



# DON'T VOUCHERS TAKE MONEY AWAY FROM PUBLIC SCHOOLS?

Utah's voucher law holds public education harmless in two important ways: 1) voucher funding is not coming from the \$3.5 Billion budgeted for public education, and 2) mitigation funds mean schools get money for students they don't teach.

## FACT: PUBLIC SCHOOL FUNDING ACTUALLY BENEFITS FROM VOUCHERS

Utah's new school voucher program is not paid with public school funds – and yet public school districts get paid for every voucher student that moves to a private school.

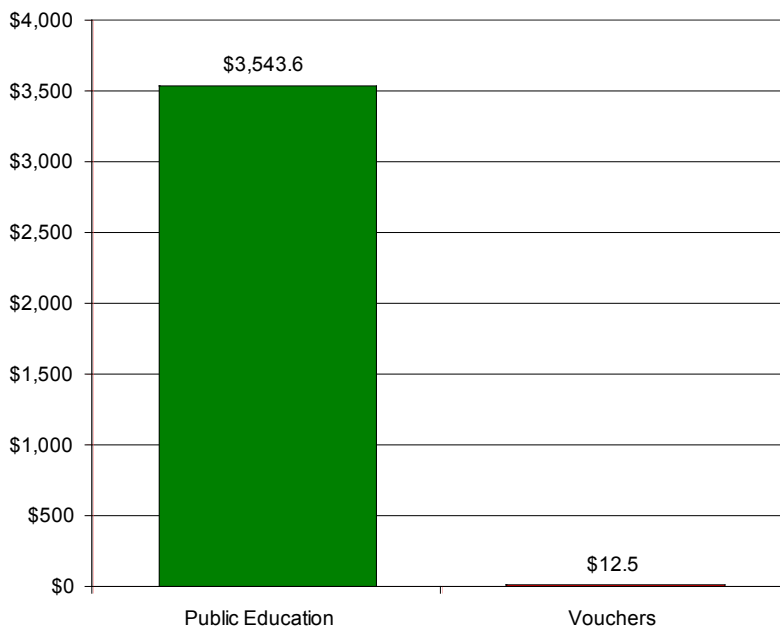
Funding for the new school voucher system comes from the state's General Fund (lines 24-25 of HB 148). This new funding to help struggling public school students find success in private schools adds \$12 million to Utah's education resources. Funding for the school voucher program has no negative impact on public education.

On the contrary, HB 148 (lines 295-315) provides payments to every school district for every public school student moving to a private school under the program – for five years! Called "mitigation money," these payments are the equivalent of a business receiving revenue for customers they no longer have – for five years!

A concern has been expressed over the school voucher program's affect on federal funding. It is thought that as public enrollment levels decrease in Utah, so might federal funding for public schools. Even assuming an unrealistic "worst case scenario" of a five percent drop in current public school enrollment levels (the Office of the State Legislative Fiscal Analyst estimates, at most, a one percent reduction in current public school enrollment levels), Sutherland Institute analysts estimate a maximum drop in Utah public school districts' budgets of only .93% (less than one percent) due to any loss in federal funding.

As you can see from the chart to the left, the school voucher program never will be noticeable from the perspective of the public education budget. To put this in better perspective, if you had a Hefty lawn bag for every million dollars spent on the public school system this year, your yard would be filled with 3,500 lawn bags of money. Imagine your backyard filled with 3,500 lawn bags stuffed full! Now, how

Education Funding Fiscal Year 2007-2008



many lawn bags would you need to pay for the school voucher program? Only twelve.

The amount of money allocated for the new school voucher program is \$12.5 million – roughly 1/4 of one percent of public education funding for FY2007-2008. During the thirteenth

year of the voucher program, at which time all private school students will qualify for a voucher, the Legislative Fiscal Analyst estimates that, adjusted for inflation, the program will cost \$48 million – still only 1.4 percent (1.4%) of public education funding at current levels, and still coming from the General Fund, not public school funds.