



Community Education Council 24

Public School 71 Forest
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CEC24 Resolution to Repeal the Use of Public Funds for Private Charter School Facilities

Resolution No. 181

Sponsor by Matthew Crescio, CEC24 President

The following resolution provides the position of the district 24 Community Education Council on the use of public funds for private charter school facilities.

Whereas, NYC has [281 charter schools](#) – the vast majority of the 351 total authorized charter schools in New York State;

Whereas, the total funding diverted to charter schools from traditional public schools in New York City is already substantial and growing each year. It is currently approximately [\\$3 billion](#) – not counting the rental space and services that co-located NYC charter schools receive for free but paid for by New York City Department of Education;

Whereas, on March 18, 2024 Deputy Chancellor Dan Weisberg testified at a City Council Education Budget Hearing, that FY 2024 charter school per pupil spending totaled \$3.2 billion and charter school rental leases totaled \$235 million. The City Council’s Report on the FY 25 Preliminary Plan confirms that the NYC DOE holds 132 leases and is scheduled to make \$235.6 million in payments in Fiscal 2024.

Whereas, New York State Education Law, paragraph (e) of subdivision 3 of section §2853 and subdivision 6-g of section §3602, requires New York City public schools to provide free space to charter schools in public buildings or reimburse the charter for space in private facilities;

Whereas, this law reflects 2014 amendments under the Bloomberg administration that made NYC the only school district in the entire state and the entire nation that is obligated to help subsidize the rent for charter schools if they are not provided space in public school buildings;

Whereas, according to the law, the state is obligated to pay 60% of charter lease subsidy costs after total expenses to the city exceeded \$40 million, which occurred in FY 2017;

Whereas, in FY 2023, NYC charter schools sited in private space receive subsidies from the New York City Department of Education and New York State to help pay for their rental costs totaling an [estimated \\$166 million](#);

Whereas, [Hochul’s FY2025 budget](#) confirms Deputy Chancellor’s testimony that NYC charter schools sited in private space will cost the city and state at least \$200 million combined, as the state’s portion is estimated at \$120 million;



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Whereas, this year, Hochul’s FY2026 budget increases the state’s portion to \$145 million. As this represents 60% of the estimated total rental costs, we can estimate that private space will cost the city and state at least \$241.6 million combined, with the city’s portion rising to \$96.6 million.

Whereas, two Class Size Matters reports on the cost of charter rent in [2019](#) and [2020](#), show that in FY 2019, DOE overspent on charter lease costs by over \$21 million compared to their legal obligation, and in FY 2020, DOE spent over \$11.6 million on rent for charter schools whose buildings were owned by their Charter Management Organizations or other affiliated organizations; and that in some of those cases, the CMO had appeared to sharply increase their own rent, apparently to receive more reimbursement from DOE;

Whereas, a [Class Size Matters Report](#) on Charter Facilities Funding provides evidence of over-spending on rent for private facilities for charter schools and extreme inflation of rental costs, in one instance the increase was thirteen times the base rent;

Whereas, NYCPS recently filed a lawsuit against the NYSED and Hellenic Classical Charter Schools, claiming the charter artificially inflated rental costs to obtain a greater rental reimbursement;

Whereas, in March 2025, a judge determined that NYC was not obligated to reimburse Hellenic Classical Charter Schools for inflated rental costs charged by the school’s charter management company to acquire funds for projects that are not “actual rental costs”; and

Whereas, ending the mandate to provide free space for charter schools could free up both City and State funding to help NYCPS meet [class size mandates](#) or save essential programs that have been relying on federal funds.

Whereas, State Senator John Liu, chair of the NYC Education Senate Committee, Senator Robert Jackson, and Council Member Rita Joseph, chair of the NYC Council Education Committee urged Comptroller Lander to audit both the potential overcharging of charter rent charged to DOE as well as the underpayments of matching funds to co-located public schools for facilities enhancement in a letter sent in March 2023, but that audit has still not been launched.

Therefore be it resolved that the NYS Legislature repeal the law that obligates New York City Department of Education to provide space to charter schools in public schools or help pay for their rent – as the only district in the nation with this onerous requirement;

Be it resolved that District 24 Community Education Council will ask the NYC Comptroller to audit the DOE spending on rental subsidies for charter schools, especially those whose buildings are owned by their CMO or other affiliated organization, to ensure that they are not inflating reimbursement from DOE;



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Be it resolved that the District 24 Community Education Council also asks the NYC Comptroller to audit the spending of DOE on matching funds to public schools co-located with charters for facility enhancements, an amount that is supposed to match the spending of the co-located charters for that purpose, and yet the CSM reports of [2019](#) and [2020](#) found that the co-located public schools were owed millions of dollars by DOE;

Be it resolved that the District 24 Community Education Council opposes [S5797/A85](#) which provides retroactive facilities funds for 70 charters that opened prior to 2014 in NYC;

Be it resolved that the District 24 Community Education Council demands retroactive reimbursement for all facilities expenses paid to 204 charters by NYC since 2014;

Be it resolved that the following bills to strengthen the accountability and transparency of charter schools shall be approved by the Legislature and signed into law by the Governor, along with the same bills in the Assembly: [S423](#) (Liu); repealing the requirement that NYC must help pay for private space rented by charter schools; [S552](#) (Liu); allowing the state Comptroller to audit NYC charter schools; and

And Be it resolved that the City and Legislature use the newly available tax levy funding to meet class size mandates and sustain programs previously funded by federal funds.

The rent is too darn high! Charters are fleeing city and state budgets by charging excessive rents on private facilities. NYC students deserve no less than the rest of the state and nation!

The CEC24 members approved and voted on the Resolution No. 181 at the May 27th CEC24 Meeting.

5/27/25