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By EdChoice

# *Participation in Private Education Choice Programs*

## **Description**

This is an update of an analysis on take-up in educational choice programs published in Education Next. In that analysis, we looked at programs that were introduced in 2010 or later and that were in operation for at least 5 years (27 programs in 19 states).

The data below reflect all programs that were in operation from 1990 to 2021 which consists of 47 programs (5 ESA, 23 voucher, and 19 tax-credit scholarship programs) in the analysis. The ESA programs in the sample are all special needs programs. Prior to its recent expansion, more than half of ESA students in Arizona's ESA program had special needs. We treat Arizona's ESA program as a special needs program as the analysis is through 2021.

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## **Topline results**

- Participation in choice programs through FY 2021 tend to start very small and grow at a slow, steady pace. This generally holds true for both targeted programs and broad eligibility programs. (Table 1 and Table 2)
- Take-up rates for regional programs (District of Columbia, Cleveland, Milwaukee, and Racine voucher programs) are significantly higher than take-up rates for statewide programs. (Table 3)
- Take-up rates are slightly higher for non-special needs programs compared to special needs programs, though the differences are quite small. (Table 4 and Table 5)
- For the full sample (Table 3):

- Average take-up rates were below 1% during programs' first two years.
- The average take-up rate during the first year for all programs was 0.46% and increased to 2.62% | by their tenth year.
- Take-up rates grew at a greater clip for ESA and voucher programs compared to tax-credit scholarship programs.
  - During their first year, average take-up rates for ESA, voucher, and tax-credit scholarship programs were, respectively, 0.25%, 0.70%, and 0.35%.
  - By their tenth year, average take-up rates for ESA, voucher, and tax-credit scholarship programs were, respectively, about 6.58%, 4.40%, and 1.86%.
- Take-up rates for the recently expanded ESA program in Arizona and ESA programs in New Hampshire and West Virginia during school year 2022-23 are, respectively, 2.56%, 5.52%, and 0.68%. (Table 7)

## Why Are Take-Up Rates So Low?

Although this descriptive analysis does not tell us why we observe low take-up rates for most programs, there are a few plausible explanations.

- 1.** A large portion of families are unaware of school choice programs. Survey work indicates that, when parents were asked why their children did not participate in their state's education choice programs, 36 to 53 percent of parents with children in public schools in Arizona, Indiana, North Carolina, and Ohio indicated that they were unaware of them. In Indiana, program awareness was lowest among parents with children in district schools and significantly lower among rural district parents than urban district parents.
- 2.** Program design includes low funding levels and limits placed on participation. On average, choice programs receive just one third of the funding that private-school systems receive. Thus, eligible families who desire other options may not be able to access alternative settings at current choice-program funding levels. Moreover, some programs limit participation by capping program enrollment, and most tax-credit scholarship programs cap tax-credit disbursements, which can limit program participation.
- 3.** Families are satisfied with existing options and do not desire change. Public opinion polling indicates that about half of parents would prefer options outside the public-school system if financial costs or transportation were not factors in their decisions. A large disconnect remains between what families want for their children's education and what they actually receive. We doubt, however, that this fully explains the low take-up rates we observe.

Contrary to dire predictions and claims from opponents about choice causing an exodus from public-school systems, take-up in private-education choice programs overall does not have a negative effect on public-school systems or their funding. In fact, research suggests that greater take-up in choice programs leads to better student outcomes for the vast majority of students choosing to remain in public schools. Looking at these facts, it seems clear that the claims of exodus and harm caused by choice programs are greatly exaggerated.

TABLE 1

Take-up rates by program and year in operation, 1990-2021 (n=47)

Program Name	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Alabama Education Scholarship Program	0.01%	1.79%	0.26%	1.41%	1.43%	1.35%	1.51%	1.55%	1.11%	
Arkansas Succeed Scholarship Program for Students with Disabilities	0.03%	0.23%	0.33%	0.52%	0.61%					
Arizona Original Individual Income Tax Credit Scholarship Program	0.01%	0.19%	0.87%	1.01%	1.05%	1.06%	1.04%	1.07%	1.11%	1.26%
Arizona Low-Income Corporate Income Tax Credit Scholarship Prog...	0.32%	0.51%	0.58%	0.68%	0.73%	0.89%	1.64%	1.88%	2.36%	2.92%
Arizona Empowerment Scholarship Accounts	0.12%	0.24%	0.59%	1.02%	1.89%	2.62%	3.62%	4.54%	7.33%	6.58%
Arizona "Switcher"	0.43%	1.29%	1.55%	1.99%	2.13%	2.37%	2.54%	2.38%		
Arizona Lexie's Law for Disabled and Displaced Students Tax Cred...	0.09%	0.13%	0.09%	0.09%	0.17%	0.27%	0.61%	0.71%	0.82%	0.83%
D.C. Opportunity Scholarship	5.51%	10.94%	10.93%	12.25%	10.04%	7.88%	6.20%	10.09%	9.33%	9.93%
Florida John M McKay Scholarships for Students with Disabilities...	0.00%	0.27%	1.33%	2.34%	3.43%	3.95%	4.34%	4.60%	5.09%	5.35%
Florida Tax Credit	1.73%	1.25%	1.12%	1.55%	1.94%	2.25%	2.27%	2.93%	2.95%	3.43%
Florida Gardiner ESA	0.43%	1.30%	2.11%	2.64%	3.01%	3.41%	4.58%			
Florida Family Empowerment	1.02%	2.04%								
Georgia Qualified Education Expense Tax Credit	0.12%	n/a	0.69%	0.81%	0.80%	0.80%	0.80%	0.80%	0.77%	0.81%
Georgia Special Needs Scholarship Program*	0.47%	0.89%	1.17%	1.42%	1.65%	1.75%	1.77%	1.94%	2.05%	2.01%
Iowa School Tuition Organization Tax Credit	0.05%	3.43%	3.68%	4.27%	4.54%	4.50%	4.40%	4.47%	4.31%	4.62%
Illinois Invest in Kids	0.90%	0.93%	0.97%							
Indiana School Scholarship Tax Credit	0.08%	0.11%	0.55%	0.86%	2.03%	1.65%	1.71%	1.76%	1.89%	2.02%
Indiana Choice Scholarship	0.74%	1.69%	3.64%	5.27%	5.93%	6.45%	6.87%	7.23%	7.25%	6.95%
Kansas Low Income	0.01%	0.17%	0.26%	0.17%	0.15%	0.25%	0.83%			
Louisiana Student Scholarships for Educational Excellence Program	1.18%	2.00%	3.01%	0.47%	1.41%	2.03%	2.14%	2.44%	2.38%	2.19%
Louisiana School Choice Program for Certain Students with Except...	0.22%	0.24%	0.30%	0.39%	0.35%	0.40%	0.47%	0.50%	0.51%	
Maryland BOOST	1.25%	1.40%	1.71%	1.64%	1.35%					
Mississippi Dyslexia Therapy Scholarship for Students with Dyslexi...	0.23%	0.52%	0.83%	1.12%	1.00%	1.22%	1.42%	1.45%	1.16%	
Mississippi Equal Opportunity for Students with Special Needs Pro...	0.33%	0.67%	0.71%	0.69%	1.08%	0.96%				
Montana Tax Credit	0.02%	n/a	n/a	n/a	0.01%					
North Carolina Opportunity Scholarship	0.23%	0.54%	0.85%	1.15%	1.54%	1.92%	2.56%			
North Carolina Special Education Scholarship Grants for Children...	0.14%	0.31%	0.40%	0.57%	0.63%	0.88%	0.81%	0.78%		
North Carolina Personal Education Savings Accounts	0.14%	0.15%	0.16%							
New Hampshire Education Tax Credit Program	0.16%	0.06%	0.20%	0.29%	0.57%	0.70%	0.79%	1.25%	1.38%	
Nevada Educational Choice	0.21%	0.44%	0.84%	0.94%	0.60%	0.43%				
Cleveland Scholarship Program	2.73%	3.85%	4.93%	4.89%	5.57%	6.79%	8.02%	9.25%	9.61%	10.69%
Ohio Educational Choice Scholarship	0.47%	1.06%	1.48%	1.74%	1.95%	2.23%	2.26%	2.42%	2.77%	3.06%
Ohio Autism Scholarship	1.13%	4.16%	5.54%	7.91%	8.54%	8.02%	12.84%	14.26%	15.37%	14.89%
Ohio Jon Peterson Special Needs Scholarship Program	3.48%	7.01%	9.00%	11.16%	13.11%	15.26%	17.80%	19.44%	22.05%	
Ohio Income Scholarship	1.15%	1.91%	2.09%	2.15%	3.72%	3.94%	3.81%	4.66%		
Oklahoma Lindsey Nicole Henry Scholarships for Students with Disa...	0.05%	0.15%	0.21%	0.27%	0.34%	0.42%	0.62%	0.64%	0.72%	0.81%
Oklahoma Equal Opportunity Education Scholarships	0.01%	0.08%	0.14%	0.16%	0.28%	0.45%	0.46%	0.19%	0.15%	
Rhode Island Tax Credits for Contributions to Scholarship Organiz...	0.47%	0.56%	0.84%	0.78%	0.56%	0.63%	0.66%	0.66%	0.81%	0.69%
Utah Carson Smith Special Needs Scholarship*	0.16%	0.55%	0.72%	0.90%	0.89%	0.89%	0.95%	0.91%	0.90%	1.04%
South Carolina Educational Credit for Exceptional Needs Children ...	0.41%	1.16%	2.06%	1.88%	2.22%	2.15%	1.25%			
South Dakota Partners in Education Tax Credit Program	0.52%	0.88%	0.90%	1.37%	1.52%					
Tennessee Individualized Education Account Program	0.04%	0.07%	0.11%	0.13%	0.23%					
Virginia Education Improvement Scholarships Tax Credits Program	0.01%	0.10%	0.25%	0.45%	0.55%	0.74%	0.79%	0.75%	0.79%	
Wisconsin Milwaukee Parental Choice	n/a	n/a	n/a	n/a	n/a	2.67%	3.04%	2.83%	11.16%	14.69%
Wisconsin Racine Parental Choice	2.95%	6.46%	15.57%	19.42%	23.43%	27.67%	32.85%	32.74%	35.53%	37.15%
Wisconsin Parental Choice Program (Statewide)	0.32%	0.66%	1.74%	2.20%	1.16%	1.91%	2.57%	3.22%		
Wisconsin Special Needs Scholarship Program	0.20%	0.21%	0.59%	0.87%	1.18%					

**TABLE 2**

Take-up rates by state by year in operation, 1990-2021 (n=47)

State	State abbrev	Number of programs	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Alabama	AL	1	0.01%	1.79%	0.26%	1.41%	1.43%	1.35%	1.51%	1.55%	1.11%	
Arizona	AZ	5	0.65%	1.93%	3.41%	4.32%	5.27%	5.95%	6.61%	5.94%	1.25%	1.85%
Arkansas	AR	1	0.03%	0.23%	0.33%	0.52%	0.61%					
District of Columbia	DC	1	5.51%	10.94%	10.93%	12.25%	10.04%	7.88%	6.20%	10.09%	9.33%	9.93%
Florida	FL	4	1.11%	1.54%	1.39%	1.98%	2.54%	2.91%	3.20%	3.41%	3.49%	3.90%
Illinois	IL	1	0.90%	0.93%	0.97%							
Indiana	IN	2	0.88%	1.92%	4.39%	6.24%	7.77%	7.64%	7.94%	8.65%	9.13%	4.51%
Iowa	IA	1	0.05%	3.43%	3.68%	4.27%	4.54%	4.50%	4.40%	4.47%	4.31%	4.62%
Kansas	KS	1	0.01%	0.17%	0.26%	0.17%	0.15%	0.25%	0.83%			
Louisiana	LA	2	0.60%	0.95%	1.42%	0.46%	1.18%	1.71%	1.81%	1.99%	1.93%	1.71%
Maryland	MD	1	1.25%	1.40%	1.71%	1.64%	1.35%					
Mississippi	MS	2	0.31%	0.64%	0.74%	0.78%	1.06%	1.03%	1.42%	1.45%	1.16%	
Montana	MT	1	0.02%	n/a	n/a	n/a	0.01%					
Nevada	NV	1	0.21%	0.44%	0.84%	0.94%	0.60%	0.43%				
New Hampshire	NH	1	0.16%	0.06%	0.20%	0.29%	0.57%	0.70%	0.79%	1.25%	1.38%	
North Carolina	NC	3	0.28%	0.59%	0.63%	1.01%	1.32%	1.67%	2.13%	0.78%		
Ohio	OH	5	1.07%	1.69%	2.18%	2.41%	3.07%	3.47%	3.65%	4.13%	4.34%	3.88%
Oklahoma	OK	2	0.02%	0.09%	0.15%	0.18%	0.29%	0.45%	0.49%	0.26%	0.24%	0.81%
South Carolina	SC	1	0.41%	1.16%	2.06%	1.88%	2.22%	2.15%	1.25%			
South Dakota	SD	1	0.52%	0.88%	0.90%	1.37%	1.52%					
Tennessee	TN	1	0.04%	0.07%	0.11%	0.13%	0.23%					
Virginia	VA	1	0.01%	0.10%	0.25%	0.45%	0.55%	0.74%	0.79%	0.75%	0.79%	
Wisconsin	WI	4	0.45%	0.63%	1.62%	2.16%	1.55%	2.55%	3.26%	3.86%	15.02%	18.26%
Georgia	GA	2	0.16%	0.09%	0.74%	0.87%	0.88%	0.89%	0.90%	0.91%	0.91%	0.94%
Utah	UT	1	0.16%	0.55%	0.72%	0.90%	0.89%	0.89%	0.95%	0.91%	0.90%	1.04%
Rhode Island	RI	1	0.47%	0.56%	0.84%	0.78%	0.56%	0.63%	0.66%	0.66%	0.81%	0.69%

Note: any observed discontinuity likely due to different numbers of programs operating in different periods

**TABLE 3**

Take-up rates for educational choice programs by program type and level, 1990-2021 (n=47)

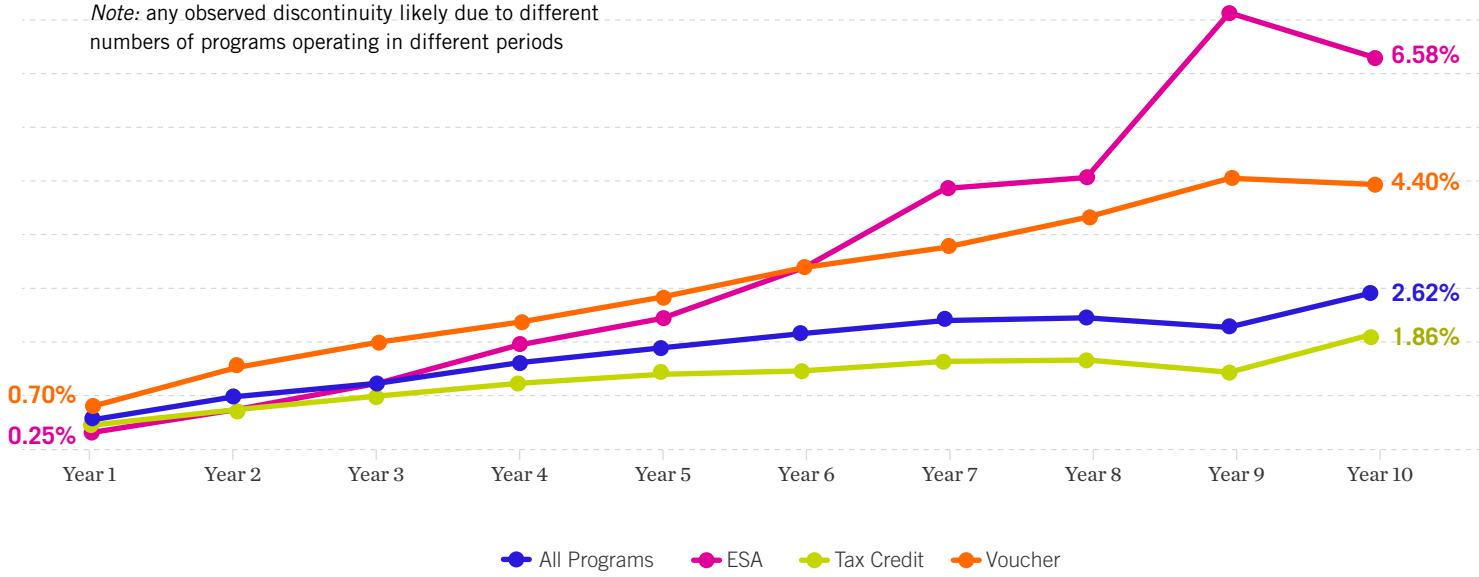
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
all programs	0.46%	0.86%	1.12%	1.44%	1.68%	1.92%	2.13%	2.18%	2.05%	2.62%
ESA	0.25%	0.66%	1.07%	1.72%	2.16%	3.03%	4.33%	4.54%	7.33%	6.58%
Tax Credit	0.35%	0.59%	0.87%	1.10%	1.23%	1.32%	1.44%	1.48%	1.29%	1.86%
Voucher	0.70%	1.36%	1.77%	2.12%	2.51%	3.07%	3.37%	3.87%	4.52%	4.40%
Geographic level										
Statewide	0.44%	0.83%	1.08%	1.40%	1.63%	1.86%	2.07%	2.10%	1.93%	2.45%
Regional	3.26%	5.18%	6.79%	7.50%	8.10%	6.69%	7.51%	8.58%	12.06%	14.21%

Note: any observed discontinuity likely due to different numbers of programs operating in different periods

**FIGURE 1**

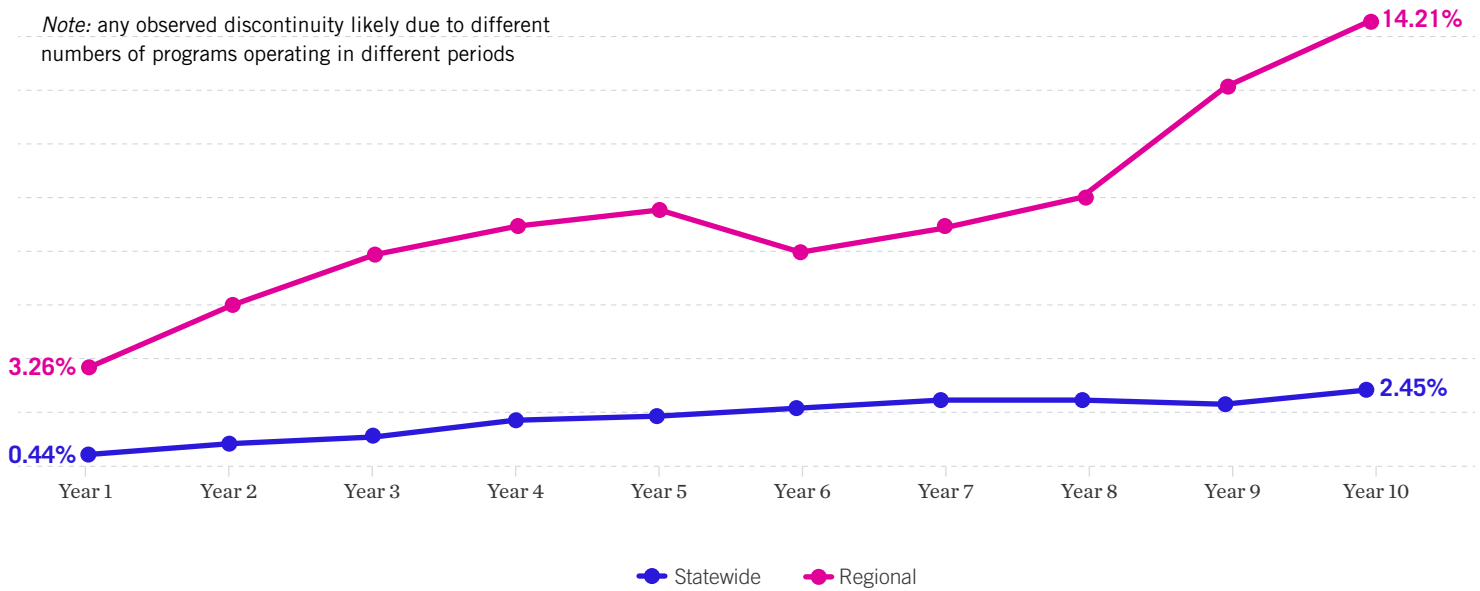
Take-up rates for educational choice programs in operation since 1990, statewide and regional programs (n=47)

Note: any observed discontinuity likely due to different numbers of programs operating in different periods

**FIGURE 2**

Take-up rates for educational choice programs in operation since 1990, statewide and regional programs (n=47)

Note: any observed discontinuity likely due to different numbers of programs operating in different periods



**TABLE 4** Special needs programs, 1990-2021 (n=19)

Type	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
all	0.20%	0.51%	0.90%	1.32%	1.68%	2.14%	2.52%	2.19%	2.90%	3.37%
ESA	0.25%	0.66%	1.07%	1.72%	2.16%	3.03%	4.33%	4.54%	7.33%	6.58%
Tax Credit	0.07%	0.23%	0.44%	0.57%	0.70%	0.84%	0.83%	0.65%	0.79%	0.83%
Voucher	0.26%	0.59%	1.09%	1.61%	2.06%	2.64%	2.89%	3.04%	3.84%	3.25%

Note: any observed discontinuity likely due to different numbers of programs operating in different periods

**TABLE 5** Non-special needs programs, 1990-2021 (n=28)

Type	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
all	0.51%	0.94%	1.18%	1.47%	1.67%	1.86%	2.04%	2.17%	1.90%	2.51%
ESA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Tax Credit	0.37%	0.63%	0.91%	1.15%	1.29%	1.37%	1.50%	1.56%	1.33%	1.88%
Voucher	0.83%	1.59%	2.09%	2.34%	2.70%	3.23%	3.54%	4.28%	4.91%	5.03%

Note: any observed discontinuity likely due to different numbers of programs operating in different periods

**TABLE 6** Take-up rates for educational choice programs in operation for at least 10 years (n=18)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
all programs	0.41%	0.65%	1.22%	1.50%	1.80%	1.95%	2.07%	2.24%	2.43%	2.62%
ESA	0.12%	0.24%	0.59%	1.02%	1.89%	2.62%	3.62%	4.54%	7.33%	6.58%
Tax Credit	0.36%	0.46%	0.90%	1.09%	1.28%	1.32%	1.41%	1.54%	1.64%	1.86%
Voucher	0.56%	1.20%	2.12%	2.49%	3.04%	3.42%	3.62%	3.89%	4.29%	4.40%

#### Geographic level

Statewide	0.37%	0.60%	1.15%	1.44%	1.73%	1.87%	1.98%	2.14%	2.29%	2.45%
Regional	3.26%	5.18%	6.79%	7.50%	8.10%	6.69%	7.51%	8.58%	12.06%	14.21%

**TABLE 7** Participation rates for ESA program in AZ, NH, and WV, school year 2022-23

	Students Eligible	Students in program	Eligibility rate	Take-up rate
Arizona ESA	1,192,455	30,471	100%	2.56%
New Hampshire ESA	56,382	3,110	30%	5.52%
West Virginia ESA	263,486	1,797	93%	0.68%

Sources: National Center for Education Statistics, U.S. Department of Education; EdChoice national catalog of choice programs

## Methodology

A program's take-up rate is the ratio of the number of students participating in the program and the estimated number of students eligible for the program. Estimates reflect eligibility requirements in place for each program during a given year. Additionally, there are some program specific pathways that we do not account for given data limitations, such as students from military families.

For programs with household income for eligibility criteria, the ABCs methodology uses data from the U.S. Census, which reports income for families with children, to estimate the number of eligible students. This approach will likely understate the number of eligible students for programs with income limits because many households have multiple children. The present analysis's methodology differs from the ABCs by applying the percentage of families below the income limit for eligibility to the number of students in a state or jurisdiction eligible for a program. The main assumption for this estimate is that the underlying household income distribution of eligible families is the same for the underlying household income distribution of eligible students. This method provides two main advantages. First, we can create student level estimates rather than family level estimates. Second, it provides greater consistency as student-level data are available from a number of different sources such as the Private School Universe Survey (PSS) and Common Core of Data from the National Center for Education Statistics (NCES). Because PSS data are reported every two years, we use midpoints as estimates for student counts for years which the survey data are not reported. Altogether, we can directly account for eligibility of private and public school students.

If programs have a prior year public school requirement without exceptions, we use only the population of public K-12 students. If no prior year public school requirement is present or if there are exceptions to this rule (e.g., all students in a specific grade) then we use both private and public school enrollment counts. For programs that allow private school students from specific grade levels to participate, we assume that the distribution of private school students across grade levels for states is the same as the national distribution.

To estimate eligibility counts for programs that serve students with special needs, we use Individualized Education Program (IEP) student counts from NCES. For missing IEP data for 2020 and 2021, we generate estimates by applying a linear forecast to IEP data during years a program was in operation. We also use this method for PSS data missing for multiple consecutive years.

We generate take-up rate estimates at both the program and state levels. One challenge with generating state-level estimates for states with multiple programs is that eligibility for multiple programs may overlap and could potentially create double-counting. The analysis avoids double-counting by subtracting out regions of overlap. Additionally, for states with special needs programs that have income limits, we assume that the household income distribution for special needs students is the same as the income distribution for all households with children at the state level.



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