



the
CENTER FOR EDUCATION REFORM

**IMPROVING AMERICAN EDUCATION
WITH SCHOOL CHOICE**

**POLICY UPDATE
DECEMBER 2012**

While most states once almost exclusively offered only the traditional models of education to families, increasingly today states offer a wide variety of options that allow choices of schools other than those to which the families are assigned by school district zones. Both state and federal laws emphasize options at various levels. Following is some quick data and facts about school choice options in the U.S.

Almost every state has enacted some type of school choice program, which give parents the power and opportunity to choose the school their child will attend. Some grant parents more freedoms than others. The most successful and commonly adopted forms of school choice are public charter schools, now in 42 states and DC, with the recent passage of a law in Washington state, and full school choice programs or opportunity scholarships, active in 21 states. Additionally, [46 states and DC](#) have adopted public school choices like open enrollment among all public schools in a district.

THE SCOPE OF CHARTER SCHOOLS

By definition, charter schools are innovative, public schools designed by educators, parents or civic leaders that are open by choice, accountable for results, and free from most rules and regulations governing conventional public schools. Today, over 6,000 charter schools serve 2 million of our nation's children.

THE GROWTH OF FULL SCHOOL CHOICE PROGRAMS

Full school choice programs provide parents with a portion of the public educational funding allotted for their child to attend school and allows them to use those funds to attend the school of their choice. Such programs give parents the authority to choose with their tax dollars to send their child to the school that best fits their needs, whether it is a religious or parochial school, another private school, or any public school.

FULL SCHOOL CHOICE PROGRAMS OPERATING TODAY:

- In Indiana, the [Choice Scholarship Program](#), the nation's broadest voucher program, provides scholarships to 4,000 low- and middle-income students.
- The [Student Scholarships for Educational Excellence](#) in Louisiana provides vouchers to assist low-income children in New Orleans' failing schools. Nearly 2,000 scholarships were awarded in 2011-12.
- [Over 23,000 children](#) participate in the [Milwaukee Parental Choice Program](#) and each receives about \$6,500 for tuition.
- Also in Wisconsin, the [Racine Parental Choice Program](#) was created in 2011 and resembles the Milwaukee program. In 2011, 230 students received scholarships.
- [Cleveland Scholarship and Tutoring Program](#) provides scholarships to over 5,500 students in the Cleveland Municipal School District.
- [Ohio's Statewide Educational Choice Scholarship Pilot Program](#) provided scholarships to over 16,000 students in the 2011-2012 school year. The program has now grown to provide [up to 60,000 scholarships](#). The scholarship is based solely on the performance of the sending public school. According to School Choice Ohio, more than 100,000 students across the state are eligible.
- [Washington DC's Opportunity Scholarship Program](#) currently serves [over 1,500 families](#) in the nation's capital. The program is based on income eligibility; elementary and middle school students can receive up to \$8,136 and up to \$12,205 for high school students.
- The [Douglas County Choice Scholarship Pilot Program](#) in Colorado provides students who reside in Douglas County and previously attended public schools with up to 75 percent of the county's per-pupil revenue. A state district court has issued an injunction barring the program from going forward and appeals have been filed.

Here are 16 other programs across the country offering more choice to parents:

- [Personal Tax Credits for School Tuition Organizations, Arizona](#)
Serves 26,453 students in 367 schools with an average \$1,791 scholarship. Arizona gives a credit on individual income taxes for donations to privately run nonprofit organizations that distribute the private school scholarships. Most scholarships are given solely based on financial need.
- [Corporate Tax Credits for School Tuition Organizations, Arizona](#)
Program serves 4,578 students in 187 schools and provides an average scholarship of \$2,212. Program is based on Arizona's Personal Tax Credits scholarships and is open to low-income families.
- [Tax Credit Scholarship Program, Florida](#)

37,998 students are participating in Florida's Tax Credit Program in 1,114 schools and have an average scholarship of \$3,747. Students are eligible for the program if they qualify for free and reduced-price lunch. In addition, students in foster care can also participate.

- [Georgia Scholarship Tax Credit Program](#)
It's estimated that 8,300 students are participating in the program. All Georgia students that are enrolled in public schools are eligible to receive scholarships, in addition to students that are able to enroll in pre-K, kindergarten, or first grade.
- [School Scholarship Tax Credit, Indiana](#)
Program serves 5,900 students with an average scholarship value of \$754. Students are eligible for the program if they qualify for the free and reduced-price lunch program.
- [Tuition Tax Deduction, Indiana](#)
Launched in 2011, the program provides a state tax deduction for any taxpayer that has a child already enrolled in a provide school or home school program to claim up to \$1,000 per child for approved educational expenses. In 2011-12, 5,909 students participated in the program.
- [School Tuition Organization Tax Credit, Iowa](#)
Program serves 10,820 low-income students in 155 schools, providing average scholarships of \$1,061.
- [Tax Credit for Donations to School Tuition Organizations, Louisiana](#)
Launching in the 2012-2013 school year, the program provides tax rebates for donations made to school tuition organizations for private school scholarships. Low-income students are eligible if they are attending kindergarten for the first time, attended public school, or are previous scholarship recipients.
- [Town Tuitioning Program, Maine](#)
Program serves 5,091 students in 60 schools with an average voucher value of \$8,798. Students are eligible for the program if they live in a town that does not operate a public school at their grade level. They are eligible for vouchers to attend public schools and non-religious private schools in other towns or even outside the state.
- [Corporate Education Tax Credit, New Hampshire](#)
Launching in 2013, it is estimated that half of New Hampshire's students may be eligible to participate in the program. The average scholarship value must not exceed \$2,500, with the exception of special education students, for which the scholarships may not be less than \$4,375.
- [Equal Opportunity Education Scholarships, Oklahoma](#)
Program is set to launch in 2013 and provides scholarships to students who qualify for free and reduced-price lunch or to students who live in the attendance zone of a "needs improvement" school.

- [Educational Improvement Tax Credit Program, Pennsylvania](#)
An estimated 40,800 students participate in the program with an average scholarship of \$1,165.
- [Educational Opportunity Scholarship Tax Credit, Pennsylvania](#)
Launched in 2012, the program serves students that live in a low-achieving school zone. Students can receive up to \$8,500, while students with special needs can receive up to \$15,000.
- [Tax Credits for Contributions to Scholarship Organizations, Rhode Island](#)
Program serves 460 low-income students in 54 schools with an average scholarship value of \$2,264.
- [Town Tuitioning Program, Vermont](#)
Program serves 6,329 students in 97 towns with an average voucher value of \$12,461. Students are eligible if they live in an identified tuition town that does not operate local public schools.
- [Education Improvement Scholarships Tax Credits, Virginia](#)
Program provides scholarships to low- and middle-income families to attend private school in the state. Legislation passed in 2012.

FULL SCHOOL CHOICE PROGRAMS EXCLUSIVELY FOR CHILDREN WITH SPECIAL NEEDS:

- Arizona's [Empowerment Scholarship Accounts](#) program allows parents of children with special needs to receive a portion of their public funding into an education savings account to pay for private school tuition, virtual education programs, private tutoring, or future college expenses. It currently serves 142 students.
- Arizona's [Lexie's Law Corporate Tax Credits](#) program serves 115 students in special education or foster care with an average scholarship of \$4,310.
- Over 22,500 students took advantage of [Florida's McKay Scholarship for Special Needs](#) in the 2011-2012 school year.
- The [Georgia Special Needs Scholarship](#) is serving [over 2,900 students](#) according to the latest statistics.
- Louisiana also just launched the [School Choice Pilot Program for Certain Students with Exceptionalities](#) with the average scholarship worth \$3,000.
- Mississippi recently launched a new program, the [Dyslexia Therapy Scholarship](#) that allows children with dyslexia to transfer to a private school that can better serve their needs.
- Launched in 2011, [North Carolina's Tax Credits for Children With Disabilities program](#) allows parents of children with special needs to claim a tax credit of up to \$6,000 for

private school tuition, therapy, and tutoring. Eligibility is limited to children who were in public schools under an IEP program. Tax credits are limited to \$3,000 per semester per child.

- Ohio's [Autism Scholarship Program](#) allows parents a choice to send their child to a special education program outside of the public school system. Amount of scholarship is either \$20,000 per school year or equal to the fee charged by the ASP provider. An estimated 2,236 students participate in the program with an average voucher value of \$16,148.
- Ohio's Jon Peterson [Special Needs Scholarship Program](#) just recently launched this school year and allows parents of children with special needs to pay for private school tuition and additional services at private therapists and other providers.
- Oklahoma's [Lindsey Nicole Henry Scholarships for Students with Disabilities Program](#) provides an average voucher of \$7,436 to 160 students in 41 schools. The program is open to any parents of a student with a disability to participate in the program if they are unhappy with his or her assigned public school.
- Utah's [Carson Smith Special Needs Scholarship](#) serves over [600 students](#).

SUPPORT FOR SCHOOL CHOICE PROGRAMS

Survey research helps to paint an important picture of the needs and desires of the general public, especially parents, and their views towards education policy in the US.

For example:

- The [2012 Phi Delta Kappa/Gallup Poll of the Public's Attitudes Toward Public Schools](#) summarizes Americans views on education, although with inaccurate questions and lack of context. To no surprise, this poll showed that an average of 66 percent of survey respondents support charter schools. Support of vouchers also increased by 10 percent from 2011, even despite the misleading wording of the question.
- The Center for Education Reform's 2012 surveys on school options and charter laws found that 70 percent of [North Carolina](#) voters, 60 percent of [Florida](#) voters, and 71 percent of [Tennessee](#) voters support charter schools.
- In a recent May 2012 poll commissioned by the [American Federation for Children and the Hispanic Council for Reform and Educational Options \(HCREO\)](#), 85 percent of likely voters and 91 percent of Latinos—in five key states—Arizona, Florida, New Mexico, New Jersey, and Nevada—think voucher or scholarship tax credit programs should be available.
- The 2008 [Joint Center for Political and Economic Studies](#) poll found that African Americans rate their local charter schools more favorably than their local non-charter public schools.

The study also found that close to two-thirds of African Americans supported school vouchers, an all time high.

In addition, many parents have demonstrated a demand for school choice options:

- It is estimated that roughly [610,000 students were on waiting lists](#) to attend charters in 2011 with waitlists at about 65 percent of charter schools, an increase of 6 percent and 200,000 students from 2009.
- Parental demand for charter schools surged by 30 percent [since 2010](#). Despite demand, [23 states](#) have charter laws that still put caps on the number of schools that are allowed to operate, the number of students, or limits on the number of schools per district.
- In 2011, the waiting list for all Texas charter schools was estimated at over [55,000 students](#). This fall in [Massachusetts](#), 68 schools had waitlists totaling 48,000 students. As of 2011, it is estimated that there are roughly [30,000 students on waitlists](#) in North Carolina.
- According to [CER's 2010 Annual Survey of America's Charter Schools](#), the majority of charter school students are minority (52 percent), at-risk (50 percent), or low-income (54 percent).

MYTHS AND REALITIES ABOUT SCHOOL CHOICE

The following are some of the most common arguments and responses against all forms of school choice.

The “Undermining-America” Argument: Choice will destroy the American public school tradition, siphoning off needed funds and decreasing quality in public schools while leading to segregation and division.

- Numerous examples show how competition created by choice can motivate public schools to improve, and how higher funding levels without systemic reforms leave only microscopic changes, if any at all.
- Florida's McKay Scholarship program led to a statistically significant increase in the math and reading test scores of public schools that were geographically close to voucher schools, [according to the Manhattan Institute](#). The study indicated that "students eligible for vouchers who remained in the public schools made greater academic improvements as their school choices improved."
- According to Harvard researcher Caroline Hoxby, isolating the effects of competition on public school achievement levels shows that there is academic improvement in places where choice occurs. [Hoxby evaluated three programs](#): the Milwaukee Parental Choice Program and the charter school programs in Michigan and Arizona. In the 32 Milwaukee schools that faced the most competition – with two-thirds or more students eligible for vouchers – fourth-grade math achievement test scores exhibited what amounted to an annual gain of 6.3 National Percentile Rank (NPR) points over a four-

year period. The 66 Milwaukee schools facing less competition (with less than two thirds of voucher eligible students) saw an annual gain of 4.8 points. In contrast, the schools facing no competition saw an annual gain of only 3.5 points.

The “Church-State” Argument: Allowing public funds to be used for tuition at religious schools is unconstitutional.

- The U.S. Supreme Court ruled in June 2002, that a school choice program must not have the “purpose” or “effect” of advancing or inhibiting religion. Thus, it ruled that the Cleveland, Ohio program *is* constitutional because public money can flow to religious schools as a result of a person’s independent choice. This ruling has been used to defend scholarship and voucher programs in other states, such as Arizona.

The “Choice is Expensive” Argument: Vouchers don’t cover the cost of private schools. Poor families will be left behind.

- The issue is not whether or not private schools cost more, but whether voucher amounts are on par with what is spent on public schools. Of the three programs enacted in the 90s, all spent half or less than the per pupil cost.
- Contrary to what most people think about when they hear private school education, most private schools are actually affordable. As reported in the [2011 Digest of Education Statistics](#), the average private school tuition is \$8,549, and Catholic schools average \$6,018 per student. The average public school expenditure per pupil was \$12,274, more than 70 percent higher than average private school tuition costs.

The “Failed Experiment” Argument: There is no evidence that school choice works.

- School choice gives more students access to private schools, charter schools and access to a better education. Numerous studies confirm that students enrolled in private schools, either through choice programs or independently do better academically compared to their peers in the public schools.
- The Milwaukee Parental Choice Program, the oldest private school choice program has shown [success](#) over time. Students receiving a scholarship graduate from high school on time seven percentage points higher than students enrolled in Milwaukee Public Schools.
- Education researcher Patrick Wolf, found that parents of [D.C. Opportunity Scholarship Program](#) voucher students felt satisfied with their child’s safety after two years of attending their private school. This allowed them to turn their attention away from ongoing safety concerns and towards their child’s academic needs.

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