

COMMUNITY DISTRICT EDUCATION COUNCIL 30

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RESOLUTION #171

In Opposition to Raising the NYC Charter School Cap and in Favor of Limiting Charter Costs to the DOE Budget and Ensuring More Oversight and Accountability

Whereas, Gov. Hochul has proposed to <u>allow about 100 additional charter schools</u> in NYC, even though the legal charter cap has been met, by eliminating the regional limits and by adding the number of previously authorized charters known as "zombie charters" which have closed or had their charters revoked; and

Whereas, if enacted, this proposal could potentially add 300 more charter schools in NYC, since every charter school, whether elementary, middle, or high school, is allowed to expand to all grade levels; and

Whereas, NYC already has 275 charter schools – the vast majority of those authorized in the state; and

Whereas, the total funding diverted from the NYC DOE public school budget is already substantial and growing each year, currently at approximately \$2.69 billion – not counting the space and services that co-located NYC charter schools receive for free; and

Whereas, NYC charter schools that are sited in private space also receive subsidies from DOE to help pay for their rental costs, that this year totals an <u>estimated \$166 million</u>; with 60% of that reimbursable by the state; and

Whereas, the real cost to DOE's budget of charter schools is thus likely over \$3 billion annually; and

Whereas, this proposal could more than triple the number of charter schools in NYC if the hundred expand to new grade levels (i.e. elementary, middle, or high school) that could cost DOE an additional \$3 billion per year or more; and

Whereas, NYC is the only school district in the entire state and the entire nation that is obligated to help subsidize the rent for charter schools if they are not provided space in public school buildings; and

Whereas, NYC has been denied over \$2.62 billion in state charter school transitional aid between 2011 and 2022, the only school district in the state so exempted; and

Whereas, given the need to lower class size according to the new state law which mandates class size reduction starting next fall, charter expansion could deprive our public schools that opportunity; and

Whereas, two Class Size Matters reports on the cost of charter rent in 2019 and 2020, show that in FY 2019, DOE overspent on charter lease costs by over \$21 million compared to their legal obligation, and in FY 2020, DOE spent over \$11.6 million on rent for charter schools whose buildings were owned by their Charter Management Organizations or other affiliated organizations; and that in some of those cases, the CMO had appeared to sharply increase their own rent, apparently to receive more reimbursement from DOE; and

Whereas, <u>58% of the city's charter schools have lost</u> enrollment over the past three years, not including charter schools that opened or closed during that time; and

Whereas, the claims made of high demand and large waiting lists at charter schools are unconfirmed by any independent audits and likely inaccurate, as they include many duplicates; and

Whereas, charter schools such as those affiliated with Success Academy spend millions on advertising and marketing efforts in order to recruit more applicants; and

Whereas, a research study revealed that <u>only about 50 percent of the students who win the lottery to attend Success Academy charters</u> choose to enroll; making their waiting list claims even more dubious; and

Whereas, Success Academy was still urging more families to apply to their schools <u>through October</u> of the current school year, revealing a shortage of students in many of their schools; and

Whereas, Success recruits students outside the city for their charter schools, revealing a relative lack of demand in NYC; and

Whereas, many charter schools exhibit high rates of student attrition, including at Success, where <u>75% of students leave</u> from Kindergarten on; <u>about 50%</u> of students who make it to high school leave before graduation; and

Whereas, most NYC charter schools have far lower enrollment rates of high-needs students, including English Language Learners and students with disabilities; and

Whereas, many NYC charter schools are known for their excessive disciplinary policies and pushing out students who do not comply with their strict disciplinary codes; and

Whereas, many NYC charter schools, including those affiliated with <u>Uncommon</u>, <u>KIPP</u>, and <u>Success</u>, have been criticized for their racist practices; and

Whereas a <u>recent report</u> from the Civil Rights Project at UCLA revealed that charter schools in NYC are even more intensely segregated than district public schools;

Therefore Be it resolved that Community Education Council 30 strongly urges the Legislature to oppose the Governor's proposal to increase the number of charter schools in NYC, either by eliminating the regional caps or allowing authorization of the "zombie" charters much like the current proposed expansion of Success Academy Charter School 14 to District 30 which has been 'extended' multiple times;

Be it further resolved that instead, we urge the Legislature to repeal the law that obligates DOE to provide space to charter schools in public schools or help pay for their rent— the only district in the nation with this onerous requirement;

Be it further resolved that in addition, the Legislature shall make NYC eligible for state charter transition aid from now on, and be provided with the \$2.62 billion in past transition aid that was unfairly denied;

Be it further resolved that the Legislature shall eliminate the loophole, allowing a charter school to expand to additional grade levels outside of the category that it was originally authorized to serve, whether that be elementary, middle or high school;

Be it further resolved that the law should be amended to allow both the NY State Comptroller and NYC Comptroller to perform performance audits on the charter sector, including auditing their claims of waiting lists and their practices of pushing out students;

Be it further resolved that Community Education Council 30 will ask the NYC Comptroller to audit the DOE spending on rental subsidies for charter schools, especially those whose buildings are owned by their Charter Management Organizations or other affiliated organization, to ensure that they are not inflating reimbursement from DOE:

Be it further resolved that Community Education Council 30 will also ask NYC Comptroller to audit the spending of DOE on matching funds to public schools co-located with charters for facility enhancements, an amount that is supposed to match the spending of the co-located charters for that purpose, and yet the Class Size Matter reports of <u>2019</u> and <u>2020</u> found that the co-located public schools were owed millions of dollars by DOE;

Be it further resolved that all charter schools must be legally obligated to adhere to the same disciplinary and suspension policies that public schools are required to follow under state law;

Be it further resolved that the law should be strengthened so that no charter school can add grade levels outside of the grade levels that its category of school usually serves, whether elementary, middle, or high school grades;

Be it further resolved that the law shall require the boards of all Charter Management Organizations to be subject by law to Open Meetings law;

Be it further resolved that the following bills to strengthen the accountability and transparency of charter schools shall be approved by the Legislature and signed into law by the Governor, along with the same bills in the Assembly: \$\frac{S4200}{2}\$ (Hoylman); increasing with transparency and limiting charter co-locations to three years; \$\frac{S1395}{2}\$ (Liu); providing the Board of Regents with final say over charter approvals and re-authorizations; \$\frac{S2171}{2}\$ (Liu); requiring the appointment of an independent fiduciary upon the dissolution of a charter school; \$\frac{S355}{2}\$ (Jackson); requiring more accountability for charter schools in multiple ways; \$\frac{S2137}{2}\$ (Liu); repealing the requirement that NYC must help pay for private space rented by charter schools; \$\frac{S2173}{2}\$ (Salazar); allowing the state Comptroller to audit NYC charter schools; and \$\frac{S2292}{2}\$ (Mayer); including school districts and in NYC community school districts in the approval process for issuing any new charter schools, where charter enrollment is already above 5% of the total public school enrollment.

VOTED AND APPROVED ON MARCH 13, 2023