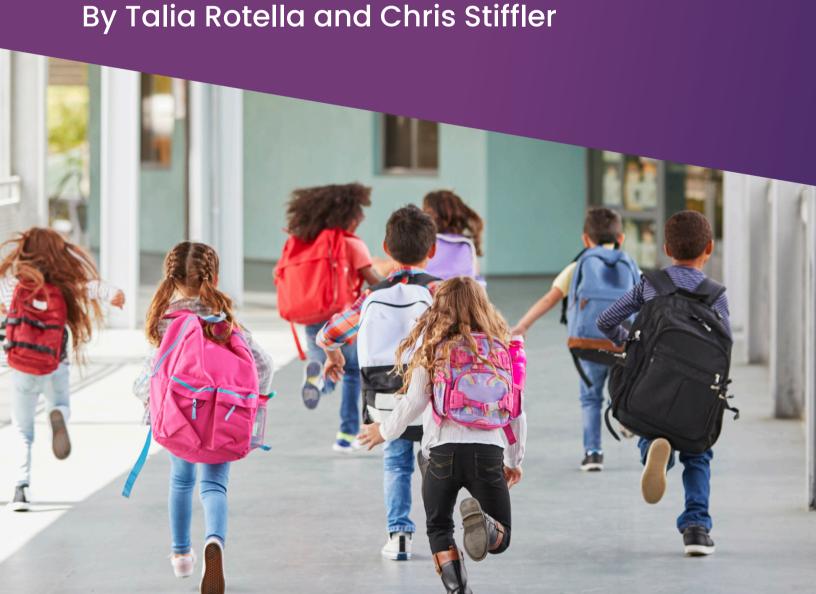


Colorado Can't Afford Amendment 80 The Path to School Vouchers



Since the early 1990s, Colorado families have had the freedom to choose the educational setting that best meets their children's needs, thanks to our state's robust public and charter school choice system. An amendment on the 2024 ballot seeks to add the right to school choice within the Colorado Constitution, but more importantly, it would broaden the definition of school choice to include private and homeschool alternatives.

While Amendment 80 may appear innocuous, it represents a significant move towards diverting tax dollars from public schools to private institutions. This initiative is part of a broader strategy to undermine public education and is a calculated first step in a nationwide effort to introduce voucher programs in every state, ultimately threatening the funding of public schools. Colorado can't afford even one step down the vouchers path.

Three Lessons We've Learned from other States

1. School Vouchers Are Not What They Seem

School vouchers use public funds, derived from taxpayer dollars, to finance private school education. Instead of investing directly in public education, vouchers redirect these dollars to unregulated, often faith-based private schools. Public schools serve students of all backgrounds and abilities, and those students are protected under our state and federal laws. Children in private schools are not protected in the same way.

Understanding that people may resist the idea of allocating public funds for private interests, advocates might disguise school vouchers under different names or present them as tax credits. For instance, in 2021 Kentucky introduced a dollar-for-dollar credit for organizations offering private school scholarships. More recently, the trend has been to frame them as education savings accounts (ESAs), which put money onto debit cards to be sent directly to families for their use.

The financial impact of school voucher programs has been detrimental to state budgets. Historically, states have funded only one education system: the public school system. Taking on funding responsibilities for school vouchers necessitates funding for a private system as well, which places significant pressure on state finances. For instance, Florida and Arizona, now allocating 31% and 16% of their total education budget to vouchers, are seeing the downfalls of trying to fund two education systems at once. At present, Colorado is exclusively responsible for funding its public schools.

2. The Unpredictability of School Voucher Costs Causes Instability

In 2022, Arizona implemented universal eligibility for its Empowerment Scholarship Accounts, which are a type of ESAs. Initial estimates fell far short of the true cost to the



state. Since the expansion of eligibility, the program's costs have surged rapidly, with minimal restrictions on how the funds can be used. This year, Arizona faced a \$1.4 billion budget shortfall, leading to hundreds of millions of dollars in funding cuts to essential areas such as water projects, infrastructure improvements, and community colleges.

Because there is no official enrollment count for private schools across Arizona, and there is no real way to estimate how many students will attend private or homeschools and use the program, it has been impossible to plan for the ever-increasing costs of ESAs in Arizona. Colorado has enough difficulty planning for our future; for 15 years our schools were forced to operate with hundreds of millions of dollars less than the Colorado Constitution promises them. Our public schools can't afford an added layer of fiscal uncertainty.

3. Data Shows School Vouchers Do Not Effectively Expand Options for Chronically Underserved Students

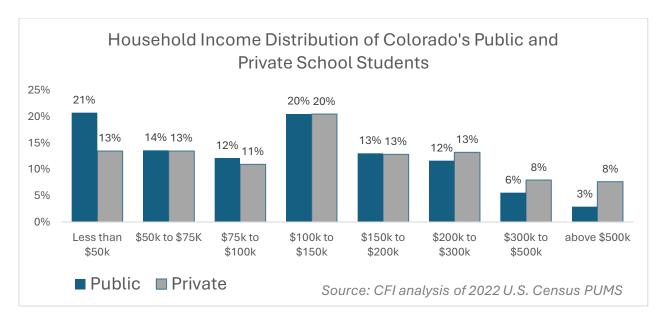
The data points to one looming problem with the voucher promise: the programs are costing more money without indication that they increase options for the most at-risk students.

In Arizona, English Language Learners represent 9.2% of the public school population, but just 0.6% of the students using the ESA program. As of 2023, 71% of the growth in Arizona's ESA program was from students who already attended private or homeschool prior to participating in the program. Further, the areas with the lowest poverty rates are consistently the areas with the highest participation rate in the ESA program.

In states with the most expensive voucher programs, they often serve as a giveaway to affluent families who are already enrolling their children in private schools. Implementing a voucher program in our state is likely to overlook children in rural Colorado, children with disabilities, and children from families with low incomes.

For most rural areas, school voucher programs don't increase choice. Instead, funding private schools would pull money away from rural public schools to subsidize private schools mostly concentrated in Denver and Boulder.





Students attending private schools in Colorado generally come from wealthier and predominantly white backgrounds compared to those in public schools. About 9% of public school student families make more than \$300,000 per year whereas 16% of private school families make more than \$300,000 per year. On the other end of the distribution, 21% of children in public school live in households with less than \$50,000 in annual income while 13% of children in private schools do. Approximately 40% of public school students in Colorado identify as non-white while about 30% of private school students fall into the same category.

What Amendment 80 Would Cost Colorado

A system that uses public tax dollars to fund private K-12 schools in Colorado would cost between \$640 and \$790 million. We estimate there are currently about 92,000 private and homeschool K-12 students in Colorado.

If Colorado funded those 92,000 students like Arizona's program, it would cost \$642 million. If a Colorado voucher program looked like Florida's, it would cost \$789 million. If Colorado ran those private school students through the school finance formula at Colorado's base funding levels, it would cost \$780 million.

Budgeting to Colorado's revenue cap, the state budget is already short by several hundred million dollars in keeping up with inflation, case load growth, and reserve requirements each year. Mandating the state budget pay an additional \$790 million for private schools would sabotage all the progress Colorado has made toward funding public schools at the levels that voters said they wanted under Amendment 23.



K-12 Students in Private Schools in Colorado (1)	91,820
Arizona's per Student Cost (2)	\$7,000
Florida's per Student Cost (3)	\$8,600
CO's Base Per Pupil Funding (4)	\$8,500
Colorado's Cost if like Arizona	\$642,740,000
Colorado's Cost if like Florida	\$789,652,000
Colorado's Cost if like Colorado's Base Funding	\$780,470,000

Sources:

- 1- CFI analysis of 2022 U.S. Census PUMS microdata-note this figure differs from Colorado's Department of Education's non-public and homeschools counts since participation in CDE's annual non-public school enrollment count is optional and self-reported.
- 2- https://grandcanyoninstitute.org/wpcontent/uploads/2024/06/GCI_Policy_Cost-of-the-Universal-ESA-Program_June_6_2024.pdf
- 3- See HB 1 (2023) from Florida
- 4- FY2024-25 CDE's formula spreadsheet

We Need Honest, Robust, and Principled Investments in our Kids

Colorado has a troubling legacy of broken promises to our students. For the past 15 years, we've failed to meet our voter-approved constitutional funding requirements for public education. Our ability to uphold this promise going forward is uncertain; we are reliant upon a state budget bloated by significant economic growth, and local revenue supported by rising property tax collections. We've already capped local school revenue this year, let's avoid allowing our beloved community schools to fall prey to elitist, revenue-draining, school voucher advocates who seek to exploit them. Vote no on Amendment 80.





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