

# An Introduction to Vouchers in Ohio

February 1, 2025

Susie Kaeser, Education Specialist LWVO

## Setting the Stage: K-12 Education Options in Ohio

Ohio's system of public education is built on two fundamental principles: the separation of church and state and serving the common good. The slow but steady march toward privatizing education in the state is based on two different propositions, advancing religion and private choice.

The public system ensures that schools are available in every community, are free and open to all, protect students rights, are governed by a locally elected board of education, are transparently managed, and are accountable to voters. State and local tax revenue funds this system.

Starting in 1995 when lawmakers authorized the first voucher program, state policy makers have transformed education policy in Ohio. They disrupted a tradition that started in 1850 that reserved public funds for public schools and permitted religious and other private schools to function but as a personal financial responsibility. In exchange private schools could be selective, teach religion, and function without public oversight or responsibility.

Today, Ohio residents have five different K-12 education alternatives that comply with compulsory attendance laws. Each has unique characteristics and operates under different rules. *See Appendix A* for a description of each alternative. A variety of mechanisms provide public funds to each option, transparency, accountability, taxpayer and student protections, and regulations that ensure quality and opportunity apply to public schools but not to the alternatives.

The state now invests in two profoundly different kinds of education that compete for students and for public funds.

**Table 1: Enrollment by Legal K-12 Education Option – 2023-24 School Year – Source: DEW Reports Portal**

<i>Education Provider</i>	<i>Enrollment</i>
Public Schools*	1,543,834
Charter and STEM Schools	121,084
Chartered Nonpublic Schools	173,156
Non-chartered Nonpublic Schools	Not Available**
Homeschool	53,051
Total	1,891,125

\*Public Schools include 1,481,732 students enrolled in school district operated schools, 49,524 Joint Vocational School students, and 12,578 students in Education Service Center schools.

\*\*This homeschool option does not report enrollment.

## Privatizing Education in Ohio: When Public Funds Started to Flow to Nonpublic K-12 Education

When a state diverts public funds to private education, it is privatizing education. Tax credits, tuition vouchers, and operating support are most common methods. Ohio has all of them.

The personal decision to use a private alternative was established as a personal responsibility while public funds were reserved for the public system. This clear boundary started to shrink in Ohio starting in the 1960s when the legislature made public school districts transport private school students.

It happened again in the 1980s when lawmakers, led by Rep. George Voinovich, used the state budget to create the Auxiliary Services Fund and the Nonpublic Administrative Cost Reimbursement Fund giving private schools two sources of public money to offer special services to students and comply with state reporting regulations. The budget for the current biennium appropriated \$242.2 million for the two programs.

The school choice and accountability movement that followed the 1983 report, *A Nation At Risk*, called for high stakes testing to judge schools, and competition with private schools to drive improvement for the nation's "failing" public schools. This preference for market driven change was named "school choice." Reformers made education a consumer choice rather than a public good. It led to states including Ohio, creating unregulated charter schools and public funding of private education. Now a well-financed set of research and advocacy organizations focused on promoting religion, individualism, and dismantling public institutions has pushed their agenda nationwide and has been particularly successful in Ohio. (Ravich 2013, Cowen 2024, Resseger, 2025.)

In 1995 Ohio lawmakers authorized the first private school tuition voucher program and joined the education competition movement. This breakthrough focused narrowly, providing families residing in the Cleveland Metropolitan School District vouchers for private school tuition. It was the second voucher program in the country. Up to \$2,200 was available to pay for tuition starting in the 1996-97 school year when 1,994 students participated at a cost of \$2.9 million. (Fleeter, 2023.)

Ohio Governor George Voinovich, former mayor of Cleveland and a close ally of the Bishop of Cleveland, led the policy change effort. Rather than improve funding or support the hard work of public school improvement for all Cleveland children, Voinovich pursued a life boat solution: fund a few students to attend a private school. His priority was to make it easier for children to enroll in Catholic schools that were losing students. (MacGillis, 2025).

**Opening the door to public spending on private education was sold to the public and lawmakers as a way to help poor children escape a struggling school district.** It worked. Vouchers were reserved for traditional private schools known as Chartered Nonpublic schools. They have always been the beneficiaries of state spending for private education. **With this decision, responsibility for funding private education began to shift from the individual to the public.**

In 1997 the legislature authorized a charter school pilot program in Lucas County. These new publicly funded schools are privately operated and accountable to an authorizing organization, not an elected board of education. They were designed to improve student performance by reducing regulations. During the 2023-24 school year 342 schools – 14 of them online - enrolled more than 114,000 students in 35 Ohio counties.

In 1996 the American Civil Liberties Union, both Ohio teacher unions, and People for the American Way went to court and challenged the Cleveland Scholarship program for violating the Establishment Clause of the First Amendment to the U.S. Constitution. In June of 2002 the U.S. Supreme Court ruled on

*Zelman v. Simmons-Harris* that the program was Constitutional because parents make the decision to use a religious school, and the public funds are awarded to parents.

### **A Steady March Toward Universal Access to Vouchers for Private School Tuition**

After the Cleveland Scholarship program opened the door and the courts did not object, privatizers started a 20-year process to make every child in Ohio eligible for a voucher, and to make the public responsible for funding private education. This profound transformation of education took place in the state budget without a stand-alone proposal, and accelerated when improvements in public school funding began to take shape in the FY 2022 budget. **The FY2024 budget made vouchers universal.**

**Table 2: Ohio’s Five Voucher Programs, Target Population and Year Enacted**

- 1995 – Cleveland Scholarship – Rescue children from failing schools**
- 2003 – Autism – Access to special services for children with a diagnosis on autism spectrum**
- 2005 – EdChoice – Way to opt out of a low performing school**
- 2011 – Jon Peterson Special Needs – Access to services for children with a diagnosis**
- 2015 – EdChoice Expansion – Access for families with income below 200% of poverty**

In 2003 the Ohio legislature enacted a voucher program for students with autism. Using the state’s testing program to define failing schools, the EdChoice program funded in 2005 was designed to give students a way out of low performing schools in communities beyond Cleveland. Then came the Jon Peterson program for children with disabilities. The final rationale was to give poor children anywhere in the state a scholarship to a private school. EdChoice Expansion was approved in 2015 and available statewide to families at or below 200% of federal poverty level.

The value of a voucher is also established in the state budget. As part of the deal to advance the Fair School Funding plan, voucher amounts became linked to per pupil public school spending.

Eligibility for vouchers became universal in the FY 24-25 state budget when income restrictions for EdChoice Expansion vouchers jumped to 450% for a full voucher, and no restrictions on partial support. EdChoice Expansion vouchers, justified as a resource for poor children, are now a resource for the wealthy.

### **Private School Education is Now a Public Obligation**

Removing the income restrictions on EdChoice Expansion vouchers made voucher eligibility universal, but access was limited by lack of private schools in most of the state, and the selection criteria of participating private schools.

By setting voucher eligibility at 450% of poverty, lawmakers demonstrated their preference for private school vouchers for the wealthy rather than meeting the basic needs of poor children A family of 4 with an income of \$140,000 is eligible for a full voucher while eligibility for child health care, child care or child nutrition assistance was limited to those with incomes up to \$65,800, \$45,200, and \$40,600 respectively. (Policy Matters,2024).

**Table 3: Vouchers Awarded by Program By School Year**

Program	22-23	23-24	24-25	2-Year Change
---------	-------	-------	-------	---------------

Autism	4,856	5,190	5,778	922
Jon Peterson	8,626	9,082	8,671	46
Cleveland	8,282	8,361	8,465	183
EdChoice	40,629	42,779	43,286	2,027
EdChoice Ex.	24,323	89,796	101,529	77,206
All Programs	86,716	155,208	167,729	81,013

*Source: DEW Reports Portal, Scholarships; LSC Members Brief, January 2023 and Nov. 2024.*

Without income restrictions or a cap on the number of vouchers the Ohio Department of Education and Workforce (ODEW) can award, the number of EdChoice Expansion vouchers skyrocketed during the 2023-24 school year. ODEW awarded 89,796 EdChoice Expansion vouchers in the first year, more vouchers than in all five programs the year before, and nearly triple the 24,323 Expansion vouchers awarded in FY23.

Vouchers in the five programs combined grew from 86,716 to 167,729 two years later. EdChoice Expansion vouchers accounted for 95% of the increase. EdChoice Expansion vouchers drive growth and will continue to increase if more public or homeschooled students want to enroll in a private school, if more private schools accept vouchers, and if new private schools fill the void in rural Ohio.

Universal eligibility was accompanied by an increase in the value of a voucher to \$8,400 for high school and \$6,165 for K-8 students. This is the base cost for public school students.

**Table 4: Use of EdChoice Expansion Vouchers Before and After Removing Income Eligibility**

School Year	New	Renew	Total
2022-23 (BEFORE)	6,807	17,516	24,323
2023-24 (AFTER)	69,483	20,313	89,796
2024-25 (AFTER)	24,730	76,799	101,529
Two - year increase			77,206

As of January 15, 2025, the number of EdChoice Expansion vouchers is already close to 25,000 more than awarded in the first year of the rule change. Most vouchers are renewals of first-time vouchers awarded the prior year.

### **EdChoice Expansion: An Income Subsidy for the Wealthy**

The dramatic increase in EdChoice Expansion vouchers does not reflect massive movement of public school or homeschooled students to a private school. In 2023-24 private school enrollment increased by about 3,700 students, but income-based vouchers grew by more than 65,000. Most vouchers were awarded to children already enrolled in a private school. The public is now funding about 90% of Ohio's private school students.

The explosion in EdChoice Expansion vouchers increased the number and proportion of white students receiving state funds from 66% to 82%.

This program no longer serves its stated purpose – helping poor children. EdChoice vouchers are now an income transfer to the wealthy, and an inadequate subsidy for the poor. In the 2022-23 school year 67% of EdChoice Expansion vouchers went to low income students. The next year it dropped to 17%.

### **Vouchers Are Expensive, Unsustainable, and A Threat to Public School Funding**

Since first authorizing vouchers in Cleveland lawmakers have transformed a small program that served less than 2,000 students in one school district and cost \$2.9 million, into the funding source for 90% of Ohio's 173,000 private school students. The bill for the 2023-24 school year was \$960.6 million, more than the state pays for the Department of Children and Youth and the Department of Natural Resources combined. (Moore, 2024)

Each year the cost of vouchers increases. Without any cap on the number of available vouchers, the number and cost will grow. The In FY 22 the five programs cost \$554.5 million and grew to \$610 million in FY 23. After the change in EdChoice Expansion eligibility and linking the voucher amount to public schools spending, the cost of all vouchers jumped to \$960.6 million. The one-year increase was 57% - the largest ever. (LSC Report).

**Table 5: Voucher Spending by Program FY 2022 and FY24**

Program	Spending in millions		
	FY 2022	FY 2023	FY 2024
EdChoice Expansion	\$102.7	\$124.4	\$404.6
EdChoice	\$212.5	\$229.2	\$272.1
Autism	\$116.5	\$128.6	\$135.3
Jon Peterson	\$ 76.6	\$ 81.7	\$ 95.2
Cleveland	\$ 46.0	\$ 46.1	\$ 53.5
Total	\$554.5	\$610.2	\$960.6

*Sources: LSC Members Brief, January 2023 and November 2024, School Choice Funding. Ohio Legislature,*

EdChoice Expansion vouchers are driving the rising cost of school privatization, a level that is undermining the ability of the legislature to fully fund public education. They cost \$124.4 million in FY 23 and the next year jumped to \$404.6 million. Ohio's 1.5 million public school students are eligible for these vouchers. The state budget cannot support future explosions in private school spending.

### **Vouchers Vs. Constitutional Public School Funding**

The radical policy change that allowed for public spending on private school tuition began in 1995, four years after more than 500 school districts joined the Coalition for Equity and Adequacy for School Funding and sued the state for failing to fulfill its Constitutional obligation to fund public education. In 1997 the Ohio Supreme Court ruled in the *DeRolph* case in favor of the plaintiffs. The court ordered the legislature to make state funding adequate and equitable.

**Lawmakers chose instead to increase spending on private alternatives and create charter schools. The Ohio legislature has consistently resisted adequately funding the public schools in favor of expanding access and increasing per pupil spending for private, religious, unaccountable education.**

A full-blown remedy did not become viable until the FY2022 -23 budget cycle when the first phase of the Fair School Funding Plan was adopted and partially funded. The final phase of the six-year phase in is scheduled for the FY 26-27 budget that must be approved by June, 2025.

Proponents of privatizing education have effectively used the budget process to extract more state funds in exchange for incremental progress toward adequately funding public education. What will they do now?

EdChoice spending prioritizes a small part of the school aged population in a few Ohio counties over more than 1.5 million children attending public schools that are available in every Ohio community. When public, private and charter school enrollment are compared for students residing in the same county, there are 75 counties where between 90% and 100% of students in that county attends a public school. Widespread access to private schools exists in only about 10 urban counties.

Taxpayers from almost every Ohio county are funding an opportunity that is not available to them and that harms the public schools that they rely on. This is especially true for rural residents for whom their public schools are the only option, the center of community life, a major employer, a stabilizing institution, and a valued resource for services that are not otherwise available. They are the cornerstone of the community.

Urban public schools also suffer because every student who enrolls in a private school is reducing the funding level for the public schools.

### **Money isn't the only problem with privatizing education in Ohio.**

Public schools and private schools are now in direct competition for students and public funds but they operate under different rules. By permitting publicly funded private schools to operate without transparency, accountability, and protections for taxpayers or students, lawmakers are mismanaging public resources and falling short as stewards of public funds. Voucher policies have to change.

Unregulated, unaccountable and expensive vouchers:

- are a threat to adequately funding public education;
- fail to protect students rights, permit discrimination, and produce segregation;
- fail to guarantee that voucher recipients experience an adequate education;
- punish local tax payers and increase inequality in education opportunities by shifting even more of the burden for funding the public system to local levies;
- undermine our fundamental commitment to the common good and validate individualism as basis for distributing public funds; and
- Ignore the important barrier that separates church and state.

### **Do Vouchers Guarantee Choice?**

While vouchers were sold as a way to guarantee families the ability to choose the right school for their child by paying for that existing right, access to public funds does not guarantee choice. Despite an explosion in access to vouchers, private school enrollment has not come close to the growth in vouchers. Choice is limited by these facts:

- Private schools are not available everywhere. Most private schools are found in 8 urban counties and are rarely an option in rural Ohio, most of the state. There are no private schools in 11 of Ohio's 88 counties, and fewer than 4 are located in 46 more counties.
- Not every private school accepts vouchers. This year about 580 of the 771 Chartered Nonpublic schools operating this year participate in the program.

- The majority of private schools are religious but given limited choices in most communities that school may not be a good match with a family's faith.
- Private school tuition varies between \$1,200 and more than \$60,000. Vouchers, while generous compared to state funding for public school students, frequently don't cover the full cost of tuition. This limits who can afford to use a voucher.
- Private schools pick their students. They control who is able to request a voucher and have no obligation to admit everyone. Many people are attracted to the selectivity of a school but they might not be included. Private schools must advertise that they do not discriminate on the basis of race, but they have no other restrictions on admission decisions. Children with disabilities, behavior or learning challenges, or other unique qualities may not be chosen.
- Not all private schools embrace all students. While a voucher uses public funds, the lack of any regulations on those funds means private school students lack protections.
- Academic and vocational options are limited in most private alternatives

### **Vouchers Hurt Ohio Lawsuit**

In January 2022 about 100 Ohio public school districts joined the Ohio Coalition for Adequacy and Equity in School Funding, the same organization that filed the *DeRolph* Lawsuit seeking Constitutional funding of public education, and challenged the Constitutionality of the two EdChoice voucher programs.

Plaintiffs recognized that a legislative remedy to constrain growth and reserve public funds for public schools was not realistic in a gerrymandered state with a 20-year history of voucher expansion. Now more than 250 school organizations have signed on to the lawsuit calling for an end to the two EdChoice voucher programs. The VouchersHurtOhio lawsuit will go to trial in Franklin County in 2025.

Short of making vouchers illegal, some policy changes could address serious problems with the existing policies. An important change would be to make private schools that accept voucher funds follow the same rules as public schools for transparency and accountability. Spending could be moderated by capping the availability of new vouchers. Decoupling the value of a voucher from increases in state spending for public school students would make vouchers more sustainable and public school funding more achievable.

### **Conclusion**

The legislature's supermajority's decisions to vastly increase eligibility for EdChoice Expansion vouchers, to link the voucher amount per student to the base cost for public school students, and the legislature's unwillingness to set any limits on the number of vouchers that can be awarded has resulted in public spending that is a drag on any flexibility in the state budget. These legislative choices put at risk the state's capacity to fund the public system. These extravagant priorities have made vouchers themselves unsustainable.

With nearly all private school students using a voucher – students enrolled in Chartered Nonpublic Schools - lawmakers have completed the transfer of responsibility to the public for something that has historically been a private obligation: private school tuition. If the long-term goal is to dismantle public education, this will not be the final step in privatizing education in Ohio.

The budget that will be hammered out before June 30, 2025 will be a moment of truth for the future of our public system. It will test the legislature’s commitment to responsible stewardship of public funds, and accountability to their constituents. A lot is at stake.

### Sources

Cowen, Josh. *The Privateers: How billionaires created a culture war and sold school vouchers*. Harvard Education Press:2024.

*EdChoice.org* website

Fleeter, Howard. “Policy Brief: Ohio School Vouchers Overview.” Ohio Economic Policy Institute, June 2023.

Ohio Department of Education and Workforce, Reports Portal. Public School Enrollment, Private School Enrollment, Scholarship Program awards by program. FY 2023, 2024 and 2025.

Kaeser, Susan. “Where do Ohio children receive their education.” LWVO website. 2022

Kasler, Karen. “School voucher use has exploded. Some Ohio families can’t take part.” *Statehouse News Bureau*. June 18, 2024.

Legislative Service Commission Legislative Budget Office. “State scholarship spending grew 57% in FY 2024 due primarily to universal eligibility for EdChoice.” Ohio Legislature website.

MacGillis, Alec. “On a mission from God,” *The New Yorker*, January 20, 2025.

Moore, Rob. “Is Ohio’s school voucher experiment paying off?” *Ohio Capital Journal*, December 16, 2024.

Ravitch, Diane. *Reign of Error, The hoax of the privatization movement*. Alfred Knopf: 2013.

Resseger, Jan. “Big money pushes voucher expansion but the public is poorly informed about the dangers.” January 7, 2025 word press blog.

Van Lier, Piet and Tanisha Pruitt. “Keep public funds in public schools.” Policy Matters website, October 11, 2024.

### Appendix A : K-12 Education Options Available to Ohio Families

**Public Schools** – Education in schools operated by local school districts, Joint Vocational Districts and Education Service Centers. A public option is available everywhere so all children have a free public education opportunity. Nonsectarian, and accountable to an elected local board of education, state laws, and Department of Education and Workforce (DEW) regulations. Each school district is part of a state-wide system, funded with state and local tax revenue as mandated by the Ohio Constitution.

**Chartered nonpublic Schools** – Education in a traditional private school. These tuition-based schools select who to admit. Religious instruction is permitted. Accountable to the private organization. Available primarily in dense urban counties. No requirement to follow Individual Education Plans of special needs students. No requirement to protect student rights. The only prohibition on discrimination is race. These



schools are eligible for three types of state support: transportation services provided by their local school district, reimbursement for Auxiliary Services and Administrative costs, and tuition vouchers.

**Charter Schools** – A new option created in 1997 where private organizations receive public tuition payments to educate children in schools or on-line. They are nonsectarian, operate outside of a public school district oversight, and funded with state and federal funds.

**Home Schooling** – Parents educate their own children and are exempted by local school district from compulsory education. Complete parent control of content, hours, and progress.

**Non-chartered nonpublic schools** – Homeschooling offered to a group of children in a shared space including private homes. Tuition-based. Schools register with the DEW but otherwise operate outside of state oversight because of religious opposition to government. Immunizations not required.

## **Appendix B: Voucher Basics**

A voucher is a publicly funded tuition subsidy. Ohio has five voucher programs. All were enacted in the state budget and are funded through the budget process. They share some rules but do all.

- While there are four different alternatives to public education, chartered nonpublic schools – are the only schools that students can attend with a tuition voucher.
- Vouchers are awarded to students after they are admitted to a private school. The school controls access to the voucher.
- Vouchers can be renewed annually until a student graduates.
- Schools are not required to accept a voucher as tuition payment.
- The value of each type of voucher is established in the state budget. The Autism and Jon Peterson scholarships are worth up to \$32,455 depending on the diagnosis. Access is capped at 5% of the students in the state with a special needs designation.
- EdChoice Expansion vouchers have always been directly funded in the state budget. In 2021 as part of the Fair School Funding Plan the other four voucher programs became state funded. Prior to that, local school districts paid part of the cost. The largest program, EdChoice, was available primarily in majority minority school districts with concentrated poverty. Deduction funding drained public school budgets in these districts, reducing resources available to the highest need students.

### **Cleveland, EdChoice and EdChoice Expansion Vouchers**

These three voucher programs focus on the typical student – the majority of students in Ohio. The two EdChoice programs are the largest, and have the greatest potential for increased use. They have these similarities:

- There is no cap on the number of vouchers that can be awarded.

- Starting in the 2022-23 school year, voucher values in these three programs became linked to state spending for public school students. Any improvements in public school spending, triggers a comparable increase in the voucher value.
- The maximum voucher value is the same in all three programs. For the current biennium the maximum tuition payment for K-8 students in these three programs is \$6,165, and \$8,407 for students in grades 9-12. The FY 2022 funding level was \$4,650 and \$5,500.
- Funding for public schools, charter schools, and private school vouchers is now in the same line item in the state budget even though they operate under completely different rules. They are in direct competition for state funds.
- Students residing in the same community who receive a voucher typically receive more state aid than their public school peers. This is especially true in Ohio's high wealth districts that receive a small amount of state funding and are the location of many private schools.