

Democrats Call for Oversight of Arizona Universal School Voucher Program

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In 2022 the Republican controlled State Legislature and Republican Governor Doug Ducey passed the Empowerment Scholarships Accounts (ESA). The ESA has cost far more than budget estimates. Governor Katie Hobbs, and Kris Mayes, the Arizona Attorney General, speaker at the PebbleCreek Democratic Club in June, have tried to make the ESA more accountable in terms of eligibility requirements and oversight. Arizona ranks 49th nationally in school expenditures per pupil for education. The ESA has been criticized for a lack of a spending cap and rising costs.

Prior to 2022 the educational voucher system was targeted to students with disabilities who could not get their requirements met in public schools. Gradually the program was extended to foster children, students on reservations, and students attending schools rated D or F.

In 2022 the voucher program was expanded to all students, including those in private schools or homeschooled. This expansion is referred to as Universal School Vouchers and provides vouchers to pay various school expenditures, not just private school tuition. Vouchers can also be used for homeschooling expenses, tutoring, and other educational materials. Gym memberships, horseback riding lessons, ski lessons, golf simulators, kayaks, restaurant dining, are all examples of "homeschooling expenses" that have been covered by tax payers through the ESA program. Voucher expenses per student average \$7,000 annually. Basically, ESAs were made available to students regardless of their previous school attendance and income levels of their parents.

Governor Hobbs' proposed Arizona 2026 budget included reforms to the ESA



program by changing voucher amounts and eliminating them for high income earners. This would save \$150 million in the budget. Her proposal included a tiered system based on parent income. If parents made less than \$100K they would receive the full voucher, less than \$130K funding would be 75%, 50% for \$160K, 20% up to \$200K, and over \$200K income would not pay anything for voucher.

We believe accountability and caps on the program should be considered. With vouchers available to students who never attended a public school there are no constraints on the scope of the program.

The ESA program has blown a hole in the Arizona budget. If Kris Mayes and Governor Hobbs are re-elected in the 2026 election and the Arizona legislature is controlled by Democrats, the story could dramatically change for the better. At present only a small amount of vouchers are benefitting poor children and inequality is increasing. We would like to see the ESA program reformed.