An Open Letter to Governor Phil Murphy, Senate President Scutari, Assembly Speaker Coughlin, and New Jersey Legislators

April 2, 2024

Governor Murphy, Senate President Scutari, Assembly Speaker Coughlin, and Members of the Legislature:

We write in strong and united opposition to A4144/S3035.

Make no mistake – this bill would create New Jersey's first and only PRIVATE SCHOOL VOUCHER program. Do not be fooled by code words like "scholarships" and "student support organization" and "tax credits." As one court put it when striking down a similar tax credit voucher law, the program's unconstitutionality could not be "evaded through the mechanism of funding this program from a tax credit rather than by a direct appropriation of tax dollars."

This legislation is a blatant attempt to bring to our state, which takes great pride in its public schools, the kind of broad voucher program that is decimating other states' budgets and their public education systems. We won't let that happen.

In this voucher money laundering scheme, corporations would be entitled to a \$1 million tax credit, and individuals to a \$100,000 credit, each and every fiscal year. The total amount of tax credits available in every budget year is \$250 million! That money comes right out of the tax funds that should flow to the State Treasury and means the programs and services New Jersey residents rely on have that much less funding to support them, including our K-12 public schools, senior services, healthcare, and property tax relief. Research shows that once a state starts down this dangerous path, the size and expense of its voucher program inevitably grows—dramatically.² Several states are now diverting \$1 billion or more each year to voucher programs, with no end in sight.³

A4144/S3035 includes a laughable paragraph that says this costly voucher program can't "supersede, impact, or interfere with" full funding for public schools, as well as several property tax deductions and contributions to the state pension system. But it's taken 15 budget years to reach "full funding" of the State's current school funding formula (which needs updating). Governors and Legislators have repeatedly decided NOT to follow the formula and not to fund our public schools, despite the legal requirement to do so.

This voucher law wouldn't fix that—in fact, it would make full funding of our public schools much more difficult. And because the budget bill trumps all other state laws, the possibility that this voucher program could be held harmless, prioritized, or expanded by subsequent governors and legislators is enormous.

And where does all this state money swapped for "tax credits" go? To schools that don't have to abide by New Jersey's stringent anti-discrimination laws. To schools that get to choose their students and turn away anybody they don't want.⁴ To schools that aren't equipped to provide an adequate education for students with disabilities and English learners. New Jersey should not send hundreds of millions of dollars to schools that can openly discriminate based on religion, disability, LGBTQ+ status, and any other student or family characteristic. Need more proof? Just look over the border at our neighbor, Pennsylvania, which is running a tax credit voucher program that funds private schools with explicitly discriminatory policies.⁵

The private schools that would be funded with taxpayer dollars under this voucher program are not subject to the quality and accountability standards that are legally required in public schools. There are no curriculum requirements, teacher certification mandates, or other standards for participating schools to ensure they provide an adequate education—or any education at all—to voucher students. There are no testing or reporting requirements that would allow the public to gauge whether the program is having a positive academic effect and state money is being well spent. Study after study shows that vouchers not only fail to improve education outcomes, they actually have a detrimental academic impact on participating students.

In addition, there is very little detail about the "student support organization" that would run this voucher program and dole out the tax credit money. We learn that the organization can keep 5% of the \$250 million each year for "overhead." But must it be based in New Jersey? Who staffs it? Who oversees it? Serious issues have been documented with these sorts of organizations in voucher states. Empirical evidence shows that fraud and waste are rampant in all types of voucher programs. 9

Finally, who gets a voucher? This bill gives vouchers to families that have a household income of 4.32 times the federal guidelines for receiving reduced price lunch. That comes to almost \$250,000 for a family of four. That means the proposed program is *not* limited to low-income families—at least 90% of New Jersey households meet the income threshold in the bill.

Voucher programs are not just terrible public policy. In states such as Nevada and Louisiana, courts have struck down voucher programs for violating constitutional mandates like the core guarantee that the state provide adequate public education to all children. In 2022, the Kentucky Supreme Court unanimously declared that state's tax credit voucher scheme unconstitutional. Voucher programs in several other states, including Tennessee, Ohio, and South Carolina, face pending legal challenges. New Jersey's legal protections for constitutionally adequate public education are as strong a bulwark against vouchers as any state's.

Polls have repeatedly shown that the public does not favor voucher programs; a 2024 University of Southern California survey confirmed that "[a]dults across the political spectrum feel improving public schools is a better use of public funds than providing families with vouchers...." The special interest groups that promote vouchers—along with billionaire backers such as Betsy DeVos, Jeff Yass, and dark money funding sources—are pushing their own

agenda at the expense of civil rights protections, public school funding, and fiscal responsibility. Many of these groups are the same ones working overtime to undermine our democracy.¹³

There are far too many examples of states establishing voucher programs of all types—tax credits, education savings accounts, vouchers for students with disabilities—with empty promises of limited sizes and budget caps. *All of these states* have increased their programs year after year, pulling billions of dollars out of public schools and state budgets, often ending up with universal vouchers available to every student in the state.¹⁴

A4144/S3035 is indeed a voucher program like the ones bankrupting Arizona, Florida, and too many other states that New Jersey elected officials have chastised over and over again for their attacks on public education and democracy.

We need to heed these potent examples. No state would presume to interfere in a family's decision to send their children to private school. But public money is for public education, the bedrock of our communities and our democracy. Private school vouchers don't belong here, and you know that, too.

Signed:

New Jersey:

Abbott Leadership Institute (ALI)

American Civil Liberties Union of New Jersey (ACLU-NJ)

American Federation of Teachers NJ (AFTNJ)

BlueWaveNJ

District 4 Coalition for Change

Education Law Center (ELC)

Fair Share Housing Center

Friends and Allies of Babs Siperstein

Garden State Coalition of Schools (GSCS)

Garden State Equality

Healthy Schools Now (HSN)

Latino Coalition of New Jersey

League of Women Voters of New Jersey (LWVNJ)

Make the Road NJ

New Jersey Alliance for Immigrant Justice

New Jersey Alliance for Social, Emotional, and Character Development (NJASECD)

New Jersey Association of School Administrators (NJASA)

New Jersey Citizen Action

New Jersey Coalition for Inclusive Education

New Jersey Community Schools Coalition

New Jersey Communities United

New Jersey Education Association (NJEA)

New Jersey Policy Perspective (NJPP)

New Jersey Principals and Supervisors Association (NJPSA)

New Jersey Public Education Coalition (NJPEC)

New Jersey Religious Action Center of Reform Judaism (RAC-NJ)

New Jersey Safe Schools Coalition

New Jersey Working Families Party

NJ 11th for Change

Our Children/Our Schools (OC/OS)

Paterson Alliance

Paterson Education Fund (PEF)

Piscataway Progressive Democratic Organization

Save Our Schools NJ (SOSNJ)

SEL4NJ

SPAN Parent Advocacy Network

SWEEP NJ

Urban League of Essex County

Volunteers Lawyers for Justice (VLJ)

Work Environment Council (WEC)

National:

AASA, The School Superintendents Association
Alliance to Reclaim Our Schools (AROS)
American Federation of Teachers (AFT)
Illinois Families for Public Schools (IL-FPS)
In The Public Interest (ITPI)
Families for Strong Public Schools, Florida
National Women's Law Center
Network for Public Education (NPE)
Parents for Public Schools
Public Funds Public Schools
Save our Schools Arizona (SOSAZ)
Texas AFT

¹ Council for Better Educ. v. Johnson, No. 21-Cl-00461, Franklin Circuit Court Opinion and Order, Oct. 8, 2021.

² Samuel E. Abrams & Steven J. Koutsavlis, <u>The Fiscal Consequences of Private School Vouchers</u>, Public Funds Public Schools (2023).

³ Shar Porier, ESA Vouchers Have Cost Arizona Taxpayers Nearly \$1 Billion, Herald Review (Jan. 31, 2024); Leslie Postal, Florida's Voucher Plan Could Cost Public Schools Nearly \$4 Billion, Report Says, Orlando Sentinel (Jan. 24, 2023); Laura Hancock, Private School Vouchers: Scholarships Blow Past Estimates as State Spending Nears \$1 Billion, Cleveland.com (Mar. 25, 2024).

⁴ Bayliss Fiddiman and Jessica Yin, <u>The Danger Private School Voucher Programs Pose to Civil Rights</u>, Center for American Progress (2019).

- ⁵ Education Voters of Pennsylvania, <u>Pennsylvania Voucher Schools Use Tax Dollars to Advance Discrimination</u> (Dec. 2023).
- ⁶ Arianna Prothero and Alex Harwin, <u>Private School Choice Programs Fall Short on Transparency</u>, Accountability, *Education Week* (Feb. 28, 2020).
- ⁷ Christopher Lubienski & Joel Malin, <u>The New Terrain of the School Voucher Wars</u>, *The Hill* (Aug. 30, 2019); Jonathan N. Mills & Patrick J. Wolf, <u>The Effects of the Louisiana Scholarship Program on Student Achievement After Four Years</u>, EDRE Working Paper No. 2019-10 (2019); David Figlio & Krzysztof Karbownik, <u>Evaluation of Ohio's EdChoice Scholarship Program: Selection, Competition, and Performance Effects</u>, Thomas B. Fordham Institute (2016).
- 8 League of Women Voters of Florida, Step Up for Students: Preliminary Investigative Report (2021).
- ⁹ Howard Fisher, <u>3 State Employees Cheated Arizona School Voucher Program, Indictments Say, Arizona Daily Star</u> (Feb. 29, 2024); Jeffrey Solochek, <u>Florida parents can spend leftover school voucher funds on TVs, kayaks, Disney tickets, Miami Herald</u> (Sept. 1, 2023).
- ¹⁰ Louisiana Fed'n of Teachers v. State, 118 So. 3d 1033 (La. 2013); Schwartz v. Lopez, 382 P.3d 886 (Nev. 2016).
- ¹¹ Commonwealth ex rel. Cameron v. Johnson, 658 S.W.3d 25 (Ky. 2022); Bruce Schreiner, Kentucky Supreme Court Strikes Down School Choice Provisions, AP (Dec. 15, 2022).
- ¹² Anna Saavedra, et al., <u>Searching for Common Ground: Widespread Support for Public Schools but Substantial Partisan Divides About Teaching Potentially Contested Topics</u>, University of Southern California (Feb. 2024).
- ¹³ Josh Cowen, School Vouchers: There Is No Upside, Albert Shanker Institute (Feb. 21, 2023).
- ¹⁴ Public Funds Public Schools, The True Cost of Private School Voucher Programs (Sept. 19, 2023)