

POLICY ISSUE BRIEF: CHARTER SCHOOLS

Issue at a Glance

Since the first charter school opened in Minnesota in 1992, the movement has grown at an astounding pace. Although all charter schools are public, tuition-free, and open to all students, there are variations in their management. Some charter schools are founded by educators; others are established by nonprofit organizations, universities, and some by for-profit charter management organizations. There are 8,150 charter schools and campuses in 45 states, Washington, D.C., Puerto Rico, and Guam, serving nearly 3.8 million students and a quarter million teachers—roughly 8% of total U.S. public school enrollment (Data Digest, 2022–23).

- Regarding growth and demand, enrollment has grown 12% over the past five years, driven by family interest in more personalized learning environments (National Alliance, 2024 Enrollment Report).
- 72% of school parents favor charter schools, and 74% would consider enrolling their child if one were available (EdChoice, 2024; The Harris Poll, 2022).
- In terms of demographics, charter schools serve 72% students of color compared with 55% in district schools. Also, 61% of students in charter schools are eligible for free or reduced-price lunch compared with 54% of students in district schools (Data Digest, 2022–23).

The federal Charter School Program (CSP), created in 1995, provides grants to state departments of education to help them plan, design, and implement new charter schools. Support for the CSP continued in 2015 with passage of the Every Student Succeeds Act (ESSA). ESSA also provides more flexibility for Title I funds which may benefit charter schools. This includes permitting 5% of Title I funds to be used to transport students to schools of their choice, including charters. States may also reserve 3% of their Title I funds for “Direct Student Services,” which would also include charter schools.

Federal support for charter schools accounts for only 1% of total K–12 education spending, through the CSP.

- A 2024 report by the Progressive Policy Institute found that cities expanding high-quality public-school options—charter or district—help low-income students close achievement gaps and approach statewide performance levels (PPI, 2024).
- A 2022 Fordham Institute study also found that increased charter school enrollment share is linked to math achievement gains for economically disadvantaged, Black, and Hispanic students (Fordham, 2022).

Supporters argue that charter schools expand educational opportunities for students and their parents, promoting innovation in education. Skeptics contend that contrary to their mission, charter schools lure away the top-performing students and divert funding from traditional public schools and demonstrate no real improvements in student achievement. Supporters also argue that outsourcing a public function to a private for-profit entity lowers costs, increases efficiency, and leads to greater government responsiveness.

But the history of education privatization reveals a different story.

Tracing the history of school privatization in his book *Education and the Commercial Mindset*, Samuel Abrams (2017) concludes that the practice of education is not transparent enough to ensure contract compliance.

As a result, school performance is judged by the most prominent metrics (reading and math scores), which incentivizes a budget-conscious provider to shortchange the consumer on other elements of a well-rounded education.

Another issue of concern for charter schools is high principal turnover. One study by the Manhattan Institute (2018) on principal turnover in New York City's charters compared to traditional public schools during 2008–18 found that:

1. **principal turnover** is higher in charters than in traditional public schools (TPS);
2. **the charter–TPS turnover gap** changes over time;
3. **the gap** may be smaller than previously thought;
4. **higher turnover** is not due to differences in student demographics between the two sectors; and
5. **turnover** is similar in low-performing charters and in low-performing TPS.

Typically, principals with more teaching and school leadership experience tend to remain in their current position. Charter school principals often have less experience than their public-school peers, and this may contribute to the turnover gap. However, charter schools report greater teacher diversity than district schools with 32% compared to 19 (The Harris Poll, 2023; NCES, 2020–21).

National Principals Association Position

- **National Principals Association** supports promoting educational excellence for all students through equitable accountability, certification, and licensure requirements for charter schools, as well as improved research about the performance of charter school students as compared to traditional public school students.
- **National Principals Association** has consistently supported public educational choice for all students as embodied in magnet schools, academies, alternative schools, and schools within schools, so long as these educational options do not divert resources from public schools which educate 90% of all students.
- **National Principals Association** believes that charter schools and other nontraditional public schools have the potential to develop innovative methods of educating diverse student populations that can then be replicated in traditional public schools.
- **National Principals Association** accepts the charter school concept in its broadest sense as an opportunity for all children to learn in ways that best meet their abilities and needs.

Recommendations for Policymakers

- Federal, state, and local policymakers should not divert funding from traditional public schools and should create separate funding streams to support charter schools.
- State policymakers should enact charter school laws that hold authorizers and management organizations accountable for school performance and professional standards, prior, during, and after allowing a takeover of a low-performing traditional public school. They should also require the closure or restructuring of underperforming charter schools.
- State departments of education should conduct annual assessments on the cumulative impact of charter schools on traditional school districts.
- Charter schools should be governed by the same federal and state laws as traditional public schools and held to the same level of accountability as traditional public schools including laws regarding educator quality and effectiveness, as well as the licensing and certification of principals and teachers.
- Charter schools should be accountable to the same public agency for oversight requirements equivalent to those mandated for traditional public schools.
- Charter schools that receive public funds should be prohibited from using any enrollment or registration procedures that exclude or discourage any students from enrolling at the school.
- Charter schools must prohibit the use of public funds to advance religious or political doctrines that violate constitutional prohibitions.
- Charter schools should be held accountable to the same state and district testing and assessment requirements as public institutions. This includes requirements for collecting and making data from assessments available to the public and for research purposes.
- Research on the performance of charter school students should not focus exclusively on standardized test scores but analyze other outcomes as well, including participation in advanced courses, graduation rates, and college attendance and completion.
- The U.S. Department of Education should require that studies on charter schools meet rigorous research and reporting standards.