

GEORGIA

Overall Market Rating: Limited Growth Possible

The Tax Credit Scholarship program offers near universal-eligibility, but the average scholarship value is below \$5,000 and thus well below the average cost to educate a student. New schools with a mixed-income studenty body or a high degree of overlap with the mission and geography of a scholarship organization have the best chance of achieving sustainability.

Market Overview

Georgia created its special needs scholarship, a voucher program, in 2007 and the broad-eligibility Qualified Education Expense Tax Credit, a scholarship program, in 2008.

Both programs benefit from minimal regulation and relatively high funding maximums that are tied directly to public school funding. There are minimal regulatory requirements imposed on private schools in either program, and since the cap on the Tax Credit program was increased to \$120 million, there is room for new scholarships to be awarded to support targeted school growth.

Student eligibility in both programs is limited to students who attended public school previously, although the Education Expense Tax Credit program allows pre-K, K, and 1st grade students to attend a private school on the scholarship in their first year of school. It also allows students who would otherwise be assigned to a low-performing public school to bypass the prior public-school enrollment requirement. The special needs voucher is limited to previous public-school students who received services on an IEP at a Georgia public school or have a special need and Section 504 accommodations (pre-K students do not need prior public school enrollment).

Per-pupil funding has been a major barrier to school growth in Georgia, especially in the Tax Credit program. While the maximum is quite high—more than \$12,000 per pupil—actual scholarship values, determined by one of two dozen student scholarship organizations (SSOs), average less than \$5,000 per pupil. Given the program cap is \$120 million—of which about \$85 million has been utilized—there is room for the average award to rise and make Georgia more hospitable to school and network growth.

Enrollment

GEORGIA 2023-24			
Total PK-12	Public District	Public Charter	Private
1,908,027	1,680,043 (88%)	69,580 (4%)	158,404 (8%)

Choice Programs

Program	Eligibility	Participants (2021-22)	Amount
Qualified Education Expense Tax Credit	Must be entering pre-K, K or 1 st grade or have attended public school in the six weeks prior to receiving a scholarship—or be zoned to attend a low-performing public school	19,516 students	\$4,356 avg. (2021-22) \$12,140 max (2022-23)
Special Needs Scholarship	Same as above and must have an IEP or equivalent special-education plan	5,788 students 273 schools	\$6,590 avg. (2021-22) Max cannot exceed a private school's tuition and fees

Funding

Assessment: Room to grow, but the per-pupil average is too low

Assets:

- The statewide cap on the tax credit program has increased to \$120 million and has yet to be fully utilized.
- The maximum scholarship values are tied to public school funding levels, meaning the statutory inequity between private schools and public schools is minimal.

Considerations:

- There are more than two dozen SSOs, and this, along with other factors, has kept average Tax Credit scholarship amounts at around \$4,500.
- The program cap could revert back to \$58 million in 2028 as a result of a sunset clause.

Policy & Regulatory Environment

Assessment: Strong

Assets:

- Private schools that participate are subject to minimal regulations over and above non-discrimination and basic health and safety requirements.
- SSOs must register with the state and are subject to reasonable regulations around governance and scholarship distribution.
- Schools are not required to administer any one assessment and/or report academic data publicly, other than to parents.
- Private schools that participate in choice programs are treated the same as private schools that do not.

Considerations:

- Private schools that accept Special Needs Scholarship or Tax Credit Scholarship students must be accredited or in the process of accreditation to accept scholarship funding. This seems to allow room for brand new schools to participate in the programs, depending on the timing of when accreditation agencies choose to begin the process of accepting an applicant.
- Teachers must have a bachelor's degree in an education or health-related field.

Human Capital

Assessment: Acceptable

Assets:

- Teachers and leader are not required to be certified by state law. Teachers must hold a bachelor's degree in education or a related field.
- There is a Teach for America corps and alumni network of more than 1,500 in the state.

Considerations:

- Accreditors may require licensing/credentialing as part of the process.

Local Champions & Climate

Assessment: Underdeveloped

Private school choice advocacy has made significant strides recently, and while there is not the clear leadership and support present in markets like Florida, Indiana and Wisconsin, political groups like Georgia CAN and American Federation for Children have worked to gain more traction for school choice initiatives with both parties. Current elected leadership is supportive, but partisan politics in Georgia have been divisive and unpredictable in recent years. Regardless of which party maintains control of the governor's office and legislature, destabilization of political support for these programs is a risk.

Facilities

Assessment: Policy structure is minimal

While school facilities and development are relatively inexpensive, with most schools keeping their facility expenses under 7% of their operating budgets, private schools do not have access to public resources for facilities. District-authorized charter schools have both public financing and a per-student facility allowance, but none of this is available to private schools or state-authorized charter schools.