



LWV LEAGUE OF WOMEN VOTERS[®]
OF ILLINOIS

Why We're Fighting School Vouchers

September 26, 2023

info@lwwil.org lwwil.org

EDUCATE
ADVOCATE
ACTIVATE



- We are a non-partisan political organization with more than 3500 members across the state
- We encourage informed and active participation in government
- We influence public policy through and advocacy on positions taken as a result of consensus of our members
- We have long advocated for equitable access to high quality public schools
- The League opposes proposals that would provide public funds for private schools, including Invest in Kids

- Publicly funded programs should be accountable to the public and provide data to enable evaluation.
- Programs supported with public funds should be accessible without regard to a student's gender, religion, disability, language, or LGBTQ+ status.
- A good public school education should be available to every child in Illinois. More than 1.3 million children attend underfunded public schools. Funding our public schools is an urgent state responsibility.
- General Fund revenues are scarce and needed for many programs that serve the state's low-income families, including healthcare and nutrition.

What we will cover today

- What is the Invest in Kids tax credit program?
- Why should policymakers oppose any extension of Invest in Kids?
- Q&A

Illinois Invest in Kids Act structure

- Passed in 2017: 5-year program
- It was extended for one year (2023-2024 school year)
- It's administered by Illinois Dept of Revenue (IDOR) with some responsibilities at Illinois State Board of Education (ISBE)
- Donors receive a 75% tax credit from IDOR, up \$1 million, for donations to a Scholarship Granting Org (SGO)
- SGOs award scholarships to qualifying families for use at private schools recognized by ISBE
- Tax credits for donors are awarded by IDOR on first-come basis by region until limit of \$75 million (for \$100 million in donations) is reached. To date, limit has not been reached.
- Tax credits can go to corporations or individuals; individual donors can direct their donation to be used at a specific school
- Donors to an SGO cannot also claim the same donation as a federal charitable deduction

What is a Scholarship Granting Organization?

- An SGO is a 501c3 non-profit that has received the SGO designation from IDOR. SGOs are able to receive donations eligible for an IIK tax credit, and issue IIK scholarships to families to use at qualified schools.
- 7 are listed on the IDOR website:

Children's Tuition Fund of Illinois
Bright Promise Fund
Empower Illinois
Institute for Community at Highpoint

Big Shoulders Fund
Children at the Crossroads Foundation
Hindsight

<https://empowerillinois.org/wp-content/uploads/Invest-in-Kids-Act-Report-2022-2023.pdf>

<https://tax.illinois.gov/programs/investinkids.html>

<https://www.isbe.net/nonpublicprograms>

What is an IIK tax credit?

- IIK state tax credit lowers your state tax bill, dollar for dollar for 75% of your donation to an SGO. If you donate \$10,000 to an SGO, you can take \$7,500 off your state tax bill. If your state tax bill is smaller than the credit, you can carry the credit forward for 5 years
- The IIK credit is a state tax expenditure. It reduces the amount of tax revenues that would otherwise accrue to the state.

In contrast, a federal charitable tax deduction for donations to 501c3 nonprofits can reduce the amount of your income before you calculate the federal tax you owe — (not available for SGO donations). Federal tax brackets: 10% to 37% It's a federal tax expenditure, not a state tax expenditure.

- **Process:** The IIK donor files a request with IDOR for a Contribution Authorization Certificate, stating that they intend to contribute a certain amount to a certain SGO. IDOR issues the CAC, and the donor must make the donation within 60 days to the SGO. The SGO then issues a Certificate of Receipt, and awards at least 95% of the donation to a qualifying

<https://illinoiscomptroller.gov/financial-reports-data/find-a-report/tax-expenditure-report/>
family.

Who can receive voucher scholarships?

K-12 students attending or applying for admission to a nonpublic school recognized by ISBE

Family income

< 300% of Fed Poverty Level (\$90,000 for family of four in 2023) or

< 400% of Fed Poverty Level in subsequent years (\$120,000 for family of four)

Priority for:

- Recipient of scholarship in previous year
- Household income < 185% of FPL (\$55,500)
- Students in “focus districts” => low graduation rates or low test scores
- Siblings of scholarship recipients

Who's using vouchers in Illinois: What we know

2022-23:

9,656 students

478 private schools

\$76 million in contributions to SGOs (up to \$100 million authorized by IIK)

\$57 million in tax credits (up to \$75 million authorized by IIK)

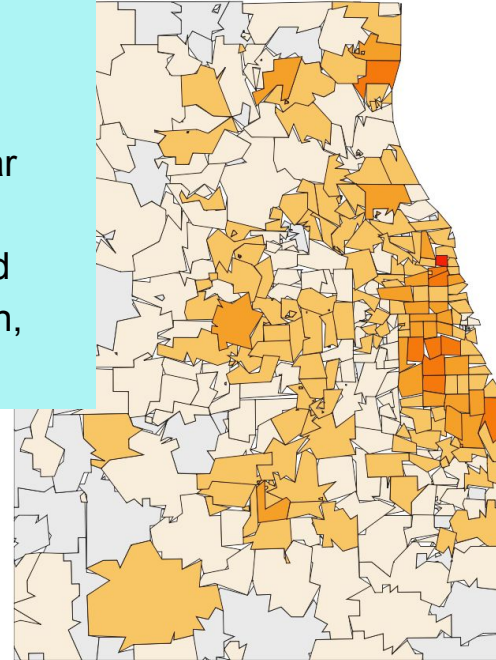
Annual reports converted to spreadsheets:

- [2023](#)
- [2022](#)
- [2021](#)
- [2020](#)
- [2019](#)

- IDOR report not accessible on IDOR website; must FOIA or find on website of a SGO
- Report from largest SGO:
<https://empowerillinois.org/wp-content/uploads/Invest-in-Kids-Act-Report-2022-2023.pdf>

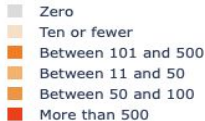
Location of schools and students receiving vouchers

- ~45% of voucher recipients live in Chicago;
- 1/3 of those in West Ridge (a middle-class neighborhood on the far north side of Chicago)
- About 1/3 of total voucher dollars fund schools in three House districts: 15th, 16th, 17th



Zip	#of students	% of total
60645	934	10.3%
60659	455	5.0%
60623	214	2.4%
60629	197	2.2%
60804	185	2.0%
60625	140	1.6%
60632	135	1.5%
62401	134	1.5%
60617	126	1.4%
60608	113	1.3%
60085	105	1.2%
60651	95	1.1%
60076	94	1.0%
61604	90	1.0%
60402	86	1.0%

Key: No. of recipients within zip code area



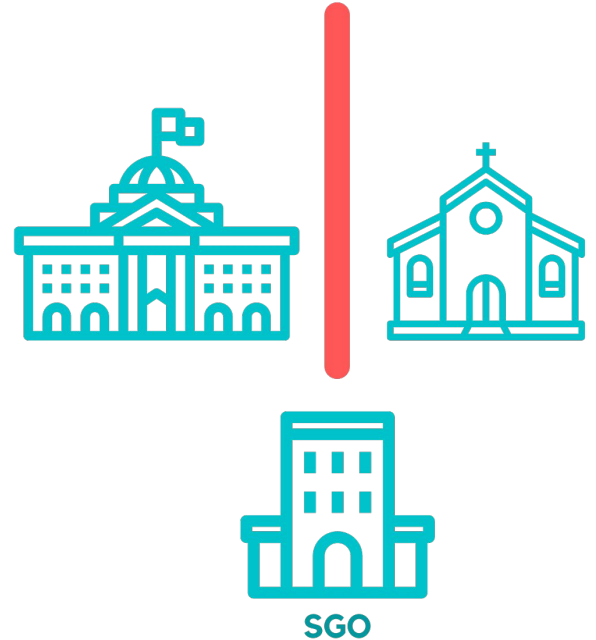
- [Google map of vouchers](#)
- [Google map of vouchers and public schools](#)

95% of IIK students attend a religious school

Through the IIK program, the state is using public money to fund private religious education.

The Supreme Court has held that **a State need not subsidize private education**, but once a State decides to do so, it cannot disqualify some private schools solely because they are religious.

- Trinity Lutheran v Comer (2017)
- Espinoza v Montana (2020)
- Carson v. Makin (2022)



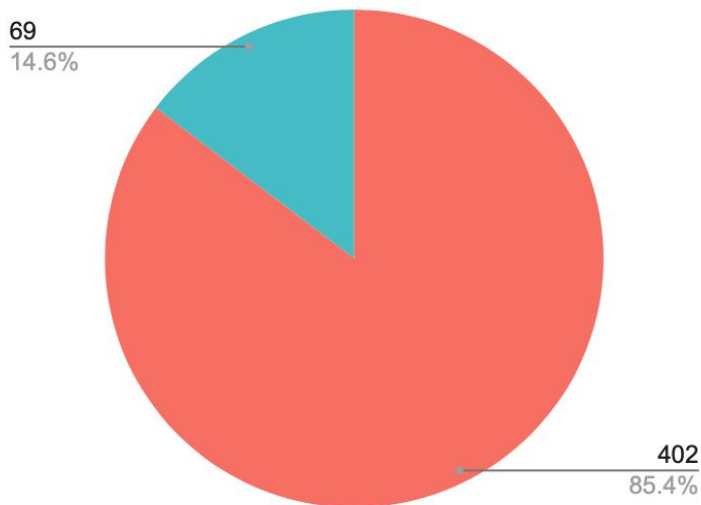
Students in private sectarian schools in Illinois have fewer civil rights protections than students in public schools

Federal and state laws enshrine many protections for students in public schools, especially civil rights, privacy ([FERPA](#), [ISSRA](#), Title IX, Title VI, IDEA, Illinois Human Rights Act)

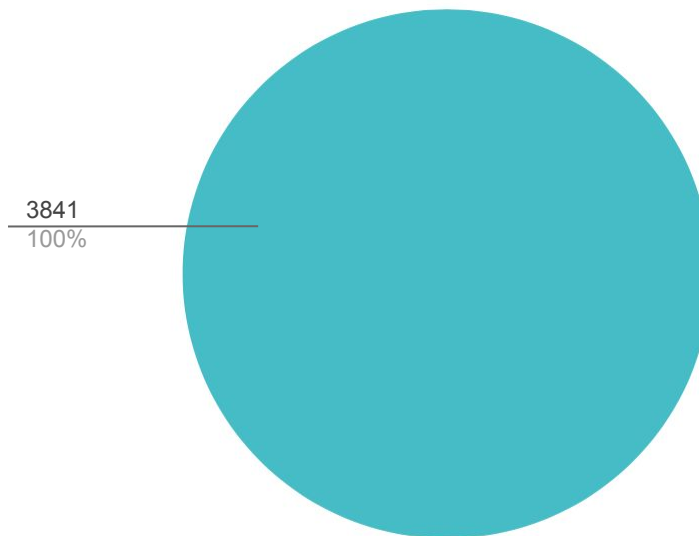
State law tightly regulates physical environment, [curriculum](#), treatment of students, learning standards (e.g. TEAACH Act, SB 100, SB 818)

- Private schools are only required to follow some of these laws, not all
- Religious schools are required to follow even fewer– several non-discrimination assurances are “Not Applicable” in ISBE’s IIK recognition application

Many students using vouchers may not receive access to appropriate special education



IIK private schools: 69 of 471



Public schools: 3841 of 3841

Most private schools (85%) receiving vouchers report serving NO special education students. All Illinois public schools enroll some students with IEPs.

Who's using vouchers in IL: What do we know?

<i>Do we know...</i>	YES	NO
How much money in total voucher dollars each school receives?		✗
How the racial and ethnic demographics of voucher students compare to the set of students enrolled in public schools?		✗
How many students with disabilities and English-language learners are voucher recipients?		✗
What services and supports students with disabilities and English-language learners enrolled in voucher schools are receiving?		✗
How voucher students' standardized test scores compare with public school students?		✗
How many voucher students previously attended public school? How many left private school to return to public schools?		✗



Invest in Kids uses state public dollars without enough public oversight

Public schools: State & federal laws require transparency and oversight of public schools:

- academic outcomes
- enrollment
- discipline
- budget and spending
- employees (pay, qualifications)
- contracts

Private schools, even those accepting public funds:

- Must share only minimal information with the Illinois State Board of Education and the public about operations, enrollment, instruction
- After initial on-site visit, there is minimal oversight for voucher schools



Studies in other states have shown that vouchers don't improve academic outcomes

- No evidence from decades of studies that voucher students outperform demographically-matched public school counterparts
- More recent long-term studies from DC, IN, LA, OH ⇒ Voucher recipients fare much worse (e.g. graduation rates and test scores) than public school students

Invest in Kids Act requires state testing of recipients and annual reports from the Illinois State Board of Education, but after five years ISBE has yet to report any results

Pre-K-12 education funding is a state responsibility

Nationally, states provide about 47% of public preK-12 funding. In Illinois, only 24% of school revenues were from the state in FY22. Local sources (property taxes and CPPRT, and federal sources provided the rest.

The state constitution requires free, high quality public schools:

ILLINOIS CONSTITUTION ARTICLE X
SECTION 1. GOAL - FREE SCHOOLS

A fundamental goal of the People of the State is the educational development of all persons to the limits of their capacities.

The State shall provide for an efficient system of high quality public educational institutions and services. Education in public schools through the secondary level shall be free. There may be such other free education as the General Assembly provides by law.

The State has the primary responsibility for financing the system of public education

<https://fundingifuture.org/equity-dashboard/>

<https://www.ctbaonline.org/reports/educating-illinois-look-evidence-based-funding-formula>

National Center for Education Statistics. (2023). Public School Revenue Sources. *Condition of Education*. U.S. Department of Education, Institute of Education Sciences. Retrieved from <https://nces.ed.gov/programs/coe/indicator/cma>

Evidence Based Funding sends new education dollars each year to underfunded schools

- Under the 2017 school funding reform, each year ISBE looks at 34 characteristics of the students and calculates a unique adequacy target
- Any new State funding (\$300 million most years) was allocated to those districts that are least well- funded.
- Districts are grouped into 4 tiers.
- Tier 1 districts are those whose funding from all sources is furthest from their Adequacy Target. 50% of new EBF funds are distributed to Tier 1. The next 49% of new funds go to the “Tier 2” districts, which includes every district below 90% of adequacy (including Tier 1 districts). Tier 3 receives .9%, and Tier 4 receives .1%.
- No district receives less than it received in the prior year.

Evidence Based Funding

Per-student funding still unequal
examples from 2022

Northbrook D28	Tier 4	Spent \$24K/student
Carterville CU5	Tier 1	Spent \$9.9K/student

[illinoisreportcard.com](https://www.isbe.net/ebfdist)

<https://www.isbe.net/ebfdist>

The 2017 legislation set a goal of 90% adequacy for all schools in the state within 10 years — June 30, 2027.

ISBE currently notes we would need an additional \$819 million each of the next 3 years to fulfill that pledge

IIK's diversion of \$75 million each year makes reaching the goal that much harder. It works to shrink the available additional funding.

- In FY23 over half of the state's students (more than 1 million kids) were still in districts funded below 75% of full funding.
- 74% of Black students and 72% of Latinx students are in schools funded below 75% of adequacy, compared to 47% of white students

The connection between IIK and public school funding

General Funds Enacted Expenditures FY24 (non-pension)

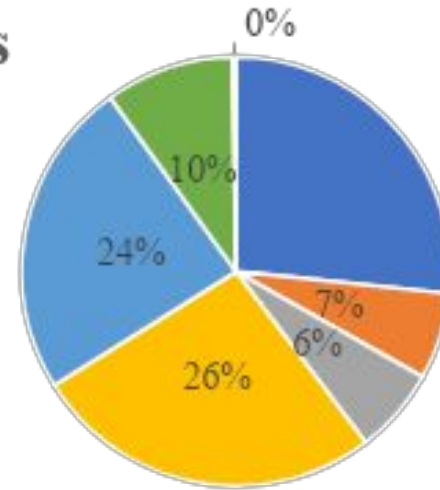
\$8,500,000,000

Higher Education

Public Safety

Human Services

Health and Culture



Pre-K-12
Education

Any state tax credit diverts funding from the General Funds.

We need strong public schools in every community

Nine out of ten children attend public schools.

Public schools serve every community.

- ✓ governed by elected school board members
- ✓ subject to laws on transparency and accountability
- ✓ offer a comprehensive curriculum aligned with state standards
- ✓ free to all in the community
- ✓ must respect and serve all children who come to them



- ✓ civil rights protections
- ✓ special education rights

We are fighting Invest in Kids school vouchers because:

- Publicly funded programs should be accountable to the public and provide data to enable evaluation.
- Programs supported with public funds should be accessible without regard to a student's gender, religion, disability, language, or LGBTQ+ status.
- A good public school education should be available to every child in Illinois. More than 1.3 million children attend underfunded public schools. Funding our public schools is an urgent state responsibility.
- General Fund revenues are scarce and needed for many programs that serve the state's low-income families, including healthcare and nutrition.

Invest in Kids Act: Timeline to sunset

Timeline of Jan 1, 2025 sunset in law currently:

- No tax credits for contributions after Jan 1, 2024
- 2023-2024 = final school year
- All provisions repealed on Jan 1, 2025

When Invest in Kids ends...

What will happen to current voucher students next fall?

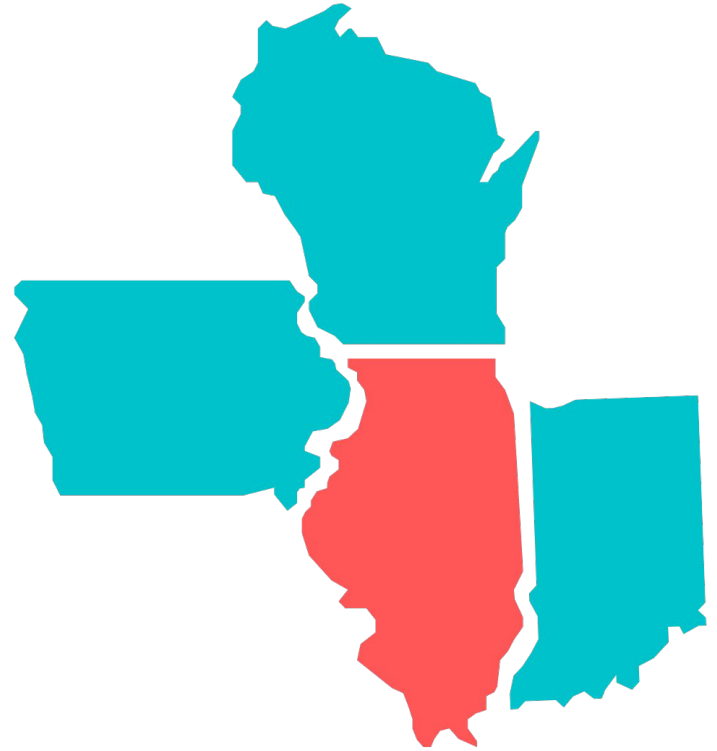
Contributors can continue writing checks directly to schools or to organizations like Big Shoulders Fund and receive a federal deduction for charitable contributions.

Future trends to watch

Pressure on legislators may continue as private school choice proponents push to expand voucher programs, including Education Savings Accounts or universal vouchers.

Voucher programs in Wisconsin, Indiana and Iowa, and many other states, are expanding rapidly.

WI	1991: \$700 K	2022: \$444 M
IN	2011: \$4 M	2022: \$241M
IA	2023 \$107M	2027: \$341M



What can you do to push for Invest in Kids to sunset?



EMAIL YOUR LEGISLATORS

Tell your state senator and state representative to vote NO on any legislation that revives or funds the Invest in Kids school voucher program.



VISIT YOUR LEGISLATORS

Veto session is in late October and mid November..

Join the LWVIL Lobby Day at the Capitol on October 24!

Can't make it to Springfield? Set up a meeting now, or drop a note at their in-district office.



CALL YOUR LEGISLATORS

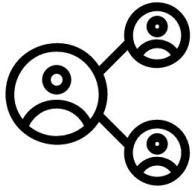
Let them know "Public funds are for public schools that serve all kids! Let the Invest in Kids program sunset!"

[Find your legislators.](#)



FIND THEM HERE!

More ways to advocate



SHARE THE FACTS

Many people don't know Illinois has a voucher program. Resources on LWVIL.org



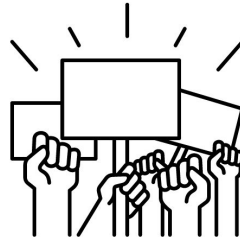
OTHER ELECTED OFFICIALS

Reach out or speak at school board meetings. Contact your Congressperson.



LETTERS TO THE EDITOR

Write to your local newspaper's op-ed page.



BROADEN THE COALITION

Ask your faith-based org, PTA, community org speak out

Join the Sunset the Invest in Kids campaign



More than 55 organizations have endorsed the campaign

Sunset the Invest in Kids Act is endorsed by the following organizations:

Access Living • ACLU of Illinois • Action Ridge • Activate Chicago Parents • AFT Local 604 • American Association of University Women Illinois • American Association of University Women Naperville Area • Americans United for the Separation of Church and State • Asian Americans Advancing Justice | Chicago • BG Pride • Brighton Park Neighborhood Council • Center for Tax and Budget Accountability • Chicago Coalition for the Homeless • Chicago Lawyers' Committee for Civil Rights • Chicago Teachers Union • COFI • ED-RED • Equality Illinois • Families 4 Students and Teachers • 50th Ward Working Families • 48th Ward Neighbors for Justice • Healing to Action • Illinois Education Association • Illinois Families for Public Schools • Illinois Federation of Teachers • Illinois High School District Organization • Illinois Moms 4 Change • Illinois National Organization for Women • Illinois Parent Teacher Association • Indivisible Chicago • Indivisible Evanston • Indivisible Lincoln Square • JCUA • Journey for Justice Alliance • League of Women Voters of Illinois • Learning Disabilities Association of Illinois • Legal Council for Health Justice • LEND • Library Defense • National Association of Social Workers - IL Chapter • National Council of Jewish Women - Chicago North Shore • National Council of Jewish Women - South Cook Section • Network for Public Education • Network 49 • Northside Action for Justice • ONE Northside • PFLAG Council of Northern Illinois • Pilsen Alliance • POWER-PAC IL • Public Funds Public Schools • Raise Your Hand for Illinois Public Education • SCOPE • Teach Plus • 39th Ward Neighbors United • 33rd Ward Working Families • Unitarian Universalist Advocacy Network of Illinois • United Northwest Side

LWVIL social media campaign: share on Facebook and Twitter (X)

A photograph of a classroom with several children raising their hands. The image is overlaid with a semi-transparent purple filter.

**PUBLIC FUNDS
FOR PUBLIC SCHOOLS**

Tell your legislators to vote **NO**
on any bills that revive or fund
the “Invest in Kids” program.

LWV LEAGUE OF WOMEN VOTERS'
OF ILLINOIS

A photograph of a yellow school bus with a child standing next to it. The image is overlaid with a semi-transparent purple filter.

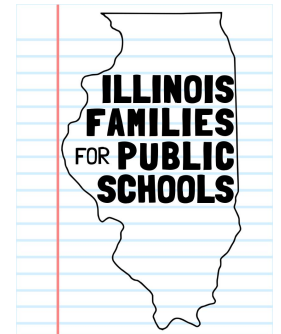
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We gratefully acknowledge the research and partnership of Illinois Families for Public Schools

ILFPS.ORG



Q & A

Additional Resources

Learning Policy Institute (2017) [How Money Matters for Schools](#)

[2022 Annual Invest in Kids Report](#)

Public Funds Public Schools [Voucher and Funding Diversion Legal Cases](#)

National Coalition for Public Education [Opposing Private School Vouchers: A Toolkit for Legislators and Advocates](#)

Institute On Taxation and Economic Policy (June 2023) [Illinois Tax Voucher Credits Don't Invest in Kids, They Invest in Inequality](#)

Center For Tax and Budget Accountability (May 2023) [Fully Funding the Evidence-Based Formula](#)

Center for American Progress (May 2019) [The Danger Private School Voucher Programs Pose to Civil Rights](#)