

COVID-19 Relief Funds Should Not Be Used to Bail Out Private Schools

The next COVID-19 relief bill should include federal funding for public schools, not private schools. Public funding for private schools is not appropriate, as private schools do not provide the same accountability to taxpayers as public schools, and often discriminate in who they educate. The federal government should focus on providing more resources to our public schools, which educate 90% of our country's students, not bailing out private schools through private school voucher programs, tax incentives, or other mechanisms that funnel federal funds for private education.

Many Private Schools Have Already Received Federal Funding for COVID-19 Relief

Congress has already authorized funding through the Paycheck Protection Program (PPP) to assist nonprofit organizations, including private schools, who need financial assistance as a result of the COVID-19 pandemic.¹ Under the PPP, nonprofits, including private schools, are able to receive loans up to \$10 million to cover payroll and other operational expenses. As long as the nonprofit employer can demonstrate that it used the loan for certain authorized uses, the loan can then be forgiven. Indeed, many private and religious schools have utilized this program and accepted the government funding.²

Public Dollars Should Remain in Accountable Public Schools

Unlike public schools, private schools do not provide the same level of accountability. For example, under the Secretary DeVos's microgrants voucher program, relief funds could be diverted to unqualified, unaccountable online vendors with little oversight. When Congress authorized funding for nonprofits and private schools under the PPP, at least it placed certain requirements on recipients including certification of authorized use of funds. Such accountability measures are lacking in a private school voucher scheme. Moreover, without the inclusion of accountability measures such as requiring participating private schools to comply with the same teacher standards, curriculum, reporting, and testing requirements as public schools in their state, there is no way to gauge whether such a program like the microgrants voucher program is effective. Congress should continue to fund our public schools, not send federal dollars to unaccountable programs.

Vouchers Drain Money Away from Public Schools

During this challenging time, the federal government should focus on providing more resources to our public schools and public school educators,³ who are best equipped to serve all students. Private school voucher programs, in contrast, undermine our nation's public schools by diverting desperately needed resources away from the public school system to fund the education of a few, select students in alternative settings. Other mechanisms to funnel federal dollars to private schools are also detrimental to our public schools. For example, it is estimated that the Department's misapplication of the equitable services provision in the CARES Act would result in a loss of \$14.4 million for public school students in Louisiana alone.⁴

⁴ <u>Letter from Representative Bobby Scott, Representative Rosa DeLauro, and Senator Patty Murray to Secretary of Education Betsy DeVos</u> (May 20, 2020); *see also* <u>Letter from the Council of Chief State School Officers to Secretary of Education Betsy DeVos</u> (May 5, 2020).



 $^{^{1}}$ In addition, private schools are also eligible to receive a loan advance of up to \$10,000 under the Economic Injury Disaster Loan program.

² Rob Brunner, Which Elite DC-Area Private Schools Are Accepting Government PPP Money?, Washingtonian (May 6, 2020).

³ For example, the Learning Policy Institute estimates that more than 300,000 teaching positions could be lost as a result of the pandemic, based on an estimated 15 percent reduction in state education funding. Michael Griffith, <u>The Impact of the COVID-19 Recession on Teaching Positions</u> (Apr. 30, 2020).

Funding for Private Schools Undermines Efforts to Serve Low-Income Students

Private school voucher programs do not adequately serve low-income students. In most voucher programs, the cost of tuition and fees at private schools that accept vouchers generally exceeds the amount of the voucher, making private schools unaffordable for most low-income families. Unless a voucher program created with relief funds could ensure that private schools and online education providers could not charge more than the amount of the voucher, it is likely that low-income families could still not afford to participate in such a program.

Similarly, other mechanisms to funnel taxpayer dollars to private schools, such as tax incentives and the expansion of 529 accounts, serve to help wealthy families at the expense of low-income students. It is likely that the families who will benefit from these policies are those who already have the means to send their children to private school without a need for financial aid or tax benefits. A better use of funds is increasing the capacity of public schools to serve all students.

In addition, the Department of Education's proposal to allocate emergency funds for equitable services underscores the ways in which funding for private schools leaves out low-income students. In direct conflict with the language of the CARES Act, the Department has proposed allocating funds based on the total number of students enrolled in a private school rather than the number of low-income students attending a private school. This proposal will not only divert emergency funds away from low-income students, but it will benefit even the wealthiest private school students. The Department's guidance flips the idea of equitable services on its head. It provides additional assistance to wealthy private schools rather than the schools serving the students most in need, creating more inequity instead of less.

Enrollment in Many Private Schools Was Already Declining

Enrollment in private schools has been declining even before the onset of the coronavirus pandemic. From 1999 to 2017, the number of private school students across the country has not grown, but actually decreased from 6 million to 5.7 million.⁶ Catholic schools have felt the declines most acutely, with the number of private school students enrolled in Catholic schools decreasing from 2.7 million in 1999 to 2.1 million in 2017.⁷ And, the number of Catholic schools themselves have also declined from around 13,000 Catholic schools across the country in 1965, and to now only around 6,000.⁸ Although the pandemic has surely exacerbated financial problems for Catholic and other private schools, it is not entirely responsible for these schools' declines in enrollment and struggles to maintain financial viability. It is inappropriate to insist that emergency relief funds salvage these schools and keep them afloat.

Although some private school and voucher advocates have suggested that the public school system will be overwhelmed if students in private schools can no longer afford tuition and move to public schools, vouchers will not solve this problem. Private school vouchers would provide a means for some students to continue to attend private schools, at the expense of the vast majority of students—including those with the greatest need and who are the most expensive to educate—who attend our public schools. It is critical that we fund our public schools that educate all students, rather than diverting funding for private school voucher schemes. If we do not sufficiently fund our public schools, there is no fall back.

⁵ See, e.g., U.S. Dep't of Educ., <u>Evaluation of the DC Opportunity Scholarship Program: Impacts Three Years After Students Applied</u>, A-9 (May 2019) (finding that in Washington D.C, during the 2013-16 school year, 70% of the schools participating in the voucher program had published tuition rates above the maximum amount of the voucher).

⁶ Nat'l Ctr. for Educ. Statistics, <u>The Condition of Education, Private School Enrollment</u> (last updated May 2020).

⁷ Id.

⁸ Rebecca Klein, At Least 100 Catholic Schools Across The Country May Not Reopen This Fall, HuffPost (May 19, 2020).