

# US states de-fund public education through expanded voucher schemes

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State governments across the country are continuing the nationwide drive to dismantle public education through the expanded use of vouchers, “education savings accounts,” and tax-credit scholarship programs. In a wave of recent legislation and court rulings, these programs are set to divert an ever-increasing amount of public money from the public education system to private schools.

Currently, 17 states facilitate the funneling of public money to private schools through the use of such programs. In the 2011-2012 school year alone, \$350 million that would have gone to public budgets instead paid for private scholarships of about 129,000 students.

Eight states allow wealthy individuals and corporations to donate money to scholarship programs—which can be used to pay for tuition at private schools—in exchange for tax deductions, in many cases matched dollar-for-dollar. So, at no net cost to themselves, these donors can divert public tax money away from public schools and into private ones.

The children of donors, and those of their extended families, may be awarded the scholarships, even if they are already attending private school. In this way, wealthy families siphon money previously allocated for public schools, which they themselves were not using, to pay for the private education of their own children, while contributing nothing at all.

Most private schools receiving funding from the programs are religious, often teaching from anti-scientific curricula that includes creationism, and even requiring students and their families to take an oath of religious faith. In 2002, the US Supreme Court ruled that vouchers are constitutional and do not violate the provision separating church and state.

However, many state and lower courts have seen legal challenges to these programs, sometimes based on

church and state separation clauses in the states’ own constitutions. But special interest groups, such as the race-based Black Alliance for Educational Options and the libertarian law firm Institute for Justice, have fought in court in favor of vouchers in Louisiana and Indiana.

Legally, the scholarship programs are usually determined to be insulated from the Constitution’s church and state separation mandate because the donations are collected and doled out by unaffiliated organizations of middlemen, hordes of which have come scrambling to fill this role.

A parasitic niche industry has thereby sprung up. Pennsylvania’s program allows such intermediary organizations to pocket 20 percent of donations as “administrative fees”. In that state, more than 200 separate organizations oversee tax-credit scholarships and distribute \$40 million per year in tax-deductible corporate donations.

In Arizona, which was the first state to adopt a tax-credit scholarship program in 1997, the state legislature last May broadened eligibility for an additional scheme involving so-called “education savings accounts”. Differing slightly from a voucher system, the savings accounts program collects a portion of public education funds in special bank accounts accessible to families with school-aged children. Families may use the money to send their child to a traditional public, charter or private school, or to home-school them.

Originally the Arizona program was limited to special-needs students, but has been expanded to include children at so-called “failing” schools—that is, schools in economically backward areas marked for closure or charterization—where children are unable to achieve the same scores on federally mandated standardized tests as their counterparts in affluent areas. One in five Arizona schoolchildren thereby qualify.

Darcy Olsen, president of the Goldwater Institute, the lobbying group that designed and campaigned for Arizona's savings account program, told the *New York Times*, "It will be the end of schools that don't perform, and that's a blessing."

There is no indication, however, that students at private schools get better educations. Many do not even have to take the standardized tests mandated federally for public schools—the very mechanism by which “failing” public schools are singled out for de-funding and closure.

Other states have recently initiated, expanded, or upheld similar programs. On March 14, Alabama Governor Robert Bentley signed into law a bill giving tax credits, estimated at \$3,500 per pupil annually, directly to families of children in “failing” schools—presently defined by the state as those performing in the bottom 10 percent in reading and math—to encourage a private education or transfer to a different public school.

The Alabama bill likewise allows tax credits to be given to corporations and individuals who make donations to the program, to be tapped when private school tuition exceeds \$3,500. Estimates of the amount of money diverted from the state's public education fund range from \$60 million to \$270 million annually. Alabama's teachers union, the Alabama Education Association, threatened to challenge the law in court on procedural grounds, claiming last minute changes were made to the bill. No mass action of its membership has been planned.

On March 26, Indiana's Supreme Court ruled unanimously to uphold the state's voucher program. The suit was brought by the Indiana State Teachers Association (ISTA). Teresa Meredith, ISTA's vice president and the plaintiff in the suit, crassly called the decision “not great news”. She says ISTA has not discussed appealing the case in federal court. ISTA likewise has organized no mass action to oppose the program.

Indiana's program is the fastest growing in the nation, with 9,324 students receiving vouchers for the 2012-2013 school year, up from 3,919 last year. It currently removes \$38 million annually from public school funding. But House Bill 1003, which is presently being debated in the Indiana State Senate, would further expand voucher eligibility.

The list of other such actions across the country goes on.

Set to take effect this year in Washington D.C. is a huge expansion of the district's voucher program as part of the SOAR act, authored by a bipartisan congressional team. It will shift an additional \$60 million in federal money toward vouchers.

Strongsville, Ohio teachers are currently on strike to oppose a law signed last June that cut nearly \$3 billion in public education funding and expanded the state's voucher program.

Georgia's tax-credit scholarship program, which began in 2008, diverts about \$50 million a year from the state treasury to private schools.

In February of this year, New Jersey's Governor Chris Christie allocated \$2 million of the state budget toward a pilot voucher program.



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