.


2. The Erosion of the Direct-Indirect Aid Distinction

The second reason that it is commonly assumed that the Establishment Clause prohibits religious charter schools is what is known as the “direct-indirect” funding distinction in the Supreme Court’s Establishment Clause jurisprudence. As the Court observed in Zelman, “[O]ur decisions have drawn a consistent distinction between government programs that provide aid directly to religious schools and programs of true private choice, in which government aid reaches religious schools only as a result of the genuine and independent choices of private individuals.”181 In the indirect aid context, the Court has held that the Establishment Clause does not prohibit religious institutions from receiving public funds, since the relevant decisionmaker is the private recipient of the funds (or, in the case of school-aged children, the recipients’ parents), not the government. In Zelman, for example, the Court reasoned that private religious schools were but one among a wide range of educational options available to Cleveland school children and the program was one of “true private choice.” This remained the case even though ninety-six percent of the children participating in the program chose to attend religious schools.182

In contrast, the Court has held that the government may not directly fund religious activities or instruction. As a result, the Court has limited direct government assistance to secular aspects of a religious organization’s activities. This rule extends through a long line of cases addressing the constitutionality of programs providing secular aid to religious institutions—for example, transportation for religious-school students,183 secular textbooks,184 educational materials including computers,185 tutors for secular remedial instruction,186 and capital expenditures for the construction of secular buildings at religious colleges.187 In large part because the Court has assumed that most religiously affiliated elementary and secondary schools, especially Catholic ones, are “pervasively sectarian”—that is, that religion pervades all aspects of instruction—direct financial assistance to

182. Id. at 639.
“sectarian” elementary and secondary schools has long been considered a constitutional taboo. The prevailing wisdom is that the funding of charter schools is direct aid, made by virtue of the government’s decision to authorize a charter school to operate, unlike the funding of private school choice, which is indirect.

The Court has been divided about what constitutes a program of “private choice.” For example, in *Mitchell v. Helms*, the Court considered an Establishment Clause challenge to the use of federal funds to purchase instructional equipment for religious schools. The Court had previously rejected nearly identical expenditures, in large part because it characterized them as providing “direct” rather than “indirect” aid to religious schools. In approving the expenditures at issue in *Mitchell*, a plurality of the Court characterized the program at issue as one of private choice since private schools benefited only because parents enrolled eligible children in them. Justice O’Connor, joined by Justice Breyer, rejected this characterization, however, expressing discomfort with the plurality’s “approval of actual diversion of government aid to religious indoctrination.”

The plurality’s characterization of “indirect aid” in *Mitchell* might command a majority in a future case. Until that time, however, the Establishment Clause question in the charter school context turns on whether funds flow directly to the schools as a result of the government’s decision to authorize it to operate or indirectly as a result of parents’ decisions to enroll their children in it. The prevailing assumption that charter schools are an example of “direct” funding, however, is arguably incorrect since charter schools receive funding on

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188. Bowen v. Kendrick, 487 U.S. 589, 621–22 (1988) (observing that the Court has held “parochial schools” to be “pervasively sectarian”); *Meek*, 421 U.S. at 363 (“[T]o attempt to separate secular educational functions from the predominantly religious role performed by many of Pennsylvania’s church-related elementary and secondary schools . . . .”); Lemon v. Kurtzman, 403 U.S. 602, 636–37 (1971) (“A school which operates to commingle religion with other instruction plainly cannot completely secularize its instruction. Parochial schools, in large measure, do not accept the assumption that secular subjects should be unrelated to religious teaching.”).

189. Tellingly, a year after the Archdiocese of Indianapolis announced its decision to convert two inner-city Catholic schools into charter schools, Indiana adopted a private school choice program. Two years later, the Archdiocese decided to “reconvert” the charter schools into Catholic schools, which would participate in the state’s voucher program as authentically religious schools. See Steve Hinnefeld, *Indy’s Catholic-to-Charter School Experiment Comes to an End, SCH. MATTERS: K-12 EDUC. IN IND.* (Aug. 27, 2014), https://inschoolmatters.wordpress.com/2014/08/27/indy-s-catholic-to-charter-school-experiment-comes-to-an-end/ [https://perma.cc/G3Y9-4B78].


193. *Id.* at 837.
a per-pupil basis as a result of a parent’s enrollment decision. Consider New Orleans, where parents of modest means have two choices for their children: enroll them in a charter school, a decision which results in the state of Louisiana directing per-pupil allocation of funds to the charter school according to a formula based upon the amount of state and local funding that a public school would receive to educate that child,\(^{194}\) or enroll them in a private school, which results in the State of Louisiana directing a public “scholarship” to the private school based upon a similar formula.\(^{195}\) Arguably, the per-pupil allocation of charter school funds and the “scholarship” provided by the Louisiana Scholarship Program is a distinction without a difference. Indeed, the charter school funds and the scholarship funds initially were drawn from the same state funding source, which is known as the Minimum Foundation Program.\(^{196}\)

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All of this said, the fact that religious charter schools may be constitutionally permissible does not itself mean that they are legally permitted. State law requirements that charter schools be “secular” are ubiquitous, and the political impediments to removing statutory prohibitions on religious charter schools substantial.\(^{197}\) As a result, litigation asserting that prohibitions on religious charter schools themselves violate the First Amendment may be the only short-term strategy for eliminating statutory mandates that charter schools be “secular.” The Supreme Court has repeatedly asserted that both the Free Exercise and Establishment Clauses prohibit the government from either favoring or disfavoring religious individuals or institutions,\(^{198}\) and the United States Court of Appeals for the Tenth Circuit has relied upon this rule to invalidate the exclusion of religious


\(^{196}\) In 2013, the Louisiana Supreme Court ruled on grounds unrelated to religion that the funds distributed from the Minimum Foundation Program could not go to private schools. See La. Fed’n of Teachers v. State, 118 So. 3d 1033 (La. 2013).

\(^{197}\) To begin, such a legislative move would invite costly and controversial litigation with an uncertain outcome. Moreover, the political opposition to lifting the ban on religious charter schools would presumably be at least as fierce as opposition to private school choice (perhaps more so because there is more money at stake) and the political support tepid, since religious organizations might well, for a host of reasons (including anxiety about a loss of autonomy), prefer that states enact private school choice laws.

schools from a public scholarship program. On the other hand, the Court of Appeals for the First Circuit has twice rejected the claim that the exclusion of religious high schools from a statewide private school choice program violated the First Amendment and Equal Protection Clause. Both cases involved a unique “tuitioning” program in Maine, which provided public funds to enable children residing in school districts without public high schools to attend private, but not religious, schools. The first, Strout v. Albanese, reasoned that permitting parents to use public funds to send their children to religious schools would violate the Establishment Clause, a result foreclosed three years later in Zelman. The second, Eulitt v. Maine Department of Education, was decided after Zelman, but reasoned that the State of Maine could, without running afoul of the Equal Protection or Free Exercise Clauses, opt not to provide funding for religious education even if such funding would be constitutionally permissible. The Eulitt court relied heavily on the Supreme Court’s decision in Locke v. Davey, which upheld a Washington program that provided college scholarships but prohibited the recipient from pursuing a devotional theology degree. In Davey, the State of Washington asserted that this exclusion was required by the state constitution’s Blaine Amendment, which was more restrictive than the Establishment Clause. The Court reasoned that compliance with the state constitution was a substantial interest and the burden on the plaintiff’s exercise of religion minimal. Since the majority opinion emphasized the unique “antiestablishment interests” at stake when state funds are used to support members of the clergy, Locke does not foreclose a challenge to state laws prohibiting religious charter schools, but it certainly complicates such a claim. The Supreme Court’s forthcoming decision in Trinity Lutheran Church v. Pauley, which asks whether a state may exclude a religious school from a public subsidy program because it is religious, promises to shed further light on the question.

199. Colo. Christian Univ. v. Weaver, 534 F.3d 1245 (10th Cir. 2008).
200. Strout v. Albanese, 178 F.3d 57, 63–64 (1st Cir. 1999) (rejecting federal constitutional challenge to the exclusion of religious schools from Maine’s “tuitioning” program); see also Bagley v. Raymond Sch. Dep’t, 728 A.2d 127 (Me. 1999) (rejecting similar challenge on state constitutional grounds).
201. 386 F.3d 344 (1st Cir. 2004).
202. Id. at 354–55.
B. Charter Schools and the State Action Doctrine

The implications of categorizing charter schools for federal constitutional purposes as “private” schools extend beyond the realm of the Establishment Clause. The legal implications of the conclusion that charter schools may not be “public” are enormous, since it would mean that millions of students are now attending—and thousands of teachers employed by—schools where they are not afforded constitutional rights. These include the constitutional norms that govern the relationships between traditional public schools and their teachers and students, such as the First Amendment’s protection of free expression,205 the Fourth Amendment’s prohibition of unreasonable searches and seizures,206 and the Due Process Clause’s substantive and procedural protections when students and teachers are disciplined or suspended.207 The question of whether the charter schools are state actors for these purposes has received some limited scholarly attention. For example, Aaron Saiger argues that charter schools are “private” for Establishment Clause purposes, but otherwise should be considered state actors.208 Gillian Metzger asserts that “charter schools most likely would be found part of the government for constitutional purposes, given that they are officially denominated public schools, often are created by the state, and operate subject to the state’s direct oversight.”209 Robert O’Neil wrote in 1999 that charter schools were an “easy case” of state action, given the states’ close regulation of their operations. However, O’Neil suggested, without predicting, that the more laissez faire regulatory approach assumed by most states since he wrote would alter his analysis.210 More recently, Preston Green, Bruce


207. Goss v. Lopez, 419 U.S. 565 (1975) (holding that Due Process Clause required hearing before student suspended for more than ten days).

208. Saiger, supra note 177, at 1181.


Baker, and Joseph Oluwole have argued that charter schools are problematic precisely because they cannot properly be characterized as state actors.211 And a handful of student notes have addressed the issue, reaching various conclusions, including the suggestion that the current state action doctrine is ill-equipped to deal with the public-private hybrids like charter schools.212

The Supreme Court has articulated a number of factors to determine whether an institution should be considered a state actor for federal constitutional purposes213—that is to say when there is a “sufficiently close nexus between the state and the challenged action” to attribute the action to the government.214 These factors include whether the private party is performing a “governmental” function;215 whether the government compelled or significantly encouraged the challenged action;216 whether the government controls the private actor to such an extent that the private actor is appropriately characterized as a governmental agent;217 and the degree of interdependence between the government and the private actor.218 The cases make clear that neither government regulation nor government funding necessarily transforms a private entity into a public one. For example, in Rendell-Baker v. Kuhn, the Supreme Court held that a heavily regulated private school for special-needs students that received more than ninety percent of its funds from the state was not a state actor.219 “The school,”

211. Preston C. Green et al., Having It Both Ways: How Charter Schools Try to Obtain Funding of the Public Schools and the Autonomy of Private Schools, 63 EMORY L.J. 303 (2013); see also Preston C. Green et al., Charter Schools, Students of Color and the State Action Doctrine: Are the Rights of Students of Color Sufficiently Protected?, 18 WASH. & LEE J. CIV. RTS. & SOC. JUST. 253 (2012).


213. See Metzger, supra note 209, at 1495–96 (listing factors).


216. See Blum v. Yaretsky, 457 U.S. 991, 1004 (1982) (“[A] State normally can be held responsible for a private decision only when it has exercised coercive power or has provided such significant encouragement, either overt or covert, that the choice must in law be deemed to be that of the State.”).

217. See id.


the Court observed, “is not fundamentally different from many private corporations whose business depends on [government] contracts. Acts of such private contractors do not become acts of the government by reason of their significant or even total engagement in performing public contracts.”\(^{220}\) And, importantly for the purposes of analyzing the status of charter schools, the Supreme Court has ruled that entities created by government action (e.g., the United States Olympic Committee) are not necessarily state actors.\(^{221}\) It has also held that the legal characterization of an entity as “private” is not dispositive of the state action determination. Presumably, the opposite is also true: if a law designating an entity as “private” does not control the state action question, then presumably a law designating an entity as “public” should not either.\(^{222}\)

The development of the state action doctrine has—to be sure—not been linear, although it has tended to proceed toward a more formalistic analysis of the extent that the private entity in question is either controlled by or controls governmental actors or, as most recently articulated, is “entwined” with them.\(^{223}\) As a result, the application of the state action doctrine to charter schools may vary from state to state, along with the extent of state control over charter school operations.\(^{224}\) For example, despite substantial prodding by the federal government,\(^{225}\) a number of states continue to limit the number of charter schools. The details of these caps vary dramatically—some states cap the number of new charters per year, others limit the total number of charter schools in the state (with the caps ranging from forty-two to 850 schools), still others limit charter schools’ geographic location.\(^{226}\)

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\(^{220}\) Id. at 840–41; see also Jackson v Metro. Edison Co., 419 U.S. 345 (1974) (holding that government regulation of a utility that possessed a state-granted monopoly did not make the utility a state actor); Moose Lodge No. 107 v. Irvis, 407 U.S. 163 (1972) (holding that state grant of a liquor license to a private club was not sufficient entanglement to make the club a state actor).


\(^{223}\) See Metzger, supra note 209, at 1413; see also Brentwood Acad., 531 U.S. 288 (holding that nonprofit entity organized to regulate high school athletics in Tennessee was a state actor because of its substantial “entwinement” with public schools).

\(^{224}\) Despite substantial prodding by the federal government, a number of states continue to cap the number of charter schools. The details of these caps vary dramatically—some states cap the number of new charters per year, others limit the total number of charter schools in the state (with the caps ranging from forty-two to 850 schools), still others limit charter schools’ geographic location. See Education Opportunity Index, CTR. FOR EDUC. REFORM, http://parentpowerindex.edreform.com/ (last visited Sept. 12, 2016) [https://perma.cc/K84H-AX2P].

\(^{225}\) For example, the U.S. Department of Education has sought to condition access to certain federal education funds on states eliminating charter school caps. See Press Release: States Open to charters start fast in ‘Race to Top,’ U.S. DEP’T EDUC. (June 8, 2009), http://www2.ed.gov/news/pressreleases/2009/06/06082009a.html [https://perma.cc/E7ZH-W5W6].
SECTOR AGNOSTICISM

The extent to which charter schools are exempt from regulations governing traditional public schools, such as mandatory curriculum requirements, also varies by state. And some states have been more aggressive about closing charter schools for academic underperformance than others. Even in states with substantial government regulation, however, the line between public and private can be blurred. Like charter schools, all states regulate private schools to some extent, for example, by requiring standardized testing, minimum instructional hours, and curricular content. Many also place conditions on the “approval” to operate, usually in the form of private accreditation. States with private school choice programs often place additional regulatory requirements on participating schools, including excluding persistently underperforming schools from parental choice programs. And, as the discussion above illustrates, the Supreme Court has made clear that neither comprehensive regulation (including licensing) nor public funding has the effect of transforming a private entity into a public one.

Federal courts have divided over the question of whether (and when) charter schools should be treated as state actors. In Caviness v. Horizon Community Learning Center, Inc., the Court of Appeals for the Ninth Circuit answered that question in the negative. The case arose after an Arizona charter school teacher was dismissed following a complaint by a female student. The teacher sued, alleging that his dismissal violated the Fourteenth Amendment’s Due Process Clause. The district court dismissed the claim, finding that the charter school was not a state actor. The Ninth Circuit affirmed, rejecting the teacher’s assertion that Arizona law’s designation of charter schools as “public schools” that provide “public education service” controlled the question. It also rejected the claim that the school was a state actor because it was performing a traditional state function (public

228. See The ABC’s of School Choice, supra note 81 (collecting and summarizing regulations).
229. 590 F.3d 806, 808 (9th Cir. 2010) (finding that charter school was not a state actor and therefore rejecting teacher’s § 1983 due process claim).
230. See id. at 810–12.
231. Id. at 812–14.
education).\textsuperscript{232} The court reasoned that, whatever the legal designation of the charter school (which was, under state law, also a private corporation), the state action determination turned on whether a sufficiently close “nexus” between the state and the challenged action existed such that the school’s action could fairly be said to be the action of the state.\textsuperscript{233} The court rejected the argument that this nexus was established when Arizona initially reviewed and approved the school’s charter, which included the school’s self-created personnel policies. Instead, citing \textit{Rendall-Baker}, the court concluded the termination decision was in no way related to the actions of the state but was the purely private action of a private corporation following privately created termination procedures.\textsuperscript{234} Relying on \textit{Caviness}, a federal district court similarly dismissed a teacher’s First Amendment claim against a charter school in \textit{Sufi v. Leadership High School}.\textsuperscript{235} The judge reasoned that, although the charter school’s dismissal of a teacher (allegedly for speaking out about the unfair distribution of health benefits) was enabled in some way by the state law authorizing the creation of charter schools, the connection between the decision to authorize the school and the school’s dismissal decision was too attenuated to be fairly classified as “state action.”\textsuperscript{236}

In other decisions, federal courts have taken a more formalistic approach, holding that charter schools are state actors because they are designated as public schools by state law and/or because public education is a traditional function of state governments. For example, in \textit{Nampa Classical Academy v. Goesling}, the Ninth Circuit concluded that a charter school could not sue the state of Idaho for violating the First Amendment by imposing certain curricular requirements because Idaho law established that charter schools were political subdivisions of the state.\textsuperscript{237} Federal district courts in Illinois, Ohio, and New York similarly have relied upon the state law designations of charter schools as “public schools” to conclude that they are state actors subject to § 1983 liability.\textsuperscript{238} In \textit{Riester v. Riverside Community School}, for example, the United States District Court for the Southern District of

\begin{itemize}
\item \textsuperscript{232} See id. at 814–16.
\item \textsuperscript{233} Id. at 812.
\item \textsuperscript{234} See id. at 815–18.
\item \textsuperscript{235} No. C-13-01508 (EDL), 2013 WL 3339441, at *9 (N.D. Cal. July 1, 2013).
\item \textsuperscript{236} See id. at *6–9.
\item \textsuperscript{237} 447 F. App’x 776, 778 (9th Cir. 2011).
\end{itemize}
Ohio held that Ohio law’s designation of charter and community schools as public “ends the inquiry” into the state action question. At least one district court relied on the fact that charter schools perform a traditional state function (public education) in holding that they are state actors—despite the obvious circularity in concluding that the education provided by charter schools is “public” education.

While the legal implications of the conclusion that charter schools may not be state actors are enormous, the practical implications of the state action question may be less dramatic, for a number of related reasons. First, legislatures and administrative agencies (both state and federal) retain the ability to regulate most aspects of charter school operations, even if they are not state actors. All states, in fact, regulate both private and charter schools to varying degrees. Second, under both state and federal law, charter schools may be government actors for some purposes (e.g., their relationships with their students) and private actors for others (e.g., their contractual relationships with their employees).

Third, a finding that charter schools are not public would not necessarily foreclose liability for misconduct. On the contrary, state courts are divided on whether charter schools are sufficiently “governmental” to enjoy the protection of state statutes immunizing government actors from tort liability. In these cases, the plaintiffs—students, teachers, and parents—argue that charter schools are private in order to circumvent government immunity. Given the trend in federal constitutional law toward greater deference to public school actors, state tort law may ultimately provide a more effective mechanism for policing charter school malfeasance than the federal constitution. Finally, unlike in traditional public schools, charter school parents have greater recourse to police charter schools through the exercise of what Alfred Hirschman famously termed “exit, voice, and


240. See Scaggs v. N.Y. State Dep’t of Educ., No. 06-CV-0799 (JFB) (VVP), 2007 WL 1456221, at *13–14 (E.D.N.Y. May 16, 2007) (holding that the charter school was a state actor because public education was traditionally the exclusive prerogative of the state).

241. For example, regulations promulgated pursuant to the Individuals with Disabilities Education Act mandate that charter schools serve disabled students unless state law has assigned that responsibility to another entity. 34 C.F.R. § 300.209 (2006).

242. See Caviness v. Horizon Cnty. Learning Ctr., Inc., 590 F.3d 806, 812–13 (9th Cir. 2010) (“It is important to identify the function at issue because an entity may be a State actor for some purposes, but not for others.” (quoting Lee v. Katz, 276 F.3d 550, 555 n.5 (9th Cir. 2002))); Cornish v. Corr. Servs. Corp., 402 F.3d 545, 550 (5th Cir. 2005) (noting that in a suit by terminated employee of private prison contractor, the question is “whether [defendant] acted under color of state law in terminating [plaintiff’s] employment, not whether its providing juvenile corrections services was state action”).

loyalty.”244 That is to say that parents are empowered to withdraw their children and place them in another school if their demands for change are unsatisfied. This kind of choice—and the parental autonomy and authority that it enables—is at the heart of sector-agnostic education policy.

C. Charter Schools and State Constitutions

If, for purposes of federal law, characterizing charter schools as “private” actors has the effect of immunizing them from constitutional scrutiny, for purposes of state law, such a characterization may have the opposite effect. This is because, in contrast to the federal constitution, most state constitutions have a variety of provisions that directly address both public and private education. These provisions fall into two categories: The first category includes the Blaine Amendments and other provisions that place explicit limitations on the public funding of private schools. The second category addresses the establishment, structure, and funding of public schools. Constitutional provisions falling into both categories have been held to restrict private school choice programs in several states. For example, as discussed above, the Arizona and Colorado Supreme Courts have invalidated voucher programs on Blaine Amendment grounds.245 In 2006, the Florida Supreme Court surprised many by holding that a statewide “failing schools” voucher law ran afoul of a provision falling in the second category, which mandated the establishment of a “uniform, efficient, safe, secure and high quality system of public schools.”246 The justices reasoned that the use of public funds to send children to private schools undermined the “uniformity” of the Florida public schools system. More recently, in 2012, the Louisiana Supreme Court ruled in Louisiana Federation of Teachers v. State that the state constitution prohibited funds reserved for public schools, known as the “Minimum Foundation Program,” from being used for private school choice.247 Not surprisingly, given the developments in the charter school market described above, opponents have begun to file lawsuits alleging that charter schools violate both types of provisions because they are effectively private schools. This Section discusses the possibility that

247. 118 So. 3d 1033, 1051 (La. 2013).
state constitutional provisions limiting the funding of private schools may also limit the funding of charter schools.

1. Charter Schools and Public-Funding Restrictions

In September 2014, nearly a year after hearing oral arguments, the Washington Supreme Court became the first state supreme court to invalidate a charter school law on the grounds that charter schools were insufficiently public to receive public education funds. The case, *League of Women Voters v. State of Washington*, resolved a challenge to a law enacted by referendum in 2012 that empowered two governmental agencies—a new state charter school commission and the Washington State Board of Education—to authorize the creation of charter schools in the state. The law designated charter schools as “common schools” and required them to comply with certain baseline academic and curricular expectations (and required the authorizing agencies to monitor their performance), but also guaranteed them substantial autonomy and relieved them of oversight by local school boards. The law further directed that charter schools be funded in the same manner as traditional public schools.

The plaintiffs alleged that the charter school law violated Article IX, § 2 of the Washington Constitution, which requires the establishment of “a general and uniform system of public schools,” including “common schools” (among others). That provision further provides that “the entire revenue derived from the common school fund and the state tax for common schools shall be exclusively applied to the support of the common schools.” The majority in *League of Women Voters* concluded that charter schools were not common schools, since the court had previously held—in a 1909 opinion called *School Dist. No.*

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248. See *League of Women Voters v. State*, 355 P.3d 1131, 1137–40 (Wash. 2015) (explaining that charter schools do not qualify as “common schools,” and thus the “Charter School Act’s provisions authorizing diversion of ... restricted funds are unconstitutional”).

249. See *WASH. REV. CODE ANN.* § 28A.710.005(1)(g) (West 2016) (stating that the charter school statutes “free teachers and principals from burdensome regulations that limit other public schools,” thereby giving charter schools “the flexibility to innovate” regarding staffing and curriculum), invalidated by *League of Women Voters*, 355 P.3d 1131; *WASH. REV. CODE ANN.* § 28A.710.040(3) (West 2016):

For the purpose of allowing flexibility to innovate in areas such as scheduling, personnel, funding, and educational programs to improve student outcomes and academic achievement, charter schools are not subject to, and are exempt from, all other state statutes and rules applicable to school districts and school district boards of directors.


251. *WASH. CONST.* art. IX, § 2.

252. *Id.*
20 v. Bryan\textsuperscript{253}—that common schools must be controlled by local school boards. Therefore, the court reasoned, the law, which directed that charter schools be funded in the same manner as other public schools, was unconstitutional.\textsuperscript{254} The court rejected the argument that charter schools could be financed from the general fund, reasoning that all revenue raised for the purpose of education were common school funds and that the funding provisions were not severable from the substantive provisions of the charter school law since the law did not segregate the funding of common schools and other educational options.\textsuperscript{255}

The dissenting justices agreed with the conclusion that charter schools were not common schools but disagreed with the conclusion that the funding provisions in the law rendered them unconstitutional. On the contrary, the dissent argued that, although the statute directed that funding for charter schools parallels funding for traditional public schools, the source of the funds was the state’s general fund, not the “common school fund” (constitutional term of art). In fact, the dissent pointed out that, taken to its logical extreme, the majority’s opinion would prohibit any educational expenditures except for common schools, when, in fact, millions of dollars are allocated for education-related expenditures other than the common schools each year. The dissenting justices further argued that any constitutionally flawed provisions of the law dealing with funding were severable from the provisions establishing charter schools.\textsuperscript{256}

The Washington decision closely parallels the Louisiana Supreme Court’s decision in \textit{Louisiana Federation of Teachers}, discussed previously, which invalidated the use of certain funds to finance the state’s voucher program.\textsuperscript{257} As discussed below, the Louisiana Association of Educators has also challenged the use of this fund for certain kinds of charter schools—specifically those not authorized and regulated by local school boards—arguing, in essence, that charter schools should be treated, for state constitutional purposes,

\textsuperscript{253} 51 Wash. 498, 502 (Wash. 1909).
\textsuperscript{254} See \textit{League of Women Voters}, 355 P.3d at 1137–40.
\textsuperscript{255} Id. at 1140–41.
\textsuperscript{256} Id. at 1141–48 (Fairhurst, J., concurring in part and dissenting in part).
as private schools, not public ones. Both decisions leave open the possibility that alternate sources of public funds may be constitutionally directed to the funding of private and charter schools. Indeed, following Louisiana Federation of Teachers, the state did find another way to fund the voucher program. However, in Washington, as the dissent highlights, the constitutional path to legally funding charter schools is a narrow one at best, requiring the careful segregation of public education funds for use by traditional public schools only.

Neither League of Women Voters nor Louisiana Federation of Teachers turned on the interpretation of the state Blaine Amendment. They could not, by definition, have done so, because Louisiana does not have a Blaine Amendment and Washington’s Blaine Amendment only prohibits public funding of religious schools by providing that “[a]ll schools maintained wholly or in part by the public funds shall be forever free of sectarian control.” Nevertheless, the Washington case arguably has opened the door to future challenges to charter schools that rely on a range of state constitutional restrictions of public expenditures in the education context, including on Blaine Amendments that encompass both private and secular schools.

A number of such lawsuits have been filed, thus far unsuccessfully. For example, in Council of Organizations & Others for Education About Parochaid, Inc. v. Engler, the plaintiffs alleged that Michigan’s fledgling charter school law, enacted in 1993, ran afoul of the state’s sweeping prohibition on the funding of private schools, known as the “Parochaid” Amendment, which provides:

No public monies or property shall be appropriated or paid or any public credit utilized, by the legislature or any other political subdivision or agency of the state directly or indirectly to aid or maintain any private, denominational or other nonpublic, pre-elementary, elementary, or secondary school. No payment, credit, tax benefit, exemption or deductions, tuition voucher, subsidy, grant or loan of public monies or property shall be provided, directly or indirectly, to support the attendance of any student or the employment of any person at any such nonpublic school or at any location or institution where instruction is offered in whole or in part to such nonpublic school students.


259. See League of Women Voters, 355 P.3d at 1146 (Fairhurst, J., concurring in part and dissenting in part).

260. WASH. CONST. art. IX, § 4.

261. 566 N.W.2d 208, 211 (Mich. 1997).

262. MICH. CONST. art. 8, § 2.
The trial court and court of appeals agreed with the plaintiffs. The courts reasoned that, because charter schools could be authorized by both community colleges and public universities, the statute authorized the funding of schools that were not under the control of the state. A divided Supreme Court of Michigan reversed. The justices emphasized that the lawsuit presented a facial challenge to the constitutionality of the statute and that the court must therefore satisfy itself that the statute was unconstitutional in all of its applications. Given the comprehensive regulation of charter schools, which Michigan law describes as “public school academies,” the fact that all the authorizing bodies in the state were public entities, and the duty to defer afforded to the legislature in defining the term “public schools,” the court concluded that charter schools should not be considered “private” schools subject to the Parochial amendment. Rather, the justices concluded that the state had simply enabled the establishment of a new kind of public schools, albeit ones that happened to be privately operated. The dissent in the Engler decision arguably presaged debates about the public versus private nature of charter schools that are currently playing out in state-action cases in federal courts. In his spirited dissent, Justice Boyle argued that the level of public control over charter schools was insufficient to support a conclusion that they were public rather than private schools. He concluded, “[T]he Legislature . . . cannot make what is private, public, simply by declaring it so.”

While it is certainly the case that a school might be “private” for federal constitutional purposes and “public” for state constitutional purposes (or vice versa), the market and regulatory developments that further erode the legal and factual bases for concluding that charter schools are state actors also reopen the question posed by Justice Boyle: Should state constitutions prohibit the funding of charter schools to the same extent that they prohibit private school choice? In most states, the question is moot. Some Blaine Amendments only prohibit the funding of “sectarian” schools, and—thus far—charter schools must be secular. (Others limit the funding of all private schools.) Moreover, a majority of state supreme courts to have considered this issue have concluded that their Blaine provisions do not preclude private school choice because they incorporate the distinction between the “direct” and “indirect” funding of religious schools embraced in the U.S. Supreme Court’s Establishment Clause decisions. In states that have rejected (or might

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264. Id. at 213–22.
265. Id. at 223–25 (Boyle, J., dissenting).
reject) this direct-indirect funding dichotomy, decisions concluding that charter schools are private schools presumably would limit charter school funding to the same extent that they limit private school funding.

2. Charter Schools and “Uniformity” Requirements

At least since the Florida Supreme Court’s decision in Bush v. Holmes,266 litigation challenging private school choice programs routinely features claims that the funding, even indirectly, of private schools is inconsistent with state constitutional provisions requiring the maintenance of public schools.267 Virtually all state constitutions contain such a provision, generally called “uniformity” provisions, although the contours of the mandate vary significantly across jurisdictions, with the text of state education guarantees spanning a range from open ended and general to quite specific.268 Generally, state constitutions require the establishment of a system of public schools, with provisions using a range of adjectives to describe the required system (e.g., “uniform,” “efficient,” “suitable,” “adequate,” “thorough”).269 Florida’s constitution is perhaps the most elaborate, demanding that “[a]dequate provision shall be made by law for a uniform, efficient, safe, secure, and high quality system of free public schools that allows students to obtain a high quality education.”270 Thus far, these “uniformity” challenges to private school choice have not been met with success outside of Florida.

Charter school opponents nevertheless have begun to mimic the tactic in litigation arguing that charter schools also run afoul of uniformity provisions. These suits allege that charter schools are unconstitutional because they undermine the quality and uniformity of public school systems. For example, in State ex rel Ohio Congress of Parents & Teachers v. State Board of Education, a closely divided Ohio Supreme Court rejected a uniformity challenge to the state law establishing and authorizing “community schools” (as charter schools are called in Ohio).271 The plaintiffs alleged that charter schools unconstitutionally inhibited the state’s ability to provide for a thorough and efficient system of public schools by diverting funding away from

266. 919 So. 2d 392 (Fla. 2006).
268. See Lupu & Tuttle, supra note 87, at 958–62.
270. FLA. CONST. art. IX, § 1(a).
271. 857 N.E.2d 1148, 1166 (Ohio 2006).
traditional public schools. They further argued that the state law provisions freeing charter schools from many of the education regulations governing traditional public schools violated the state constitutional provision mandating a “thorough and efficient” system of public schools. In rejecting these claims, the majority concluded that charter schools were a constitutionally appropriate means of reforming public education and increasing educational options in Ohio, which were subject to many of the same baseline regulations guaranteeing school quality as traditional public schools. The majority further concluded that nothing in the Ohio constitution prohibits the reduction in funding of traditional public schools when students exit for other options. The dissenting justices argued, as would the majority in the Washington charter school decision, that charter schools not only undermine the public education system but—because they were privately operated and freed from local board control—could not be considered common schools entitled to public funds.

In other cases, the plaintiffs have alleged that charter school laws run afoul of state uniformity clauses because they divest local school boards of control over public education. These claims are conceptually distinct from the issue presented in cases like League of Women Voters v. Washington and Ohio Congress of Parents & Teachers, in which the plaintiffs alleged that charter schools are unconstitutional because they are effectively publicly funded private schools. In the second version of uniformity claims, the plaintiffs allege that charter schools must be supervised in a particular way (i.e., by local school boards) because they are public schools. In 2011, the Georgia Supreme Court endorsed this claim in Gwinnett County School District v. Cox. The court invalidated the state statute establishing the Georgia Charter School Commission as inconsistent with a state constitutional provision vesting control of public schools in local boards of education. (The state subsequently amended its constitution to allow for the authorization of charter schools by bodies other than local school districts.)
Other courts have rejected these claims, reasoning that the legislature has significant latitude to experiment with restructuring the mechanisms for delivering K12 education. For example, in 2002, the Utah Supreme Court rejected a claim similar to that which would later be endorsed by the Georgia Supreme Court. The plaintiffs in the case alleged that the state’s charter school act was unconstitutional because it vested the authorization and supervision of charter schools with the Utah State Board of Education, rather than local school boards. The Utah Supreme Court concluded that the Utah Constitution gave the legislature plenary power to structure the state’s educational system to advance the goals of an educated populace, including by establishing nontraditional public schools like charter schools.

As with the Blaine Amendment challenges to charter school statutes discussed previously, litigants seeking to use uniformity provisions to challenge charter schools face substantial hurdles. With the exception of Bush v. Holmes, successful uniformity challenges have targeted disparities within the public school system, not alternatives to it. More than half of all state courts have relied on these provisions to invalidate the state funding mechanisms for traditional public school, with courts holding that overreliance on local property taxes to fund public schools results in unconstitutional disparities in resources and educational opportunities between rich and poor districts. Efforts by proponents of parental choice to argue that the logic of the “funding equity” suits to demand an expansion of educational options, including lawsuits seeking public funding portability as a remedy for these unconstitutional disparities, have failed. More recently, charter school proponents have begun to argue that the pervasive funding disparities between traditional public schools and charter schools run afoul of state uniformity challenges. Again, these lawsuits have—thus far—been unsuccessful.


280. Id. at 1128–31.
CONCLUSION: EDUCATION LAW IN A SECTOR-AGNOSTIC FUTURE

In both the federal and state context, the legal implications of sector agnosticism depend on empirical realities that currently vary by state, such as the extent of parental choice (in both the private and charter school sectors) and the level of control exercised by regulators over these choices. They also depend on the confluence of a number of political, legal, and market forces any one of which may impede or accelerate the further transition to sector agnosticism. The more that charter schools and private school choice converge, the more the courts will be asked to resolve the legal questions flagged above. That convergence is already occurring in many American cities, where charter schools look more and more like a private school choice device, and increasing numbers of students are spending public funds to attend “true” private schools.

Whether this convergence will continue or even accelerate is difficult to predict. For example, while the new federal education statute permits states to use federal funds to convert failing public schools into charter schools and encourages the elimination of several barriers to further charter expansion, federal law no longer (contra the waiver policy) directly incentivizes these actions. Moreover, while the footprint of private school choice continues to expand, most state’s programs are small and funded at levels far below traditional public schools and charter schools (which themselves receive far less funding than their district counterparts). Moreover, any further transition to sector agnosticism (and future evolution of education law resulting from that transition) likely depends on a host of other factors, including the ability of the charter and private school sectors to continue to secure legislative victories in the face of political opposition growing more determined by the day to halt the expansion of the parental choice footprint; to live up to the promise of delivering educational excellence outside of the traditional public school sector; and to recruit and attract sufficient talent and resources to replicate, build, and staff excellent schools serving disadvantaged children. The answer to these questions, which are by-and-large beyond the scope of this Article, will determine the shape of education policy and education law for decades to come.