



October 20, 2026

The Honorable Ned Lamont
Governor of Connecticut
State Capitol
210 Capitol Avenue
Hartford, CT 06106

Dear Governor Lamont:

On behalf of the Connecticut Education Association, AFT Connecticut, Connecticut Association of Boards of Education, Connecticut Association of Public School Superintendents, and CT Association of School Business Officers we respectfully urge Gov. Lamont to opt out of the U.S. Treasury Department's Federal Tax Credit Voucher plan proposed under Section 25F.

Now that the proposed regulations are available, we better understand the dangers this program poses to public education in our state. While the so-called "scholarship tax credit" may look like a financial benefit, it is a Trojan horse that offers false promises to taxpayers and creates winners of a few private companies selling educational services; that means long-term cuts to public education funding, higher costs, and ever-diminishing services for Connecticut students.

The proposed rule offers zero flexibility or state control, costs taxpayers money, and creates significant administrative burdens for states. In Arizona, a recent state audit identified weak controls and millions of dollars in inappropriate spending under the state's Empowerment Scholarship Accounts (ESA) program.¹ The AZ Auditor General reported that 34% of all completed transactions were "unallowable expenses" or lacked required documentation. The report found more than 580,000 "high-risk transactions" totaling around \$100 million.

Despite these issues, the AZ legislature passed a bill to opt in to the new federal voucher program, which Gov. Katie Hobbs vetoed in May 2026. Recognizing the potential for widespread fraud, Gov. Hobbs has declined to opt in to the Treasury Dept. plan.

Under the federal framework, Connecticut would bear high administrative costs and enforcement responsibilities. At the same time, scholarship-granting organizations—including large, interstate SGOs—would have the power to make consequential decisions about which schools, services, and expenses are eligible for support. This would dramatically change the landscape of public education and leave our state vulnerable to rampant fraud and abuse.

We are concerned that the program would function primarily as a subsidy for private education (including institutions whose tuition far exceeds the value of the credit), while offering no assurance that students with the greatest needs will be protected. Private schools and service providers are not subject to the same public oversight, transparency, access requirements, or obligations to serve students with disabilities as public schools. Without clear protections, many families will remain

¹ <https://azmirror.com/2026/05/18/audit-find-arizonas-universal-school-voucher-oversight-is-haphazard-riddled-with-gaps/>

unable to access the program, while private vendors and families already enrolled in private schools receive the greatest benefit.²

The proposed rule further raises questions about the growing role of private companies in delivering tests, tutoring, digital platforms, and other educational services. Digital-wallet arrangements and decentralized scholarship-granting organizations could bypass local boards of education and reduce meaningful public review of how education dollars are spent. This creates the risk of a taxpayer-funded marketplace in which a small number of vendors or financial interests profit while public schools face continued pressure on staffing, academic programs, special education, tutoring, and extracurricular opportunities.

For these reasons, we view the federal voucher proposal as a potential vehicle for privatization rather than a reliable investment in public education. Connecticut must defend against the loss of public oversight, the potential for fraud and abuse, and the threat to low-income students and those requiring special education services. Directing public funds toward private institutions at the expense of funding our public schools undermines public education and threatens educational outcomes among our highest need students.

We respectfully request a meeting with you to discuss the proposed regulations and their potential impact on Connecticut's students and public schools. We would value the opportunity to share our perspectives and discuss key considerations that should guide Connecticut's participation in such tax policy moving forward.

Given the program's anticipated January 2027 launch, we hope to meet with you at your earliest convenience. Thank you for your attention to this urgent matter, and we look forward to working together with your administration to safeguard public education in our state.

Sincerely,



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AFT Connecticut



Kate Dias
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² <https://www.brookings.edu/articles/who-is-likely-to-benefit-from-the-federal-scholarship-tax-credit/>