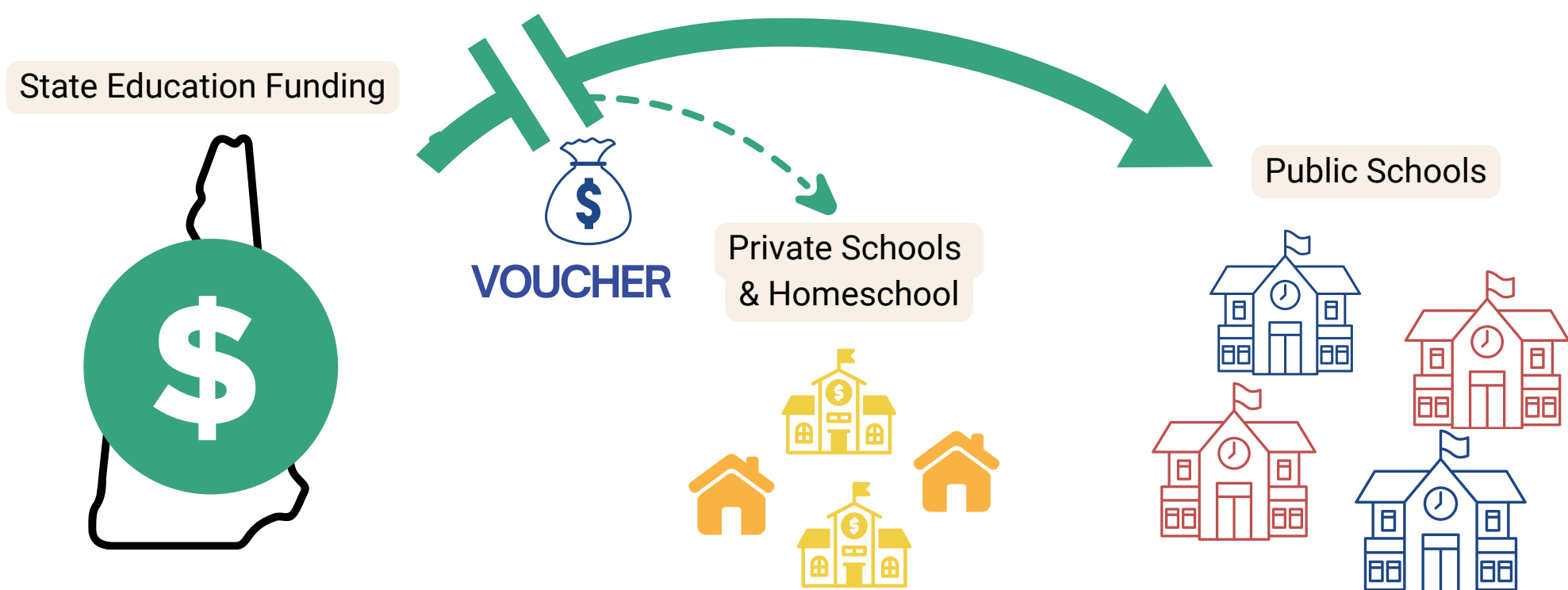


School Vouchers in New Hampshire



What are school vouchers?

School vouchers are taxpayer-funded accounts that give state funding directly to parents to pay for private and religious school tuition, homeschooling expenses, educational supplies, transportation, tutoring, and other items that are approved by the scholarship organization.



School vouchers have diverted state funding from public schools.

School vouchers have **diverted a total of \$50 million in state funds from public schools**, with about three-quarters of that money going to students who were **already** enrolled in private schools or were home-schooled.

Every dollar that the state spends on school vouchers is a dollar that isn't available to fund public schools, from school buildings, to teacher salaries, to materials for students. According to recent court rulings, the state is underfunding public schools by \$500 million every year, exacerbating the inequities in the school funding system.

Student Outcomes

Statewide voucher programs have **large, negative impacts on student outcomes:**

- ✗ **Reduces achievement** in math, reading, science, and social studies
- ✗ Voucher recipients are **no more likely to graduate or enroll in college** than their public school peers
- ✗ Students who **transfer back into public schools have substantial academic gains** compared to students who stay in vouchers

Research shows that school vouchers hurt student outcomes.

Extensive, independent research shows that school vouchers cause catastrophic academic harm. Students who used vouchers in four states had lower test scores in math and reading than their public school counterparts. And, studies have also shown that students who transfer back into public schools fare better than students who stay in the voucher program.

School Vouchers in New Hampshire



Using “school vouchers” to describe New Hampshire’s program

A “school voucher” is any program that provides parents with state funds to pay for private and religious school tuition and/or educational expenses, whether the government funds a private school directly (as in a “traditional voucher”) or funds a parent to pay for the tuition (as in an “education savings account”). Pro-voucher advocates try to increase public support for the concept by calling them other names; however, vouchers are programs that use public funds to pay for private expenses.

Who qualifies?

School-aged youth in New Hampshire qualify for a school voucher, as long as their families meet certain income requirements at the time of application. The income requirements are adjusted annually for inflation, and are 350% of the Federal Poverty Guidelines as published by the US Department of Health and Human Services.

Though the income thresholds are *based on* poverty guidelines, it’s important to note that the threshold is actually *higher* than the median household income in New Hampshire: for a family of four, the income threshold was \$105,000 in the 2023 school year, compared to the median household income of \$90,000. Fewer than half of school voucher recipients in 2024 met the threshold to be considered navigating poverty.

School vouchers have eviscerated other states’ budgets, leaving less money for public schools and other public services.

School vouchers have wreaked havoc on state budgets across the country: In Indiana, an eligibility increase to 400% of the threshold for eligibility for the Free and Reduced Price Lunch program led to a surge in enrollment and now costs Indiana taxpayers nearly a half a billion dollars annually; in Arizona, school vouchers account for nearly half of their state budget deficit of \$429 million next year.

One in four reviewed applications had errors, with potential fraud and misuse of state funds

The New Hampshire Department of Education found inconsistencies and errors in approximately 1 in 4 voucher applications during a compliance review done in 2024. The compliance review found that the Children’s Scholarship Fund, which manages and administers the voucher program, funded vouchers without the required proof of residency and/or income in 12 of the 50 reviewed applications. The Fund will have to reimburse the state for about 20% of the flagged applications, and it is unclear if the NHED will review the remaining 4,600 applications in the time frame to ensure that they are awarded according to state regulations.

Additionally, the New Hampshire Department of Education will not allow state auditors to have access to program data for a performance audit of the voucher program as required by state law. The audit, which is expected to be completed in Spring 2025, will be limited to the data that the NHED is willing to share.

Sources

- Dewitt, Ethan. State Supreme Court issues a stay over sweeping ConVal school funding decision. New Hampshire Bulletin, March 13, 2024.
- Fontana, Jason, and Jennifer L. Jennings. (2024). The Effect of Taxpayer-Funded Education Savings Accounts on Private School Tuition: Evidence from Iowa. (EdWorkingPaper: 24-949). New Hampshire Single-Family House Prices Grew Faster than Median Household Income and Average Wages Across the State. New Hampshire Fiscal Policy Institute, May 23, 2024.
- Research on school vouchers suggests concerns ahead for education savings accounts. Brookings Institution, August 15, 2023.
- Sievers, Caitlin. It costs Arizona \$332M to pay for vouchers subsidizing private school tuition, homeschooling. Arizona Mirror, June 6, 2024.
- Weddle, Eric. Indiana private school vouchers hit record with 70,000 students, nearly half-billion dollar cost. WFYI Indianapolis, May 24, 2024.
- Abdulkadiroğlu, Atila, Parag A. Pathak, and Christopher R. Walters. 2018. “Free to Choose: Can School Choice Reduce Student Achievement?” American Economic Journal: Applied Economics, 10 (1): 175–206.
- Lubienskui, Christopher and Yusuf Canbolat. 2022. “Evolving evidence on school voucher effects.” Policy Brief from Indiana University Bloomington’s School of Education.
- Carlson, D., Cowen, J. M., & Fleming, D. J. (2013). Life After Vouchers: What Happens to Students Who Leave Private Schools for the Traditional Public Sector? Educational Evaluation and Policy Analysis, 35(2), 179-199.
- Chingos, M. M., & Kisida, B. (2023). School Vouchers and College Enrollment: Experimental Evidence From Washington, DC. Educational Evaluation and Policy Analysis, 45(3), 422-436.