

CHARTER SCHOOLS FALLING

**2021-2022:
ENROLLMENT IN
CHARTER SCHOOLS
DECLINES**

AN NPE ANALYSIS



Demand for charter schools is declining.

In sixteen of the forty-one states that have published 2021-2022 enrollment numbers, charter school enrollment has dropped, in some cases, by substantial amounts. In an additional six states, charter enrollment has stalled with increases of fewer than 200 students in charter schools across the state.

Using the **2020-2021 charter enrollment numbers** provided by the National Alliance for Public Charter Schools (NAPCS) as the comparison year, we obtained 2021-2022 charter enrollment data for each state. Data were available, from each state's education department websites, publications or via email or phone contact, for 41 of the 43 states operating charter schools and the District of Columbia. Two states, Tennessee and Washington, were not included because they have not publicly released enrollment data as yet.

Last year we argued that the pandemic caused the enrollment increases, with parents **primarily flocking to online charters**. This year's decline shows this was clearly the case. Overall, charter school enrollment declined by more than 20,000 students in those 41 states and D.C. While the overall decline is modest, it is the first time since 2005 that there has been **an enrollment** decline at all. Whether this decline is due to the re-opening of neighborhood schools, competition from voucher schools, or simply dissatisfaction with their child's charter school, some parents are now "voting with their feet" out the door of charter schools, deciding that a charter school was not the best option after all.

The most dramatic decline in charter enrollment was in Oklahoma, where enrollment dropped 27%--from 81,739 students to 59,755. According to news reports, most of the exit came from **Oklahoma's massive for-profit online** charter school, EPIC.

California, the state with the largest number of charter schools in the United States, saw charter enrollment drop by 12,600 students. Pennsylvania saw a drop of 5,620 students. Using the NAPCS numbers for comparison, Georgia lost 24,250 students from its charter schools. However, we believe that last year's NAPCS' numbers were wildly inflated and that this year's decline is likely somewhat less.

Both Ohio and Oregon saw their charter school enrollment drop with respective declines of 3,628 and 3,738 students. In the case of Oregon, that number represents an over 8% drop in enrollment.

In those states that experienced increases, most increases were modest, with a few notable exceptions. Florida charter enrollment increased by 20,013 students, North Carolina enrollment increased by 8,522, and Nevada enrollment went up by 4,898. What all three states have in common is a growing for-profit-run charter sector. **Over half of the charter schools in Nevada** are run by the Florida for-profit charter chain Academica. Overall, charter school students in Nevada are **far whiter and wealthier** than the students in the area they pull from.

Below is a chart that provides the 2020-2021 enrollment numbers provided by NAPCS in their summer report alongside the fall 2021-2022 enrollment numbers that we obtained. The 2020 number for Kansas, which NCPS excluded, was obtained from the National Center for Education Statistics database.

State	2020-2021	2021-2022	Difference	Percent increase/decrease
Alabama	1,841	3,401	1,560	84.74%
Alaska	8,006	7,566	-440	-5.50%
Arizona	232,249	230,816	-1,433	-0.62%
Arkansas	41,849	41,252	-597	-1.43%
California	690,657	678,057	-12,600	-1.82%
Colorado	132,215	134,222	2,007	1.52%
Connecticut	10,940	10,990	50	0.46%
D.C.	43,942	44,772	830	1.89%
Delaware	16,910	17,201	291	1.72%
Florida	341,926	361,939	20,013	5.85%
Georgia	84,291	60,039	-24,252	-28.77%
Hawaii	12,213	12,097	-116	-0.95%
Idaho	31,472	29,582	-1,890	-6.01%
Illinois	62,760	63,042	282	0.45%
Indiana	49,686	50,073	387	0.78%
Iowa	123	149	26	21.14%
Kansas	3,483	2,927	-556	-15.96%
Louisiana	87,670	88,292	622	0.71%
Maine	2,662	2,516	-146	-5.48%
Maryland	23,366	24,104	738	3.16%
Massachusetts	48,578	48,399	-179	-0.37%
Michigan	149,478	150,537	1,059	0.71%
Minnesota	65,987	67,388	1,401	2.12%
Mississippi	2,551	2,921	370	14.50%
Missouri	25,068	25,179	111	0.44%
Nevada	58,855	63,753	4,898	8.32%
New Hampshire	4,545	4,938	393	8.65%
New Jersey	57,480	58,777	1,297	2.26%
New Mexico	28,968	30,160	1,192	4.11%
New York	170,933	173,341	2,408	1.41%
North Carolina	126,165	134,687	8,522	6.75%
Ohio	119,565	115,937	-3,628	-3.03%
Oklahoma	81,739	59,755	-21,984	-26.90%
Oregon	46,273	42,535	-3,738	-8.08%
Pennsylvania	169,252	163,625	-5,627	-3.32%
Rhode Island	10,547	10,710	163	1.55%
South Carolina	45,774	45,354	-420	-0.92%
Texas	365,930	377,375	11,445	3.13%
Utah	79,179	77,750	-1,429	-1.80%
Virginia	1,267	1,377	110	8.68%
Wisconsin	50,861	49,678	-1,183	-2.33%
Wyoming	609	630	21	3.45%
Total	3,588,094	3,567,843	-20,022	-0.56%

This table is replicated [here](#) with the sources for the 2021-2022 enrollment data.

Do We Need More Charter Schools?

Despite the decline in enrollment, there is continuing pressure to open new charter schools. A case in point is the state of Georgia. Even as charter enrollment has fallen from the last school year to the present, **six new schools have opened** since 2020. Those openings occurred, even though the pre-pandemic year (2019-2020) had also shown a decline.

But what about the **one million students on waitlists** that charter lobbyists claim as fact? No one outside of that trade organization has seen or verified the NAPCS waitlists, and when one examines local waitlists, they find that the lists shrink after removing duplicates and students who after years were never removed.

Massachusetts' original 2021 wait list of 32,183 students shrank to 17,452 when duplicates were removed. Even more important is that the Commonwealth's unduplicated waitlists are shrinking—the size of the list declined by 7,693 students from the prior year.

Texas also removes duplicates from waitlist counts. According to the report, about 70% of charter schools reported having a “waitlist” in 2020. When duplicates were removed, that list had 58,588 names—**which represents only 1%** of all public school students in the state that year.

What is even more telling is the vacancy rate in Texas's existing charter schools. Even at the height of the pandemic, **96,313 charter seats in Texas were not filled**, a number that greatly exceeds the state's waitlist. This begs the question. Are some charter schools deliberately under-enrolling their schools? Or, are the remaining 30% of Texas charters so bad that hardly anyone wants to go there at all?

To further illustrate why so-called waitlists are not a legitimate reason to open new charter schools, I will use a public school example.

New York City has a full-choice lottery public school assignment model. There is now no academic screening at all until the high school years. My granddaughter ranked the middle schools she wished to attend. For her first-choice school, she was number 95 on the waitlist, presumably with students behind her. Such waitlists are common in many New York City public schools.

That same year, overall enrollment in New York City schools declined due to the pandemic. The idea that one should create additional schools simply because some schools have waitlists is absurd. Yet, for years, the charter trade groups and lobbyists have made that argument, using unverifiable, inflated numbers, to argue for additional funding for new charter schools using the federal Charter Schools Program (CSP) as a piggy bank.

Let's be clear. The push for new charter schools is not intended to meet demand. The purpose of the push for new charters *is to create demand*.

When the new shiny school pops up in a neighborhood, enrollment battles that drain students and resources from the local public and charter schools begin. The result is churn and disruption, most often in the neighborhoods that can least afford it.

Will Charter School Enrollment Stagnation Continue?

At least for the next few years, we believe it will. Much of last year's enrollment increase was in low-quality virtual charters run by for-profits. As parents feel more comfortable sending their children back to brick-and-mortar schools, the online charters' enrollment will continue to decline. And since virtual charters drove last year's charter enrollment surge, it will depress enrollment numbers.

It is only a matter of time before parents realize that their children receive an inadequate education in virtual charters. In March of this year, the U.S. Government Accountability Office (GAO) issued a **blistering report on virtual charter schools**, the fastest growing sector of the charter school world. According to the report, virtual charter students lag way behind students in brick-and-mortar charter school students and even further behind students in brick and mortar public (traditional) schools.

When the GAO reviewed student proficiency in math and reading, they found "the national average math proficiency rate for virtual charter schools was 25 percentage points lower than the rate for brick-and-mortar traditional schools" and "the average reading proficiency rate for virtual charter schools was 9 percentage points lower than brick-and-mortar traditional schools."

It is not surprising that for-profits run nearly half of these virtual charter schools. What was equally troubling was that the GAO found that both the federal government and the states had no idea who was running the school in many cases.

The report examining these problematic charter schools found that not only are their students lagging way behind academically, but that their entire business model puts public funds at extreme risk for fraud and misallocation. When operators put profits ahead of student needs, they create troubling incentives for student failures.

From **that report**

The U.S. Department of Education's [Office of the Inspector General] OIG issued an audit report in 2016 that found charter schools contracting with management organizations may present elevated risks, including programmatic risks and a lack of accountability for federal funds, and program performance. According to Education officials, these risks are amplified when the management organizations are for-profit because their interest in profits may outweigh the school's interest in complying with federal program requirements and providing high-quality educational services to students.

Despite the exodus, there will still be some charter school growth. States like Alabama, with a recent charter school law will open schools, as will states like West Virginia and Kentucky, where charter schools have been recently funded. We predict that the for-profit chains will be the first to swoop in. The **first three charter schools** slated to open this fall in West Virginia will be run by Ron Packard's

Accel—an aggressively expanding for-profit chain that runs **low-quality charter schools** in several states.

In states where right-wing legislatures are openly waging war against public schools by starving them of resources while passing punitive laws designed to limit the authority of local communities, charters, especially for-profit chain charters, will find homes and open. It is no accident that Florida's **new Commissioner of Education** worked for the largest for-profit charter chain in the nation, Academica.

Charter School Decline and the Federal Charter Schools Program

Although the recent federal Charter School Program regulations are a good first step in helping to clean up a national embarrassment fraught with mismanagement, profiteering and fraud, it is a continued disappointment that the CSP continues to receive funding at all.

It is clear that the desire for charter schools has stalled. Enrollment is dropping. The Department of Education, even under Betsy De Vos, could not spend all of the money allocated to the program by Congress. In 2019, over \$12,000,000 needed to be reallocated from the CSP to other federal education programs due to a lack of demand for new charter schools in state and individual grants (see page 43 [here](#).)

Rather than waste tax dollars to gin up a market in a time of waning interest, a better investment would be to clean the charter industry's house with thoughtful reforms. Then and only then will the sector move from chasing profit to fulfilling its original intent, which was to provide innovative solutions for communities in teacher and parent-run schools.

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