



To: Interested Parties  
From: Tony Evers, State Superintendent  
Date: June 4, 2013

## STATEWIDE VOUCHER SUBSIDY COST IMPLICATIONS

Today, Republican leaders are finalizing a deal to likely expand Wisconsin's private school voucher program statewide. While this dramatic proposal has significant implications for citizens and taxpayers across Wisconsin, it has been developed behind closed doors with no public input, no public hearings, and no public fiscal analysis. *If this proposal becomes law, taxpayers across Wisconsin will be financing a new entitlement for private school children whose tuition is currently paid for by their parents.* To address the lack of information about the potential fiscal effects of this program, the [attached table](#) estimates potential long-term costs of statewide subsidization of private school tuition on a district-by-district basis.

### Cost to subsidize current private school students only: up to \$560 million annually

While some lawmakers claim the purpose of the program is to provide educational choices to those who cannot afford it, the current school choice programs in Milwaukee and Racine provide vouchers to families *who are already choosing to send their children to private schools*. As many as 50% of the children participating in the Racine choice program were already in private schools when they began receiving a state-funded subsidy in 2011-12. If the voucher program is expanded statewide, it can be assumed that current private school families would also be eligible for this new entitlement.

While the deal reportedly has some caps on enrollment and income eligibility, these are almost certainly temporary, as both have been lifted or eliminated under existing voucher programs in Milwaukee and Racine and key Republican leaders oppose them outright. As a result, DPI has estimated the following:

- If vouchers were provided to the 15% of all private school families (outside of Milwaukee and Racine) that currently meet the income requirement for a free or reduced price lunch, **the statewide annual cost at \$7,000 per pupil would be over \$83 million.**
- If vouchers were provided to 50% of all private school families (outside of Milwaukee and Racine), **the statewide annual cost at \$7,000 per pupil would be over \$277 million.**
- **Subsidizing tuition for 100% of current private school families at \$7,000 per pupil will cost the state over \$554 million annually.**

### Total cost of expanding vouchers statewide: up to \$1.9 billion annually

The analysis above only looks at the costs of subsidizing current private school students whose tuition is paid by their parents. It does not address the full potential cost of the program when public school transfers to private schools are taken into account. In a [previous analysis](#), DPI estimated that, if voucher enrollment trends followed the enrollment experience in Milwaukee, total costs of statewide expansion would range from \$1.3 to \$1.9 billion annually.

It is unfortunate that, once again, the legislative debate around meeting our constitutional obligation to adequately fund *public schools* has been usurped by expansion of the private school voucher program. On behalf of Wisconsin's 870,000 public school children whose long-term educational opportunities are jeopardized by this financially irresponsible and academically unproven expansion, I urge the Legislature to reject this proposal.