

What are school vouchers?

Indiana's Choice Scholarship Program, commonly referred to as the voucher program, (authorized under [IC 20-51-1](#) and [IC 20-51-4](#)) provides scholarships to eligible Indiana students in grades K–12 to offset tuition costs at participating schools. More information regarding the Indiana program can be found at the following link:

<https://www.in.gov/doe/students/indiana-choice-scholarship-program/>

History of School Vouchers in Indiana

In 2011, the initial school voucher program in Indiana was passed into law creating the Choice Scholarship program. The initial goal was to provide education options for low-income students in underperforming public schools.

In 2013, the Indiana General Assembly passed HB 1003, which amended the school voucher program by expanding voucher eligibility and creating tax credits for those already enrolled in private school.

During the 2016-2017 school year, the voucher program saw 34,299 students going to 313 different schools. During this school year, the voucher program families, both low-income and middle-class, were able to qualify for some sort of aid. Indiana does not have a cap on how many students can be enrolled in the voucher program.

2023: Income caps were increased, eligibility was available for families earning up to \$230,000 annually. This caused the participation in the program to increase by over 30%.

2025: The final income cap was removed making school vouchers universal for all families. As of January 2025, the Indiana Choice Scholarship has 70,000 students and is the largest voucher program in the country. The program saw a thirty-two percent growth in the past year.

Cost of Vouchers to the State:

2011: \$15 Million

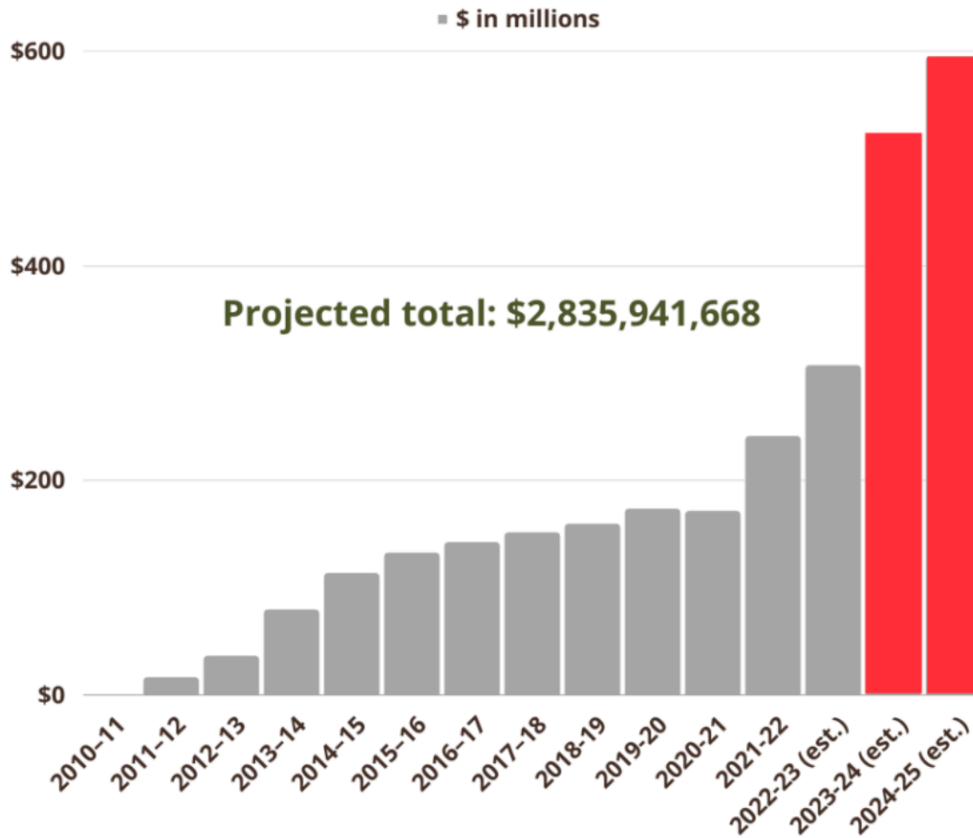
2022-2023: \$311 million

2024-2025: \$497 million

2025-2026: \$1.2 billion



Indiana Voucher (Choice Scholarship) Growth*



**Estimates taken from Fiscal Note #1 of HB 1001 House budget proposal*

Financial Impacts:

Students that have never attended a public school are now receiving school vouchers.

The majority of voucher users in the last school year — nearly 70% — had no record of attending a public school in Indiana, an increase of about three percentage points from 2023-24. The IDOE report said the rise was likely attributed to “students who were already enrolled at their Choice school now qualifying without prior attendance at an Indiana public school.”

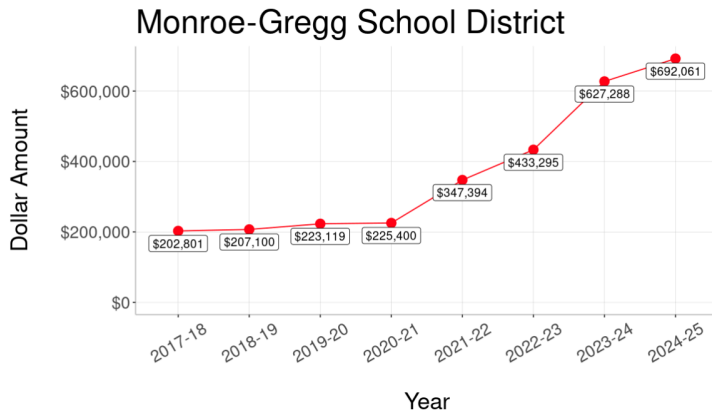
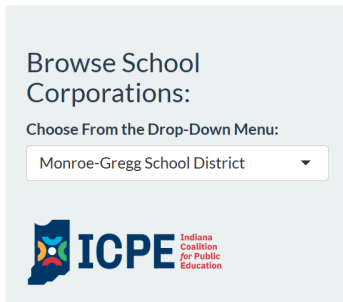
<https://www.in.gov/doe/files/2024-2025-Annual-Choice-Report.pdf>

State dollars for private schools and charters come out of the same budget that pays for public schools.

Voucher money is not deducted from local schools, it is taken out of the Tuition Support Budget and impacts the funding of all school districts. While the state has continued to contribute funds towards the school voucher program, they have not increased the funding for public schools at the same rate as the voucher program, therefore causing public school students, 90% of all students, in Indiana to have to make due with less.

If the money used on vouchers had been placed in the basic grant for tuition support, our district would have had approximately **\$2,958,457** in additional funds over the last 8 years.

District Share if Indiana Choice Scholarship Money Was Added to the Basic Grant



Total funds across all eight years: **\$2,958,457**

School Funding has not kept up with inflation.

When adjusting the K-12 education budget for inflation, the loss is approximately 232 million dollars behind in funding when compared to the 2009-2010 budget cycles. However this budget is now paying for more students and schools rather than just public schools.

Monrovia Students Indiana Choice Scholarship Program Enrollment

2024-2025: 74 of the 251 students transferring out of the district attended a non-public school through the Indiana Choice Scholarship program

2023-2024: 77 of 243 students transferring out of the district attended a non-public school through the Indiana Choice Scholarship program.

2022-2023: 52 of the 211 students transferring out of the district attended a non-public school through the Indian choice scholarship program.

<https://www.in.gov/doe/it/data-center-and-reports/>

Summary:

The school voucher program has grown significantly since its development. The State has increased funding to this program, but has not increased the overall funding for public schools. The increase in funding for vouchers has caused a decrease in funding for public schools. This has caused our district to lose funds while continuing to teach the same number of students, causing margins to become even tighter while our overall population has stayed steady.