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.

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. Just in the first year, private schools could siphon more than <u>\$200 million in state funding from public schools</u>.

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 <u>Ohio</u>, <u>Florida</u>, and <u>Arizona</u> expanded their voucher programs, the majority of students who received vouchers were existing private school students from wealthier families.
- 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 using taxpayer funding to provide private school subsidies to wealthy families, we should be fully funding our public schools. If the \$250 million in new funding the General Assembly allocated last year to the voucher program had been invested in public schools, then the state could have provided an additional 2.6% raise for teachers; or hired more than 2,100 additional school health personnel, which would have ensured that every public school has a school nurse; or provided an additional 10% raise for

• school bus drivers, teaching assistants, and other non-certified school staff; or served an additional 27,000 eligible four-year olds in the NC Pre-K program.

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. NC'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:
 - X Report on how students are performing.
 - Serve all students regardless of race, gender, socioeconomic status or religious beliefs.
 - X Hire licensed teachers.
 - \mathbf{X} Teach a curriculum based on the state's academic standards.
 - Y Provide services for students with disabilities.
 - Y 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 <u>Indiana</u>, research showed that students who used vouchers had significant losses in math achievement, and that those academic losses persisted for multiple years.

- In <u>Ohio</u>, 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 <u>Washington, DC</u>, 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.

- <u>An independent school rater</u> identified the top 25 private schools in North Carolina. <u>More</u> <u>than half</u> of the top private schools do not accept vouchers.
- But several schools that do receive vouchers have recently faced investigations and questions about their use of taxpayer funds.
- <u>At least one case</u> 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.
- In <u>another case</u>, a reporter was not able to identify the location of the private school that was receiving voucher funding.