School choice has become a permanent fixture in many states’ public school systems. State policies range from increasing the public school options available to parents to more recent – and more controversial – efforts to allow parents to use public dollars to pay for private school. School choice advocates contend that without more school options for parents, the public school system has little reason to change and improve. Critics contend that when students are allowed to leave their assigned public schools, there is a risk that the neediest and most difficult students to educate will be left behind while steering away funding from those who need it most.

This glossary provides a brief overview of the multiple school choice options available to state policymakers. States may structure some choice programs – particularly vouchers, education savings accounts and tax credit scholarship programs – quite similarly or give them similar names, potentially creating confusion around terms.

**Charter Schools**

Charter schools are semi-autonomous public schools that receive public funding and operate under a written contract - or charter - with an authorizer (sometimes called a sponsor). A school’s charter exempts it from most state laws and regulations affecting other public schools in exchange for increased accountability. The charter also details how the school will be organized and managed, what students will be expected to achieve and how success will be measured.

Authorizers are organizations that provide charter school oversight. They generally grant or deny charters, monitor existing charter schools, evaluate charter school performance and, when necessary, revoke charters. Authorizing organizations vary by state and most states have multiple authorizers. Common authorizers include local school boards, state chartering boards and higher education institutions.

Charter schools generally have an enrollment application process. Most states require charter schools to give enrollment priority to certain students – such as at-risk students or siblings of current students – and hold a lottery if applications exceed capacity.

Virtual charter schools, sometimes known as cyber charters, are public schools that function under the same state rules and regulations as traditional charter schools, but deliver all of their courses online.

**Education Savings Accounts**

Education Savings Accounts (ESAs) are private savings accounts funded by a deposit from the state government and managed by a parent. The deposit amount varies from state to state and is typically based on the state’s per-pupil amount. After withdrawing their child from the public school system, parents use the funds to purchase specified educational services, such as tutoring, online courses or private school tuition. Most states restrict their programs primarily to students with a disability, although a few states include other student groups, such as students attending a low-performing school, or offer universal eligibility. State policy determines whether to restrict or allow access to religiously-affiliated schools.
Individual Tax Credits and Deductions

Individual tax credit or tax deduction programs allow parents to claim a tax credit or tax deduction for educational expenses they incur for any dependents, such as school tuition, textbooks and curricula. Some states have eligibility requirements around these programs.

Magnet Schools

Magnet schools are public schools or programs with a specialized focus or theme - like performing arts or science - that offer advanced coursework or specialized training to selected students. Magnet schools are typically created and operated by school districts, a group of school districts or a state. These programs were first developed to help districts voluntarily reduce racial isolation by attracting students of different racial and ethnic backgrounds from different areas of a region to a specialized program or school.

Open Enrollment

Open-enrollment policies allow students to transfer to a public school or school district other than the one to which they are assigned. States may have policies allowing students to transfer within their assigned district (intradistrict) or outside of their assigned district (interdistrict).

School districts’ participation in open enrollment may be voluntary or mandatory. Several states have both mandatory and voluntary policies, meaning they require open enrollment in low-performing districts or defined regions of the state and allow voluntary open enrollment in the rest of the state. Some states design their open-enrollment policies to provide alternative public school access to students with long travel times to their assigned schools or students in districts that do not operate a school.

Scholarship Tax Credits

Scholarship tax credit programs provide a tax credit to businesses and individual taxpayers for donating funds to a scholarship granting organization. These nonprofit organizations, which manage and distribute the funds, give private school tuition scholarships to eligible students. States make these scholarship programs most commonly available to income-eligible students, although some states also allow students with a disability, in foster care or from low-performing schools to participate.

Vouchers

Vouchers are state-funded scholarships that allow students to attend a private school instead of a public school using public funds. The state provides a set amount of money for private school tuition either to the parent or directly to the private school. The amount available to students depends on the state and is typically based on the state’s per-pupil amount. State policy determines whether to restrict or allow participation in religiously-affiliated schools.

RELATED EDUCATION COMMISSION OF THE STATES RESOURCES

- Education Savings Accounts: Key provisions and state variations
- 50-State Comparison: Charter School Policies
- 50-State Comparison: Open-Enrollment Policies
- What Policymakers Need to Know about Funding Virtual Charter Schools
- Open Enrollment: Overview and 2016 legislative update
- Vouchers, Scholarship Tax Credits, and Individual Tax Credits and Deductions

AUTHOR

Micah Ann Wixom is a policy analyst with Education Commission of the States. She has a master’s degree in public education. When not working, she is usually researching exciting places to travel. Contact Micah at mwixom@ecs.org or 303.299.3673.

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