

Your Question:

How do states fund capital construction and facilities for charter schools?

Our Response:

According to the [National Alliance for Public Charter Schools](#), one of the biggest challenges to the continued expansion of charter public schools is the fact that many charter school laws place the responsibility of obtaining and paying for facilities on charter schools themselves. Thus, charter school leaders struggle to find suitable and affordable facilities. States across the country vary in their [approaches to facilities funding](#) for charter schools. A few states – recently Colorado, Tennessee, and Arkansas – have passed legislation to make this process easier for charter schools in their state.

State policy options include:

- Providing a per-pupil facilities allowance to charter schools,
- Creating a charter school facility grant program (Tennessee),
- Providing a charter school facility revolving loan program,
- Ensuring that charter schools have equal access to all of the existing state facilities programs for district-run public schools in a state (Arkansas), and
- Providing charter schools with access to local property tax dollars generated for facilities (Colorado)

State Examples

Colorado

In June 2017, Governor Hickenlooper signed [Colorado HB 1375](#) into law. Beginning in the 2019-20 budget year, the bill requires school districts that collect revenue from mill levies in addition to the total program mill levy and that authorize a charter school to:

- adopt a plan for distributing the revenue to the schools of the school district for the benefit of the students enrolled in the school district; or
- distribute 95% of the per pupil amount of the revenue to the charter schools of the school district.

Additional data & links

This ECS 50-State Comparison examines whether the state provides direct facilities funding or other facilities assistance to charter schools: <http://ecs.force.com/mbdata/mbquest2rte?rep=CS152324>

The National Alliance for Public Charter Schools is a great resource to learn more about the effects of facilities funding on charter schools: <http://www.publiccharters.org/>

The intent of this legislation is to equitably share voter-approved tax increases with charter schools. More information about this legislation can be found [here](#).

Tennessee

The Tennessee General Assembly enacted [HB 310/SB 1197](#) in May 2017. Section 24 of this legislation creates a public charter schools facilities program to help charter schools with facilities issues, including acquiring and improving property to educate students and the repayment of debt incurred for existing capital outlay projects. The department of education ensures that funds are made available on an equitable basis for the benefit of public charter schools of all sizes, characteristics, geographic locations, and authorizers. [This article](#) further discusses Gov. Bill Haslam’s priorities and budget numbers around facilities funding for charter schools.

Arkansas

In March of 2017, Arkansas passed [SB 308](#), which outlines provisions allowing charter schools to purchase or lease unused or underutilized school buildings, as long as the charter school is located in the boundaries of the school district. The bill also gives charter schools the right of first refusal for academic facilities. It requires the state to identify all unused or underutilized public school facilities, and directs the Division of Public School Academic Facilities and Transportation to publish a list of these facilities on their website. Lastly it outlines provisions for the sale or lease of these buildings to a charter school.

If you have additional questions about capital construction and facilities for charter schools, please contact Emily Parker at eparker@ecs.org.