

# RESEARCH BRIEFS

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## Wisconsin Vouchers: Private subsidies at public expense

Wisconsin has a constitutional responsibility to fund public schools, not private ones. When Thomas Jefferson penned the Northwest Ordinance in 1787, establishing boundaries and governance for new territories in the Midwest, he included many provisions that established human rights, including free public education for the common good.

Jefferson drew upon “natural rights” thinking from the Enlightenment that informed many aspects of the American Revolution. The Ordinance codified rights for a trial by jury, habeas corpus, due process, and religious freedom—all shortly thereafter enshrined in the U.S. Constitution and Bill of Rights. Jefferson proclaimed: “Knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged.”

The Federal government granted land within each township to fund the new public system of education. Later, as Midwestern territories became states, Wisconsin and other states enacted in their founding constitutions provisions to advance and support public schools, including the office of public school superintendent.

Vouchers undercut this fundamental democratic promise of a free public education. They are designed to support the private sector at public expense. Wisconsin’s 2015-17 State Budget increased the use of vouchers to divert state aid away from public schools to support private schools instead. As private schools grab more vouchers through time, our public schools lose more and more funding.

State aid for each private voucher rose 22 percent between 2010 and 2015, while per pupil revenue for public schools *decreased* 2.0 percent. In inflation-adjusted terms the loss of resources for public school students was even greater.

Proponents want to increase voucher amounts to \$10,000, expanding statewide subsidies for private schools to more than \$1 billion annually if all private students are included. The money has to come from somewhere and under this formula new revenue for private education will come from funds currently supporting public schools.

Voucher funding forces school boards to pay up or to cut programs and services for children they were elected to serve. As districts lose state aid to pay for private tuition they have two options: cut funding, or levy to make up for the loss. Any increase in the levy is fully on local taxpayers who are now absorbing the new voucher tax.

As constituted, voucher funding harms public schools in numerous ways. First, frustration over the property tax is likely to be directed at school boards, not the private schools to which state aid is diverted. Second, community wealth will become more determinative of school quality as districts increasingly rely on local revenue. Children in well-off neighborhoods will be provided with a better education to get ahead, moving Wisconsin away from the ideal of equal opportunity.

Third, all school districts will be affected because the state equalization formula is driven by property values and enrollment. If values stay the same and enrollment goes up in a given district (voucher kids are now counted in a district's aid formula), that school gets more state aid depriving other schools of these resources. The additional aid, of course, is actually going to private school tuition.

And finally, through time, as increasing amounts of private tuition are taken out of the pool of aid allocated for public education, fewer resources will be available for public school children statewide as available aid continues to shrink.

None of this promotes the common good. Hundreds of millions of dollars will be taken away from children in public schools. Hardworking families in Wisconsin are now forced to pay the tuition of kids already attending private school; and, in a separate piece of legislation, also to pay for tax breaks (credits) for those very same private school families. With these policies, the Legislature appears to be paving the way for a private takeover of public education.

With each annual increase in the number of vouchers allotted, the spigot for private funding opens further and further. More for-profit schools can arise, ready to exploit Wisconsin's newly emerging market in education. Voucher funding is morphing into a statewide scheme that allows our tax dollars to be handed over to the private sector.

In its ultimate expression, just a few years down the road, vouchers will expand corporate control over one of the most important democratic institutions we have: public education. Taxpayers will be footing the bill as private school franchises housed on Wall Street increasingly draw dollars out of our communities and away from our public schools.

## **Sources**

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Center on Education Policy, "Public Schools and the Original Federal Land Grant Program," April 2011.

Wisconsin Department of Public Instruction, "Final 2013-15 Budget with Vetoes," July 2013.

Wisconsin Department of Public Instruction, "Final 2015-17 Budget with Vetoes," July 2015.