

WHY STATES MUST OPT OUT OF FEDERAL VOUCHERS

The massive 2025 spending bill that cut health care and nutrition benefits for millions of Americans also included a federal school voucher program with a tax break that could drain billions of dollars from our public schools.

Now states are beginning to opt into the program – even though there are barely any details about how it will be run! **Our governors have a choice to make – and an opportunity to protect public education.** Here's what to know and how to talk about the federal voucher program.

HOW DO VOUCHERS IMPACT KIDS AND PUBLIC SCHOOLS?

90% of American kids attend public schools. Voucher programs take money away from public schools and funnel it to private schools that aren't required to welcome all students equally.

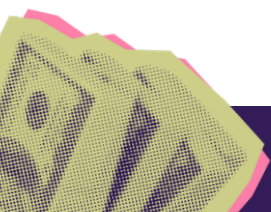
In fact, this federal voucher scheme could **divert up to \$50 billion** away from public schools every year, according to the nonpartisan Institute on Taxation and Economic Policy. We already know that a majority of voucher money flows to affluent families whose kids already attend private school.

Unlike public schools, private ones can reject kids based on disability, income level, religion, whether they're LGBTQ+, or even their race. And many rural communities simply don't have any private or charter schools in their area.

HOW DO FEDERAL SCHOOL VOUCHERS WORK?

The federal voucher program passed in the 2025 spending bill provides a tax break – an unprecedented dollar-for-dollar tax credit – on donations to organizations that give out private school vouchers. People can even donate stocks to avoid paying tax on capital gains, something that only benefits the wealthiest few.

So not only will this redirect money away from public schools, it provides yet another way for rich people to avoid paying taxes. In fact, the program is run by the Treasury – not the Department of Education!





WHY SHOULD MY STATE OPT OUT?

Vouchers are wildly unpopular. Voters across the country want fully-funded public schools, so they have rejected voucher measures every time they've been on the ballot – 17 times so far

Also, the rules for this voucher program have not been released. Why are our leaders rushing to make a decision without all the facts? No governor should commit to this program without answers: Will students who use vouchers be protected from discrimination? Can states request data to evaluate the success of the program?

What will the financial impact be on the state? Participating in this program could mean states lose federal funding for public schools while also taking on unknown, new costs to implement and oversee the voucher program.

It's also unclear whether states will be allowed to track how the money is spent, or whether there will be any meaningful accountability to prevent fraud or waste.

Participation in this program is completely voluntary and states must opt in on an annual basis. There's no penalty for waiting – which means there's no reason for our governors to rush a decision without understanding the consequences.

WHAT CAN I DO?

Reach out to your governor and tell them to opt out of federal vouchers to protect public schools. At the very least, they need to wait for regulations to be finalized to understand the impact of the voucher program and make an informed – not a rushed – decision.

