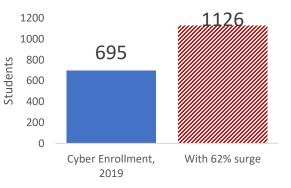




## Senate District 26 - Senator Tim Kearney

## Payments to cyber charters up by \$14.5 million in Senate District 26 Failure to act now could increase property taxes by over 2 percent

**Cyber charter costs are growing rapidly.** Before the pandemic, 695 students in Senate District 26 were enrolled in cyber charters. Cyber enrollment has since surged by over 60% statewide, pushing estimated enrollment to over 1,100 students.



Because of sharply higher cyber enrollment, <u>cyber tuition costs in Senate District</u> <u>26 will jump by an additional \$14.5 million this year, a shocking 132 percent</u> <u>increase</u> over the comparable tuition expense in 2019.

Rising cyber enrollment intensifies pressure on local property taxes. To cover this new cost, **Senate District 26 school districts would have to raise property taxes by 2.04% on average.** 

**The current system of setting charter school tuition rates is broken.** Senate District 26 school districts currently pay up to \$45,629 in special education tuition and \$15,808 for other students. That is significantly more than the actual costs of providing an online education and is a boon to cyber charter operators.

SB 27 will save Senate District 26 over \$5.6 million by bringing charter school tuition in line with payments to other public schools. The bill standardizes cyber charter tuition at \$9,500 and requires charter schools to use the same criteria as all public schools to calculate special education tuition.

| SB 27 Reforms                        | Senate District 26 Savings |
|--------------------------------------|----------------------------|
| Standardize cyber tuition at \$9,500 | \$3,708,664                |
| Special Education Tuition Reform     | \$1,956,578                |
| Total Savings                        | \$5,665,242                |

Sources: Pennsylvania Association of School Business Officials (for cyber tuition expense increases and property tax estimates) and PDE (for enrollment, tuition rates, and savings estimates)