

The Truth About the Voucher Scheme:

Unregulated and Unaccountable to North Carolina Taxpayers

Key Background:

In 2023, the General Assembly dramatically expanded the Opportunity Scholarship program - the state's K-12 private school voucher program and eliminated an income cap - diverting \$4 billion in taxpayer money over the next ten years to pay for wealthy people to send their kids to unregulated and unaccountable private schools. Before pausing negotiations this summer, Republican leaders of the North Carolina House and Senate had agreed to put more than [\\$625 million in new funding just for the 2024-25 fiscal year](#) into providing taxpayer-funded vouchers for private schools.

Here are the key facts you need to know:

Fact #1: Public schools lose funding when a student uses a voucher to attend a private school. If the voucher program works like Republicans say, public schools will lose millions.

- Public schools are funded based on how many students are enrolled. For each enrolled student, public schools currently receive an average of \$7,500 in state funding to cover various expenses, such as teacher salaries, instructional materials, or transportation.
- Under the voucher program, if a public-school student uses a voucher to attend a private school, the public schools lose that funding. If the General Assembly fully expands the taxpayer-funded private school voucher program, private schools could siphon nearly [\\$100 million in state funding from public schools](#). The program will cost the state more than \$270 million just in the first year.

Fact #2: Experiences in other states show that expanded voucher programs don't increase opportunity for new students at private schools but instead subsidize the education of students from wealthy families who have never attended a public school.

- When [Ohio](#), [Florida](#), and [Arizona](#) expanded their voucher programs, the majority of students who received vouchers were existing private school students from wealthier families.
- Expanding voucher programs is also creating budget problems in other states. Recent [reporting from ProPublica](#) found that Arizona has a **\$1.4 billion budget shortfall** as a result of their universal voucher program. This budget deficit will impact other projects, including infrastructure projects and community colleges. Private school vouchers also [cost Ohio taxpayers at least \\$966.2 million](#) during the last school year.

- While 8 in 10 NC students are in public schools, NC's voucher program will likely fund tuition for [many wealthy students](#) already enrolled in private school, diverting money needed in public classrooms without creating new opportunity for most students.
- Instead of wasting \$625 million in taxpayer dollars just this year on private school vouchers, legislators could be providing an **8.5% average raise for teachers**, which would lift beginning teacher pay to first in the Southeast, and a \$1,500 retention bonus to most public school educators. Or legislators could invest the \$625 million to address the early childhood education and child care crisis facing many communities across the state by **increasing child care subsidies for working families** primarily in rural and low-wealth communities so their kids can get quality care and they can go to work, shoring up our nationally-recognized NC Pre-K program, and **keeping child care centers open** with Child Care Stabilization Grants and enhancement grants.

Fact #3: Private schools that receive vouchers are not regulated and are not accountable to taxpayers despite using taxpayer money.

- Despite using taxpayer money, schools with vouchers have few regulations for how that money is used or who gets it. North Carolina's voucher program has even been described as one of the [least regulated in the country](#).
- Private schools are only required to report to the state the school's name and address, the names of the school's chief administrators, and documentation that the school has met state and local fire, safety and sanitation standards. That's it!
- Unlike public schools, private schools are not required to do the following:
 - ✗ Report on how students are performing.
 - ✗ Serve all students regardless of race, gender, socioeconomic status or religious beliefs.
 - ✗ Hire licensed teachers.
 - ✗ Teach a curriculum based on the state's academic standards.
 - ✗ Provide services for students with disabilities.
 - ✗ Provide meals or transportation for students.

Fact #4: Private school voucher programs have negative impacts on participating students' academic performance, per studies across multiple other states.

- In [Louisiana](#), a study of their voucher program showed that students who used a voucher to switch to private schools who started out at the 50th percentile in math dropped to the 26th percentile in a single year. Participating students also lost ground academically in reading, science, and social studies.
- In [Indiana](#), research showed that students who used vouchers had significant losses in math achievement, and that those academic losses persisted for multiple years.
- In [Ohio](#), an evaluation of the state's voucher program found that "students who use vouchers to attend private schools have fared worse academically compared to their closely matched peers attending public schools."
- In [Washington, DC](#), research showed that their voucher program resulted in a significantly negative impact on student achievement in math. Researchers determined that the academic loss for students was equivalent to missing 68 days of school.

Fact #5: Most of NC's top private schools don't accept vouchers, and some of the schools receiving vouchers have come under fire for misusing taxpayer money.

- Many of the state's [top private schools don't accept state vouchers](#), meaning students are not afforded new opportunities at the best schools. [An independent school rater](#) identified the top 25 private schools in North Carolina. [More than half](#) of the top private schools do not accept vouchers.
- Instead, the schools that do participate often exclude certain students from attending and frequently do not meet key quality metrics. Recent research from the [Public School Forum of North Carolina](#) found that among the 200 private schools that received the most funding from the Opportunity Scholarship program during the 2023-24 school year (collectively, these schools received 75% of all voucher funding last year), 89% of them had some form of discrimination in the admissions process. More than one-third of the schools (38%) excluded students with disabilities, and more than two-thirds (68%) had a religious requirement to attend the school. Nine out of every 10 of these private schools has a religious affiliation and less than half (42%) were accredited.
- Several schools that do receive vouchers have recently faced investigations and questions about their use of taxpayer funds. [At least one case](#) led to an investigation from the State Board of Investigation after reporting found that they received vouchers for more than double the number of students enrolled.
- Public reporting has also raised serious questions about schools receiving taxpayer money despite [extreme social agendas](#).