

## **The Federal Administration is making false claims about the federal school voucher program-- Education Law Center (ELC) debunks all of them.**

The federal government is now in the school voucher business in the form of Tuition Tax Credits. No doubt to soften the blow to knowledgeable citizens, the Feds have issued misleading statements about the program. The Education Law Center (ELC), in February 2026, issued a bulletin that debunks the federal claims.

Under the federal initiatives, a federal income taxpayer can receive up to 100% of a \$1700 annual contribution to a “scholarship granting organization” (SGO). Hence if one gives \$1700 to an SGO, his/her federal income tax for the tax year is reduced by \$1700.

### [DEBUNKING THE TRUMP ADMINISTRATION'S CLAIMS ABOUT THE FEDERAL VOUCHER PROGRAM](#)

Public Funds Public Schools (PFPS) | Education Law Center (ELC)  
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On January 27, 2026, the U.S. Department of Education (USED) and U.S. Department of the Treasury (Treasury) released a [fact sheet](#) on the federal voucher program contained in the federal budget reconciliation bill passed last year. But the fact sheet misrepresents the truth about vouchers. It is the latest attempt by the Trump administration to promote this dangerous program by making false claims and distorting its potential impacts.

The federal voucher program diverts federal tax dollars from the Treasury, providing a 100% tax credit up to \$1,700 annually to individuals who make contributions to “scholarship granting organizations” (SGOs), which will pass out vouchers that can be used to pay tuition at private and religious schools. Research and data show that private school voucher programs harm students, schools, and states by diverting public funds away from the public schools that welcome all students to private entities that don’t produce better educational outcomes, have little accountability to the public, and often blatantly discriminate against children and families.<sup>1</sup> The federal voucher program is part of the Trump administration’s ongoing efforts to undermine public education.

But the public deserves to know the truth. Below, we debunk six falsehoods in the Trump administration’s so-called “fact” sheet.

#### **False Claim 1: Vouchers expand educational access and opportunities for students.<sup>2</sup>**

##### **Facts: Most students face numerous barriers to accessing private schools or other learning opportunities that vouchers do not address.**

Students who take a voucher to attend a private school—particularly LGBTQ+ students, students of various religious faiths, and other vulnerable populations—risk losing civil rights protections that they are guaranteed in public schools.<sup>3</sup> Students with disabilities lose many of their special education rights when they take a voucher to attend a private school, and many private schools do not provide special education programs and services.<sup>4</sup> English Learner students are also likely to have very few options for private school.<sup>5</sup> Moreover, under the federal voucher program, SGOs can also discriminate against students (even those seeking a voucher for public education expenses). Thus, the program creates two layers of potential exclusion for vulnerable students, being rejected either by SGOs or private schools.

Additionally, vouchers are not a viable option for rural students with no private schools nearby or for lower-income families because vouchers do not fully cover tuition and other expenses.<sup>6</sup> Finally, evidence from multiple state voucher programs demonstrates that most students who receive a voucher already

attend private school, making vouchers mainly a subsidy for wealthy families already accessing private education.<sup>7</sup>

**False Claim 2: Vouchers do not take money from public schools.<sup>8</sup>**

**Facts: All vouchers divert public funds away from public schools, and the federal voucher program will be no different.**

Public schools receive funding largely based on the number of students they enroll. When students take vouchers and exit their local districts to attend private school, public school funding decreases, but fixed costs remain, leaving students in those schools with fewer resources and educational opportunities.<sup>9</sup> This may include reduced teachers and staff, increased class sizes, and cuts to programs and services.<sup>10</sup> In some cases, schools are forced to close as a result of funding cuts due to voucher programs.<sup>11</sup> What's more, because private schools often discriminate against higher need, more costly-to-educate students, these students become concentrated in public schools with fewer resources available to serve them. Many school districts across the country already face severe underfunding. And because voucher costs almost inevitably increase over time, public school funding continues to decline, and the burden on taxpayers rises.<sup>12</sup>

The federal voucher program will also significantly decrease federal tax revenue, which could be used for public education funding and other services that support vulnerable students. Federal funding streams, such as Title I for economically disadvantaged students and the Individuals with Disabilities Education Act (IDEA), provide critical support to students in public schools across the country. Diminishing the federal treasury imperils these and many other programs.

Thus, far from claims that the federal voucher program represents “free money” for states, in reality, it comes at a great cost to public schools, students, and taxpayers.<sup>13</sup> It is a significant part of the Trump administration's goal of defunding, delegitimizing, and ultimately destroying public education.

**False Claim 3: Vouchers improve student outcomes.<sup>14</sup>**

**Facts: Despite strident insistence by pro-voucher groups, vouchers do not improve outcomes for students. High-quality, large-scale studies demonstrate that vouchers have significant negative impacts on academic outcomes.**

Study after study assessing the impact of voucher programs on student outcomes—in states from Indiana to Ohio to Louisiana—demonstrate that students using vouchers perform worse in subjects such as reading and math when compared to their prior achievement or to their peers who remain in public schools.<sup>15</sup> Seven of nine large-scale studies conducted between 2015 and 2019, some spearheaded by voucher advocates, found detrimental effects from voucher programs, while the remaining two showed no statistically significant effects.<sup>16</sup> The negative educational effects of voucher programs are “on par with what the COVID-19 pandemic did to test scores, and larger than Hurricane Katrina's impacts on academics in New Orleans.”<sup>17</sup> Conversely, a body of research conducted nationwide over many decades provides compelling evidence that increased public school spending leads to improved student outcomes.<sup>18</sup>

The USED/Treasury fact sheet itself fails to provide compelling evidence or adequate citations to research that would support its claim that vouchers improve student outcomes. The fact sheet cites just one source: The 123s of School Choice, an annual report published by the pro-voucher organization EdChoice.<sup>19</sup> The 123s of School Choice “research guide” purports to survey the existing literature on vouchers and concludes that most studies show vouchers have positive effects.<sup>20</sup> However, these guides have been debunked as faulty and misleading. For example, a National Education Policy Center (NEPC) review of EdChoice's 2023 edition found that the guide leans on a methodology widely condemned by researchers in the field as being simplistic, “flawed,” and to “be avoided whenever possible” because it

can misrepresent overall takeaways from the literature.<sup>21</sup> Similarly, in 2019, an NEPC review found EdChoice's analysis to constitute a "misrepresentation of what research has been conducted" because it makes exaggerated claims based on studies that are selectively chosen and often not peer reviewed.<sup>22</sup> Like EdChoice, the USED/Treasury fact sheet also makes several claims about positive effects of vouchers without citing any sources whatsoever.

By falsely claiming that vouchers improve student outcomes, the USED and Treasury fundamentally mislead the public about the harm a federal voucher program will inflict.

#### **False Claim 4: Vouchers do not burden taxpayers.<sup>23</sup>**

**Facts: Vast empirical evidence demonstrates that voucher program costs increase over time, and the burden on taxpayers rises.**

A report examining voucher programs in seven states found that from fiscal years 2008 through 2019, each state dramatically increased expenditures of public funds on vouchers, with growth in Georgia reaching 883 percent.<sup>24</sup> Florida's now-universal voucher program cost almost \$4 billion in 2024-25<sup>25</sup> and created budget crises that set off school closures and mass layoffs in districts across the state.<sup>26</sup> As another example, a 2018 Arizona study found that, instead of the promised savings, vouchers cost taxpayers 75% more than public school education.<sup>27</sup> When Arizona instituted universal eligibility for vouchers in 2022, the program "blew a massive hole in Arizona's budget,"<sup>28</sup> and fueled declines in public school enrollment costing districts hundreds of millions of dollars in per-pupil funding.<sup>29</sup> Additionally, the federal voucher program includes no meaningful quality or accountability standards; like state voucher programs, it will invite waste, fraud and abuse.<sup>30</sup>

The federal voucher program is funded with federal, rather than state, dollars. But the fact sheet's declaration that "this credit does not divert money from local or state taxes" does not mean taxpayers won't feel a negative impact. The one-to-one tax credit for contributions to SGOs means that tax dollars owed to the federal government are re-routed to the voucher program. The loss of billions of dollars in tax revenue by the federal government will mean that taxpayers will feel the effect either as cuts to federal programs and services that no longer have funding, or as increased federal taxes to cover this budget hole. Finally, as explained above, voucher programs cause funding losses for public schools, meaning taxpayers will again feel the effects either as cuts to school programs and services or increased state and local taxes to fill school districts' budget shortfalls. The fact sheet states the federal voucher program is part of the Trump administration's "Working Families Tax Cut Act," the recent rebranding of the One Big Beautiful Bill Act. But despite the opportunity for a tax credit for those individuals who contribute to SGOs, we know the federal voucher scheme is far from a windfall for taxpayers in general. And the great majority of taxpayers would prefer efforts to improve affordability without harming community-based public schools. This is evidenced by the fact that vouchers have been soundly defeated by voters for decades, as well as the numerous polls that show strong support for local public schools.<sup>31</sup>

#### **False Claim 5: Vouchers provide families with affordable education options.<sup>32</sup>**

**Facts: Vouchers frequently do not cover the full cost of private school tuition.<sup>33</sup> And they are usually insufficient to cover other essentials that are provided for free in public schools, such as transportation, services for students with disabilities, and meals.<sup>34</sup>**

Because vouchers shift much of the cost of core educational resources to recipients, they are mainly used by families whose children already attend private schools and who can afford any tuition and expenses beyond what a voucher covers.<sup>35</sup> Under the federal voucher program, ninety percent of U.S. families, including those with incomes of nearly \$500,000 in some counties across the country, are eligible for their children to receive vouchers.<sup>36</sup> There is no requirement that a student receiving a

voucher to pay for private school ever attended a public school. Thus, the federal voucher program, like state programs, will likely function largely as a subsidy for the wealthy.

**False Claim 6: The federal voucher program enjoys public popularity.<sup>37</sup>**

**Facts: Vouchers are historically unpopular, and voters have rejected voucher programs every single time the choice has been put to them at the ballot box.<sup>38</sup>**

While the USED/Treasury fact sheet cites “new poll” results supposedly showing that Americans support vouchers and “will vote accordingly,”<sup>39</sup> just a year earlier, in 2024, voters in Colorado, Kentucky, and Nebraska rejected vouchers via ballot measures.<sup>40</sup> The fact sheet further relies on praise for the federal voucher program by Nebraska Governor Jim Pillen, even though Nebraska voters overwhelmingly rejected a state voucher program in the 2024 election.<sup>41</sup>

Local public schools, on the other hand, are often the center of their communities and have broad popular support. Polls have repeatedly shown that a majority of voters across the political spectrum don’t want private school vouchers and do want public funds to be spent on public schools.<sup>42</sup>

The establishment of a federal school voucher program is part of a broader assault on public education, one of the most important common goods underpinning American democracy. But federal vouchers cannot be forced on states that don’t opt in. We must not allow false information to fuel the adoption of this harmful program.

[Public Funds Public Schools](#) (PFPS) is a national campaign directed by [Education Law Center](#) to ensure that public funds for education are used to support and strengthen public schools. Find additional PFPS tools for advocates, including reports, policy briefs, fact sheets, and an extensive series of webinars, on the [Advocacy](#) webpage. Visit the [Research](#) webpage for studies showing the harms of private school voucher programs on students and public schools. Use the PFPS [bill tracker](#) to monitor state and federal voucher legislation. This two-page [Advocacy Tool](#) and [Frequently Asked Questions](#) guide provide information about the federal voucher program, including the harms of vouchers and the many reasons states must opt out of this voucher scheme in order to protect public education. For more information, visit [pfps.org](https://pfps.org).

\*view [online](#) to see footnotes