Taxpayer-Funded School Vouchers

What are taxpayer-funded school vouchers?
Taxpayer-funded vouchers provide public funding to pay part or all of an individual student's tuition at a private or religious school.

How did school vouchers come into existence?
Conservative economist Milton Friedman first proposed vouchers in the 1950’s. Friedman saw vouchers “not as an end in themselves” but as “a means to make a transition from a government to a market system,” to enable “a private, for-profit industry to develop that will provide a wide variety of learning opportunities and offer effective competition to public schools.”

The first state-sponsored voucher programs arose in Southern states starting in the late 1950s, as a way for white families to avoid sending their children to racially integrated schools. In response to the U.S. Supreme Court ruling in Brown vs. Board of Education that racially segregated public schools were unconstitutional, private, all-white "segregation academies" opened throughout the South. Southern state legislatures adopted public voucher programs, to enable white students of all income levels to attend the segregation academies and continue receiving a publicly-funded, all white education.

Are vouchers still in existence?
Yes. Courts eventually struck down the segregationist vouchers. Pro-privatization foundations and think tanks market-tested the idea of vouchers as an intervention for high-poverty school districts and found that it was more palatable to voters than a broad-based voucher program that would be open to all children. The nation’s first modern school voucher program was passed into law by the Wisconsin legislature in 1989, targeting students from low income households in the Milwaukee School District. Despite poor academic results and an extremely high rate of turnover, voucher supporters were able to grow this pilot program significantly, once it was enacted, including a particularly large expansion in June 2013, under the leadership of Governor Scott Walker.

As of late-2012, targeted private school voucher programs were in place in the cities of Cleveland, Milwaukee, New Orleans, and Racine; in the District of Columbia, Colorado’s Douglas County, as well as statewide in Arizona, Florida, Georgia, Indiana, Illinois, Iowa, Louisiana, Minnesota, Pennsylvania, Ohio, Oklahoma, Rhode Island, Utah and Virginia. Although vouchers have consistently failed academically, legislatures in Indiana, Louisiana and Wisconsin have expanded their initially targeted programs statewide.

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How have voucher students performed in other States and Countries?

*Taxpayer funded vouchers have been a consistent failure.*

**Academic Failure**

Research, even by voucher supporters, has found that voucher students perform worse or the same as their public school counterparts. In Wisconsin, for example, voucher students began in 2011 taking the same standardized tests as the students attending the public schools. The vouchers students have consistently done worse than their public school counterparts. In fact, the performance of voucher students has been so weak that Wisconsin’s Governor Scott Walker tried to stop their taking the standardized tests, to make it more difficult to compare their performance to that of public school students.

In May 2013, Louisiana reported that only 40% of students participating in the State’s voucher program tested at or above grade level, while the state average for all students was 69%.

This failure of vouchers is particularly striking as voucher students are a very select group, hand-picked by the private and religious schools to ensure their success. They also include very few children with special needs -- only 2% of the private school students versus almost 14% of Milwaukee’s public school students are classified as having special needs.

Even worse, between 56% and 75% of the Milwaukee students who attend a voucher school,


leave before graduation. This high turnover rate impairs learning for the students attending both public and voucher schools.

**Increased Segregation**
Given their segregationist origins, it is perhaps not surprising that vouchers continue to increase segregation. A recent study of Wisconsin's voucher program found “hyper-segregation” of students in choice schools by multiple socio-economic indicators, including race and income level. In Georgia, a state that has a voucher program similar to the ones proposed in New Jersey, a private school student is nearly three times more likely than a public school student to attend a school segregated by race or ethnicity.

Vouchers have produced similarly dismal results in other countries. Sweden, for example, which adopted vouchers in 1992, has seen its international test scores fall dramatically and segregation increase, as a result of vouchers. Chile, which adopted vouchers in 1980, as part of the Pinochet dictatorship's privatization measures, has seen the same dramatic increase in segregation and decline in international test scores.

**What are the impacts of vouchers on students who remain in the public schools?**
Taxpayer-funded school vouchers result in less educational opportunity for students attending public schools as public funding is diverted to pay for private and religious education. The loss of a few students at a school does not reduce fixed costs such as teacher salaries, textbooks and supplies, or utilities and maintenance costs. Public schools also are responsible for paying to transport children who live in the district to private and religious schools. As more children attend private and religious schools, the cuts to public school budgets only intensify. Voucher programs also create additional costs for the state to administer the program.

The ability of vouchers to destroy public education by threatening funding and enrollment is a large part of their appeal for those who oppose public education for ideological reasons. These include some very wealthy individuals and foundations, which are funding efforts to expand vouchers across the United States.

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11Casey Cobb (2012), Review of Three Reports from the Comprehensive Longitudinal Evaluation of the Milwaukee Parental Choice Program, April: http://nepc.colorado.edu/thinktank/review-Milwaukee-Choice-Year-5, Accessed 8-4-2013. The attrition rate for Wisconsin voucher students is in dispute, with both 75% and 56% rates put forward by the same evaluation team, which has not provided the raw data for an independent evaluation. See Mercedez Schneider (2013), In Ravitch's Defense: Milwaukee Voucher Study Found Wanting, April 2: http://deutsch29.wordpress.com/2013/04/02/in-ravitches-defense-milwaukee-voucher-study-found-wanting/, Accessed 8-4-2013.
13http://www.southerneducation.org/content/pdf/A_Failed_Experiment_Georgias_Tax_Credit.pdf
18Wealthy individuals who are actively funding voucher initiatives include the Koch Brothers, Betsy and Dick
Do students in voucher schools generally have the same protections afforded to them in public schools?
No. Private and religious schools select the students they want to admit rather than accepting any child who applies. These schools may discriminate on the basis of gender, religion, or sexual orientation. Students also may be expelled or counseled out.

Voucher schools also are not held to the same academic standards as public schools. For example, private schools accepting vouchers have been documented teaching creationism at the expense of a full science curriculum. A June, 2013 Reuters story highlighted that the Louisiana “school willing to accept the most voucher students…has a top-ranked basketball team but no library. Students spend most of the day watching TVs in bare-bones classrooms. Each lesson consists of an instructional DVD that intersperses Biblical verses with subjects such as chemistry or composition.”

Would special education students at a non-public school have the same rights as those in a public school?
Many voucher programs, including the ones proposed in New Jersey, require parents of special needs students to sign a waiver giving up any rights to special services if they take advantage of vouchers. A look at the effects of school vouchers in other States reveals that Special Education students are consistently underserved. As mentioned previously, only 2% of Wisconsin's private school population consists of children with special needs vs. 14% of the public school students.

The discrimination against special needs students in Wisconsin was sufficiently severe that the US Department of Justice issued a letter in May 2013, requiring the state to take corrective action.

DeVos, and various members of the Walton family. Sources: Anne Landman, 2011, Wealthy Families, Corporate-Backed Foundations Behind Push for School Vouchers, 2011, The Center for Media and Democracy’s PR Watch, May 27:
http://www.alternet.org/story/150868/the_devos_family%3A_meet_the_super-wealthy_right-wingers_working_with_the_religious_right_to_kill_public_education. The most prominent foundations funding voucher initiatives are the Bradley and Walton foundations. Sources: Ruth Conniff (2013), Move Over, Koch Brothers: A Bigger, Darker Rightwing Funder, April 30:
http://progressive.org/bradley-foundation-spearheading-assault-on-public-schools, Accessed 8-4-2013 and Peter Montgomery (2013), Right Wing Watch, a Project of People for the American Way, March 7:

John Light (2013), Interactive Map: Voucher Schools Teaching Creationism, March 1:

Stephanie Simon, June 1, 2013, Louisiana's Bold Bid to Privatize Schools, Reuters

Erin Richards, (2013), Walker's Voucher Proposal Divides Parents of Special-Needs Students, Journal Sentinel, March 7:

21ACLU (2013) “Justice Department Says State Voucher Programs May Not Discriminate Against Students With Disabilities,” May 2, Source:
Are voucher programs accountable to tax payers?
Voucher programs often have very limited accountability and have a history of fraud. Schools accepting voucher students do not have to make their budgets public, do not have to adhere to open public meeting laws, and are not required to have Boards elected by tax-payers. A recent report by the Southern Education Foundation found that Georgia’s law, which is similar to legislation that has been proposed in NJ, "lacks public accountability and allows widespread abuses."

In many states, voucher programs have resulted in the growth of “voucher mills,” low-quality private schools that are created specifically to take advantage of the public funding from vouchers. In Ohio, for example, the Cleveland Plain Dealer discovered that the Islamic Academy of Arts and Sciences operated in a building with dangerous levels of lead-based paint and no fire alarm or sprinkler system. Eight of the 12 instructors did not have teaching licenses, and one had been convicted of first-degree murder. In 1999, more than half of the students for whom the school received voucher payments did not even attend the school, or did so for only part of the year.

Who is promoting vouchers nationally and in New Jersey?
For several decades, a top priority of the American Legislative Exchange Council (ALEC) has been the privatization of public schools through vouchers. Additionally, wealthy individuals and foundations that are ideologically opposed to public education are creating and funding organizations like the deceptively-named “Students First” and “American Federation for Children,” which advocate for vouchers and other forms of privatization. There also has been a strong lobbying effort by some religious organizations, looking for public subsidies for their private religious schools.

Are vouchers popular with voters?
No. Despite the millions of dollars that have been spent marketing taxpayer-funded school vouchers, resistance to them remains strong across the United States. The public’s opposition to vouchers is very apparent at the ballot box. Since 1972, no state has successfully passed a voucher bill through public referenda, despite attempts in numerous states.

The public’s opposition to broad-scale voucher initiatives is the primary reason that voucher supporters began selling vouchers as a more narrow intervention, limited to high-poverty school districts, attended primarily by children of color. Despite this targeted focus, vouchers remain unpopular, particularly if they would result in less funding for public schools.

New Jersey residents also oppose vouchers. This includes residents of urban areas, whom all the recently-proposed voucher bills target for the first waves of vouchers.

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24 Scott Stephens and Mark Vosburgh, Murderer on Staff of State-Funded Private School, The Plain Dealer, July 1, 1999.
25 See footnote 18.
28 Rutgers Eagleton Poll, April 7, 2011.
What voucher bills are under consideration in New Jersey?
New Jersey voucher proponents have followed the national playbook and proposed targeted voucher programs, which would be available only to low-income students who attend, or are eligible to attend, a school in one of several high-poverty school districts. Recent voucher proposals have defined low-income generously enough to allow a family of four earning up to $55,000 a year to qualify. That is above the median income for the US. New Jersey voucher proponents openly admit their intention is to expand vouchers to all children in the state, after the program goes into effect.29

Who would be able to get vouchers in New Jersey and who is most likely to participate?
All the proposed voucher bills would make vouchers available both to public school students and to students already attending private schools. An analysis by Professor Bruce Baker of Rutgers University demonstrates that, as a result of this, the largest share of voucher funding under the proposed programs would go to all-white religious schools in Lakewood.30

How are vouchers paid for?
Vouchers may be paid for directly by the state or, to circumvent state constitutions that prohibit direct funding of religious schools, tax dollars may be laundered through state tax credits. The credits generally reimburse 100% of either individual or corporate donations that can be used for private school tuition.31 One of the New Jersey voucher proposals, for example, would use tax credits to reimburse corporations 100% of every dollar they “donate” to a voucher fund that would be used to pay the tuition of private school students.

Regardless of whether vouchers are paid for directly by the state or paid for through the use tax credits, vouchers constitute taxpayer-funded private and religious education. The net effect of spending public tax dollars on private and religious schools is less money for public schools and other programs that benefit the entire population of the state.