



The Myth of Cost Savings from Private School Vouchers

When states establish or expand private school voucher programs, they set up two education systems based on public funding. Voucher programs are expensive, impractical, and educationally unsound, and they don't save money for anyone but the wealthy, who have likely already chosen private schools.

- **VOUCHERS ARE MORE EXPENSIVE THAN PUBLIC SCHOOLING**

A 2018 study found the cost of educating a student through an Arizona private school voucher program was 75% higher than the cost of educating an Arizona public school student.¹ Another study estimated that shifting to a system of private school vouchers could raise education costs by 25% or more when accounting for students who would have attended private schools without a voucher and the additional administrative costs for the program, such as record keeping and monitoring.² A 2021 policy brief exploring the cost of implementing a large-scale, national voucher system estimated that universal vouchers could increase the total public cost of education by 11-33%, an increase of \$66-\$203 billion per year.³

- **VOUCHER PROGRAMS ARE EXPENSIVE TO OPERATE; FRAUD AND ABUSE BOOST COSTS FURTHER**

Private school voucher programs have costs beyond the face value of the voucher, including record keeping, information dissemination, and dispute adjudication.⁴ Even states with lax accountability systems in their voucher programs must set up and implement the program, disburse funds, and, on occasion, interface with private schools. When more robust accountability systems are in place, state education departments must monitor the use of voucher funds by families and private schools. Requiring states to monitor two separate education systems is an inefficient use of limited resources. Voucher programs become even more costly when factoring in waste and abuse. Examples of the misuse of public funds have been found in several states, including North Carolina,⁵ Utah,⁶ Wisconsin,⁷ Arizona,⁸ and Florida.⁹ Moreover, the necessary audits and oversight to prevent and address such abuse consume additional public resources.

- **VOUCHERS SHIFT EDUCATION EXPENSES TO PARENTS**

Whereas public schools provide transportation, special education services, and free or reduced-price lunches for qualifying students, these and other essential services must often be purchased separately by families using vouchers to attend private schools.¹⁰ This is in addition to the frequent need to “top up” the value of a voucher to cover the full cost of private school tuition.¹¹

The price tag of universal voucher programs is often significantly underestimated, resulting in programs that are vastly more expensive than initially promised. Public Funds Public Schools' [advocacy tool](#) allows users to estimate the potential price tag of a universal voucher program in any state.

- **VOUCHER PROGRAMS SUBSIDIZE PRIVATE EDUCATION FOR STUDENTS WHO WOULD NOT OTHERWISE HAVE ATTENDED PUBLIC SCHOOL**

It is not true that voucher programs simply shift funds that would have been spent on public school students to pay for their private education. When states establish private school voucher programs, families already paying for or planning to use private education often participate.¹² In states where this information is available, the data shows that the vast majority of students who take vouchers never attended public schools, including: North Carolina (87%),¹³ Oklahoma (91%),¹⁴ Alabama (71%),¹⁵ Iowa (60%),¹⁶ Arizona (80%),¹⁷ New Hampshire (89%),¹⁸ Wisconsin (85%),¹⁹ Arkansas (83%),²⁰ Florida (70%),²¹ and Indiana (70%).²²

Many voucher laws permit participation by students who have not previously attended public school, and several states have established voucher programs without any eligibility criteria whatsoever.²³ It is wholly inaccurate to assume that students receiving a voucher switched from public to private education.²⁴

- **VOUCHER PROGRAMS INCENTIVIZE PRIVATE SCHOOLS TO INCREASE THE COST OF TUITION**

When states enact new voucher programs or increase the amount of a voucher offered through an existing program, private schools are incentivized to increase tuition. An analysis found that some private schools in Iowa increased tuition for the 2023-24 school year by nearly 40%, while others doubled tuition following passage of a universal education savings account (ESA) voucher program.²⁵ Another study of the Iowa voucher program found that the tuition increase was causally related to the voucher program.²⁶ In Arizona, a report found that nearly all private schools have raised tuition since 2022, with almost half increasing tuition by 10% or more, and in several cases by more than 20%.²⁷ In North Carolina, an analysis found that, on average, private schools raised tuition by about 15% the year following universal expansion of the state's voucher program compared to 2-8% on average in prior years. Many schools also adjusted their tuition to match the voucher amount.²⁸ Another analysis found that several rural private schools in North Carolina increased tuition for the 2024-25 school year between 20 and 50%.²⁹

- **VOUCHER PROGRAMS DO NOT CHANGE FIXED COSTS IN PUBLIC SCHOOLS**

Public schools, which serve the vast majority of the nation's students, have substantial "fixed costs." Because students who participate in voucher programs exit their public school districts from different schools, grade levels and classrooms, districts cannot proportionally reduce facilities, staff, programs, and other fixed costs to fully offset the loss of funding that is diverted to voucher programs.³⁰

- **VOUCHER PROGRAMS CONCENTRATE STUDENTS WHO REQUIRE INCREASED RESOURCES IN PUBLIC SCHOOLS**

Because private schools can refuse to admit or provide adequate services for students with disabilities, English learners, and others who may require increased resources for an equitable education, these students are more frequently educated in public schools. Private schools participating in voucher programs may also "counsel out" or expel students they deem "high cost"³¹ or push out the lowest achieving voucher students.³² In other cases, families return their children to public schools when they realize they are not receiving the necessary services or supports, or are not entitled to the same legal protections, as in public schools. Public schools continue to require sufficient resources to serve students with additional needs, even when public funds are diverted from them to pay for vouchers.

- **INVESTING IN PUBLIC SCHOOLS IS MORE COST EFFECTIVE THAN VOUCHER PROGRAMS**

Private school voucher programs threaten vital funding for public schools³³ but are not shown to improve students' academic outcomes.³⁴ Public funds should be used to invest in evidence-based and cost effective strategies that have been shown to increase student achievement,³⁵ such as expanding access to high-quality early childhood education,³⁶ reducing class sizes³⁷ and improving wrap-around services and enrichment opportunities, to name just a few examples. When we invest in public schools, all students and their communities have true opportunities to learn, grow, and thrive.

Public Funds Public Schools is a national campaign directed by Education Law Center that works to ensure public funds are used exclusively to support and strengthen our nation's public schools. pfps.org

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