

School Vouchers in North Carolina

Debates over school vouchers are growing as Republican lawmakers in the NC General Assembly are seeking to expand and increase funding for one of the state's voucher programs, the Opportunity Scholarship Program.



What are school vouchers?

A voucher is a term used to describe tax-sponsored funding provided to families to send their children to nonpublic schools.

History of Vouchers

The modern concept of school vouchers was introduced in the U.S. in the mid 1950s by economist Milton Friedman, framed as a way to spark competition and improve public school performance. In some southern states, including North Carolina, vouchers were established as a way for white families to avoid school desegregation after *Brown v. Board of Education*. In 1956, two years after the *Brown* ruling, the NC General Assembly passed and voters approved the Pearsall Plan, which would allow state funds to be allocated toward tuition grants for children assigned to desegregated public schools to attend segregated private schools.

Existing Voucher Programs

There are already two school voucher programs in North Carolina. The Education Savings Account Plus Program provides up to \$17,000 per year to cover educational expenses for students with disabilities and the Opportunity Scholarship Program provides up to \$6,400 per year to students from low income families to attend private schools.

Proposed Expansion

Companion bills **SB 406** and **HB 823** would eliminate income requirements to receive vouchers, making all students, not only those from low-income families, eligible to receive public funds to subsidize tuition at private schools. Students would be eligible to receive a voucher regardless of whether they have ever attended a public school. The bill would significantly increase taxpayer dollars going towards vouchers each year, from about \$94 million in 2022-23 to \$176.5 million in 2023-24 and reaching more than \$500 million annually by 2032.

Accountability

Private schools receiving taxpayer dollars are not held to the same **accountability and reporting requirements** as public schools. Accountability requirements in NC are weaker than in other states with such programs; among the seven states and DC that have a scholarship program for low-income students, four require students receiving scholarships to take state assessments. One of the other states and DC require that scholarship students take a common, nationally norm-referenced test. Schools receiving voucher funding must issue a nationally-normed exam, but it need not be the state assessment nor a common test across schools. Results are not reported publicly, making it very difficult to meaningfully understand and compare how voucher schools are performing.

What proponents say the bill will do.

What the bill would actually do.

Levels the playing field by providing children in need with alternative options if their public school does not fit their needs.

Children could receive a voucher having never attended public school. Kids from low-income households and students with disabilities already qualify for private school vouchers in NC. This bill would remove income requirements for families to receive vouchers, allowing taxpayer money to subsidize private school tuition for wealthier families who can afford to pay, including those who are already in private schools.

Provide universal school choice and increase equity of opportunity.

While any NC child could receive a private school voucher, the voucher does not guarantee access to the school of their choice. At many private schools, tuition costs are much higher than the amount the voucher provides. In many cases, families without financial means will be unable to pay the additional fees to gain access to the more elite private schools. Private schools are also not required to provide transportation or school meals, which means that many children whose families cannot provide these things will be excluded.

Unlike public schools, private schools choose which students to admit, and can deny entry or discriminate against students based on a number of factors such as religion, sexual orientation, and gender identity. Title IX prohibits discrimination based on sex, but exemptions exist for nonpublic religious and single-gender schools. And the Individuals with Disabilities Education Act (IDEA), which guarantees certain services and entitlements for students with disabilities attending public schools, would not apply for students whose parents enroll them in a private school.

Improve academic outcomes for students receiving vouchers.

Overall, research findings on the impact of vouchers are mixed and there is no conclusive evidence that vouchers improve student achievement. Several recent studies have found that vouchers result in lower student achievement, especially in math. It is impossible to meaningfully evaluate North Carolina's Opportunity Scholarship Program because students receiving vouchers are not required to take the same exams as students in public schools and other private schools.

Increasing taxpayer dollars going to private schools will not negatively impact students attending public schools.

Research has shown an association between increased funding for vouchers and decreased effort to fund public schools. North Carolina is not meeting its constitutional obligation to provide a sound basic education to all children, and the state already ranks lowest in the country in school funding effort relative to our state's wealth overall. A dramatic increase in state funding for private schools will mean that North Carolina taxpayers will be responsible for funding two, instead of one system of schools, which is likely to mean even fewer resources and opportunities will be available to students in public schools.