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PRESS RELEASE
February 15, 2021

ISBA calculates new price tag for ESAs, voucher expansion
School funding runs show costs are higher than expected

(Indianapolis) – The Indiana School Boards Association has reviewed the K-12 School Funding Formula runs released by the Indiana House of Representatives and finds that the expansion of private school choice programs will cost significantly more than previously understood or reported.

The school funding formula runs based on the state budget bill that passed out of the House Ways and Means Committee on February 11 reveal that \$144 million in new state funding would be spent over the next two years to pay for the expansion of the Choice Scholarship Program and the establishment of education savings accounts. This is substantially higher than the two-year \$66 million estimate in the most recent fiscal impact statement for House Bill 1005.

ISBA is choosing to release this analysis to help ensure that the public knows the facts as debate on private school choice programs continues to grow.

Page 188 of the K-12 School Funding Formula runs shows state spending on the Choice Scholarship Program jumps in Fiscal Year 2022 by \$40,535,175 (23.4%).

In Fiscal Year 2023, new spending on the Choice Scholarship Program again includes the \$40,535,175 increase from FY 22 but adds an additional increase of \$43,526,518 (20.3%).

On page 189, state funding for education savings accounts is listed at \$19,237,867.

Add these four numbers together, and the bottom line totals nearly \$144M in new state spending ($\$40,535,175 + \$40,535,175 + \$43,526,518 + \$19,237,867 = \$143,834,735$).

ISBA opposes the expansion of school vouchers and establishment of education savings accounts. Now is not the time to divert needed funds away from serving the one million students in public schools and investing in teacher pay raises.

ISBA is continuing to update the resources in its “ESA Is Not OK” advocacy campaign toolkit at www.isba-ind.org/esa-is-not-ok.html.

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