

OKLAHOMA

Overall Market Rating: Limited Growth Possible

Oklahoma joined other states by passing a universal-eligibility school choice law in 2023. The program, which is technically a refundable tax credit but works like a voucher, went into effect Dec. 1 and transforms the financial playing field for private school operators and students. While there is a cap on the total amount of credits, priority is given to households earning \$150,000 or less, which translates into a growth opportunity for schools serving lower-income students. An accreditation requirement likely serves as a barrier to new school formation; it remains to be seen if Oklahoma policy will mirror other states that allow new schools to qualify so long as they have initiated the accreditation process.

Market Overview

With the addition of the Parent Choice Tax Credit, Oklahoma is home to three private school choice programs, one offering universal eligibility, one for students with disabilities, and one for underserved students. The three programs are stackable. Taxpayers with children enrolled in private school can apply for the Parent Choice Tax Credit and receive a full credit on private-school tuition paid up to \$7,500 per year (or \$1,000 per year for homeschool students). Applicants without state tax liability can still receive the credit in the form of a refund check from the state. In the first 90 minutes after the application portal opened, more than 30,000 students applied.

The Equal Opportunity Education Scholarships is an older tax-credit program that offers individuals and businesses 50% credits for contributions made to nonprofit organizations that provide scholarships to students who meet certain income and/or zoning requirements. The income guidelines are fairly inclusive, with 83% of families in the state eligible for the program. However, there is a statewide cap on the credits of \$25 million, and a \$200,000 cap applies within any individual school district.

The 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.

Enrollment

OKLAHOMA 2022-23			
Total PK-12	Public District	Public Charter	Private
738,015	654,109 (89%)	44,993 (6%)	38,913 (5%)

Choice Programs

Program	Eligibility	Participants (2022-23)	Amount
Parent Choice Tax Credit	Universal (priority for HHs earning \$150K or less)	N/A (new program)	Offsets tuition paid up to max of \$7,500 down to \$5,000 (amounts tiered by HH income)
Equal Opportunity Education Scholarships	Students in HHs with income no greater than 300% of FRL threshold	2,113 students (2020-21) 106 schools	\$2,645 average (up to \$8,782 max)
Lindsey Nicole Henry Scholarships	Students with IEP or ISP	1,256 students 73 schools	Lesser of amount spent on student in public school or tuition and fees paid in private school (\$8,100 average)

Funding

Assessment: Adequate

Before 2023-24 only about \$35 million was available in choice scholarships. With the addition of the Parent Choice program, that figure will now approach \$200 million. Parent Choice itself is capped at \$150 million this year and will add \$50 million in each of the next two years to reach a total of \$250 million per year. With about 40,000 private-school students statewide, that would be enough for every student to receive a scholarship in excess of \$6,000. The Equal Opportunity program is capped at \$25 million, and there is no cap on the Henry scholarships.

Policy & Regulatory Climate

Assessment: Transformed, but time is needed to understand barriers to new school formation

The regulatory climate is fairly flexible, but the Parent Choice program's accreditation requirement is likely a barrier to new school formation. Schools must be accredited by the state board of education or an approved accrediting association, and—as the statute is written—accreditation is required before a school can begin to accept publicly funded scholarship funds. The program only launched in December 2023; there is hope that the

state will mimic other states in allowing schools that have initiated the accreditation process to receive scholarship funds on a probationary basis.

Another barrier: The state and most accreditors require certification of all teachers. Schools must also comply with some health and safety requirements. There is no specific testing requirement.

Schools are affirmatively required to operate for one year before they may participate in the special needs program.

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 has begun to emerge—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.