

Federal EdChoice for Children Act of 2024 would heap voucher funds on top of state voucher schemes.

The [federal voucher bill](#) would permit taxpayers to reduce their federal tax bill on a dollar-per-dollar basis by donating funds to a scholarship granting organization (SGO).

Private schools in Ohio would become bloated with more and more tax funds. Ohio private schools receive taxpayer funds in multiple ways:

- Direct payment
 - Auxiliary services
 - Non-public administrative cost reimbursement
- EdChoice vouchers
- Other voucher programs
- Tuition Tax Credits
- Facility payments
- Student transportation via public school districts
- Pending legislation—Education Savings Accounts (ESA's)

Meanwhile, public schools are depending more and more on property taxes.

What Is In The Federal School Voucher Bill

[Peter Greene](#)

Senior Contributor

Updated Dec 11, 2024, 04:25pm EST

The [Educational Choice for Children Act of 2024](#), introduced by [Representative Adrian Smith \(R-NE-3\)](#), would create school vouchers on the federal level, and as with all voucher programs, the devil is in the details. What do we find when we take a look under the hood?

So far in the U.S., school vouchers have been made policy on the state level. Federal vouchers have been proposed before. Betsy DeVos, a [long time voucher supporter](#), tried [pushing a federal voucher program](#) during her tenure as Donald Trump's education secretary. ECCA is similar to her proposal.

How will it be funded?

ECCA proposes a tax credit scholarship funding method. That means that those wishing to take advantage of the program would give money to a scholarship granting organization (SGO), which would in turn administer and grant the voucher funds to eligible students. The taxpayer's contribution to the SGO would count as a dollar-for-dollar tax credit against their federal taxes for that year.

The taxpayer is allowed to put a maximum of either \$5,000 or 10% of their adjusted gross income (whichever is greater) into the SGO.

Who is eligible for the voucher?

Students would be eligible for the voucher if they are members of a household "with an income which is not greater than 300 percent of the area median gross income." [Real median household income in 2023](#) for the country was \$80,610, but AMGI would presumably use gross incomes rather than net, and would be tied to a particular area, meaning that the wealthier the "area," the higher the eligibility cap. (Rep. Smith's office has not yet responded to a request for further clarification).

The other eligibility requirement is that the student be “eligible to enroll in a public elementary or secondary school,” meaning that students currently enrolled in private or religious schools would be eligible, even if they had never attended public school before.

How can the voucher be spent?

In this respect, ECCA resembles the [education scholarship accounts \(ESA\) vouchers](#) used in some states. Families are given the voucher funds which they may spend on any of several “qualified expenses,” which include private school tuition, books and instructional materials, fees for national tests (like SAT or AP tests), or educational therapies.

The bill also allows the voucher monies to be spent for homeschooling expenses.

What requirements are there to be an SGO?

To meet the requirements for a scholarship granting organization, the organization must provide vouchers to more than one student, and the students must not all attend the same school.

The SGO must not earmark their funds for a particular student, must not allow voucher money to be spent on anything other than qualified expenses, and must verify the incomes of the families receiving vouchers. They must hire an independent accountant to audit their records and report that the audit is complete to the Secretary. They may not engage in self-dealing, and no officer or board member can have a felony conviction.

The SGO may hold on up to 10% of the funds for administrative purposes.

What is the total cap on the program?

With this type of financing, every contribution to the SGO represents funding the federal budget does not get. The cap on the total amount of funding for the program is \$5 billion; in other words, \$5 billion dollars less collected from taxpayers.

That amount would increase over time; the bill allows that after a “high use calendar year” in which 90% of the total amount of the cap was used, the following year’s cap will be 105% of the previous year.

Does the bill allow discrimination by schools?

It does. Following the pattern of [many state voucher programs](#), ECCA specifically forbids any attempt by the government to control private schools receiving voucher dollars, and forbids “imposition of any conditions or requirements that would exclude or operate to exclude educational expenses at private or religious” schools.

SGO’s are granted “maximum freedom” and granted “no government control.” It is not clear what department, if any, would have oversight of the SGOs.

What qualifications does the bill require to be a qualified provider of services?

None. ECCA does not list any requirements or restrictions for schools or other education providers to qualify for accepting ECCA vouchers.

Are there any unusual features of the bill?

Everything listed so far can be found in the voucher laws of other states. ECCA does have one new and different piece of language:

No Federal, State, or local government entity, or officer or employee thereof, shall disfavor or discourage the use of scholarships granted by participating scholarship granting organizations for qualified

CC3950 1.7.25 Tuesday

elementary or secondary education expenses at private or nonprofit elementary and secondary education institutions, including faith-based schools.

There is no clarifying language on what sort of action would constitute disfavoring or discouraging use of these vouchers.

The bill is also unusual in that it does not specify the amount of the vouchers to be awarded.

Follow me on [Twitter](#) or [LinkedIn](#). Check out my [website](#).