

POLICY *focus*

RECIPES FOR RATIONAL GOVERNMENT

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What is School Choice?

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Introduction

Eighty-five percent of parents send their children to a public school, yet only **one third** of parents would choose that same traditional public school option if they had the ability to go elsewhere.

School choice programs, which include charter schools, education savings accounts, vouchers, and tax credit scholarships, are making choices possible for an increasing share of families. What does this mean for you, your children, and the future of education in the United States? (This policy focus will cover various types of school choice programs, with the exception of charter schools. Charter schools will be the topic of a separate IWF policy focus.)

Many people think of school choice as a lifeline for the students who are worst-served by the current system—students mired in poverty, or stuck in academically-low performing schools in urban areas. But while those who are underserved by the education monopoly stand to gain the most from choice, educational freedom isn't suited only for a subset of children.

The effects of making educational freedom available to more families are wide-ranging. From improved academic achievement and attainment to higher levels of civic altruism and tolerance for those different than oneself, and even lower crime rates among students later in life, school choice is changing lives and communities. This is also reflected in the high level of parental satisfaction measured in various school choice programs.

We must learn from the experience of different programs across states and expand access to the proven school choice policies, so that all American families can choose the best education for their children. Every family deserves maximum flexibility and freedom in education.

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Why You Should Care

In a large and diverse republic like the United States, no one education system can fairly serve all students well. The educational choice programs flourishing across the country are giving families and students options instead of residency-based assignments to schools that may not work for them. Educational freedom has many positive effects:

- **Academic Excellence:** The vast majority of gold standard studies—meaning studies that employ a control group—show that students in choice programs demonstrate academic improvement. Additionally, contra opponents’ arguments, the effect of choice on traditional public schools’ test scores is also positive, due to increased competition. Test scores may not be the most critical metric in education, but even so, school choice programs show positive impact.
- **Civic and Cultural Impact:** School choice programs are transforming communities. They are associated with lower levels of crime and higher levels of civic virtues like voter registration, volunteer rates and social tolerance of diverse groups and views.
- **Parental Satisfaction:** In surveys, school choice offers a much higher level of satisfaction than traditional public schools, with the most dramatic changes evident among low-income families.
- **Accountability in All Schools:** Gaining control over their children’s funds will also give families who do want their children to stay in traditional public schools the leverage they need to have meaningful input in school district decisions over which they frequently feel powerless, such as choice of curriculum, extracurricular activities, discipline policies, and more.

Background

Types of School Choice Programs

There are different types of school choice programs:

Vouchers

A voucher is the most basic form of school choice, as initially imagined by Nobel laureate Milton Friedman. A portion of the funds the state spends on a child’s education can instead be used by his or her parents to pay tuition at a private school of their choice. Today, 27 voucher programs operate in 16 states or territories across the country.

Example: Washington D.C.—In Washington, D.C., parents under a poverty threshold can apply for a voucher—\$8,500 for K-8 students and \$12,000 for high schoolers—to attend one of 47 participating private schools within the boundaries of the district. While that may sound like a lot, it’s less than half the average expenditure per pupil in D.C. Almost 1,200 students are currently enrolled in the program, and about a third of District families with children qualify, with applicants being chosen by lottery.

Tax Credit Scholarships

Tax credit scholarship programs are similar to vouchers, but funded in a totally different—and privatized—way. Instead of direct government funding, these programs grant a tax credit of



Types of School Choice Programs

Vouchers
currently operating
in 16 states/territories

Tax Credit Scholarships
currently operating
in 18 states

Education Savings Accounts
currently operating
in 6 states

anywhere from 50 to 100 percent to individual or corporate donors when they give money to scholarship-granting organizations (SGOs). The tax credits incentivize charitable giving to non-profit groups that give scholarships for private schools. There are 24 tax credit scholarship programs **across 18 states** (some states, like Arizona, have multiple programs).

Example: Georgia—Georgia’s Qualified Education Expense Tax Credit was enacted in 2008, and served 13,600 students in 2016, handing out an average scholarship of just under \$4,000 to participating families. For the last several years, the available tax credits were immediately snapped up the day they became available, January 1st. Finally, in 2017, the legislature raised the cap on the number of tax credits available, opening this popular program to more Georgia families.

Education Savings Accounts

Education savings accounts are the newest and most flexible educational choice option. Instead of granting a lump sum scholarship to families to use at a private institution of their choice, ESAs allow parents to deposit the money in a debit account that can be used for any educational purpose. Six states—Arizona, Nevada, Florida, Mississippi, Tennessee, and most recently, North Carolina—have passed these innovative programs, which allow parents to use funds on any combination of private school tuition, special needs services, tutoring, textbooks, and more. Unused funds can roll over year to year, and eventually into a college savings account.

Example: Arizona—Arizona’s Empowerment Scholarship Accounts—enacted in 2011—is the first ESA program in the United States. In 2017, the program, initially restricted to special needs students, was expanded to make all public school students eligible, pending ballot referendum. Currently, 4,525 students participate in the program, receiving an average of \$12,400.

How Have Educational Choice Programs Worked?

Because the first private school choice program was enacted in 1991, we’ve been able to study the effects of various programs all over the country for the last two and a half decades.

Academic Performance

Of the **18 empirical gold standard** studies, using control groups to exclude additional influencing factors, on school choice students’ test scores, 14 of them showed improvement among students who utilized the choice programs, two showed no effect, and two (on the same highly-regulated program in Louisiana) showed a negative effect. While many argue that school choice can be detrimental to public schools, the evidence overwhelmingly indicates that the opposite is true. **Thirty-one studies** with various methodologies have been performed on the effects of choice on traditional public school systems. Of those 31, 29 found *positive* impact on public school academic performance from competition with school choice programs, with only one study showing a null effect and one showing a small negative effect.

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However, while test scores can be useful for evaluating performance across large groups that require some kind of standardized metric to compare, **recent research** shows that they have

less utility than many thought in predicting successful outcomes later in life. As many parents have known for decades, there's a difference between the kind of learning that shapes capable, successful citizens, and performing well on a multiple-choice exam. Therefore, the other effects of school choice, beyond test scores, may well be more relevant in the long run.

Civic and Cultural Effects

Eleven empirical studies have looked into the civic effects of school choice programs on their student participants. Of those eleven, eight found **improvements in civic virtues** such as voter registration, volunteer rates, and social tolerance.

Additionally, a study on the Milwaukee voucher program, the oldest modern private choice program in the nation, found that the program massively reduced crime rates among students when compared to similar public school peers. Researchers found that young adults who had come through the program had a whopping 79 percent fewer felony convictions, 93 percent fewer convictions for drug crimes, and 87 percent fewer convictions for theft.

Parental Satisfaction

Parental satisfaction is another important way to measure the success of school choice programs. After all, who cares more about a child's success than his or her parents? In Arizona, participating parents report being very happy with the education savings account program there. Seventy-one percent pronounced themselves "very satisfied," while a further 19 percent said they were satisfied. Not a single parent claimed dissatisfaction with the program, as compared to nearly half of the same parents reporting being unhappy with their children's public school experiences. Low-income parents, often stuck with the worst the public system has to offer for their children, report even more dramatic swings in satisfaction, with nearly nine in ten parents calling themselves "very satisfied" with the choice program.

These kinds of school choice effects reach far beyond the students and their immediate families. By satisfying parents and students, improving civic virtue, and reducing crime rates in addition to successful academic outcomes, school choice is transforming entire communities.

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Policy Recommendations

School choice is worth doing right. Here's how:

Universal Eligibility

Some school choice programs sharply limit participation by making choices available only to low-income or special needs students. While these students absolutely deserve choice, they're not the only ones.

Despite school choice programs being enacted in more than half of the states, they remain relatively small. **Only a handful of states** have more than four percent of their students enrolled in school choice programs. But states like Arizona and Nevada have shown the country that it is legislatively possible to pass broad-eligibility educational freedom programs that include all families. Following their lead, dozens of states around the country have introduced **universal programs**.

Opening choice programs only to low-income students also places the burden of politically supporting the program on those whose voices are often ignored in the halls of power. In the past two decades, low-income communities have often had to lead near-Herculean organized efforts to keep school choice from the chopper's block. Including middle-income parents will ensure that the political burden of sustaining and growing school choice programs doesn't fall solely on the shoulders of the families who can least afford to carry it.

Watch Out for Red Tape

Often, because school choice programs are innovative and new, policymakers want to attach government regulations to their use to ensure that students are learning. But this well-meaning impulse is misguided, and often ends up limiting choices, homogenizing schools, and generally making the same mistakes that plague the current public school system.

The only two studies showing negative academic results from school choice come from the same Louisiana voucher program, which is so heavily regulated that only a third of the private schools in the state choose to accept voucher students. While there is evidence that student performance recovers and exceeds public school peer performance by years three and four in the program, the studies still **dealt a blow** to school choice advocates.

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Overall, parents know better than policymakers or regulators what is and isn't working for their children. While it's absolutely important to make sure education providers are accountable for taxpayer dollars, regulations that second-guess parent decision making often end up backfiring.

Funding Equity

We often hear that the public schools are underfunded. In reality, the nation's taxpayers spend more than \$600 billion annually on K-12 education, making the United States among the **top per-pupil spenders** among first-world countries, for some of the most comparatively-mediocre results. On top of continually approving tax increases to channel more money into a failing system, most states fund school choice programs at a small fraction of the level they fund traditional public schools.

Money doesn't equal success in the educational arena, but it's unfair to spend more on a child's education because he has chosen to stay in traditional public school, and to punish him for taking advantage of other opportunities. Whatever taxpayers and legislators decide to pay for a year of a child's schooling, an equitable amount should be invested in that same child should his or her parents choose another option.

What You Can Do

Get Informed

Learn more about school choice and educational freedom. Visit:

- [The Heritage Foundation](#)
- [EdChoice](#)
- [Jay P. Greene's Blog](#)

Talk to Your Friends

Help your friends and family understand these important issues. Tell them about what's going on and encourage them to join you in getting involved.

Become a Leader in the Community

Get a group together each month to talk about a political/policy issue (it will be fun!). Write a letter to the editor. Show up at local government meetings and make your opinions known. Go to rallies. Better yet, organize rallies! A few motivated people can change the world.

Remain Engaged Politically

Too many good citizens see election time as the only time they need to pay attention to politics. We need everyone to pay attention and hold elected officials accountable. Let your Representatives know your opinions. After all, they are supposed to work for you!

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ABOUT INDEPENDENT WOMEN'S FORUM

Independent Women's Forum (IWF) is dedicated to building support for free markets, limited government, and individual responsibility.

IWF, a non-partisan, 501(c)(3) research and educational institution, seeks to combat the too-common presumption that women want and benefit from big government, and build awareness of the ways that women are better served by greater economic freedom. By aggressively seeking earned media, providing easy-to-read, timely publications and commentary, and reaching out to the public, we seek to cultivate support for these important principles and encourage women to join us in working to return the country to limited, Constitutional government.

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