



**Testimony on House Bill 930– Favorable**  
**HB 930 – Income Tax – Decoupling From Federal Changes – Education Expenses**  
**House Ways and Means Committee**

**February 26, 2026**

Dear Honorable Chair Wilkins, Vice Chair Feldmark, and Members of the Committee,

EdTrust, a nonprofit, nonpartisan policy & advocacy organization working to dismantle the racial and economic barriers embedded in the American education system **offers favorable testimony in support of HB 930– Income Tax – Decoupling From Federal Changes – Education Expenses.**

HB 930 represents an important step in protecting Maryland’s students by opting out of the Federal Voucher Tax Credit (FVTC). The FVTC program – passed through the “One Big Beautiful Bill Act” – is yet another attempt to privatize our K-12 education system and pull funding from the public schools that serve [90%](#) of students nationwide. **This program funnels public taxpayer dollars into unaccountable private schools and will [exacerbate discrimination](#) while deepening socioeconomic inequities.** Despite claims of increasing choice for families, voucher programs overwhelmingly benefit [white, wealthy](#) students already attending private schools. A study by the [Brookings Institution](#) of Arizona's Empowerment Scholarship Accounts, the oldest voucher program of its kind, concluded that *“nothing...even remotely suggests that this program is addressing inequities in school access by students’ socioeconomic status.”* When Florida expanded its voucher program in 2023, [69%](#) of participating students already attended private schools, a trend that has been observed in several other states. The research is clear - vouchers are a handout to wealthy private school students, not a ticket to better educational opportunities for students who need them.

Voucher programs also allow for rampant discrimination, with private schools able to pick and choose which students to serve. **Research shows that students with [disabilities](#), [multilingual learners](#), students with [lower grades or test scores](#), students with disciplinary histories, [LGBTQ+](#) students, [low-income students](#), and students of [minority faiths](#) are all discriminated against in voucher programs.** Furthermore, as private schools aren’t required to provide special education services, students with disabilities find themselves [cut out of programs completely](#) or forced to waive their right to critical support services under the Individuals with Disabilities Education Act (IDEA) in order to access a voucher.

**Moreover, vouchers do not lead to better educational outcomes for students, and often negatively impact educational achievement.** An [analysis](#) of Maryland’s own BOOST voucher program found that **non-BOOST students outperformed BOOST students in English and Math for all tested grade levels, in most cases by at least 15%.** Similar negative impacts on student achievement have been observed in [Louisiana](#), [Indiana](#), [Ohio](#), and [Washington D.C.](#) We know that families want more for their children, especially those families that have been in [under-resourced](#) public schools for far too long. But [polling](#) shows that what families really want are stronger, more equitably funded public schools, not unaccountable private schools that don’t have to demonstrate they’re educating students effectively. That’s why the majority of families across the country have voted against vouchers all [17 times](#) they’ve been put up for referendum.



In addition to the harms described above, the new FVTC poses further harms unique to its structure. **EdTrust is gravely concerned about the lack of both financial and academic accountability guardrails included in the FVTC.** The legislation includes minimal guidelines for how Scholarship Granting Organizations (SGOs) can deploy these public funds and to whom, and the U.S. Treasury Department has [indicated](#) they are unlikely to create further accountability measures for the program. **SGOs are not statutorily required to disclose which students are receiving public funding through the program, or where that money is being spent.** They are also not required to ensure that the educational programs funded through the tax credit are evidence-based and effectively helping students succeed.


Research shows what will happen should such a program be implemented in Maryland. The lack of financial accountability within voucher programs has led to rampant abuse in places like [North Carolina](#), [Florida](#), and [Arizona](#). **The lack of accountability for education providers included in voucher programs means that participating private schools often [lack long-term financial viability](#), leading to [frequent school closures](#).** Furthermore, private schools [often don't](#) have to follow basic requirements for teacher certification, safety, or curriculum quality, meaning students may be using public funds to attend schools that are not preparing them for college or career. There is no denying that public schools have underserved many students. However, these schools are accountable to the public and are legally required to work towards improving educational outcomes. The FVTC includes no such guardrails and doesn't even require SGOs to publish the data that would allow us to identify and assess the FVTC's impact on students.

**While EdTrust does acknowledge there is room for the program to be used by public school students, the harm this program will cause for public schools far outweighs any such benefits.** Because the program is a first of its kind dollar-for-dollar tax credit with no limit on the number of individuals who can participate, experts expect it will cost the federal government billions of dollars annually, with some predicting a cost of up to [\\$51 billion per year](#). This would make the program larger than IDEA and Title 1 combined – both critical funding sources Maryland relies on to support students with the greatest needs. **With such a high price tag for the tax credit, these important federal education programs could face intense congressional scrutiny and the threat of significant future funding cuts, which we've already seen proposed in previous federal funding bills.** This could have devastating impacts for Maryland's students and families, but the financial costs of voucher expansion are already a [reality](#) for many states. The exorbitant cost of voucher programs has already created [extreme budget shortfalls](#) in places like Arizona, and has been linked to decreases in public school funding by up to [12%](#).

While the law states that students in public schools will be able to use the FVTC for services like afterschool tutoring, the [Treasury Department](#) has indicated that they may further restrict the ways in which this program can be leveraged by public school students. The reality is that even incremental voucher expansion can lead to [decreases in the quality of public education – with reduced funding forcing public schools to consolidate classes, cut extracurriculars, or \[close entirely\]\(#\)](#). Furthermore, private schools have a large infrastructure advantage that makes it likely they will be able to attract most of the funding under this new program. Large private school supporting SGOs—with no ties to local communities— already exist and are [actively recruiting](#) for the new federal program, whereas SGOs that predominately serve public schools have yet to be created and will likely take years of funding and staff time to become competitors.

Maryland has long demonstrated its belief in the importance of public education. Most recently, it passed one of the most sweeping and ambitious public education reform policies in the country through the Blueprint for Maryland's Future. In doing so, Maryland signaled its acknowledgement that families





and students want and deserve more, as well as its commitment to building a world-class education system that works for all students. Maryland should continue to invest in public schools, rather than allowing a new federal program into the state that would undermine student achievement and wouldn't meaningfully serve those students facing the steepest barriers to learning. **In passing HB 930, Maryland will safeguard students against inequitable and unaccountable educational programs while reaffirming its commitment to the public schools that make the state strong.**

For these reasons, EdTrust urges the House Ways and Means Committee to issue a **favorable report** on **HB 930**.

Sincerely,

Augustus Mays

Vice President, Partnerships and Engagement, EdTrust

