## **Charter Policy Issue Brief**



Charter school access to underutilized district facilities

This document examines state policies that provide charter school access to underutilized district facilities, either through lease or purchase. These policies may pertain to co-locating with district schools, providing solo access to district buildings and giving access to available district land.

This document is divided into two sections: The first one focuses on a table that presents various details about each state's policies for charter school access to underutilized district facilities; the second section outlines some policy considerations for state policymakers and advocates to wrestle with when designing policies for charter school access to underutilized district facilities.

## **Section I:** State policies for charter school access to underutilized district facilities table

As of this writing, 32 states and the District of Columbia have enacted policies that attempt to provide charter schools with access to district facilities. The table below presents various details about each state's policies for charter school access to underutilized district facilities. The states are listed in order of the percentage of charter schools in district facilities, from largest to smallest. The text box after the table provides more information about what each column of the table represents.

It is important to highlight a few key points about a handful of the top 10 states:

- The top four states each have less than 10 charter schools, which are primarily district-authorized in these states.
- Louisiana's percentage is largely the product of New Orleans being recreated as an all-charter school district after Hurricane Katrina.
- Arkansas and Wisconsin feature an unusually high percentage of charter schools converted from district-run schools.

State	Percentage of charter schools in district buildings	Charter school count	Statute expresses clear intention <sup>1</sup>	Clear definitions and timelines <sup>1</sup>	Oversight and enforcement <sup>1</sup>	Notification process <sup>2</sup>	District authorizers	Percentage of district- authorized charters	Purchase option <sup>1</sup>	Cost specified
Virginia	95–100%	7	P	N	N	N	Υ	95–100%	N	No rent
Wyoming	60-65%	5	Р	N	N	N	Υ	95–100%	N	No rent/pay actual costs
Iowa	50-55%	4	N	_	_	_	Υ	95–100%	_	_
Kansas	40-45%	9	N	_	_	_	Υ	65–70%	_	_
Louisiana	40–45%	149	Υ	N	U	N	Υ	95–100%	Υ	Fair market value
District of Columbia	35–40%	127	Υ	N	N	N	N	0%	Υ	-
Wisconsin*	35–40%	325	Р	Υ	U	D	Υ	90–95%	Υ	_

Arkansas*	30–35%	102	Υ	Υ	U	S	N	0%	Υ	Fair market value
Georgia	30-35%	100	Υ	Р	U	cs	Υ	70–75%	N	No rent
Alabama*	25–30%	11	Р	Р	U	S	Υ	0%	Υ	Fair market value
Alaska	25–30%	32	Р	N	N	N	Υ	95–100%	N	Actual costs
Colorado	20–25%	268	Р	Υ	U	cs	Υ	80-85%	Υ	No rent/pay actual costs
Indiana	20-25%	121	Υ	Υ	U	D	Υ	<5%	Υ	\$1
New York	20–25%	338	Υ	Р	Υ	D	Υ	20-25%	N	No rent
Oklahoma	20-25%	62	N	_	_	_	Υ	55-60%	_	_
California	15–20%	946	Υ	Υ	U	cs	Υ	95–100%	Υ	District cost of acquisition
Hawaii*	15–20%	37	Υ	Р	N	S	N	0%	N	No rent/pay actual costs
Pennsylvania	15–20%	177	N	_	_	_	Υ	90–95%	_	_
New Hampshire	10-15%	39	Р	N	N	N	Υ	<5%	N	_
Oregon	10-15%	129	Р	Р	U	D	Υ	50-55%	Υ	_
South Carolina	10-15%	88	Р	N	U	S	Υ	75–80%	Υ	Fair market value
Tennessee	10-15%	116	Υ	Υ	U	D	Υ	95–100%	N	Actual costs
Idaho	5–10%	77	Υ	Р	N	N	Υ	25–30%	N	_
Illinois	5-10%	131	Р	N	N	_	Υ	95–100%	N	Fair market value or actual costs
Maine	5-10%	12	Υ	N	U	N	Υ	95–100%	Υ	Fair market value
Maryland	5–10%	48	Р	N	N	D	Υ	95–100%	N	_
Minnesota	5–10%	284	N	_	_	_	Υ	<5%	_	_
Missouri	5–10%	80	N	_	_	_	Υ	5–10%	_	_
New Jersey	5-10%	85	N	-	_	_	N	0%	_	_
Ohio	5–10%	334	Υ	Р	U	N	Υ	35–40%	Υ	Fair market value
Arizona	<5%	568	Υ	Р	U	S	N	<5%	Υ	_
Connecticut	<5%	21	N	-	_	_	N	0%	_	_
Delaware	<5%	23	Υ	Р	U	S	Υ	5–10%	N	Bargain in good faith
Florida	<5%	719	Р	N	U	S	Υ	95–100%	N	Same basis as district
Massachusetts	<5%	76	N	_	_	_	N	0%	_	_
Michigan	<5%	373	N	-	_	_	Υ	15–20%	_	_
Mississippi	<5%	8	Υ	N	N	N	N	0%	Υ	Fair market value
Nevada	<5%	101	N	_	_	_	Υ	35–40%	_	_
New Mexico	<5%	99	Υ	N	U	N	Υ	40-45%	N	Lease reimbursement and actual costs
North Carolina	<5%	206	Υ	Р	Υ	N	N	0%	N	Actual costs
Rhode Island	<5%	41	N	-	_	_	N	0%	_	_
Texas*	<5%	850	Р	N	N	D	Υ	5–10%	Υ	-
Utah	<5%	140	N	-	-	-	Υ	5–10%	-	_
Washington	<5%	16	Р	N	N	N	Υ	20–25%	Υ	Fair market value
West Virginia	<5%	5	Υ	N	U	N	Υ	0%	N	Fair market value
Montana	-	_	Υ	N	N	N	Υ	-	Υ	Fair market value
Kentucky	_	_	N	-	_	_	Υ	_	_	_
1 1/	\ . N I	/		H A - I I	1 /	,				

- 1. Y = yes (green); N = no (orange); P = partial (yellow); U = unclear (gray).
- 2. S = state compiles and publishes list (blue); D = district must publish a list (purple); CS = charter school can request a list or be on notice to receive one (green); N = not applicable because the statute does not mention a notification process (orange).
- 3. \* State either has a high percentage of conversion charter schools, or during interviews, state leaders noted that only conversion charter schools are in district buildings.

## State policies for charter school access to underutilized district facilities table column descriptions

Percentage of charter schools in district buildings:

This is a range of the percentage of charter schools in district buildings. Data sources for this element vary based on what is available in each state. Some states provide up-to-date information about which charter schools are in district buildings. In other states, it is not obvious, and interview data supplied the estimate. The range allows for some amount of error in those estimates.

Charter school count: The estimated number of charter schools in 2022–23 in each state.

Statute expresses clear intention: Does the statute express clear intent that charter schools should have access to underutilized district facilities?

Clear definitions and timelines: Does the statute provide guidance to accompany the intent, such as definitions (e.g., what counts as underutilized) and timelines (e.g., if a charter school requests use of a building, the district has a certain amount of time to respond)?

Oversight and enforcement: Does the statute provide enforcement mechanisms for charter schools if they feel the district is not following the law or consequences where charter schools are not provided district facilities?

Notification process: Some statutes describe how charter schools would know if there are available district buildings. This column shows the different means of informing charter schools. In some cases, the state compiles and publishes a list of vacant buildings in one central location. In others, the district must publish a list (these tend to be difficult to find and are not in a single location). In still other cases, the charter school must make a request to be on the recipient list or to access the list.

District authorizers: Notes whether districts are authorizers in the state.

Percentage of district-authorized charters: The percentage of all charter schools in the state that has a local education agency or district as their authorizer (as opposed to a state entity, university or nonprofit).

Purchase option: Does the statute mention anything about a charter school purchasing an available district building?

Cost specified: Statutes provide varying levels of details regarding the costs involved where charter schools access a district building, such as no cost, charter schools pay their share of operational and maintenance costs, or fair market value. Some states outline other options, as well.

## **Section II:** Policy considerations

Charter schools spend significant operating dollars on their facility needs. Accessing underutilized public school facilities can provide a low- or no-rent option that helps the charter school while also making positive use of surplus district space. From a 2015 report titled "Finding Space: Charter Schools in District-Owned Facilities":

"Data available from the Charter School Facilities Initiative's (CSFI) collection of national facilities information reveals that 22% of charter schools in the 14 surveyed states occupy district-owned facilities. As an illustration, if that percentage is similarly applied across the balance of the nation's charter community, it would amount to more than 1,400 charter schools across the country. The relative costs involved elevate the topic further. Recent CSFI data show that the median annual facilities expenditures, as a percent of per pupil revenue, for charter schools in district-owned space is 0.9%, compared with a median expenditure of 5.8% for charter school facilities owned

or rented from private sources. In real dollars, this translates into a difference of about \$420 per student. For the average sized charter school that enrolls 399 students, access to district owned facilities would mean a savings of \$167,580, annually. The substantial cost savings enjoyed by charter schools in district facilities lower funding pressure and enable them to invest more in programs, services, and resources for students."

From 2019 to 2023, traditional public schools lost 1.42 million students, while charter schools gained 373,000 students across the country. Based on this enrollment shift, using an average of 500 students, district-run schools need 2,841 fewer buildings' worth of space to serve their students, and charter schools need an additional 746 buildings' worth of space.

Many state statutes clearly state charter schools should have access to available space. However, with no corresponding oversight or enforcement mechanisms in place, charter schools fail to get access to much available space. Of all the facilities' statutory provisions in state charter school laws, this one seems to have the most regularly ignored language on the books. States appear to be increasing their oversight and enforcement mechanisms with recent changes in Arkansas, Indiana, and New Hampshire, none of which have produced much of a record to review at this point.

States with a significant percentage of charter schools authorized by districts are more likely to have a significant percentage of charter schools in district facilities. When dividing the states in half by the percent of district-authorized charter schools (using 50% as the cut-point), we see that states with more district-authorized charter schools have a higher rate of charter schools in district buildings (24% average versus 10% average).