



Estimated Budget and Economic Impact of the Let MI Kids Learn Petition Initiative

Summary

Betsy DeVos' Let MI Kids Learn petition initiative, which pushes so-called "Scholarship Opportunity Grants," would siphon billions of dollars from Michigan's budget, hurting the vast majority of children in our public schools. It would primarily benefit the wealthiest citizens and corporations and creates an uneven playing field between public and private school students. [A link to the full report that this factsheet was made from can be found here.](#)

The cumulative five-year impact of the tax credits alone is estimated to be \$3.68 billion.

The tax credit would reduce state funding by \$500 million the first year and could increase 20% each year after that. That means fewer resources for our students, their schools and public services.

This proposal would have a cascading negative effect on the state budget, reaching far past the scope of the lost revenue from the tax credits themselves, and affect programs beyond K-12 education.

- Current budget surpluses from federal relief funds will not last.
- K-12 public schools would lose state funding for each student that transferred to a private school.
- Current tax law mandating future decreases in the income tax rate would combine with this proposal to further reduce overall state revenue by an additional \$90 million in 2024 and continue to reduce revenue each year after.
- To pay for this program, the state would likely have to decrease the budgets for Health and Human Resources —which could mean Michigan loses federal funds it receives through matching programs. The cuts would also impact the Department of Education, affecting the budgets for higher education and community colleges.

This proposal primarily helps those who are already privileged and wealthy.

- The proposal is unlikely to help poor and middle-class students attend private schools, with funds likely to go to students already in private school.
- The taxpayers most likely to be able to take advantage of the tax credit are wealthy individuals and corporations.

This proposal benefits a select few while leaving the majority of Michigan children, especially the neediest, behind.

- This proposal privileges the families of private school students; public school students would be eligible for a \$500 tax credit, while the credit for private school pupils would be about \$7,000.
- Nothing in the proposal will require private schools to meet the same requirements as public schools: private schools will be allowed to turn away any student they choose and will not be required to provide remedial programs or special education services.
- By diverting public money to private schools, the proposal would leave less money for public education reforms proven to work such as smaller classes, summer school and teacher training.

Learn more at ForMiKids.com