Let the Illinois “Invest in Kids” Private School Voucher Law Sunset

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Sunset provisions are clauses within a statute that terminate a law after a specified date unless further legislative action is taken. Sunsets are sometimes included to pass controversial or unpopular legislation, including bills establishing private school voucher programs. A sunset provision in those bills guarantees that the voucher program and its diversion of taxpayer dollars to private schools will end if the program is not renewed.

Illinois’ “Invest in Kids” tax credit voucher program is set to sunset after the 2023-2024 school year. This unpopular pilot program should lapse as intended in the law. Illinois should reject any attempt to extend the program or make it permanent, as well as any proposal to establish additional voucher programs. Instead, the state must invest in its underfunded public schools, which, unlike private schools, welcome and serve all students.

Illinois’ Voucher Program

In 2017, the Illinois Legislature established the Invest in Kids tax credit voucher program in a broader education funding bill. Under the program, individuals and businesses receive a 75% income tax credit for contributions to third-party organizations that provide vouchers for private school tuition. Each year, up to $75 million in tax revenue is diverted to private schools through the program. Over $190 million has been rerouted to private education over the past four fiscal years.
Families are eligible for vouchers if they earn up to 300% of the federal poverty level, and up to 400% once a student is enrolled in the program. In 2021-2022, only 27% of voucher recipients were from families earning below the federal poverty level. Contrary to claims that these vouchers provide a private school “option” to those who would otherwise not have one, there is no requirement that voucher recipients have previously attended public school. Data from other states shows that often three-quarters of students or more who receive vouchers were already attending private schools.

The Invest in Kids voucher program was set to sunset after five years, following the 2022-2023 school year, but was extended for an additional year in Illinois’ 2023 appropriations bill. During recent legislative sessions, efforts to expand the size of the program by increasing the amount of the tax credit, as well as efforts to remove the sunset clause and thereby make the program permanent, have failed. The Governor’s proposed FY 2024 budget did not include the voucher program.

Advocates, including Illinois Families for Public Schools, the Illinois Education Association, the Illinois Federation of Teachers, the League of Women Voters of Illinois, and over 50 other local, state, and national community, faith-based, public education, and parent advocacy groups, including Public Funds Public Schools, are urging lawmakers to let the program sunset in 2024, and instead put the funds into Illinois’ severely underfunded public schools.

This legislative session, bills that would eliminate, extend, or make permanent the Invest in Kids tax credit voucher program have been introduced in both the Illinois House and Senate. Legislators have also proposed a new “education savings account” voucher program with broad or even universal eligibility, though there is no evidence that the state’s existing voucher program is effective.

Use Public Funds Public Schools’ bill tracker to learn more about prior legislation and to stay up to date on the current legislative session.
WHY THE VOUCHER PROGRAM MUST SUNSET

1) The “Invest in Kids” Voucher Program Lacks Accountability and Hasn’t Reported Required Data on Student Outcomes

Tax credit voucher programs, like vouchers of all stripes, notoriously lack sufficient quality and accountability standards. Lack of oversight also leads to the mismanagement of public funds, fraud, and waste. An investigation of Florida’s voucher program found that voucher schools hired teachers without college degrees and falsified fire safety and health records, and a report by Arizona’s Auditor General revealed that hundreds of thousands of public dollars diverted to fund vouchers were misspent on fraudulent purchases.

The Invest in Kids law requires that voucher students take the same state tests as public school students, and that the State Board of Education submit an annual report to state officials that includes an evaluation of the academic performance of voucher students. While the tests were administered to voucher students starting in 2021, there have been no state reports on this data as of spring 2023.

A lack of publicly available data on academic outcomes makes it extremely difficult to evaluate the educational impact of the Invest in Kids vouchers. But research from multiple states shows that vouchers do not improve, and often harm, student achievement. Studies of programs in Washington, D.C., and Alabama found no significant improvement in test scores for voucher students. Studies in Louisiana, Indiana, and Ohio found that students who attended private schools using vouchers performed worse than their peers in public schools. No data has been made available about the Illinois program that would counter this trend.

2) Illinois’ Private Schools Disproportionately Serve White Students and Research Shows Voucher Programs Exacerbate School Segregation

Private schools in Illinois, like those around the country, disproportionately serve white students. In 2020, white students comprised 48% of Illinois’ public school population but accounted for 65% of the state’s private school population. While 17% of the public school population in Illinois was Black, Black students were just 10% of the private school population, and while 27% of public school students were Latino, they made up less than 12% of private school students. Analysis by Illinois Families for Public Schools found that in 2021-2022, more than half of voucher schools did not enroll any Black voucher recipients and 35% did not enroll any Latino voucher recipients, whereas only 14% enrolled no white voucher students.

Data from several states shows that vouchers tend to exacerbate school segregation. The voucher program operating just over Illinois’ eastern border in Indiana illustrates this effect. In 2020, scholars concluded that, through the voucher program, “[t]he State of Indiana has actively engaged in a process that has effectively re-created the segregation academies that littered much
of the southern United States in response to the 1954 *Brown v. Board of Education* decision."\(^{18}\) Another report described Indiana’s program as a “case study” in the persistence of the segregating effects of vouchers.\(^{19}\)

### 3) Private Schools Funded by Vouchers Often Discriminate Against Students and Families

Private schools are generally not subject to the same state and federal anti-discrimination requirements as public schools and often discriminate against students and families based on disability, LGBTQ+ status, religion, English fluency, and other characteristics. Students who use vouchers to attend private schools lose many of their legal rights and protections, often without being informed of these changes.\(^{21}\)

Illinois Families for Public Schools has documented numerous instances of discriminatory policies in private schools that receive public funds through Invest in Kids vouchers (see box).\(^{22}\) Their analysis shows that only 15% of voucher schools reported enrolling any students with disabilities in 2021-2022.\(^{23}\) Illinois Families for Public Schools has also noted that crucial information on the number of voucher recipients who are students with disabilities and English learners, as well as information on the services and supports provided to these students, is not published by the state, even though private schools receive a higher voucher amount for these students.\(^{24}\)

#### Open Discrimination in Illinois’ Voucher Schools

In Illinois, there are multiple voucher schools with official policies that state they will refuse admission or special education services to students with disabilities or those with particular disability-related needs. Numerous religious schools’ policies state they will base admissions and discipline decisions on conformance to specific religious beliefs, practices, and rules about student behavior. These policies often openly discriminate against students who are LGBTQ+. Some religious schools that receive voucher funding include in their policies that students who are pregnant or parenting may be denied admission, continued enrollment, or participation in school activities.\(^{20}\)

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**Private School Sports Recruiting**

While they are permitted to deny enrollment to higher need students, private schools across the country have also engaged in the recruitment of students who will benefit the school through their participation in sports programs.\(^{25}\) Officially, no schools in Illinois, including private schools that accept vouchers, are permitted to recruit students for athletic teams.\(^{26}\) However, in recent years, the Illinois High School Association has added rules to address concerns about unfair advantages for private schools in athletics.\(^{27}\)
4) Illinois’ Voucher Program Does Not Serve the Public Good

Allowing the Invest in Kids voucher program to sunset would not affect a large number of families. In the 2021-2022 school year, the voucher program enrolled just over 9,000 students, compared to almost two million students in Illinois public schools. The families currently using vouchers would all have the right to immediately enroll their children in public schools, or to pay their own private school tuition or seek private scholarships for continued enrollment in private schools, which some likely did before the voucher program was established.

Moreover, allowing the voucher law to sunset would NOT eliminate a politically popular program. In order to pass legislation creating the voucher program, lawmakers not only had to add a sunset clause, they also had to insert the program at the last minute into legislation that was a historic rewrite of Illinois’ public school funding formula. Bills to expand the program failed. To extend the program for one additional year, legislators again had to fold the proposal into broader appropriations legislation that was harder for lawmakers to reject.

ILLINOIS MUST FOCUS ON FULLY FUNDING THE STATE’S PUBLIC SCHOOLS

Research shows that states that enact private school voucher programs tend to funnel greater amounts of public dollars to these programs over time, instead of investing in their public schools. A report examining voucher programs in seven states from fiscal year 2008 through fiscal year 2019 found that each state dramatically increased its expenditure of public funds on voucher programs and also reduced efforts to fund public education.28 For example, Arizona, which began with one tax credit voucher program and now operates four, as well as an “education savings account” (ESA) voucher program, increased voucher spending by 270 percent from 2008 to 2019, and decreased per-pupil public education funding by 5.7 percent during that time period.29 The state’s ESA voucher program alone, which now has universal eligibility, is projected to cost over $500 million this year.30

Illinois does not have money to spare on private education vouchers. A report by Education Law Center found that over $7 billion in state education aid was needed to fully fund Illinois’ public school funding formula as of 2022.31 That analysis revealed that school districts serving a high enrollment of low-income students were more likely to be underfunded by the state.32

Research shows that students, especially those with elevated needs, benefit from additional in-school resources.33 Illinois’ school districts need adequate and equitable funding in order to invest in evidence-based and cost-effective strategies, such as high-quality early education programs, social-emotional supports, community schools with wraparound services, and teacher preparation programs, that have been shown to improve student outcomes.34

Illinois must focus on fully funding its public schools, which welcome all students no matter their background or personal characteristics, so they can provide the services and supports necessary for a constitutionally adequate, high-quality education.
PFPS RESOURCES

PFPS has developed tools to assist advocates in opposing private school voucher programs. These include fact sheets highlighting the negative impacts of vouchers on students and public schools, explaining how voucher-supported virtual schools are a misuse of public resources, and debunking the myth that private school vouchers save money. PFPS has also developed state-specific policy briefs and an extensive series of webinars featuring prominent authors, scholars, and advocates, that are available on the PFPS Advocacy webpage.

The PFPS Research webpage offers a comprehensive collection of studies showing that private school voucher programs do not improve student achievement, divert needed funding from public schools, lack accountability and lead to corruption and waste, fail to educate students with disabilities, fail to protect students against discrimination, and exacerbate segregation.

Advocates can use PFPS’ bill tracker to monitor proposed voucher legislation across the 50 states and in the U.S. Congress.

ADDITIONAL RESOURCES

Illinois Families for Public Schools
- Illinois Sunset One-Pager
- Who Supports Illinois’ Invest in Kids Voucher Program?
- FAQ – IL Voucher Program: What to Know
- What we don’t know about Illinois’ Invest in Kids voucher program

Network for Public Education
- Privatization Toolkit
- Do school vouchers help kids in struggling schools?
- Are tax credit scholarships a voucher by a different name?

National Education Policy Center

About Public Funds Public Schools

Efforts to undermine public education by promoting the use of public funds for private education must be met with a robust, sustained response to safeguard the nation’s public schools.

Public Funds Public Schools is a national campaign to ensure that all public funds for education are used to maintain, support, and strengthen public schools. PFPS, which is directed by Education Law Center, is a partnership of Education Law Center and the Southern Poverty Law Center. PFPS uses a range of tools to protect and promote public education, including litigation, advocacy, and research.
PFPS would like to thank Dr. Diane Horwitz and Dr. Cassie Creswell of Illinois Families for Public Schools for their invaluable assistance with this brief.

3 Illinois Families for Public Schools created a spreadsheet containing the data from the Department of Revenue’s 2022 Invest in Kids Annual Report, available here: https://docs.google.com/spreadsheets/d/1y2afzhC3j7aze5i52KJkjP3qAxw8E8jzl1mRQGHo4/edit#gid=0.
5 Illinois HB4700 (2021, passed April 2022).
6 See, e.g., Illinois SB3618, HB5461, HB5391, HB3411, HB4076 (2022).
8 See, e.g., Illinois HB1135, HB2608, HB1573 (2023).
16 Illinois Families for Public Schools, Black & Latinx stats vouchers 2019-2022, https://docs.google.com/spreadsheets/d/1Ne5mFnj3gjxR6-kOzpGodbh1gTbEjd4RnK1-65Uj-0/edit#gid=0.