

Private Education Voucher Programs in Florida

Three types of [private school vouchers exist in Florida](#): conventional private school vouchers, education savings account vouchers (ESAs), and tax credit vouchers.ⁱ A conventional private school voucher pays for private school tuition. In Florida, payments are made directly to participating private schools. Education Savings Account vouchers (ESAs) are personal bank accounts where public funds are deposited for use by families to pay for approved private school tuition and private education-related costs. Tax credit vouchers ask businesses to make contributions to a Scholarship Funding Organization (SFO) in order to receive a dollar-for-dollar tax credit for the state taxes they owe. The SFO then distributes vouchers. These tax credits decrease the state's general revenue fund, which is used for all governmental services, including but not limited to public education.

In Florida, these types of voucher programs sent a total of \$1.7 billion to private education in 2021-22. With changes expanding voucher eligibility in the state, it is anticipated that this amount will increase. Private school voucher programs lack many of the accountability guardrails in place for public schools, including most types of anti-discrimination requirements, which protect students from [violations of their civil rights](#).

Current Voucher Programs in Florida

Florida currently has one conventional private school voucher program, the Family Empowerment Scholarship for Educational Options (FES-EO), and two Education Savings Account voucher programs, the Family Empowerment Scholarship for Students with Unique Abilities (FES-UA) and the New World Reading Scholarship Program.ⁱⁱ Florida also has two tax credit voucher programs, the Florida Tax Credit Scholarship (FTC) and the Hope Scholarship.

Funds for FES (EO and UA) vouchers come from state money allocated for education based on the number of students statewide and calculated using the Florida Education Financing Program (FEFP) funding formula. Funds for FTC and Hope vouchers are provided by tax credits. Below are details about each voucher program.

Florida Empowerment Scholarships

Family Empowerment Scholarship for Educational Options (FES-EO)

First offered in 2019, FES-EO vouchers are used to pay for private tuition, books, and other education-related expenses. Eligibility criteria include: 1) resident of Florida; 2) five years old if in kindergarten, six years old if in first grade; and 3) on the direct certification list (i.e., eligible for WIC, SNAP or Medicaid) or with a family income of up to [375% of the Federal Poverty Level \(FPL\)](#), with priority given to students whose families fall within 185%

of FPL. Students in foster care currently or in the previous state fiscal year, homeless students, and children of military (including reserves) and law enforcement personnel are eligible for these vouchers without meeting the income requirement. Siblings of students receiving FES-EO or FES-UA are also eligible.

Funds for the FES-EO come from state aid allocations calculated using the FEFP. The [cap](#) on FES enrollment increase is 1% of total public school student enrollment annually. Students eligible in the previous year but not awarded a voucher because of limitations on available funding, dependents of United States Armed Forces members, families with household incomes less than 185% of the federal poverty level, and students in foster care are not included in the count for the cap.

Family Empowerment Scholarship for Students with Unique Abilities (FES-UA)

Formerly known as the “Gardiner Scholarship,” these vouchers are offered for students with disabilities. Beginning in the 2022-23 school year, “[McKay Scholarships](#)” for students with disabilities were also transitioned to FES-UAs. Funds come from state aid allocations calculated using the FEFP and can be used to pay for tuition, fees, homeschooling and therapeutic supports. There are no income requirements for the FES-UA, but eligibility criteria include: 1) students between the ages of 3 and 22; 2) documentation of a disability, including but not limited to an Individualized Education Program or 504 plan. Children at risk of developmental delays are also eligible. Siblings of children receiving the FES-UA are eligible. Students remain eligible for FES-UA until high school graduation as long as they maintain Florida residency, do not return to public school, and do not have their enrollment terminated by their parent or the Florida Department of Education.

These vouchers are funded at 100% of Florida’s unweighted, full-time equivalent per pupil amount.

Florida Tax Credit Scholarship (FTC)

First implemented in 2001, and originally dubbed the Florida Corporate Income Tax Scholarship Program, the Florida Tax Credit Scholarship (FTC) allows businesses to make donations to a Scholarship Funding Organization (SFO) and receive a dollar-for-dollar tax credit for their state taxes. The Corporate Income Tax was the only source of revenue for these vouchers, but over time use of other taxes has been permitted, including taxes on alcoholic beverages, taxes on oil and gas, and taxes on insurance premiums.

These vouchers can be used to pay for eligible students to attend private schools. The [SFO](#) is responsible for determining eligibility for the voucher, ensuring that payments are made to schools and that schools comply with assessment and accountability measures. Students are eligible if: 1) they are a Florida resident; 2) five years old if in kindergarten, six years old if in first grade; and 3) they are on the direct certification list (i.e., eligible for WIC, SNAP or Medicaid) or with a family income of up to [375% of the FPL](#), with priority given to students whose families fall with 185% of FPL. Students in foster care currently or in the previous state fiscal year, or who are homeless, are also eligible. Once income eligibility criteria are met, the student’s household income does not need to be reevaluated as long as the student remains a Florida resident and does not return to public school. Siblings are also automatically eligible. The amount of the voucher is equal to 100% of the FEFP allocation for that student if enrolled in public school. For school year 2022-23, the [tax credit cap](#) is \$1.09 billion.

Hope Scholarship

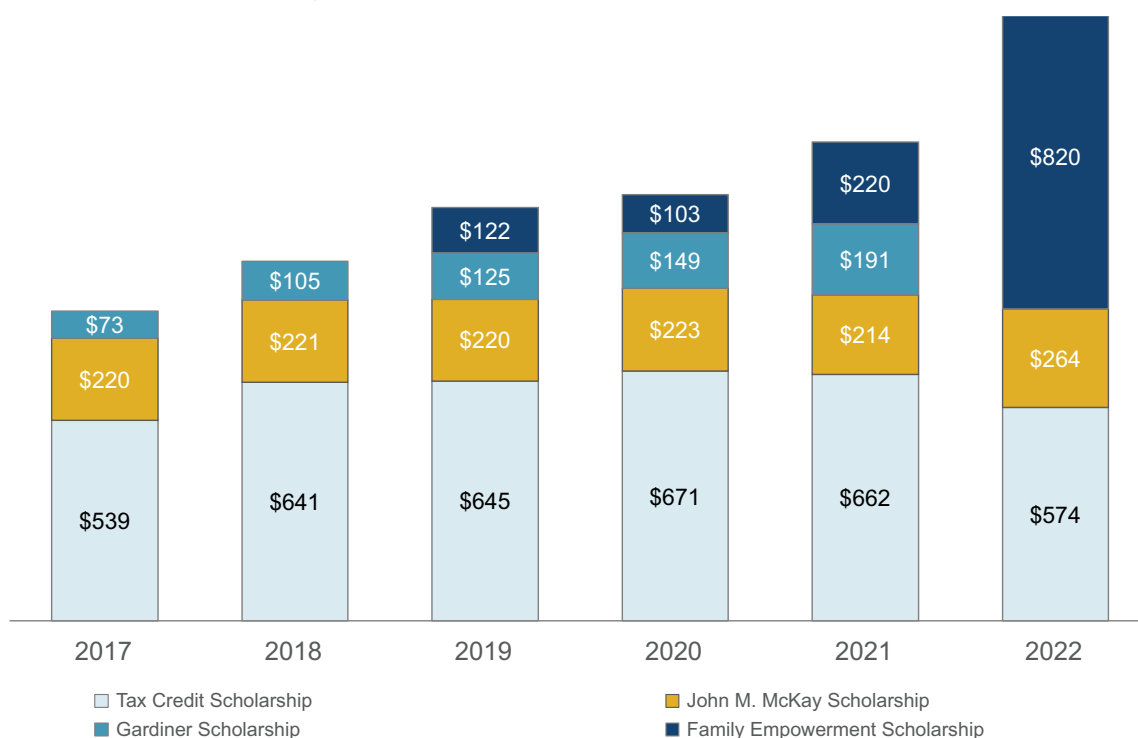
Like the FTC, Hope Scholarship vouchers enable businesses to make contributions to an SFO and receive a dollar-for-dollar tax credit for their state taxes. This revenue is generated from the sales tax contributions on motor vehicles. These vouchers first became available in 2018, and pay for private school tuition, books,

registration, testing and other supports for students in kindergarten through 12th grade who have been bullied, assaulted, harassed or a victim of other violent acts in a public school. The SFO is responsible for determining eligibility for the voucher ensuring that payments are made to schools, and that schools comply with assessment and accountability measures. The amount of the voucher is equal to 100% of the FEFP allocation if the student was enrolled in public school. There is no income cap for families.

Growth in Florida Vouchers

As of 2022, Florida voucher programs cost taxpayers \$1.7 billion (see Figure 1).ⁱⁱⁱ Up until 2021, the Florida Tax Credit Scholarship was the largest of the voucher programs, serving more than 106,000 students and costing \$662 million in the 2020-21 school year. With the expansion of the FES, these vouchers have now become the largest diversion from public funding, at \$820 million in 2021-22.

Figure 1: Florida Voucher Spending, 2016-17 to 2021-22 (in millions)



i Another program is the [Opportunity Scholarship Program](#), which is not a focus of this report. First implemented in 1999, this program permits students in “failing public schools” to attend a better performing school within the student’s district.

ii The New World Reading Scholarship Program is not a focus of this report and is not included in this overview. These Educational Savings Account vouchers in the amount of \$500 per student are funded with tax credits from corporate income tax, tax on alcoholic beverages and taxes on insurance premiums, among others, as well as general revenue funds. The funds must be used for tuition and fees for tutoring, instructional materials and curricula for students with documented reading deficiencies, poor scores on the English Language Assessment, or identified as English Learners.

iii Data were downloaded as of August 26, 2022, from the Florida Department of Education School Choice reports (<https://www.fldoe.org/schools/school-choice/facts-figures.shtml>), as well as Florida Education Finance Program Calculations (<https://www.fldoe.org/finance/fl-edu-finance-program-fefp/fl-edu-finance-program-fefp-calculatio.shtml>).