

September 2014

Panel Discussion: The State of Play for Parental Choice

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Recommended Citation

Schoenig, J., & Staud, J. (2014). Panel Discussion: The State of Play for Parental Choice. *Journal of Catholic Education*, 18 (1).
<http://dx.doi.org/10.15365/joce.1801102014>

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The State of Play for Parental Choice

Panelists:

Scott Jensen, American Federation for Children

Doug Tuthill, Step Up for Students

Patrick Wolf, University of Arkansas

This article contains transcripts of a panel presentation from the 2013 CHEC conference, held on September 22, 23, and 24 at the University of Notre Dame.

Scott Jensen, American Federation for Children

A few years ago, when I was first asked to give this sort of presentation, I had to look pretty hard to find promising trends to show that public financing of private school options was a reality of many places in the US. Now, this presentation has to be updated almost every few weeks because we are making so much progress around the country in publicly-created, private school choice options for children in K – 12 schools. Today, there are 18 states, plus the District of Columbia and Douglas County, Colorado where publicly-created, private school choice options exist. Two states with new programs beginning in 2013 are Alabama and South Carolina. The places where publicly-created, private school choice options exist represent nearly every region in the country and almost every stripe of politics in the nation.

Within those 18 states and the District of Columbia, there are now 39 publicly-created, private school choice programs: 39 programs spread across those 18 states and the other two areas. Twenty-one of those programs are voucher programs; in a voucher program the public funds that would have been spent on a child's behalf at their local public school follow that child to the private school that their parents have chosen. Then, there are 16 programs that are called "scholarship tax credit programs." In a scholarship tax credit program, individuals or corporations contribute to a charitable organization called a scholarship organization. In turn, that scholarship organization provides funds for children to go to the schools of their parents' choice and the original donor gets tax credit from the state for the contribution they made to the scholarship organization. One important distinction between vouchers and scholarship tax credit programs is where the funds come from: in a voucher program, it is public funds that are following the child to the school

Journal of Catholic Education, Vol. 18, No. 1, September 2014, 174-184. This article is licensed under a Creative Commons Attribution 3.0 International License.

doi: 10.15365/joce.1801102014

of their parents' choice. In the case of scholarship tax credit programs, private contributions fund the scholarships. It may be a government incentive, but the funds that paid for the scholarship are private and that is important in a number of states who have very strict constitutional provisions about where public funds may flow and which funds may be used for private, religious institutions.

Most of the programs in the US are voucher programs or scholarship tax credit programs. There are a few, very small parental tax credits through which parents can get \$250 back. There is one large, parental tax credit program in Alabama, which, we think, will provide a refundable credit of approximately \$3500. So, when a parent pays for a child's education, they are able then to get a tax credit in that amount. Alabama did it right; they made sure that the money is refundable so that if a family only has a \$1000 tax liability, they can still get back \$3500 on their taxes. This is important for lower income families to have a full range of options, otherwise this sort of tax credit is only available or of importance to wealthy and middle class families.

The last idea I want to discuss is what a lot of people think is the future of the school choice movement—a lot of people think it is “Vouchers 2.0”—and that's Education Savings Accounts. In an education savings account, the money that the state would have spent on a child's public school education is placed in a bank account and the parents get to decide how to spend that money on behalf of their child's education. They might decide to send their child to a local, Catholic school, but are concerned that the school doesn't teach Mandarin, which is the language they want their child to learn, or are disappointed with some other part of the education program. In this case, the parents can take those funds and pay for the private school tuition and then pay for tutoring after school, pay for language classes, or take some online course for a science curriculum that isn't available at their local school. Parents get to design, essentially, the education for their children and each year the state deposits funds in those education savings accounts. And if parents don't use all of the money, they get to roll it over to the next year.

Let me give you an example of the only state that has this right now: Arizona. In Arizona, beginning next fall [fall 2014], these education savings accounts grants will be worth about \$6500 per child. So, if the average tuition in a Catholic school is \$4800 for elementary school, the parents can bank the rest of that money and then use it when they get to high school when the cost of tuition is higher. And, if they still haven't used it all they can roll it

over and use it for their child's college education. So, essentially, it gives parents complete control over the future of their child's education. There is only one state that has a program like this; we have been working closely with them to refine this idea. I think next year, two or three other states are likely to adopt education savings accounts and this may be the new direction that a lot of states head in.

When the first school choice program was created in 1990, when I was Governor Tommy Thompson's chief of staff, there were about 341 kids enrolled in that first year. The program grew quite slowly, but over the last decade or so these programs around the country have grown pretty significantly. Today, in this last school year [2012-2013], there were about 250,000 children in America who were going to private schools using one of the publicly-created, private school choice programs that we just walked through. So nearly a quarter of a million—and I think this year we will get close to 300,000 children. The amount of money, of course, has been going up quite dramatically. Last year, almost a billion dollars in public funds and public-incentive funds followed those children to the school of their parents' choice.

In Florida, 76,000 children last year went to a private school using a publicly-created program. Pennsylvania had 42,000; Arizona had 30,000; Ohio had 27,000; and Wisconsin had 24,000. These are large numbers of students in those states who are going to private schools using public programs.

For the previous decade, advocates of school choice programs spent most of our time working in five or six states trying to get these programs adopted. Beginning in 2005-2006, we began to get to a larger and larger amount. And in the 2011-2012 session, 19 states passed a private school choice bill—35 different legislative chambers. So as a former legislator, this means a lot to me because in the past, people would say, "Well you guys are the fringe of the education reform movement; this really isn't happening in too many states." But now, when more than one third of the legislative chambers in America pass a private school choice bill in a particular legislative session, that is huge progress. We are now deep into the mainstream of education reform around the country, and we are only nine months into this legislative session; it is clear that we are going to set records out there. We estimate that close to 40% of the legislatures in America of this cycle will adopt a private school choice bill of some sort or another.

The idea of school choice is spreading all across the country and is more and more accepted among Republican and Democratic legislators. When we passed the first program in 1990 in Wisconsin, we were convinced that

the two ideas we focused on that year—welfare reform and school choice—would spread across the country overnight. Well, five years later, welfare reform had been adopted in over 40 states in the country, and five years later private school choice had been adopted in one other state. Clearly there is a large, invested, education establishment that is pushing back on this idea and it has taken us quite a while to begin to break through. But it took five years for the first state, then about every legislative session we added another state. Beginning in 2004, we began adding a state every year and over the course of the last couple years we've been adding two or three states each year to where we now have 18 states plus the District of Columbia. We are really within grasp of over half the states in the country having a private school choice program in one sort or another.

Not only are we passing more programs, the programs are initially beginning to be much bigger and bolder. So states used to dip their toes in the water and they'd slowly try to expand programs over time. That's no longer the case. Indiana just three years ago passed statewide private school choice. And we don't have the final numbers for this year, but we think that there will be over 16,000 children in the state of Indiana attending private schools using public funds. In Louisiana, they had a New Orleans program for a long time then they went to a statewide program. Arizona: statewide for the education savings account. Ohio: now just added its fifth program, also a statewide program. North Carolina, a new state to the school choice family: statewide scholarship tax credit program. These programs are much bigger and bolder with thousands and thousands of students in them.

We are also beginning to see more bipartisan support. In Florida, 46% of the Democrats in the legislature supported the last expansion of the private school choice program. In North Carolina, they had one house vote that was close to 90%. So, they are getting support on both sides. In Iowa, the vote for the most recent expansion was unanimous through both houses of the legislature. We are getting more and more support from both sides of the aisle for larger and larger programs. The movement is growing very, very quickly.

Doug Tuthill, Step Up for Students

What I want to do is give you a sense of the growth and the impact school choice is having in Florida. This year [2013] we added 10,000 kids to our program; we are now up to 60,000 kids; that's 33% or 34% of kids being publically funded in private schools in Florida. It is a dramatic impact on

private school enrollment in Florida—Catholic schools particularly. In the last school year, we gave almost \$43 million in scholarships to children who took those scholarships to Catholic schools in Florida. By the way, about 80% of the schools that serve tax-credit kids are faith-based schools, so it's a pretty eclectic group of faith-based communities. But I think Catholic schools are certainly the largest provider. We have a bill this spring in a legislative session that I'm confident is going to pass with bipartisan support that will double the size of our program in the next three years, which means we'll go from 60,000 kids this year to 120,000 kids in the next three years. Which means the funding for a Catholic education will be pushing 100 million dollars.

The Sun Sentinel, a newspaper dealing with Palm county, Florida, published this story: "Catholic school enrollment grows in Palm Beach county. After five years of decline enrollment in the diocese of Palm Beach county schools is rebounding with steady growth recorded at many schools over the last 2 years. Officials credit the improving economy, expanding scholarship opportunity, new technology that impresses the parents." We are seeing these stories all around the states and it is very exciting to see, at least in Florida, Catholic education growing. And, it is growing because we are able to grow publicly-funded scholarship programs for children to be able to go into Catholic education. In Florida, at least, I think it is going to accelerate; we have a lot of momentum nationally.

In order for this movement to grow, we need some help. The first help, of course, is political, and certainly in Florida the Catholic conference has been fantastic. We have a big alliance in Florida called Florida Alliance for Choices in Education, which includes all the choice community including public school choice and magnet schools. The research community has had a huge impact in Florida. We have a major research project that is done every year on the schools, as well as lots of spinoff studies, and the research is showing high degrees of parental satisfaction and significant progress in student achievement for high-poverty kids. That kind of research is important to helping us to politically grow the program. Every year I am able to stand in front of the legislature and say the program saves the state money because the amount of the scholarship is less than the state would pay for a child in a district school. I am able to show that it is improving the academic achievement of high-poverty kids. The primary researcher in our program, a man named David Figlio from Northwestern has published research showing that achievement in district schools increases because of our program, and the reason that is happening is because we are attracting the highest possible

poverty, lowest performing students into our program. So we are serving the neediest, which is right at the sweet spot for Catholic education and we are also dramatically decreasing the concentration of poverty in a lot of inner-city schools.

Again, that research community has already played a critical role in helping us document the value added not just for the families within our programs, but for the families in the district schools. We try not to get caught in the public versus private school debate. For us, we are in the business of equal opportunity. We are agnostic as the choices that families make; we want to level the playing field and we want Catholic education to be accessible--for families not to be priced out, making it inaccessible. Whether they choose Catholic education, or a magnet school, or a charter school, is not my issue. My issue is access and finding equal opportunity. The research community can provide huge help for us in Florida and around the country by continuing to research these programs and giving us objective data as to what is working, what is not working, and how to improve...

...It is a very, very competitive environment in Florida. The choice environment is incredibly competitive. School districts are all suddenly scrambling. For years and years they were never customer-focused; it was very bureaucratic. They are bleeding to death right now, they are losing market share to charter schools, to virtual schools, and obviously to private schools, and they are really responding by trying to compete fiercely and try to recruit students back into their schools. If Catholic education is going to take advantage of this tremendous opportunity, you need to focus on making sure all of your schools are high quality. And that includes leadership...I think having a strong principal is key given the model many Catholic schools have, including a great deal of decentralization and a tremendous amount of control given to the principals. As a research community and as a community that is developing educators, you've got to make sure that you have a really strong pipeline of very strong principals. You also have to think about generational poverty, which, in my view, is the biggest challenge we face as educators and society: how do you break down the challenge of generational poverty? Think of the generational poverty that leads back to slavery. It has a very unique set of characteristics about it; it is very different than other types of poverty.

It is possible to break that cycle, but it is a heck of a challenge. I think the Catholic Church is perfectly positioned because of the kind of holistic approach you take to human development and to spiritual development. Those approaches, I think, are a perfect fit for tackling generational poverty. I think

the Catholic community needs to be very specific and thoughtful about how to attack that issue because public funding programs are going to bring more kids living with generational poverty into Catholic schools, and you have to succeed with those kids. And that is going to involve what happens during the school day but also after-school activities. One of the reasons I'm so excited about the ESAs—Educational Savings Accounts—is that I think they will begin to open up the opportunities for out of school learning...

If this movement is going to continue to grow, we have to deliver. We can raise the money. We'll bring the kids to the school, but you guys have to deliver high quality education particularly to the children who need it most. If that happens, then the revolution will continue and we will transform the nature of public education in this country and we will break, or do serious damage, to the ultimate challenge that we have as a community and as educators, which is breaking generational poverty.

Patrick Wolf, University of Arkansas

These are the main policy questions surrounding private school choice programs: Do participating students benefit? Do non-participating students benefit? Do parents benefit? Do communities benefit? As Doug pointed out, the majority of the schools participating in private school choice programs and taking in students on vouchers and scholarships are Catholic schools. And over two-thirds of the actual participants in these programs are attending Catholic schools. So Catholic schools are the dominant participants, and they tend to take in more students than non-Catholic religious schools and secular schools. So, in a sense, when we are looking at the aggregate results of these private school choice programs we are looking primarily at a Catholic schooling effect. Not totally a Catholic school effect; not exclusively a Catholic schooling effect; but primarily a Catholic schooling effect.

Let's look at educational attainment. It is understudied in the field; generally we look at test score effects much more frequently than we look at educational attainment, but there's lots of research that shows that how far you go is more important than how much you know. The longer you stay in school, the extent to which you hit key benchmarks, such as high school graduation, college enrollment, college graduation, a whole slew of quality of life indicators improve for you—longevity, health, likelihood of intact marriage, likelihood of avoiding incarceration, lifetime earnings—all of these things are higher for people who have higher levels of educational attainment. This is

one of the most important educational outcomes so we can look at the effect that exposure and participation in private school choice programs has on educational attainment.

I led the evaluation of a D.C. scholarship program. It's the only federally-funded school voucher program in the United States. The most important finding from that five year evaluation was that the students who used an opportunity scholarship to attend a participating private school increased their likelihood of graduating from 70% to 91%. This program was targeted to highly disadvantaged, low income, inner city students in Washington DC, and those participating in the voucher program graduated at a rate of 91%. This is a statistically significant, solid finding and an important finding; an increase in 21 percentage points in the likelihood of graduating.

I also led the evaluation of the Milwaukee parental choice program. I studied one of the most recent parental voucher programs in Washington D.C. and the oldest and largest voucher program in Milwaukee, Wisconsin. And here we were able to track the students longer, not just through high school graduation, but also the possibility of their enrollment through college and we found some very exciting results: The voucher group demonstrated an advantage in all the things that really matter. We saw a 7% increase in the likelihood of on-time graduation. A 4% increase in ever graduating from high school. Four year college enrollment saw an increase of 6%. And in persistence in four year college enrollment: a 6% increase. These two results are critically important. First of all, again, this is a program targeted at highly disadvantaged students, and they were enrolling into college in general at a rate of about 30%, so if you boost that by 6%, that is a 20% increase in the likelihood of graduating college. Secondly, persistence in college. This confirms the fact that not only were the private schools participating in the voucher program getting students out the door and into college, but they were well-prepared for college because they didn't wash out in the first year; they continued at that higher rate of 6% persisting in a four year college. The public school comparison group had higher percentages in areas that were sort of consolation prizes. For example, five-year graduation: They had a higher rate by 4%, but that's because the private schools and the voucher programs were putting out such a high percentage of students on time. And then two year college enrollment generally, although in a two year college environment might be better for some individual students, in general, individuals benefit more from a four year college enrollment.

So this is very exciting. It confirmed that our finding in DC wasn't an aberration, the effects were somewhat smaller in terms of the magnitude, but, again, this is school choice operating at scale. 25,000 students in Milwaukee participating in this program is over 20% of the school-aged population in Milwaukee and they are still getting clear advantages in terms of educational attainment. We look at test scores, this is an area where there is a lot of controversy and there are a lot of strong claims made by opponents of private school choice. Diane Ravitch has stated that vouchers and charters are a failed experiment based on the impacts of these programs on student test scores. Jeff Henig at the teacher's college says that the test score results from vouchers are all over the map, and that the results from school choice are mixed at best. Everybody who is opposed to school choice has said that or some variation of that. But we have a lot of studies on the effect of private school choice programs on student test scores so we can look at what the evidence actually suggests.

For example, consider 10 "gold standard" experimental studies. These are studies that draw upon programs that use lotteries to allocate vouchers or tax credit scholarships, and that gives us the perfect scientific method for evaluating these programs because the students who lose the lottery are exactly like the students who win the lottery in every way except they do not get the private school choice experience. When we look at the ten studies of programs using this experimental research design, we find that five have overall achievement gains for students in voucher programs, four show gains for at least particular subgroups, and one shows no statistically significant gain overall or for subgroups. None of them show a negative effect from switching to a private school on student achievement. And you see that the no gains finding seems like an aberration here when we look at these ten highly rigorous studies. In addition, there are two studies that aren't quite gold standard, you might call them silver standard. David Figlio's study of the participant effects of the Step Up for Students program in Florida, and my evaluation of the Milwaukee program where we couldn't use lotteries. Those both found overall positive effects on student achievement from exposure to the program. So if you expanded it, if you added the two almost-experimental studies to it, then you'd have seven out of twelve showing overall gains, four showing subgroup gains, and then one showing no gains.

What about the kids left behind? Maybe going to a private school helps the kids who are fortunate enough to win the lottery and are lucky enough to have that experience, but the kids left behind are going to suffer. This is a

question of systemic or competitive effects of private school choice, and we have a lot of very careful scientific studies on that question. As Doug mentioned, David Figlio and his colleagues have done excellent work on this in Florida. Other folks have examined the Florida data too and 10 studies all showing positive effects on student achievement in the schools most affected by private school choice. So the kids that leave are doing better and the kids who remain in the public schools are doing better as well. Six studies in Milwaukee were all positive, two studies in Ohio one showing clear positive effects, the other showing no significant effect, and then study in DC with no effect. The overwhelming effect is that the kids left behind do better as a result of these programs.

What about the effects on parental satisfaction with schools? Basically, it's no big surprise that when parents can choose the school they feel that it is a better fit for their child. Especially regarding curriculum, safety, parent-teacher relations, academics, and religion. Religion is of course an opportunity that they can't get in the public schools and many parents value that opportunity in religious schools, and it doesn't have to their own family religion. In many cases in these voucher programs we see Baptists or evangelical Protestants sending their kids to Catholic schools because they want a religious environment—a Christian environment—for their child, even if it doesn't perfectly match their own religious affiliation. This finding of parental satisfaction effects of these voucher programs is confirmed by five gold standard studies. It's really so well-accepted that most researchers don't even look at parent satisfaction any longer because they know that the parents are going to be more satisfied. In DC, we found that parents graded their schools A to B at a rate of 80% if they were using a voucher, and only 50% if they were in the control group.

What about the broader effects on communities? This is also a major concern raised by voucher opponents. They claim that sectarian private schools foster intolerance and social strife. Barack Obama made this statement in Ireland when he was visiting Ireland, claiming that there shouldn't be religious schools in Ireland and/or presumably in the United States because it fosters intolerance and sectarian strife. And there are a lot of researchers, particularly Gary Orfield at UCLA, that claim that school choice generates racial segregation and racial isolation of students. Well, once again, we don't have to accept these claims for face value. We can look at evidence. I did sort of a meta-analysis of all the studies of the effect of private schooling or private school choice on the civic values of students. It includes political

knowledge, political tolerance, volunteerism, political activity, patriotism, and social capital. These are sort of the main measures of civic outcome, the effect of private school choice on civic outcomes, and when you add them all up you, again, see a very positive message. When we look at racial integration at the school level ...we see two studies showing that it has no negative effect and a whole bunch of studies showing that students are better racially mixed and racially integrated in schools under private school choice programs... Again, the claims made by opponents have no relationships with the pattern of results of the actual studies on the effect of private school choice on student outcomes.

Private school choice delivers a variety of educational benefits to students under many circumstances. It tends to spur effective public schools to improve slightly, parents love them, and they tend to enhance and not undermine the public purposes of education.