TEXAS CHARTER AUTHORIZER ACCOUNTABILITY REPORT

2023–2024

EXECUTIVE SUMMARY

Executive Summary

Background

The first charter schools were established in the United States in 1991 to provide students with a tuition-free alternative to traditional public schools. Their purpose: to create additional flexibility and innovation in education. Minnesota was the first state to usher in charter schools, and other states quickly followed; charter schools now operate in 44 states and the District of Columbia, Puerto Rico, and Guam. The number of charter schools operating across the nation has approximately doubled over the past 17 years—from 4,090 schools in the 2006–07 academic year to 8,150 schools in 2022–23. Student enrollment has also experienced marked growth, increasing from about 1.2 million students in 2006–07 to nearly 3.8 million students in 2022–23 (White, 2024).

Texas charter schools were first established in 1995 by the 74th Texas Legislature with the addition of Texas Education Code (TEC) Chapter 12. The state proposed charter schools as a means to improve student learning, increase the choice of learning opportunities within the public school system, create professional opportunities to attract new teachers to the public school system, and encourage different and innovative learning methods (TEC § 12.001, 2024). Texas charter schools are subject to fiscal and academic accountability, though they have fewer regulations than traditional public schools to encourage innovation and flexibility.

Five subchapters within TEC Chapter 12 (2024) codify the different types of charter schools in Texas:

- **Home-rule school district charter schools** (TEC Chapter 12, Subchapter B, § § 12.011-12.030, 2024), which are not in existence to date;
- **Campus or campus program charter schools** (TEC Chapter 12, Subchapter C, § § 12.051-12.065, 2024), which are authorized by Texas Independent School District (ISD) school boards and serve students within the district;
- **Open-enrollment charter schools** (TEC Chapter 12, Subchapter D, § § 12.101-12.141, 2024), which are authorized by the commissioner of education (COE), are operated by 501(c)(3) tax-exempt organizations or governmental entities, and can enroll students from any school districts in their approved geographic boundaries;
- **College, university, or junior college charter schools** (TEC Chapter 12, Subchapter E, § § 12.151-12.156, 2024), which are authorized by the COE, are operated by institutions of higher education, and can enroll students from any school districts in their approved geographic boundaries; and
- **Adult high school charter schools** (TEC Chapter 12, Subchapter G, § § 12.251-12.265, 2024), which are authorized by the COE and operated by 501(c)(3) tax-exempt organizations to provide services and instruction below the college level for adults.

Contemporary charter school legislation demonstrates the state's effort to balance quality with growing charter school demand. In 2013, the 83rd Texas Legislature passed Senate Bill (SB) 2, which made significant changes to the state's charter school legislation. The bill added TEC §12.115 (a)-(d) (2024)—Charter Revocation or Modification of Governance—to the TEC, which placed charter schools under stricter financial and academic accountability expectations and enacted the requirement that the commissioner revoke a school's charter should it fail to meet the stated accountability benchmarks for three consecutive years. Since the passage of SB 2 in 2013, 47 charter schools have closed, and the number of charters granted annually has decreased.[1] SB 2 also increased the cap on the maximum number of open-enrollment charter schools from 215 to 305 by September 2019 (TEC § 12.101, 2024). Another significant change introduced in SB 2 was the transfer of authority in granting open-enrollment charters from the

1 In prior year versions of this report, the number of charter schools reported closed since the passage of SB 2 in 2013 inconsistently counted charter consolidations in the closure number. In some years, consolidations were reported as one charter closure, and in other years, consolidations were counted as multiple closures. The reported number in this report reflects each consolidation as one charter closure (Texas Education Agency, Personal Communication, March 6, 2025).

State Board of Education (SBOE) to the COE (TEC § 12.101 (a), 2024). The commissioner must still submit notification to the SBOE regarding which charters are proposed, and the SBOE may veto any new charter proposed within 90 days of the notification of the commissioner's decision (TEC § 12.101(b-0), 2024). Along with this change, the legislature added a requirement (TEC § 12.1013 (a)-(d), 2024) for a report on the performance of open-enrollment charter school campuses by authorizer type that compares the results of each with matched traditional public school campuses.

In 2017, the 85th Texas Legislature passed SB 1882, providing incentives to school districts to partner with open-enrollment charter schools and certain eligible entities to open campuses within their district.[2] The bill provided two incentives to promote district partnerships with open-enrollment charter schools and eligible entities. The first was a two-year relief from campus sanctions imposed at schools with low academic performance; the second was access to potentially increased state funding. Both of these benefits incentivized districts to enter into partnerships with outside entities. Also in 2017, the Texas Legislature passed House Bill 21, allowing public charter schools, for the first time in Texas, to receive up to $60 million in state funding annually for facilities (TEC § 12.106 (d)-(2), 2024).

After a 2020 court ruling that nullified flexible provisions to address low-performing schools, the 87th Texas Legislature passed SB 1365 in 2021 to grant explicit authority for revocation, as well as a specific timeline for particular interventions and sanctions. Included in SB 1365 was language that made clear that *D* ratings in the state's academic rating system, in addition to *F* ratings, would make schools eligible for closure (TEC § 12.1141(b) and (d), 2024).

Overview of Texas Charter School Campuses

In the 2023–24 academic year, 9,082 Texas public school campuses were in operation. Approximately 12% (1,047) of those campuses were charter school campuses, including ISD-authorized charter school campuses and campuses operated by SBOE-authorized charter schools and COE-authorized charter schools. In 2023–24, most charter school campuses operated under SBOE-authorized charter schools (852).[3] Additionally, 131 campuses were ISD-authorized, and 64 campuses operated under COE-authorized charter schools. A total of 488,659 students were enrolled in charter school campuses, representing approximately 9% of the 5,531,024 total students enrolled in Texas public schools.

The aggregate performance outcomes presented in this report include 809 campuses operated by SBOE-authorized charter schools, 131 ISD-authorized charter school campuses, and 59 campuses operated by COE-authorized charter schools.[4]

Key Findings for SBOE-Authorized and ISD-Authorized Charter School Campuses

For the purposes of this report, charter schools and their respective campuses are categorized by their original authorizer. Campus or campus program charter schools are reported as ISD-authorized. Open-enrollment and college, university, or junior college charter school campuses are reported as SBOE-authorized or COE-authorized, depending on the year in which the charter schools were authorized; the COE replaced the SBOE as the state charter authorizer for open-enrollment charter schools in 2013. Since then, campus expansions for charters originally authorized by the SBOE are approved by the COE. To date, Texas does not have any home-rule school district charter schools on which to report. These findings—comparing SBOE-authorized and ISD-authorized charter school campuses with matched traditional public school campuses—include aggregate outcome measures related to attrition; State of

2 SB 1882 Texas partnership schools are classified as ISD-authorized charter schools for the purposes of this report.

3 The 852 campuses associated with SBOE-authorized charter schools include campuses approved by the COE through the approval of expansion amendment requests to add new campuses under existing charter schools originally authorized by the SBOE.

4 Residential treatment facilities (RTFs) at charter school campuses (SBOE-authorized charter schools n=43; COE-authorized charter schools n=5) and RTFs at traditional public school campuses (n=69), as well as traditional public school disciplinary alternative education programs (n=141) and traditional public school juvenile justice alternative education programs (n=156) are not included in the performance outcome reporting.

Texas Assessments of Academic Readiness (STAAR®) exams; graduation rates; and college, career, and military readiness (CCMR).

Attrition Rates

For the purposes of this report, the attrition rate is defined as the percentage of students enrolled in the fall of 2023 who did not return to the same campus in the fall of 2024.[5] The attrition rates for this report, along with the numerators and denominators, were provided by the Texas Education Agency (TEA) for all active campuses for the 2023–24 school year.

SBOE-authorized charter school campuses reported higher attrition rates compared with their matched traditional public school campuses overall (23% vs. 22%) and at each school level: 23% vs. 22% at elementary school campuses; 23% vs. 18% at middle school campuses; and 26% vs. 23% at high school campuses. ISD-authorized charter school campuses also reported higher overall attrition rates than their matched traditional public school campuses (23% vs. 21%). The attrition rate at ISD-authorized elementary charter school campuses was lower than matched traditional elementary public school campuses (22% vs. 23%) and was higher at middle school campuses (19% vs. 17%) and high school campuses (27% vs. 20%) than matched traditional public school campuses.

STAAR Results

Analyzed in this report are the percentages of students achieving the Approaches Grade Level standard and Masters Grade Level standard on STAAR-Reading Language Arts (RLA) and STAAR-Mathematics exams taken by elementary and middle school students in Grades 3–8, the STAAR Algebra I end-of-course (EOC) exam taken by middle and high school students, and the STAAR English I and English II EOC exams taken by middle and high school students.[6, 7]

At SBOE-authorized charter school campuses, 66% of students taking the STAAR-Mathematics exams and 79% of students taking the STAAR Algebra I EOC exam met the Approaches Grade Level standard, compared with 67% and 81%, respectively, at matched traditional public school campuses. Lower percentages of students at SBOE-authorized charter school campuses achieved the Masters Grade Level standard on STAAR-Mathematics exams (13% vs. 15%) and the STAAR Algebra I EOC exam (19% vs. 27%) compared with those at matched traditional public school campuses. For the STAAR-RLA/English Language Arts (ELA) exams, a higher percentage of students in Grades 3–8 at SBOE-authorized charter school campuses achieved the Approaches Grade Level standard on the STAAR-RLA exams (77% vs. 74%) than students at matched traditional public school campuses and a higher percentage of students at SBOE-authorized charter school campuses achieved the Approaches Grade Level standard on the STAAR English I EOC exam (71% vs. 69%) and STAAR English II EOC exam (76% vs. 72%) than students at matched traditional public school campuses. A higher percentage of students at SBOE-authorized charter school campuses achieved the Masters Grade Level standard on STAAR-RLA exams (25% vs. 23%) than students at matched traditional public school campuses, and the same percentage of students achieved the Masters Grade Level standard on the STAAR English I EOC exam (15%) and STAAR English II EOC exam (8%) as students at matched traditional public school campuses.

At ISD-authorized charter school campuses, 59% of students achieved the Approaches Grade Level standard on STAAR-Mathematics exams, compared with 64% of students at matched traditional public school campuses, and 82% of students achieved the Approaches Grade Level standard on the STAAR Algebra I EOC exam, compared with 80% at matched traditional public school campuses. A lower percentage of students at ISD-authorized charter school campuses achieved the Masters Grade Level standard on STAAR-Mathematics exams (11% vs. 12%) and the STAAR Algebra I EOC exam (23% vs. 24%)

5 See Appendix A for a detailed description of the attrition analysis.

6 The Approaches Grade Level standard is a STAAR performance level indicating that the student is likely to succeed in the next grade or course with targeted academic intervention. The Approaches Grade Level standard serves as the state's passing standard.

7 A more difficult achievement level to attain, the Masters Grade Level standard is a STAAR performance level descriptor indicating that the student is expected to succeed in the next grade or course with little or no academic intervention.

than students at matched traditional public school campuses. For STAAR-RLA exams, 69% of students achieved the Approaches Grade Level standard at ISD-authorized charter school campuses, compared with 73% of students at matched traditional public school campuses. For the STAAR English I exam, 73% of students achieved the Approaches Grade Level standard at ISD-authorized charter school campuses, compared with 63% of students at matched traditional public school campuses. For the STAAR English II EOC exam, 79% of students achieved the Approaches Grade Level standard at ISD-authorized charter school campuses, compared with 69% of students at matched traditional public school campuses. The same percentage of students at ISD-authorized charter school campuses achieved the Masters Grade Level standard on STAAR-RLA exams (20%) as students at matched traditional public schools. A higher percentage of students at ISD-authorized charter school campuses achieved the Masters Grade Level standard on the STAAR English I EOC exam (15% vs. 10%) and the STAAR English II EOC exam (9% vs. 5%) than students at matched traditional public school campuses.

Graduation Rates

SBOE-authorized charter school campuses evaluated under standard accountability provisions had a four-year longitudinal graduation rate of 96%, compared with matched traditional public school campuses, which had a rate of 91%. The four-year longitudinal graduation rate at ISD-authorized charter school campuses evaluated under standard accountability provisions was 94%, compared with 91% at matched traditional public school campuses. Additionally, four-year longitudinal graduation rates for campuses evaluated under alternative education accountability (AEA) provisions were examined; the graduation rate at SBOE-authorized charter school campuses was 80%, compared with 100% at their matched traditional public school campuses. For ISD-authorized charter school campuses evaluated under AEA provisions, the graduation rate was masked due to the limited number of schools (one) operating under these provisions and was thus ineligible for this analysis; the rate for matched traditional public school campuses was 98%.

College, Career, and Military Readiness Outcomes

Under TEC § 39.053(c) (2024), for accountability purposes, high school graduates can demonstrate readiness for college, a career, or the military through a number of achievements outlined in detail in Appendix A.

SBOE-authorized charter school campuses reported higher percentages of graduates on four CCMR outcomes compared with their matched traditional public school campuses: 57% of graduates met Texas Success Initiative (TSI) college readiness benchmarks in both RLA and mathematics, compared with 45% from matched traditional public school campuses; 28% of graduates met the criterion score on an Advanced Placement (AP) or International Baccalaureate (IB) exam in any subject, compared with 15% from matched traditional public school campuses; 24% of graduates received credit for a college prep course in mathematics, compared with 22% from matched traditional public school campuses; and 7% of special education students graduated under an advanced diploma plan, compared with 5% from matched traditional public school campuses. For all other CCMR outcomes, matched traditional public school campuses reported the same or higher percentages of graduates.[8]

ISD-authorized charter school campuses reported higher percentages of graduates meeting CCMR indicators on seven outcomes compared with their matched traditional public school campuses: graduates who met TSI college readiness benchmarks in both RLA and mathematics (54% vs. 41%), graduates who met the criterion score on an AP or IB exam in any subject (17% vs. 16%), graduates who earned dual course credits (33% vs. 21%), graduates who completed and earned credit for an ELA college prep course (28% vs. 20%) and a mathematics college prep course (33% vs. 25%), graduates who earned an associate's degree (4% vs. 3%), and graduates who identified as a special education student and earned an advanced diploma plan (7% vs. 6%). For all other indicators, ISD-authorized charter school campuses reported lower

8 Per the TEA *2024 Accountability Manual* (page 10; PDF e-page 14): The military enlistment indicator returned to 2024 accountability standards based on Department of Defense Form 4 submissions from local education agencies (LEAs) for military enlistment as of December 31, 2023.

percentages of graduates earning industry-based certifications than matched traditional public school campuses.

Key Findings for COE-Authorized Charter School Campuses

Aggregate outcome measures related to attrition, STAAR exams, and CCMR outcomes were reported for COE-authorized charter school campuses and matched traditional public school campuses. Because of the small number of COE-authorized charter school campuses, aggregate outcome measures related to graduation rates were not reported.

Attrition Rates

The attrition rate for COE-authorized charter school campuses was 33%, compared with 22% at their matched traditional public school campuses.

STAAR Results

Analyzed in this report are the percentages of students achieving the Approaches Grade Level standard and Masters Grade Level standard on STAAR-RLA and STAAR-Mathematics exams taken by elementary and middle school students in Grades 3–8, the STAAR Algebra I EOC exam taken by middle and high school students, and the STAAR English I and English II EOC exams taken by middle and high school students.

At COE-authorized charter school campuses, a lower percentage of students achieved the Approaches Grade Level standard on STAAR-Mathematics exams (59% vs. 70%) and a higher percentage of students achieved the Approaches Grade Level standard on the STAAR Algebra I EOC exam (74% vs. 70%) than students at matched traditional public school campuses. Likewise, a lower percentage of students at COE-authorized charter school campuses achieved the Masters Grade Level standard on STAAR-Mathematics exams (10% vs. 18%) and a higher percentage of students met the Masters Grade Level standard on the STAAR Algebra I EOC exam (17% vs. 16%) than students at matched traditional public school campuses. For the STAAR-RLA exams, a lower percentage of students at COE-authorized charter school campuses achieved the Approaches Grade Level standard (73% vs. 78%) and higher percentages achieved the Approaches Grade Level standard on the STAAR English I EOC exam (72% vs. 71%) and STAAR English II EOC exam (76% vs. 73%) than students at matched traditional public school campuses. Lower percentages of students at COE-authorized charter school campuses achieved the Masters Grade Level standard on the STAAR-RLA exams (20% vs. 25%) and STAAR English II EOC exam (7% vs. 8%) than students at matched traditional public school campuses, while a higher percentage of students at COE-authorized charter school campuses achieved the Masters Grade Level standard on the STAAR English I EOC exam (16% vs. 15%) than students at matched traditional public school campuses.

College, Career, and Military Readiness Outcomes

COE-authorized charter school campuses reported higher percentages of graduates on two CCMR outcomes compared with their matched traditional public school campuses: graduates who earned industry-based certifications (32% vs. 26%) and graduates who completed an OnRamps dual enrollment course (8% vs. 1%). COE-authorized charter school campuses and matched traditional public school campuses reported the same percentage of graduates who identified as a special education student and earned an advanced diploma plan (4%). For all other CCMR outcomes, matched traditional public school campuses reported higher percentages than COE-authorized charter school campuses.

Study Limitations

This report provides a detailed description of charter school campuses and matched traditional public school campuses intended for comparison of school types. While a combination of sampling techniques was used to identify demographically similar traditional public school campuses as the matched set for comparison, inferences regarding the performance of charter schools relative to traditional public schools cannot be made using this report. In order to suggest the performance of one type of school is consistently

better or worse than another, statistical tools controlling for observed and unobserved characteristics influencing performance would need to be in place and inferential statistical analysis employed. Additionally, careful interpretation of the comparisons with COE-authorized and ISD-authorized charter school campuses provided in this report is necessary because of the small number of campuses in each category.

Because of the award of new charters and the expansion of existing charters, comparisons between the results of this report and the results of previously published *Texas Charter Authorizer Accountability Report*s should be made with caution. In 2012, the state of Texas introduced a new standardized test, STAAR. Over the years since this annual report began, STAAR passing standards have been phased in or modified, its administration was suspended due to the COVID-19 pandemic (2019–20), exam participation was below normal rates (2020–21), and STAAR was redesigned and changed entirely to an online administration (2022–23). In addition, a new *A-F* accountability rating system was introduced in 2018–19 for campuses and continues to evolve. For this report, the latest Texas Accountability Rating System data were not available. At the time this report was written, the issuance of *A* through *F* ratings under the final *2024 Accountability Manual* remained pending and subject to change based on judicial rulings.[9] The changes over the years to STAAR testing and changes to the accountability system should be taken into consideration when comparing the results of this report to prior year reports.

9 See the TEA's 2024 Accountability System website for more information regarding the delayed accountability ratings.