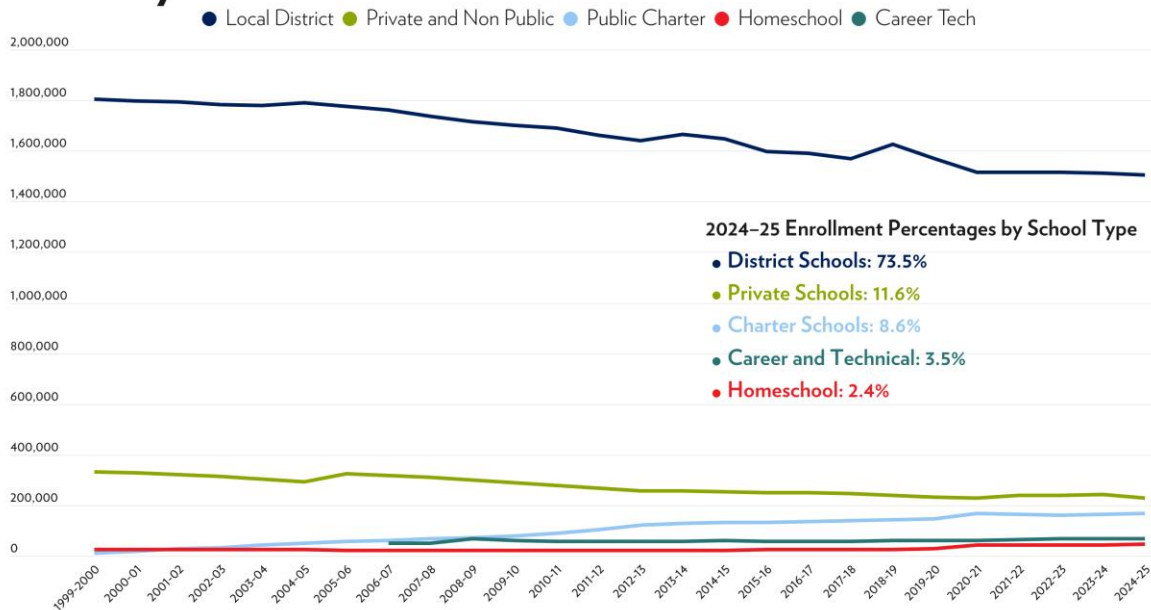


## Education Landscape in Pennsylvania

### OVERVIEW

- There are approximately two million school-age children in the commonwealth. Pennsylvania Department of Education (PDE) [2025–26](#) enrollment reports show 73.5 percent attend their assigned district schools and 8.6 percent attend a charter school. Private schools educate 11.6 percent, while 3.5 percent attend career and technical schools.<sup>1</sup> Homeschooling has increased by 72 percent since the pandemic, with 2.4 percent of Pennsylvania’s students educated at home.
- Pennsylvania is a top spender when it comes to education, [ranking](#) the Keystone State tenth in total per-student revenue.<sup>2</sup> Despite increased funding, [only 31 percent](#) of Pennsylvania’s eighth graders are proficient in math and reading according to the 2024 National Assessment of Educational Progress (NAEP), or [Nation’s Report Card](#).
- Beyond assigned district schools, Pennsylvania offers families two school options: public charter and cyber charter schools, which state tax dollars pay for, and donor-funded tax credit scholarship programs, which provide tuition assistance for students to attend private schools. However, limits to these programs leave tens of thousands of children stuck on [waiting lists](#).
- The 2025–26 Pennsylvania state budget allocates [\\$17.7 billion](#) to public schools.<sup>3</sup> Meanwhile, the funding for K–12 tax credit scholarships (\$575 million) is just slightly more than one percent of overall education spending.

## Pennsylvania PreK-12 School Enrollment Trends



Source: Pennsylvania Department of Education, Enrollment Reports—Public and Private Non-Public Schools

## ENROLLMENT

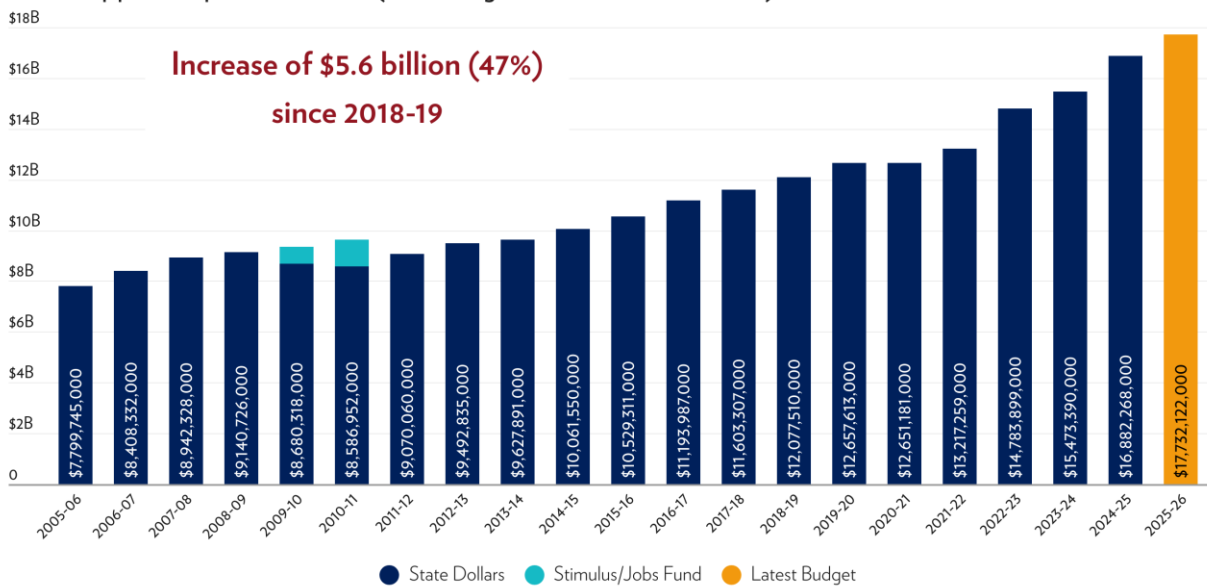
- Pennsylvania is spending more money on fewer students. Public school enrollment, according to the PDE, has decreased by over 60,000 since the COVID-19 pandemic.
- [Gov. Josh Shapiro](#), in his February 2026 budget address, said, “Today, our kindergarten classes are 26 percent smaller than our high school graduating classes.” PDE forecasts show public school enrollments will decline by another 21,000 students by 2030.<sup>4</sup>

## EDUCATION FUNDING

- Pennsylvania continues to outspend other states on education, ranking tenth in the nation in total per-student funding, about \$4,000 more than the national average.<sup>5</sup>
- Pennsylvania public school revenue per student reached \$23,061 in 2023–24, a 44 percent increase since 2014–15.
  - Private schools educate students at a fraction of the cost, with the average elementary private school tuition at just **\$13,000** per student.<sup>6</sup>
- State funding for public education has increased by \$7.2 billion in the last decade, reaching an all-time high of \$17.7 billion in 2025–26. Yet, Shapiro’s 2026–27 [proposed budget](#) earmarks **\$18.7 billion** for public education.<sup>7</sup>
- Increased funding has not improved academic outcomes. NAEP’s latest national scores show over two-thirds (**69 percent**) of the state’s public school eighth graders as not proficient in math and reading. Meanwhile, the Pennsylvania System of School Assessment ([PSSA](#)) 2025 results reveal:
  - More than half (**51.5 percent**) of kids read below grade level, with state math scores showing nearly two out of three students (58.3 percent) at basic or below basic.<sup>8</sup>

# State Support of Public Schools

State support of public schools (excluding local and federal funds) reached \$17.7 billion for 2025-26.



Source: PA Department of Education, Summary of State Appropriations for Education.

## CHARTER SCHOOLS

- Charter schools are public schools and are funded through local tax dollars.
  - There are 176 charter schools in Pennsylvania educating a total of [168,901](#) students.
    - Fourteen cyber charters educate 64,243 students.
    - Meanwhile, 104,658 students attend the commonwealth’s 162 brick-and-mortar charter schools.
    - Nearly 40 percent (64,469) of all charter students and close to half of all charter schools (81) in Pennsylvania are in the [School District of Philadelphia](#).
- Public school districts pay tuition to charter schools for each district student attending a charter or cyber charter school.
- Tuition paid to charter schools is approximately 75 percent of the cost to educate students at a district school.
  - School districts retain approximately 25 percent of state funding for all charter students, even though they do not attend district schools.
- School boards control charter school applications and enrollment, which creates monopolies at the local level over application approvals and how many seats each charter school can offer.
  - When a local school board denies a charter application, the applicant can appeal to the state [Charter Appeal Board](#) (CAB), a costly and time-consuming endeavor. Since 2020, the CAB has denied 14 applications, while only approving three charters.
- Shapiro has slashed funding to cyber charter schools in both the [2024–25](#) and [2025–26](#) budgets by reducing the amount of dollars available to special education students.<sup>9</sup>
- Across Pennsylvania, charter school enrollment has grown by 18.7 percent, or 27,461 students, since the pandemic.<sup>10</sup>
  - The largest growth in the charter sector belongs to cyber charters, which have grown by 81 percent, or 31,051 students, since 2019–20.

## POLICY SOLUTIONS

### Improve Education Funding

- Lawmakers should work to [revise](#) the Basic Education Funding Formula (BEFC), repeal outdated Hold Harmless provisions, which [guarantee districts](#) the same funding year after year, and allow state funds to follow students to the school of their choice through programs like the [Learning Investment Tax Credit](#) and [PASS/Lifeline Scholarships](#), which would provide economic relief for taxpayers and increased educational options for families.

### Expand EITC and OSTC Tax Credit Scholarships

- The Education Improvement Tax Credit (EITC) and Opportunity Scholarship Tax Credit (OSTC) are [donor-funded programs](#). Businesses and individuals with Pennsylvania tax liability, in lieu of paying

state taxes, receive tax credits and/or refunds for their donations to scholarship organizations, which then provide K–12 scholarships for children attending a school of their choice.<sup>11</sup>

- Tax credit scholarships put private school access within reach for over 101,000 low-income students annually. Yet arbitrary program caps prevented 69,000 applicants from receiving scholarships in 2023–24 (most recent data available). There were [101,751](#) tax credit scholarships awarded in 2023–24, for an average of \$2,776 per scholarship.
  - Funding for tax credit scholarships for 2025–26 grew to \$575 million. Despite this increase, a scholarship waiting list is anticipated in the 2026–27 school year.
  - The EITC and OSTC programs provide additional scholarships for pre-K, [Economically Disadvantaged Schools](#), and [Education Improvement Organizations](#).

### **Eliminate Scholarship Waiting Lists**

- To alleviate the waiting list, the legislature should implement an automatic index with a 25 percent rise to funding caps when donors utilize at least 90 percent of credits in the previous year. Twenty states offer tax credit scholarship programs. Four of those—Arizona, Florida, Montana, and Nevada—increase scholarship funding via an automatic index.

### **Improve Access to Charter and Cyber Charter Schools**

- Because the charter sector of public education is growing, even as the number of students attending district schools is shrinking, lawmakers should pass legislation to:
  - Prohibit district-mandated restrictions on charter school growth and enrollment.
  - Expand the charter school authorizer model to include authorizers beyond the local school board.
  - Improve transparency in the charter application, review, and decision-making process.
  - Provide a clear process for charter renewal and appeals process.
  - Fund charter schools at the same level as district-run charter and cyber charter schools.

### **Pass Legislation to Expand Education Choice**

- [House Bill \(HB\) 1763](#) seeks to provide a legislative pathway for Pennsylvania to opt in to the [Federal Scholarship Tax Credit](#), which will allow anyone with IRS tax liability to donate up to \$1,700 annually to provide scholarships for private and public school students and to cover supplemental educational expenses for K–12 children in Pennsylvania.<sup>12</sup>
- Provide families with a lifeline to escape the commonwealth’s worst-performing schools. Harrisburg has proposed two separate but similar initiatives in the 2025–26 session: The Pennsylvania Award for Student Success Scholarship (PASS) Program, in [Senate Bill \(SB\) 10](#), and Lifeline Scholarships, in [HB 1489](#),<sup>13</sup> that would offer Education Spending Accounts (ESAs) funded by Pennsylvania tax dollars for students assigned to low-achieving schools. Funds could offset the cost of tuition, curriculum, tutoring, internet access, and services for students with special needs.
  - Each participating child would receive:
    - \$5,000 for grades K–8 (\$2,500 for half-day kindergarten).

- \$10,000 for 9–12th grades.
- \$15,000 per special education student, regardless of grade level.
- The [Learning Investment Tax Credit](#) (HB 1662) would create an \$8,000 per child refundable tax credit to offset education expenses when parents choose a non-public school.<sup>14</sup>
- The [Student Freedom Account Act](#) (HB 1258) would provide an ESA of \$8,000 to any child attending a homeschool or private school to offset education expenses.<sup>15</sup>

<sup>1</sup> Pennsylvania Department of Education, “Enrollment: Enrollment Reports and Projections,” accessed April 29, 2026, <https://www.pa.gov/agencies/education/data-and-reporting/enrollment#accordion-cb5f3bee47-item-0c8821a505>. See: “Public School Enrollments 2025–2026 (file date: April 17, 2026)” and “Private and Non-Public Schools Enrollment Reports (file date: March 11, 2026).”

<sup>2</sup> Clara Moore and Malia Nelson, *Revenues and Expenditures for Public Elementary and Secondary Education: School Year 2023–24 (Fiscal Year 2024): First Look* (NCES 2026-008), U.S. Department of Education: National Center for Education Statistics, April 2026, [https://prod-ies-dm-migration.s3.us-gov-west-1.amazonaws.com/nces/asset\\_builder\\_data/2026/04/2026008\\_FY24NPEFS\\_FirstLook.pdf](https://prod-ies-dm-migration.s3.us-gov-west-1.amazonaws.com/nces/asset_builder_data/2026/04/2026008_FY24NPEFS_FirstLook.pdf).

<sup>3</sup> Nathan Benefield, “What You Need to Know About Pennsylvania’s 2025-26 State Budget,” Commonwealth Foundation, November 12, 2025, <https://commonwealthfoundation.org/research/2025-2026-pennsylvania-state-budget-analysis/>. See also: Pennsylvania Department of Education, Education Budget: “2026–27 Summary of State Appropriations,” February 2026, <https://www.pa.gov/agencies/education/programs-and-services/schools/grants-and-funding/school-finances/education-budget>.

<sup>4</sup> Pennsylvania Office of the Governor, “Governor Shapiro’s 2026-27 Budget Address as Prepared for Delivery,” February 3, 2026, <https://www.pa.gov/governor/newsroom/2026-press-releases/governor-shapiro-s-2026-27-budget-address-as-prepared-for-delive>; Pennsylvania Department of Education, “Enrollment: Enrollment Reports and Projections.”

<sup>5</sup> Moore and Nelson, *Revenues and Expenditures for Public Elementary and Secondary Education.*”

<sup>6</sup> Private School Review, “Pennsylvania Private Schools by Tuition Cost,” accessed April 29, 2026, <https://www.privateschoolreview.com/tuition-stats/pennsylvania>.

<sup>7</sup> Pennsylvania Department of Education, “2026–27 Summary of State Education Appropriations.”

<sup>8</sup> National Center for Education Statistics, “Nation’s Report Card: Pennsylvania Overview,” January 29, 2025, [https://www.nationsreportcard.gov/profiles/stateprofile/overview/pa?chort=2&sub=mat&sj=pa&sfj=np&st=mn&year=2022r3&cti=pgtab\\_ot&fs=grade](https://www.nationsreportcard.gov/profiles/stateprofile/overview/pa?chort=2&sub=mat&sj=pa&sfj=np&st=mn&year=2022r3&cti=pgtab_ot&fs=grade); Pennsylvania Department of Education, Assessment Reporting: “2025 PSSA English Language Arts Results” and “2025 PSSA Math Results,” November 2025, <https://www.pa.gov/agencies/education/data-and-reporting/assessment-reporting>; Commonwealth Foundation, “Pennsylvania Student Test Scores Are In—and They Don’t Look Great,” November 19, 2025, <https://commonwealthfoundation.org/blog/pennsylvania-student-test-scores-are-in-and-they-dont-look-great/>.

<sup>9</sup> Sen. Michele Brooks et al., Act No. 55 of 2024 (Senate Bill 700), Pennsylvania General Assembly, Regular Session 2023–24, July 11, 2024, <https://www.legis.state.pa.us/cfdocs/billinfo/billinfo.cfm?syear=2023&sind=0&body=S&type=B&bn=700>; Commonwealth Foundation, “2024–25 State Budget Analysis,” July 12, 2024, <https://www.commonwealthfoundation.org/research/2024-25-pa-state-budget-analysis/>.

<sup>10</sup> Pennsylvania Department of Education, “Reports, Data and Resources: Charter School Annual Reports,” accessed April 29, 2026, <https://www.education.pa.gov/K-12/Charter%20Schools/Pages/Annual-Reports-Data-and-Resources.aspx>.

<sup>11</sup> Rachel Langan, “Pennsylvania’s Education Tax Credit Scholarships: How EITC Serves Children and Families in the Commonwealth,” Commonwealth Foundation, September 17, 2024, <https://www.commonwealthfoundation.org/research/pennsylvania-education-tax-credit-scholarships-eitc/>.

<sup>12</sup> Rep. Barbara Gleim et al., House Bill 1763, Pennsylvania General Assembly, Regular Session 2025–26, <https://www.palegis.us/legislation/bills/2025/hb1763>; Commonwealth Foundation, “Federal Scholarship Tax Credit,” February 23, 2026, <https://commonwealthfoundation.org/research/federal-scholarship-tax-credit/>.

<sup>13</sup> Commonwealth Foundation, “PASS/Lifeline Scholarship Program,” May 5, 2025, <https://commonwealthfoundation.org/research/lifeline-scholarship-program-pass/>; Sen. Judy Ward et al., Senate Bill 10, Pennsylvania General Assembly, Regular Session 2025–26, <https://www.palegis.us/legislation/bills/2025/sb10>

<https://www.legis.state.pa.us/cfdocs/billinfo/billinfo.cfm?syear=2023&sInd=0&body=S&type=B&bn=795>; Rep. Clint Owlett et al., House Bill 1489, Pennsylvania General Assembly, Regular Session 2025–26, <https://www.palegis.us/legislation/bills/2025/hb1489>.

<sup>14</sup> Rep. Martina White et al., House Bill 1662, Pennsylvania General Assembly, Regular Session 2025–26, <https://www.palegis.us/legislation/bills/2025/hb1662>.

<sup>15</sup> Rep. Joseph D’Orsie et al., House Bill 1258, Pennsylvania General Assembly, Regular Session 2025–26, <https://www.palegis.us/legislation/bills/2025/hb1258>.