

Bond Case Briefs

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Number of Charter Schools, Students in U.S. Rises: Report

NEW YORK (Reuters) – The number of children attending charter schools in the United States hit a record of about 6 percent of all students in public schools, according to a federal education report released on Tuesday.

Charter schools are publicly funded schools operated separately from local school districts. They are usually independently run but can also be managed by for-profit companies or nonprofit organizations running multiple schools.

About 3 million students were enrolled in charter schools in the 2015-2016 school year, up from roughly 1.8 million students five years prior, according to the report by the U.S. Department of Education's National Center for Education Statistics.

They represented 6 percent of the total in 2015-2016, up from 3.6 percent.

Of more than 90,000 public elementary and secondary schools, charter schools made up nearly 8 percent, an increase from 5.9 percent five years earlier, the report said.

The three most populous states – California, Texas and Florida – have the highest number of charter schools. In Arizona, among the most pro-charter states, charter schools make up about 25 percent of all K-12 public schools.

Six states do not allow charter schools.

As charter schools and the number of students attending them grow, bonds used to finance the schools is also a growing segment of the municipal bond market.

More than 1,000 tax-exempt charter school bonds totaling about \$15.5 billion have been issued since the first deal came to market in 1998, according to a report earlier this year by NewOak's Fundamental Credit team.

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