## \*2.8 billion in charter school tuition payments drain funding from school districts and increase property taxes

## In 2021-2022 Oil City Area School District paid charter schools \$1,341,914

Charter and cyber charter schools are privately managed public schools. Pennsylvania law allows any student to apply to attend any charter or cyber charter school in the state. Students' home school districts are mandated by state law to pay tuition to the charter schools for these students.

Charter 100

# In the 2021-2022 school year, Pennsylvania taxpayers spent more than **\$2.8 billion** in tuition payments to charter schools, including more than **\$1 billion** on cyber charter school tuition payments.

The state no longer provides a reimbursement to help districts pay for charter school tuition costs, so **charter school tuition payments are funded primarily through property taxes.** AND flawed calculations in Pennsylvania's outdated charter school law mean that school districts often send charter schools more money than they need to educate children.

Charter and cyber charter schools can spend excess funding from school districts on anything, so your property tax dollars can end up paying for expensive cyber charter school advertising,

lavish charter school CEO salaries, exorbitant contracts with management companies, and more.

Only state lawmakers can fix the charter school law to align tuition payments to charter schools with their actual costs to save tax dollars, reduce pressure on property tax increases, and curb wasteful spending by charter schools.

Lawmakers who represent Oil City Area SD State Sen. Scott Hutchinson State Rep. R. Lee James



School Property Taxes



in charter school tuition payments

## Pennsylvania's cyber charter school problem

#### In 2021-2022 Pennsylvanians paid cyber charter schools more than \$1 billion

Under Pennsylvania's 25-year-old charter school law, there's no distinction in funding between a charter school that provides exclusively in-person education and one that provides exclusively online education – even though the costs to operate those schools are vastly different.

By not recognizing those differences, state law provides cyber charter schools a loophole - allowing them to collect excess tuition dollars well above what it costs them to provide an online education.

This means cyber charter schools have nearly unlimited dollars to spend on lavish CEO salaries, Internet ads, billboards up and down the Turnpike, countless radio and TV ads, and exorbitant management contracts. All the while stockpiling millions in reserve funds.



### **Overpaying for failure**

Pennsylvania's cyber charter schools are among the lowest-performing schools in the commonwealth. In 2020-2021 just under 61% of cyber charter school students graduated in four years compared to more than 88% of students who graduated from our public school districts.



#### The Solution?

State lawmakers must fix Pennsylvania's 25-year-old charter school law to match tuition payments more closely with what it *actually costs* cyber charter schools to educate students. This will save tax dollars, reduce pressure on property tax increases, and curb wasteful spending by charter schools.

