

# Tennessee's Voucher Program Lacks Transparency as Expansion Looms

Here's what the data shows — and doesn't show — at the start of the education freedom scholarship program.

Earlier this month, Governor Lee and House Speaker Sexton expressed interest in doubling the number of students who can participate in the Education Freedom Scholarships (EFS) private school voucher program. The voucher program currently allows 20,000 students to receive vouchers and they want to increase that number to 40,000. This would far surpass the 5,000 seat annual increase included in the original legislation, thus further deterring investment in public schools.<sup>1</sup>

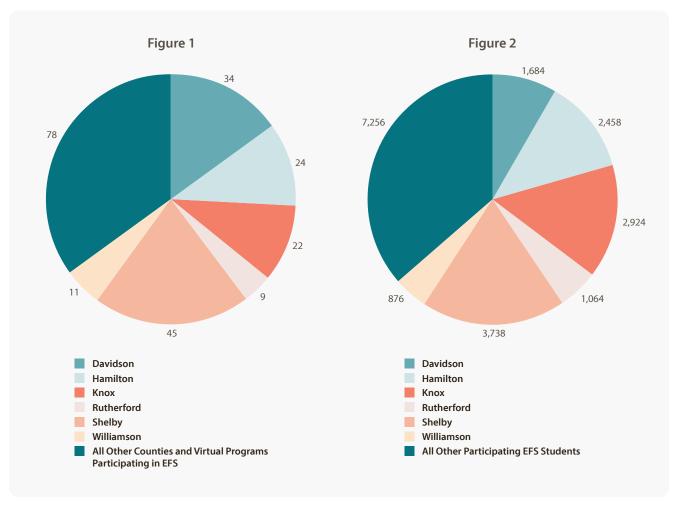
EdTrust-Tennessee believes public dollars should fund public schools exclusively. While we continue to monitor the state of vouchers and implications for students and public schools, these are the preliminary findings from the start of the EFS program.

# **Vouchers Were Concentrated in Tennessee's Largest and Wealthiest Counties**

Almost two out of every three participating private schools and voucher recipients were located in just six wealthy counties: Shelby, Davidson, Hamilton, Knox, Williamson, and Rutherford. These six counties are among those with the highest per capita personal income in the state.<sup>2</sup> With the exception of Shelby County (\$61,979), each had a per capita income greater than that of the state (\$62,229) in 2023.

<sup>&</sup>lt;sup>1</sup> The annual 5,000 seat cap is meant to protect the state budget by limiting the cost of program expansion to \$188,100,000 a year (not including administration costs). As written, expansion is only meant to occur when the number of applicants exceeds 20.000 by 75%. This year, the TN DOE saw more than 42.000 EFS applications.

<sup>&</sup>lt;sup>2</sup> TN Dept. of Labor and Workforce Development https://www.tn.gov/content/dam/tn/workforce/documents/LMR/LMR-May2025.pdf



**Figure 1:** Number of EFS Schools in a given County **Figure 2:** Number of EFS students residing in a given county

# **Questions Advocates Can Ask:**

- What does voucher usage to attend virtual schools look like across the state?
- How are students using vouchers to attend school in a county other than where they live?

### **Vouchers Cost More and Still Did Not Cover Tuition**

The counties with the highest EFS enrollment take the largest share of the \$144M allocated for this school year. However, even amongst the counties that did not have high EFS enrollment, the state invested more at the per-student level towards private schools than public schools. In fact, the \$7,295 that EFS students received from the state this year is more than what public school students received from the state for 20 counties in the 2024–2025 school year (see map below).

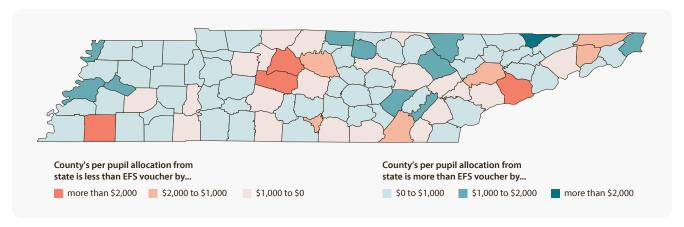


Figure 3: District's per student allocations

Vouchers did not cover the cost of tuition for many private schools — only 43 private schools (22%) had a minimum tuition less than the scholarship. The average minimum tuition for schools with EFS participants is \$10,739.3 Still even this calculation is conservative as the highest tuition cost for one school was over \$116,000. With a scholarship amount this year of \$7,295, families must cover remaining expenses to attend private schools.

<sup>&</sup>lt;sup>3</sup> Data from the Tennessean <u>Tennessee school vouchers mostly benefit religious schools</u>



Figure 4: Median Tuition Ranges in Counties with Highest Voucher Enrollment



# **Questions Advocates Can Ask:**

- How has the voucher program affected public school enrollments?
- What are the impacts on public school funding?

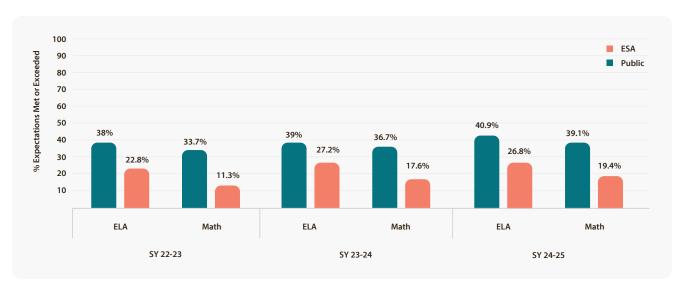
# **Statewide Voucher Program Data is Scarce**

The General Assembly will consider legislation that would expand data reporting on the EFS program in early 2026. Currently, there are no data reported on the number of voucher recipients who were previously enrolled in public schools, so evaluating how the new program is affecting public schools is not possible.

## **Lessons from Education Savings Account Voucher Program Data**

While we do not have data from EFS, we do have data from the 2024-25 school year for the 3,693 students participating in the Education Savings Account (ESA) limited voucher program. 4 Unlike the EFS program, students in the ESA program take Tennessee's standard achievement assessment and their scores are reported publicly. Students attending TN K-12 public schools outperformed ESA students on the TCAP in both English Language Arts (ELA) and Math.

<sup>4</sup> The ESA program is comparatively smaller to the EFS program and targets students from Memphis-Shelby County Public Schools, Metro Nashville Public Schools, Hamilton County Public Schools, or schools that were in the Achievement School District.



**Figure 5:** Percentage of Public School and ESA students that met or exceeded expectations on TCAP



# **Questions?**

Please contact <a href="mailto:edtrust.org">edtrust.org</a> for more information.