

School Choice in Indiana

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Chairman of the House Education Committee

Indiana Choice Scholarship Program

- Provides scholarships that pay for tuition and fees for low-income students who choose to attend an accredited nonpublic school.
- Reinvests savings from scholarships back into public schools.
- Maintains the autonomy and independence of private schools while ensuring strong accountability for state dollars.

Eligibility Requirements

- A child must:
 - Have legal settlement in Indiana
 - Be between 5 and 22 years old
 - Be a member of a household with an annual income of not more than 150% of the amount required for the federal free or reduced lunch program
 - Either:
 - Have spent the previous school year in a public school
 - Received a scholarship from a scholarship granting organization

Caps on the Number of Scholarships

- Year 1: 7,500
- Year 2: 15,000
- Year 3 and beyond: No cap

Value of the Scholarship

- The lesser of
 - Tuition and fees charged at the private school
 - \$4,500 for grades 1-8
 - An amount based off the per-student state funding for the student's school corporation of residence, determined as follows:
 - 90% of the State per-student funding if household income is 100% of Free and Reduced Lunch or less
 - 50% of the State per-student funding if household income is 101-150% of Free and Reduced Lunch

Effect on Private Schools

- Maintains the independence of private schools
 - “The creation of the choice scholarship program does not expand the regulatory authority of the state, the state's officers, or a school corporation to impose additional regulation of nonpublic schools”
- Requires schools that accepts Choice Scholarships to administer Indiana's ISTEP+ test.
- Prohibits new Choice Scholarships to be issued to nonpublic schools that have received a D or F grade for 2 consecutive years.

Income Eligibility Cutoffs Based on Federal Reduced Lunch Levels (2011)

Persons in Household	Annual Household Income Limit for 90% (100% of Reduced Lunch)	Annual Household Income Limit for 50% (150% of Reduced Lunch)
1	\$20,147	\$30,220
2	\$27,214	\$40,821
3	\$34,218	\$51,421
4	\$41,348	\$62,022
5	\$48,415	\$72,622
6	\$55,482	\$83,223
7	\$62,549	\$93,823
8	\$69,616	\$104,424

Income Eligibility Cutoffs Based on Federal Reduced Lunch Levels (2012)

Persons in Household	Annual Household Income Limit for 90% (100% of Reduced Lunch)	Annual Household Income Limit for 50% (150% of Reduced Lunch)
1	\$20,665	\$30,997
2	\$27,991	\$41,986
3	\$35,317	\$52,975
4	\$42,643	\$63,964
5	\$49,969	\$74,953
6	\$57,295	\$85,942
7	\$64,621	\$96,931
8	\$71,947	\$107,920

Year 1 Results

- 3,919 students received vouchers during the 11-12 school year
 - Grades 1-8
 - Total Elementary/Middle School Voucher Students – 3,173
 - 90% of per pupil funding – 2,717
 - 50% of per pupil funding - 456
 - Grades 9-12
 - Total High School Voucher Students - 746
 - 90% of per pupil funding - 609
 - 50% of per pupil funding - 137

Year 1 Results (cont.)

- Average voucher amount was worth \$4,150
- Nearly \$4.2M of savings due to the voucher program were redistributed to all public schools
- 241 private schools received voucher students (266 private schools have been approved)

Expected Year 2 Results

- 8,042 students have signed up for vouchers
- \$6.0 M of estimated projected savings due to the voucher program

HEA 1341

- Public schools are receiving state and federal funds for special education students educated at private schools
- Public schools were not required to spend the special education funds generated by those students at the nonpublic school where they were served
- Nonpublic schools generated up to \$11 M in state special education funds
- Nonpublic schools generated nearly \$3 M in federal proportionate share funds

HEA 1341

- Requires a school corporation to expend a proportionate share of its state special education grant on providing special education services to parentally placed nonpublic school students with disabilities.
- Ensures that dollars follow the child