

Dear (name of Representative),

We, a coalition of public education advocacy organizations nationwide, are writing to ask you to co-sponsor the [“Championing Honest and Responsible Transparency in Education Reform \(CHARTER\) Act.”](#) The CHARTER Act, introduced by Congresswomen De Lauro and Bonamici, leverages the federal government’s primary streams of K-12 education funding—principally the Elementary and Secondary Education Act of 1965 (ESEA) and the Individuals with Disabilities Education Act (IDEA)—to ensure no federal funds available under ESEA and IDEA are awarded to a charter school that enters into a contract with a for-profit entity for operating, overseeing, or managing the charter school.

For too long, for-profit charter school corporations have been allowed to operate in the shadows, running low-quality charter schools as facades to sweep in federal and local taxpayer dollars. Intricate “sweeps” contracts allow them to run every aspect of the school, from hiring and firing teachers to special education and disciplinary hearings. Operators obscure their control and protect financial interests by setting up related corporations, real estate firms, or nonprofit umbrella charter management organizations, thus keeping taxpayers in the dark regarding profit and spending.

Many like FusionEd, target charters for the most at-risk populations—potential and current dropouts. Often situated in storefronts, these credit recovery charter schools are designed for maximum profit with minimal performance expectations. By controlling all aspects of the school, including teacher hiring and supervision, they maximize profit by paying low wages to staff. In 2023, the average salary for FusionEd’s Ohio teachers [was less than half the state average](#). Their combined six-year graduation rate was only 37%.

“Minimize cost, maximize profit” was the slogan of the owners of the for-profit management company Epic Youth Services (EYS) that ran the online Epic Charter Schools. [Using an elaborate scheme](#) to hide actual costs and funnel money into a special account, the two owners of EYS and its chief financial officer were able to skim millions in taxpayer money from the charter schools they ran.

Real estate profiteering drives the large, national, for-profit brick-and-mortar chains like National Heritage Academies. These corporations construct, lease, or purchase school buildings via their related real estate companies and then, as charter managers, lease the properties to the school they control at a price they set. After taxpayer dollars pay for the school via the lease, [they sell the building](#), thus compounding their profit.

Whether running fly-by-night storefront schools, low-quality online schools, or leasing and then selling their real estate to the charters they run, the pattern is clear. For-profit charter operators cash in on kids at taxpayers’ expense.

The CHARTER Act would be phased in providing charter schools with ample time to find a nonprofit operator or, as charters were originally intended, have their boards operate schools themselves. The bill also clearly allows charters that contract with for-profits for food services, payroll services, transportation, and other nonmanagerial services to be eligible for federal funds.

Every charter school student deserves the maximum tax dollars to flow into their classroom to support their learning. The CHARTER Act would ensure classroom dollars are not being siphoned into private accounts. It is time that children, not profiteering, come first.