

Oklahoma Education Law



Breaking down the ASPIRE Oklahoma Plan *Deven Carlson*

The ASPIRE Oklahoma Plan is a package of nine separate education bills passed during the 2023 legislative session. The legislation brings major change to education in the state.

Oklahoma’s 2023 legislative session featured a good bit of conflict, with clashes between the [Governor and the legislature](#), the House and the Senate, Republicans and Democrats, and Republicans and Republicans. Despite all of the disagreement, the session ultimately produced a series of education bills that will shape Oklahoma’s schooling landscape for years to come.

Governor Stitt termed the collection of legislation the “ASPIRE Oklahoma Plan.” The plan actually consists of nine separate bills—some more consequential than others—that were a product of negotiation and compromise, and passed as a package. This collection of legislation is headlined by The Oklahoma Parental Choice Tax Credit Act, a bill that effectively provides families with vouchers for tuition and fees at accredited private schools in the state.

Although [eight states](#) passed private school choice programs during their 2023 legislative sessions, three features of Oklahoma’s legislation stand out. First, Oklahoma’s legislation is somewhat unique in its scale and operation through the tax code. The law requires the [Oklahoma Tax Commission](#) (OTC) to establish an application process for eligible families to claim their tax credit, which will be issued in two installments to families for private school tuition and fees. Importantly, the tax credit is a refundable one, meaning that families are eligible to receive the full value of the credit even if they have no state income tax liability.

Second, to address concerns that the tax credits would disproportionately accrue to affluent households, the value of the credit decreases as family income increases (see Table 1 below).

Table 1. *Individual tax-credit per child by family income*

Family Income	Allowable Tax-Credit
Less than \$75,000	\$7,500
\$75,000-\$149,999	\$7,000
\$150,000-224,999	\$6,000
More than \$250,000	\$5,000

The Oklahoma Parental Choice Tax Credit Act also provides public funds of up to \$1,000 annually to homeschooled students for qualified educational expenses (e.g., textbooks, curriculum, and tutoring).

Third, the legislation places hard caps on annual expenditures under the program, limiting the amount of credits that can be claimed to \$150 million in the 2024 tax year, \$200 million in 2025, and \$250 million in 2026 and beyond. Assuming an average credit of \$7,000, \$150 million could cover tuition and fees for about 21,000 students at [most private schools](#) in Oklahoma. It remains to be seen how dollars will be allocated if demand for the credits exceeds statutory caps.

While families across Oklahoma are eligible to claim the tax credit to fund private school tuition, rural legislators were concerned that the program would primarily benefit students in urban and suburban parts of the state. To assuage these concerns, the legislature packaged the private school tax credits with significant investments in the state’s public schools. Specifically, [HB2901](#) boosted spending on Oklahoma’s public schools in two main ways. First, it infused an additional \$500 million into the school funding formula, increasing state aid for the vast majority of districts across the state. Second, the legislation allocated \$125 million for distribution through the state’s [Redbud Fund](#), which provides dollars to acquire and improve capital assets (e.g., school buildings) for districts and charter schools located in areas with below-average taxable property wealth. An important provision of this law, one that has flown under the radar, specifies that spending caps on the Parental Choice Tax Credits would be reduced if future spending on either

public schools generally or the Redbud Fund fell below the baseline established by HB2901. In effect, the legislation permanently links state spending on public schools to spending on private school tax credits.

Along with investments in public education broadly, the suite of education legislation passed in May 2023 also delivered two tangible benefits for educators. First, the legislature via [SB1121](#) provided paid maternity leave to the state's public school educators for the first time ever. Full-time employees who have worked in their district for at least a year will be eligible to receive 6 weeks of paid maternity leave, with the paid leave commencing upon the birth of the child. Second, SB1119 gave raises to teachers, counselors, nurses, principals, and librarians. [The amount](#) of the raise is contingent on experience. Educators with less than 5 years of experience will receive a \$3,000 raise, those with 5-9 and 10-14 years of experience will receive \$4,000 and \$5,000 raises, respectively, and those with a tenure of 15 or more years will receive \$6,000. Together, this legislation is intended to increase the appeal of the teaching profession in Oklahoma and, at least indirectly, respond to the teacher shortage facing many districts.

In addition to these headlining bills, the legislature made several smaller changes to school funding criteria that will direct more dollars to rural Oklahoma districts. For example, the legislature increased the transportation factor used in the school funding formula by [more than 40%](#). It also bumped the funding weight for economically disadvantaged students from 0.25 to 0.3. As rural districts enroll a disproportionate share of economically disadvantaged students and accrue relatively more transportation aid than their urban and suburban counterparts, these changes should help rural districts. Similarly, legislators raised the enrollment threshold for districts to qualify as a "small school district," a legal designation rendering districts eligible for certain lines of funding. This change will allow more districts to qualify for these funds. In isolation, each of these changes is relatively modest, but together, they benefit rural districts considerably.

Although the bulk of the legislature's education appropriations are recurring in nature, the legislature also specified a couple of one-time expenditures. On the school safety front, the legislature authorized a three-year School

Resource Officer Program, appropriating \$50 million annually. The funds are divvied up evenly across all districts in the state to hire School Resource Officers and make approved security improvements. Recognizing the importance of reading, the legislature also allocated \$10 million over three years for the State Department of Education to create a literacy instruction team that will work with districts to improve literacy outcomes.

In retrospect, there were plenty of times during the 2023 legislative session where it didn't seem like we would see much in the way of new education legislation. The disagreements seemed too deep. But legislators kept negotiating and ultimately forged a compromise that did not give everyone exactly what they wanted, but produced a package of legislation likely to reshape education in the Sooner State for years to come.

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