

School Vouchers in North Carolina

Debates over school vouchers are growing as lawmakers in the NC General Assembly have recently expanded and increased taxpayer dollars going to 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.

NC Voucher Programs

There are already two school voucher programs in North Carolina. The Education Savings Account Plus Program provides funding to cover private educational expenses for students with disabilities and the Opportunity Scholarship Program, which was previously reserved for low-income families, is now open to any family enrolling their children in private schools accepting vouchers regardless of income.

Recent Expansion

The 2023 state budget eliminated income requirements to receive opportunity scholarships, making all students, including those from higher income families and those who have never attended public school, eligible to receive public funds to subsidize tuition at private schools. The budget significantly increases taxpayer dollars for the opportunity scholarship program, totaling over \$1.7 billion in planned appropriations over 9 years. A new bill in 2024 proposed to allocate \$248 million more in 24-25 to provide scholarships to children from higher income families who are on the waiting list, but it did not pass.

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. 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. NC private 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 how they are performing.