

The Systemwide Benefits of Charter Schools

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Childhood, Elementary, and Secondary Education*

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Introduction

Chairman Kiley, Ranking Member Bonamici, and distinguished members of the Committee: Thank you for the opportunity to testify today. My name is David Griffith, and I am the Associate Director of Research at the Thomas B. Fordham Institute, a nonprofit think tank committed to advancing educational excellence for all students, especially those historically underserved. In the last decade, as a member of Fordham’s national research team, I have been involved in more than a dozen empirical studies of charter schools, which are also the subject of my forthcoming dissertation and book.

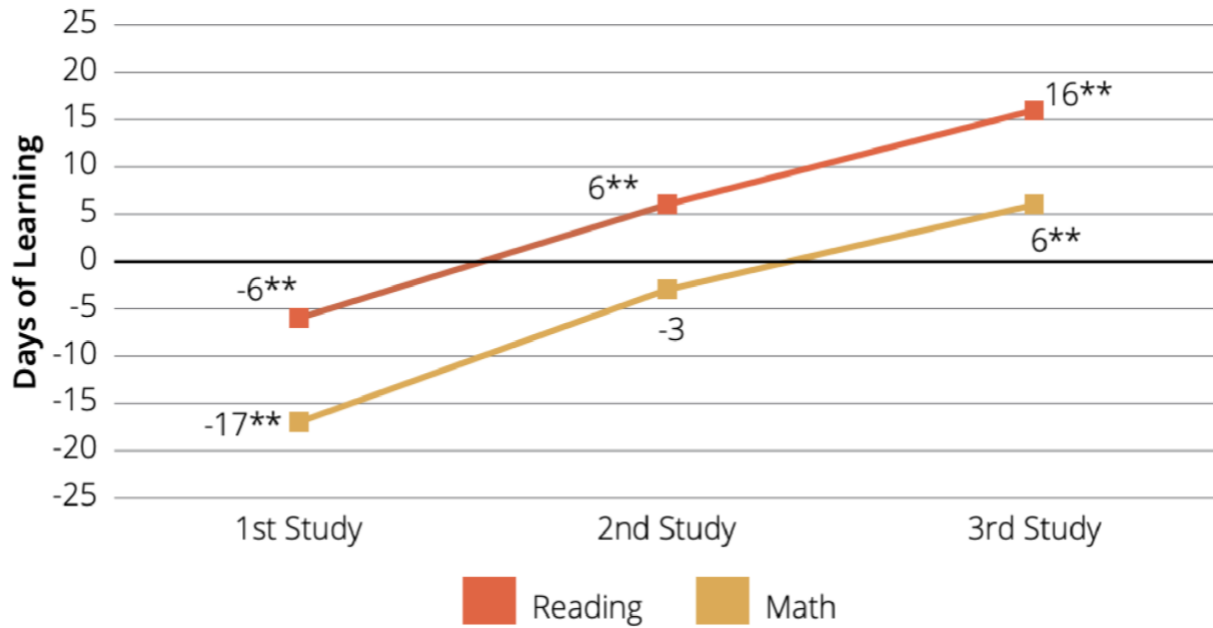
As the charter school sector continues to grow, it’s vital that we understand not only how these schools affect the students they enroll, but how they affect public education systems as a whole. Today I’ll share the latest findings from my own research, as well as the work of leading scholars such as Dr. Douglas Harris of Tulane University and Dr. Macke Raymond of the Center for Research on Education Outcomes (CREDO) at Stanford University. Collectively, these studies paint a clear picture: high-quality charter schools can produce meaningful, systemwide benefits for students—both those they serve and those who remain in traditional public schools.

I. How do charter schools affect students who enroll in them?

Research by Stanford’s Center for Research on Education Outcomes (CREDO)ⁱ and many other scholarsⁱⁱ suggests that enrolling in a charter school generates significant academic benefits—particularly in urban areasⁱⁱⁱ and for traditionally disadvantaged students.^{iv} For example, in its most recent national study, CREDO estimated that students who enrolled in charter schools gained the equivalent of 16 days of learning in reading and 6 days of learning in math per year, with Black, Hispanic, and Economically Disadvantaged students seeing even larger gains.^v

Importantly, this research suggests that, unlike nearly every other K-12 education program, the charter sector has improved as it has expanded (Figure 1).^{vi}

Figure 1: The effects of enrolling in a charter school have become increasingly positive.



Source: *As a Matter of Fact: The National Charter School Study III*, CREDO (2023), Figure 1.7

This improvement reflects at least four factors.

First, the percentage of charter schools that are relatively new has declined, and research shows that charter schools tend to get better over time.^{vii}

Second, a growing percentage of charter schools are affiliated with mission-driven non-profits such as KIPP and Success Academy, and these “charter management organizations” have a particularly strong track record.^{viii}

Third, charter school policy has improved, particularly when it comes to quality control, as states and localities have learned from one another’s experiences with more choice-based systems.^{ix}

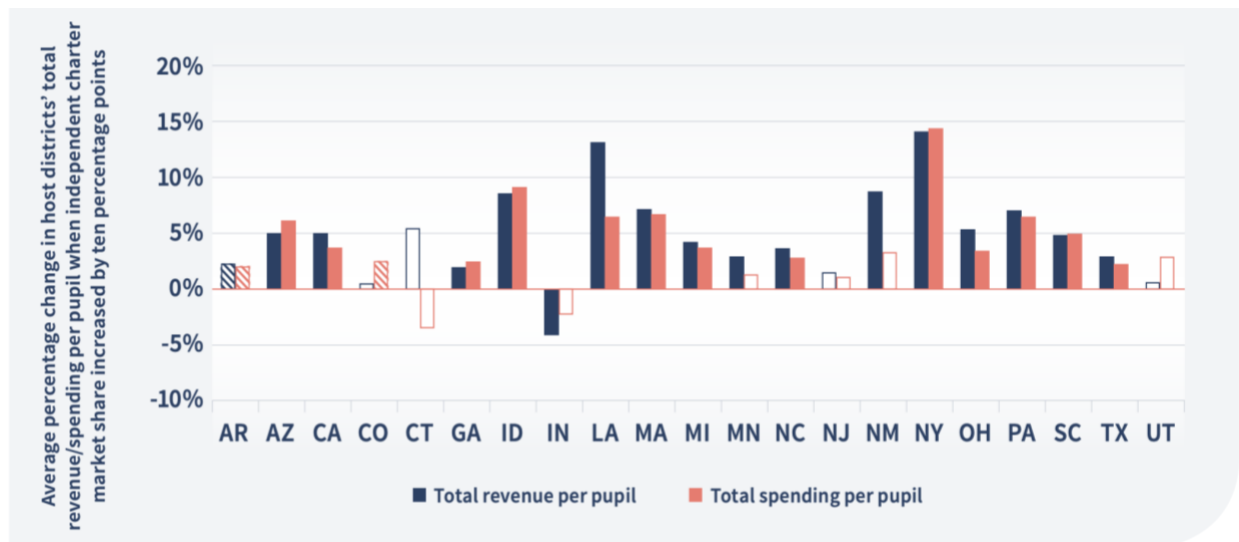
Finally, many low-performing charter schools have closed because they, unlike traditional public schools, are directly accountable to both parents and regulators.^x

II. How do charter schools affect students in traditional public schools?

Critics of charter schools often claim they harm traditional school districts by draining them of students and funding.^{xi} Yet, research by the Fordham Institute and others suggests that districts’

revenues per pupil often *increase* as charter market share rises due to so-called “hold harmless” provisions and other policies that reward districts where enrollment declines (Figure 2).^{xii}

Figure 2: In most states, an increase in charter market share is associated with a significant increase in host districts’ total revenue and spending per pupil.



Source: *Robbers or Victims? Charter Schools and District Finances*, Thomas B. Fordham Institute, 2021

For example, because charters still lack access to local funding in states like Arizona and Idaho, charter-driven enrollment losses in these places increase host districts’ local funding per pupil because they don’t lose the funding associated with the students who leave. Similarly, both Massachusetts and New York have policies that compensate districts specifically for charter-driven enrollment losses. In other words, they pay them for students they no longer educate. And most states have some form of time-limited hold-harmless policy that directs more money to districts with declining enrollments.^{xiii}

In addition to these policies, a substantial literature suggests that district-run schools tend to improve academically in response to healthy competition from charter schools.^{xiv} Specifically, at least a dozen studies that have utilized student-level data have found positive effects on the achievement of students in traditional public schools,^{xv} another seven studies have found null or mixed effects,^{xvi} and four studies have found negative effects.^{xvii}

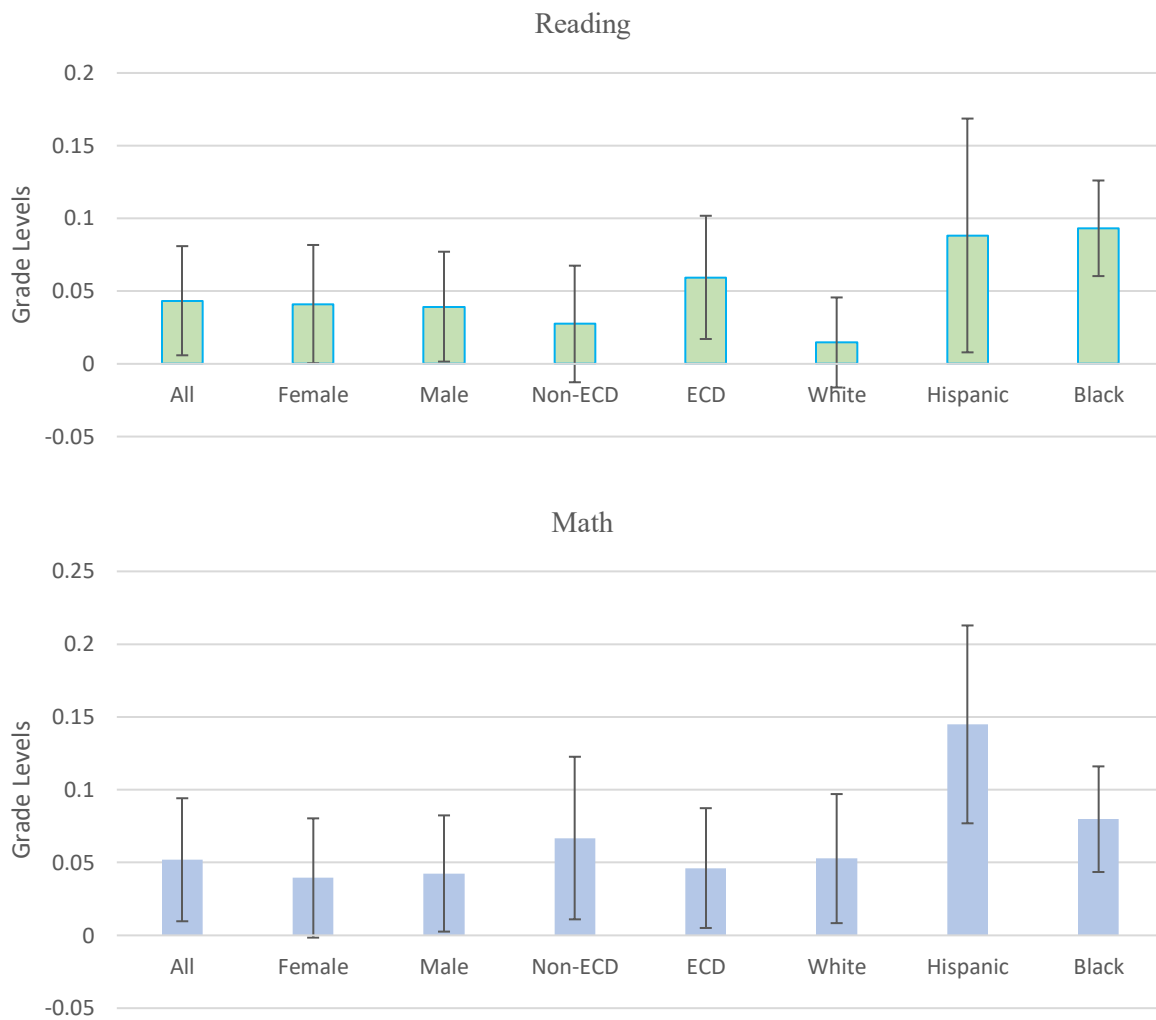
Collectively, these studies suggest that charter schools are helping traditional public schools to improve, in part because their expansion can boost host districts’ total revenues per pupil.

III. How does a “rising tide” of charters affect the performance of school systems?

If both students who enroll in them and students in traditional public schools benefit from charter schools, their systemwide effects should be positive. So, in a series of national analyses, I

examined how marginal increases in charter school enrollment—or “charter market share”—affect the average achievement of *all* students in a public school system, including those in traditional public schools.^{xviii} Overall, the results suggest that these enrollment increases are linked to gains in both reading and math achievement by the end of middle school (Figure 3).

Figure 3: Higher charter market share is associated with significant increases in publicly enrolled students’ average reading and math achievement



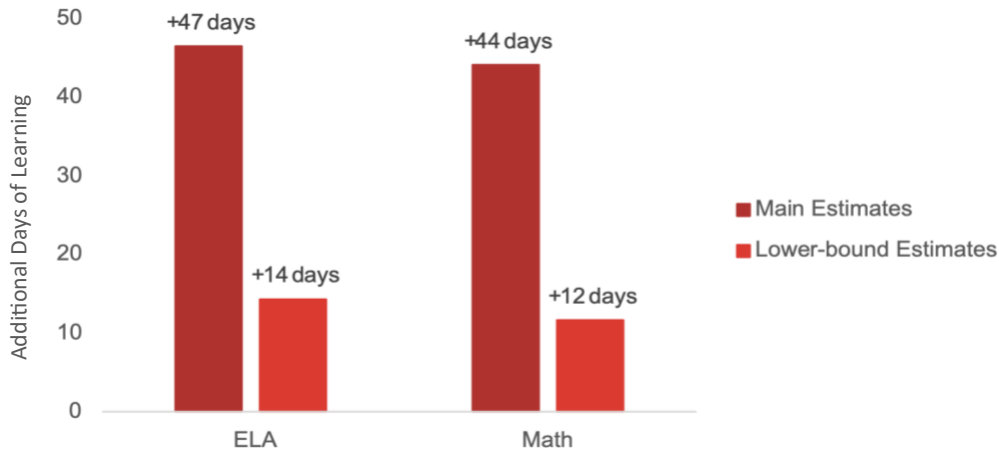
Source: Griffith, D. (2025). *The systemwide effects of charter schools on reading and math achievement* [Doctoral dissertation, George Washington University]. ProQuest Dissertations & Theses Global (Forthcoming), figures 2-3.

Importantly, these gains are concentrated in major urban areas. And they are especially pronounced for Black, Hispanic, and economically disadvantaged students, though other student groups also benefit. In general, this work complements and reinforces the research of Drs. Feng Chen and Douglas Harris of Tulane University, who draw similar conclusions based on somewhat different methods.^{xix}

IV. Addressing Funding Inequities

Despite their successes, charter schools face challenges including persistent funding disparities stemming from their limited access to local tax revenue, facilities funding,^{xx} and other categorical funding.^{xxi} These inequities are well-documented. Indeed, they are often written into state law. And emerging research by Fordham and other organizations suggests they are still preventing the charter sector from fulfilling its potential (Figure 4).^{xxii}

Figure 4: Effects of additional funding on the performance of Ohio charter schools



Source: *The Impact of Increasing Funding for High-Performing Ohio Charter Schools*, Thomas B. Fordham Institute, 2024

If we are serious about equity in public education, we must ensure that all public school students—regardless of the type of school they attend—receive fair funding.

Conclusion

Charter schools are not a silver bullet, but they have demonstrated their ability to raise student achievement and improve public education systems.

Broadly speaking, charters thrive under policies that:

- Prioritize quality over quantity,
- Promote transparency and accountability, and
- Provide equitable funding

I respectfully urge this Committee to support policies that expand access to high-quality charter schools and ensure that they are funded fairly.

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