2020 Legislative Session Issue Brief

School vouchers and scholarship tax credits

Strong public schools have been the key to a better life for generations of Minnesotans, but this foundation could be weakened by proposals to bring vouchers or tax-credit scholarships to our state, despite study after study showing the approach doesn’t work.

Vouchers and scholarship tax credits are essentially the same thing. Scholarship tax credits are available in at least 18 states and are being pursued in many others. They both redirect money from public schools into accounts for students to use on other education expenses, including private school tuition.

The use of vouchers for private religious schools is legally questionable in Minnesota because of article 13 of the state constitution: "In no case shall any public money or property be appropriated or used for the support of schools wherein the distinctive doctrines, creeds or tenets of any particular Christian or other religious sect are promulgated or taught."

Vouchers are unaccountable

Voucher and tax-credit programs do not require participating private schools to comply with the same teacher standards, curriculum, reporting and testing requirements as public schools. Often times, the bills that pave the way for vouchers and tax credits allow federal funds to be used at unaccredited private or virtual schools, or used for home-schooling that does not use accredited, comprehensive curriculum. In the majority of states with voucher and tax-credit programs, private schools receiving public funds operate with little oversight, few financial or academic reporting requirements and no sanctions for poor results.

Private schools where vouchers and tax-credit scholarships can be used can teach content that doesn’t meet state standards and without the approval of any accrediting body. Minnesota doesn’t require private schools to be licensed by the state. Private school teachers are less likely to be licensed, and such schools are under no obligation to inform parents about teacher credentials.

Vouchers reduce access to high-quality education

Education policy should benefit all students, or at least avoid harming some to benefit others. Private schools attended by voucher students follow fewer federal civil rights statutes than public schools. For example, private schools can, and do, turn students away on the basis of their parents’ faith, sexual orientation, gender identity, health condition and disability.

Although tax-credit and voucher programs are often touted as benefiting the poor, the money often goes instead to middle class families, who use it to subsidize the cost of a private-school tuition they could already afford. In these cases, there’s no net gain in access to education options.

In tax-credit states such as Arizona, the majority of tax-credit dollars go to students from middle-class and upper-income families who were already enrolled in private schools before the advent of tax-credit scholarships. And, while absorbing millions of dollars in tax-credit scholarships, private schools hiked tuition dramatically, putting

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themselves further out of reach of struggling families. After 12 years with their tax-credit scholarship program, Arizona's private schools were no more diverse than they were before the program started.

Similarly, voucher payments rarely cover the entire cost of tuition or other fees for private schools. Vouchers often only work for families with money to cover the costs of the rest of the tuition, uniforms, transportation, books and other supplies. A study of the Washington, D.C., voucher program found that most of the students using vouchers had already been enrolled in private schools before the use of vouchers, showing again that these programs do more to aid the wealthy than they do to make private education accessible to all. There were similar findings for programs in Indiana.

Vouchers and tax-credit scholarships reduce access to high-quality education for less wealthy families. Financially weakened by falling per-pupil revenue, but still obligated to pay fixed costs, public schools are forced to make budgets cuts. Those cuts affect the education offered at neighborhood schools, reducing access to the quality of public education on which Minnesota prides itself.

**Vouchers are irresponsible**

Voucher programs have not proven effective in improving academic outcomes for students. According to studies of the Washington, D.C., Milwaukee and Cleveland school voucher programs, students offered vouchers do not perform better in reading and math than students in public schools. And in Louisiana, students at voucher schools have fared much, much worse than their counterparts who stayed in public schools.

It is irresponsible to use taxpayers’ money on an education strategy with no proven history of improving educational success for individual students, but one that excludes whole classes of children, transfers taxpayer money beyond the reach of public accountability and could damage the quality of education in public schools for more than 830,000 Minnesota students across every community in the state.