

OKLAHOMA

Overall Market Rating: **Limited Growth Possible**

Oklahoma continues to expand its programs and dedicated resources for private school choice. It increased the cap on private school funding, but individual scholarship amounts under the broad eligibility program remain very low.

Market Overview:

Oklahoma is home to two private school choice programs, one for students with disabilities and one for underserved students. The Oklahoma Equal Opportunity Education Scholarships program was enacted in 2011 and launched in 2013. The program gives individuals and businesses a 50% tax credit for contributions made to nonprofit organizations that provide scholarships to students who meet the income and/or zoning requirements. The income guidelines are fairly inclusive, with 83% of families in the state eligible for the program.

Oklahoma's Lindsey Nicole Henry Scholarships for Students with Disabilities provide students with special needs a voucher to attend a private school of their parents' choice. The program was enacted and launched in 2010. Students must have or qualify for an Individualized Education Plan or an Individualized Service Plan to participate.

In 2021, Gov. Kevin Stitt signed Senate Bill 1080 to increase the cap on the Equal Opportunity Scholarship Tax Credit for private schools from \$3.5 million to \$25 million.

Demographic Analysis:

ENROLLMENT FIGURES BY SECTOR

| Oklahoma (2019-20) | |
|--|---------|
| Total Public School Enrollment (Including Charter Schools) | 694,113 |
| K-12 Private School Enrollment | 32,650 |
| Charter School Enrollment | 45,988 |

ELIGIBILITY BY PROGRAM (NUMBERS MAY BE DUPLICATIVE)

| Program | % Eligible Students | Current Enrollment (2020-2021) | Eligibility Requirements |
|-----------------------------------|---------------------------|--|---|
| Opportunity Education Scholarship | 83% of families statewide | 2,555 participating students 102 participating schools | <ul style="list-style-type: none"> Households with incomes up to 300% of the free and reduced-price lunch program (\$154,014 for a family of four in 2022-23). Students attend or live in the attendance zone of a public school designated as “in need of improvement.” Eligible students with special needs must have an IEP and have previously attended a public school. |
| Students With Disabilities | 18% of students statewide | 1,023 participating students (2019-20) 58 participating schools (2020-21) | <ul style="list-style-type: none"> Students with an IEP in effect and who either (1) spent the prior year attending an Oklahoma public school, or (2) are the child of an active-duty member of the military. Foster care students or students adopted out of state custody. |

The income limits on the Opportunity Education Scholarship allow for a large pool of eligible students statewide, though the previous funding cap on the program only allowed a small fraction of those students to be served. After the 2021 increase in the cap, there is ample room for scholarship amounts to increase. The recent expansion of the special needs program creates new opportunities for foster students and those previously in the care of the state.

Funding:

Assessment: Average scholarship amounts have been prohibitively low, but the sevenfold increase in the funding cap should enable them to rise.

OPPORTUNITY EDUCATION SCHOLARSHIP

| Maximum | Average (2018-19) | Program Cap | Disbursement |
|---|-------------------|-------------|---|
| Students without an IEP: greater of 80% average per-pupil expenditure in assigned public school district or \$5,000 | \$2,017 | \$25M | - Payments are made jointly payable to the student’s parents/guardians and the school upon receipt of an application for funds from the school to the scholarship organization. |
| Students with special needs who attended a public school with an IEP: \$25,000 | | | |

Trend: Gov. Stitt called for and successfully passed a funding cap increase in 2021, while a much bigger proposed increase failed to win passage in 2022. While the overall cap now sits at \$50 million, half of that cap is earmarked for public schools, leaving \$25 million for private schools.

Tax credits are worth 50% of the donation for a one-year commitment or 75% for two years, making it less than ideal for donors who would be enticed by a full 100% credit.

STUDENTS WITH DISABILITIES SCHOLARSHIP

| Maximum | Average (2020-21) | Program Cap | Disbursement |
|---|-------------------|-------------|--|
| The voucher is worth 95%-100% of the state and local dollars spent on the child in his or her public school or the chosen private school’s tuition and fees, whichever is less. | \$7,182 | N/A | - Payments are made to schools in two installments and require parent endorsement. |

Trend: Funding follows the student when moving from a public to a private school. The Oklahoma State Department of Education may keep up to 2.5% of the scholarship amount for administrative services.

Policy & Regulatory Climate:

Assessment: Regulatory requirements may inhibit new school development.

The regulatory climate is fairly flexible, but the accreditation requirement may create barriers for some schools. Schools must be accredited by the state board of education or an approved accrediting association, and it appears accreditation is required before a school can begin to accept public money. Additionally, the state, as well as many of the approved accreditors, requires certification of all teachers, creating an unintended regulatory barrier. Schools are affirmatively required to operate for one year before they may participate in the special needs program. Schools must comply with some health and safety requirements, but there are no specific testing requirements.

Human Capital:

Assessment: More limited than in many markets, but talent may be available.

The licensing requirement embedded in the accreditation requirement may create a challenge for some operators who need the flexibility to hire non-credentialed instructional staff and leadership. Oklahoma has become increasingly active in recruiting young professionals, and there are active Teach for America chapters in Oklahoma City and Tulsa that continue to tout the livability and affordability of the region as a boon to recruitment.

Oklahoma has also seen the development of another robust talent initiative in The Edupreneur Academy, which focuses on equipping existing teachers and leaders to develop new school models in partnership with Oklahoma State University faculty.

Local Champions & Climate:

Assessment: Underdeveloped

The local support infrastructure is not as strong as in other states, but an infrastructure of local advocacy is growing—including Every Kid Counts Oklahoma, Choice Matters for Kids, the Oklahoma Council on Public Affairs, the OK Catholic Conference, and COPE, the local Council for American Private Education (CAPE) affiliate. Significant advocacy heft is contributed by national organizations such as the American Federation for Children and Americans for Prosperity. Existing operators are still not well coordinated.

Facilities:

Assessment: No facilities strategy or supports.

Real estate is available and affordable, but there is no clear or comprehensive strategy to support private school facilities. While charter schools have some access to public bonding and financing, as well as \$350/student in public facility funding, the private sector has no prescribed financing support or preferential access to surplus district facilities.