

ISSUE BRIEF:

SCHOOL VOUCHERS AND THE GROWING THREAT TO PUBLIC EDUCATION



Over the past five years, private school voucher schemes have rapidly expanded. Many supporters particularly favor universal school vouchers. Universal voucher policies allow any student, regardless of their family income level or history of attending public schools, to be eligible to use public funding to attend private, often religious, schools or home schooling. From 2021 to 2025, **the number of statewide universal voucher programs has gone from zero to thirteen.**

These efforts have succeeded despite low public support for vouchers. When asked directly about vouchers, voters refuse them. Since 1970, **voters have rejected the creation or expansion of private school vouchers every time they have been proposed.** For instance, in the November elections, **Kentucky and Nebraska resoundingly rejected a ballot initiative on school vouchers,** but still voted for President Trump, who has made school privatization a **pillar of his Agenda 47.** Colorado also rejected a proposed voucher initiative.

Despite the consistent rejection of policies that siphon public funds from private schools, billionaire donors have remained committed to privatization policies. Billionaires have backed the push for public school vouchers and have funded opposition campaigns against those who oppose them. For example, **billionaires poured tens of millions of dollars into pro-voucher candidates in Arizona.** This proposal ended up creating chaos in the state's budget. In FY 2024, **Arizona's voucher program, which was originally estimated to cost \$65 million, ended up costing over \$300 million, contributing to the state's \$1.4 billion shortfall.** The budget deficit caused serious cuts to a variety of critical programs, including water infrastructure and highway expansions.

The Trump Administration is pushing lawmakers to create a **national, universal, voucher scheme** and in late January the President **issued a sweeping executive order to prioritize and expand school voucher programs nationwide.** These programs could financially decimate public schools, increase discrimination, create a greater income divide, and ensure that the United States has two different education systems with vastly disparate resources.

Voucher programs may use terminology such as "school choice," "education savings accounts," "opportunity scholarships," or "tax credit scholarships." While policymakers use a range of terms to describe voucher programs, they all function similarly: by diverting public funding to private schools. Since many constituents associate the term "voucher" with negative perceptions, supporters often use alternative terminology as a strategy to pass unpopular policies.

THE BILLIONAIRES BEHIND THE PUSH FOR VOUCHERS: While states have defunded their public education systems, billionaires have been pushing private school vouchers, which largely benefit the wealthy and harm low-income students and schools.

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A major reason for the expansion of vouchers across states is that billionaires are funding candidates who will push these policies and are willing to challenge lawmakers who have failed to support vouchers. For example, **American Encore, sponsored by the Koch brothers, has spent millions pushing pro-voucher state governors and ballot initiatives. The American Federation for Children, funded by the DeVos family, worked alongside other groups to remove at least 40 incumbents** to pass voucher policies. After Tennessee failed to pass a voucher program due to Republican opposition, **billionaire funders associated with “The School Freedom Fund,” spent at least \$4.5 million on primary contests to elect voucher proponents.** This move came in response to Republicans opposing vouchers due to concerns about depleting rural Tennessee public schools. Instead of addressing any valid concerns about voucher programs, billionaires have sent Republicans a clear message: get in line on vouchers or get primaried.

A FEDERAL VOUCHER PLAN: In President Trump’s **Agenda47**, he advocates for a **federal universal school choice program. Project 2025**, the “conservative playbook” published by the Heritage Foundation, goes as far as advocating that public school dollars should follow the student, which could destabilize public schools across the country and lead to mass shutdowns. In late January, **President Trump issued a sweeping executive order to prioritize and expand school voucher programs nationwide.**

THE CASE AGAINST VOUCHERS: Data shows that privatization is not a beneficial policy and ends up hurting public schools. K-12 privatization schemes have failed at their ostensible goal of improving academic outcomes for students. Hailed as an engine of academic opportunity for disadvantaged students left behind in a broken public education system, school vouchers and charter schools have instead provided “school choice” for the rich and worsened educational conditions for middle and low-income students.

Early small-scale studies on the effectiveness of vouchers on student performance yielded positive (though often minimal) effects on student test scores (see **Abdulkadiroğlu, Pathak, and Walters, 2018** for a review). However, these studies largely focused on lottery allocations for spots in schools with proven track records. Implementation of voucher programs at larger scales has fallen short of these early promising returns.

A program in Louisiana that provided vouchers to students from underperforming public schools **showed** significant declines in test scores for students who won the lottery to receive a scholarship compared to similar students who did not. One possible reason for the disparity was that the influx of voucher cash inspired low-quality schools to enter the program as a money grab, providing a lower quality education than what students received at public schools. This inability to filter out schools scamming students will only be exacerbated by **poor standards** of accountability and transparency required of schools receiving voucher funds.

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Even though feel-good stories about voucher programs tend to focus on uplifting vulnerable students, access to high-quality private education has remained elusive for underserved students in states that have implemented large-scale voucher programs. For example, **North Carolina Public Radio** shared the story of Chandler, a third grader with learning disabilities who thrived after using vouchers to transfer to a private school for students with disabilities. While the private school worked better for Chandler, it is important to note that this is not the norm. The voucher did not cover the entire cost of tuition, and Chandler's parents paid thousands of dollars out-of-pocket, a requirement that regularly puts these programs out of reach for many families. In addition, Chandler's new school was specifically tailored to the needs of students with disabilities, putting it among **just 2% of all U.S. schools**.

Private school tuition and other associated costs — such as transportation, uniforms, books — often run thousands of dollars more than vouchers provide, making these programs inaccessible to low-income students. In Arizona, for example, **uptake** for voucher programs is much lower in low-income zip codes, which tend to have long travel times to the neighborhoods where private schools cluster and less available cash for gas and school supplies. Many low-income parents also don't have the time or resources to filter out good from bad private schools, which are **not required to disclose detailed information on finances and student performance**.

VOUCHERS INCREASE RACIAL, ECONOMIC, AND GENDER DISCRIMINATION: Instead, school vouchers have been much more successful at segregating schools by class and race. Vouchers **have** mostly been **used** by students who are already in private schools and wealthy, not by students in underperforming public schools. Although in data is currently limited, early studies **suggest** that school vouchers **increase segregation**. This risk is **heightened** by the push from private schools for preferential legal treatment to maintain broad discretion in rejecting students based on dubious religious grounds, endangering equitable access to education for LGBTQ+ students in particular.

Private schools regularly discriminate against LGBTQ+ students, which is completely legal for them to do, even if they accept government funding. A national survey of private schools by the Huffington Post found that **at least 14% of surveyed religious schools** discriminate against LGBTQ+ students and staff in their hiring and admission practices. Some private schools have specifically outlined the possibility of students facing punishment for sexual orientation, including expulsion. Additionally, a study **by the Orlando Sentinel** from 2020 found that more than \$100 million of public funding went to private schools in Florida that have discriminatory policies aimed at LGBTQ+ students and faculty. Since then, voucher programs using public money have rapidly expanded, with little to no accountability measures in place.

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IMPACT OF VOUCHERS ON RURAL STUDENTS AND COMMUNITIES: In addition to discriminatory policies, private schools also shut students out through a lack of reach and infrastructure. For example, in **many rural communities, there are no private schools for students to attend.** Rural students who can access a private school often have a long commute, adding expense for their families. In many rural areas, public schools serve as the **center of the community.** Public schools are often the largest employer in small towns and provide a community hub for health care, events, and important resources. Vouchers strip critical funding from these schools, which **already have smaller budgets and student bodies,** often forcing teacher layoffs, the elimination of extracurricular programs, and even **school closures.**

PUBLIC SCHOOLS AREN'T FAILING, THEY'RE STARVING: The more fundamental problem with voucher programs is that they undermine the real pathway to educational equity: a properly funded, robust, and accessible universal public school system. Where public schools do struggle, research shows that it is not because the public school model is irredeemable; it is because public schools have been systematically starved of resources. For example, economist Kirabo Jackson **estimates** that “a permanent 10 percent spending increase—or an increase of \$1,260 per student overall—would lead to 7 percent higher wages at age 40 and a three percentage point lower likelihood of adult poverty among those exposed to the spending increases across all 12 years of their public school education.”

This chronic underfunding is especially acute in school districts that need funding the most. Public school districts in high-poverty areas **spend** significantly less per student and are hit the hardest by economic downturns.

The proliferation of voucher programs **worsens** this funding crisis by funneling money away from public schools that desperately need it. While better-resourced parents can access vouchers and escape to selective institutions, the students **left behind** fall into a deeper hole.

THE ALTERNATIVE TO VOUCHERS: Federal funding, especially if targeted at schools in high-poverty areas, could serve as a much more efficient equalizer of educational resources, channeling money to the places it is needed most without reliance on funding mechanisms such as property taxes that **ensure** low-income areas and those with large non-white populations have lower school revenue.

For some students, such as those with disabilities, public schools are the only option for quality education. Private schools are also not required to accept students with disabilities, and these students do not have the same rights as they do in public schools. For example, **private schools are not required to offer Individualized Education Plans (IEPs)** or to honor IEPs that a student

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carries over from a public school. Some states even require parents to sign **a formal waiver of a student's rights under the Individuals with Disabilities Education Act (IDEA)** to use a private school voucher. Fully funding IDEA is an important step to ensuring students with disabilities receive the educational experience they are entitled to.

The evidence overwhelmingly demonstrates that private school vouchers are a failed policy. Instead of focusing on private school vouchers that benefit only small numbers of students, lawmakers must consider solutions that advance opportunity for the 90% of U.S. students who attend public schools.