Providing a Prescription of School Choice to Improve Mississippi's K-12 Educational System: A Dose of Education Savings Accounts Mixed with Charter Schools and Private School Vouchers

Eric Bennett
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“Providing a Prescription of School Choice to Improve Mississippi’s K-12 Educational System: A Dose of Education Savings Accounts Mixed with Charter Schools and Private School Vouchers”

By

Eric Tyrell Bennett

A thesis submitted to the faculty of The University of Mississippi in partial fulfillment of the requirements of the Sally McDonnell Barksdale Honors College.

Oxford
May 2016

Approved by

Advisor: Professor Jonathan Winburn

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ABSTRACT

ERIC TYRELL BENNETT: Providing a Prescription of School Choice to Improve Mississippi’s K-12 Educational System: A Dose of Education Savings Accounts Mixed with Charter Schools and Private School Vouchers
(Under the direction of Jonathan Winburn)

This thesis investigates the research surrounding school choice programs, such as charter schools, private school vouchers, and education savings accounts (ESAs). My research investigates academic effects, fiscal effects, impact upon low-income and minority students, parental involvement and satisfaction, and public opinion of school choice programs. The ultimate goal of this thesis is to answer my central research question of, “What is the ideal school choice picture for Mississippi,” with two goals in mind: 1.) To “rescue” children currently trapped within underperforming schools without the means to transfer to a higher quality school. 2.) To “reform” the K-12 educational system in Mississippi by creating more quality alternatives, providing fiscal savings that can be reinvested into traditional public schools, and to help provide low-income and minority families with the means to choose the best educational route that will prepare their children to become educated and productive members of society. My research focuses on existing sources and investigates the findings of various school choice studies to discover the effects of various programs. I also interviewed the Senate and House chairs of Mississippi’s Education Committees as well as staffers from two school choice foundations located in Mississippi. Attempts to interview school choice opponents in Mississippi were unsuccessful. My research shows that while academic results for school choice programs are often mixed, there does exist significant evidence of improvements.
for both low-income and minority students. The research also shows nearly universal fiscal savings for states as well as increased parental satisfaction, parental involvement, and public support for school choice programs. Finally, my conclusion is that school choice programs will not solve Mississippi’s continuing educational woes, but they provide an opportunity to help struggling students as well as provide one avenue of reform that can help improve Mississippi’s K-12 educational system. The conclusion of this thesis proposes that Mississippi continue expanding its charter school program while also expanding its special-needs ESA program to cover all K-12 students to provide a private school voucher component as well as funds that can be used to cover any educational expense including tutoring, therapy, online courses, or college savings.
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INTRODUCTION

Socrates once said in Plato’s *Euthyphro*, “For it is correct to take care of the young first, so that they will be the best possible, just as a good farmer properly takes care of the young plants first, and after this of the others first.” Mississippi’s K-12 educational system is in strong need of a viable educational reform alternative to create and expand opportunities for all students statewide with a special emphasis on low-income and minority students currently enrolled in under-achieving schools. As a result, while this thesis explores school choice’s recorded and potential impact on all students as well as additional factors including the fiscal impact upon state budgets, I focus much of my discussion upon each program’s effects upon low-income and minority students.

This thesis focuses on various school choice programs, such as charter schools, private school vouchers, and education savings accounts (ESAs) as they exist as possible education reform options to address the needs of Mississippi’s educational system. Charter schools usually operate as public schools with public funding but with much more autonomy in decision-making, teacher hiring, budget allocation, and other areas of school administration; however private corporations oversee or manage some of these schools as either for-profit or non-profit schools. However, they are each managed independently and are semi-autonomous with independence over staffing, budgets, curriculum, and other functions. Private school vouchers exist as state-funded
scholarships for parents to use to send their child to a private school while receiving part or all of the state or local funds allocated to their child had he or she attended a public school. Finally, education savings accounts function as the newest form of school choice through which a state deposits a specified amount into an account and provides parents with a debit card which can be used to purchase educational services including private school tuition, tutoring, after-school programs, online courses, or college savings accounts.

I present available research for each program as it has been implemented in various states. First, I examine the success of these programs as evidence-based alternatives to the traditional public school model. Beyond their possibilities as an alternative, this project seeks to determine how states use these programs to coexist with the traditional public school system. My research further explores the academic and fiscal benefits of these school choice programs as well as the social benefits of these programs on low-income and minority students. I also explore public opinion of the various choice programs as well as parental satisfaction. Finally, I offer a blueprint or plan for how Mississippi could design such a reform to provide more options for parents of low-income and minority children while also increasing competition among schools in the state to provide a more cost-efficient, quality education to students. I base this prescription on the existing evidence of the success and failures of programs already in use around the country.

**Methodology**

I focus much of my research on existing sources with an extensive literature review based upon various studies, books, news articles, and online sources. I explore
sources detailing the background of the school choice movement as well as examples of existing and proposed programs throughout the country along with the arguments for and against these various options. Using the most current empirical studies, I examine whether actual results provide stronger support for proponents’ claims or the counterarguments made against school choice programs. One significant caveat that had to be considered throughout this process is that much of the research has been conducted by researchers with pre-existing bias. With this knowledge in mind, I accommodated in my analysis for possible effects that this bias could have regarding conclusions drawn by the researchers such as by using a larger pool of sources to avoid the effects of a biased outlier as well as by focusing on primary sources explaining their methodology and evidence.

Nobel Prize-winning conservative economist Milton Friedman’s views on school choice serve as an excellent starting point for understanding the proponents’ views on this issue. Meanwhile the National Educators’ Association’s (NEA) views against school choice, particularly vouchers, is a good place to start examining the opponents’ views. Next, each of their arguments against school choice and voucher programs is presented as well as their accompanying reasoning. Within this section, I also address the question of constitutionality that some opponents have argued exists with voucher programs. Following this, I continue my exploration of the history of school choice programs in the United States by exploring existing charter school, voucher, and ESA programs. Next, I address some criticisms by school choice opponents by using recent studies of existing programs to see to what extent these criticisms have occurred within the actual
implementation of school choice programs throughout the country. As *Figure 1* shows, the use of these programs have become increasingly popular over the past decade:

![Number of Currently Enacted Private School Choice Programs by Year Launched](image)

*The Friedman Foundation's "The ABCs of School Choice 2016 Edition"

Adding to my research are studies performed by government agencies overseeing existing programs as well as academic studies performed by university researchers and school choice foundations. I then examine whether these facts support or nullify the supporters’ and opponents’ claims about school choice programs.

To better understand the Mississippi case, I conducted interviews with individuals involved in the school choice movement in the state. This included Mississippi Senator Gray Tollison (R-MS9) and Representative John Moore (R-MS60). I also interviewed Empower Mississippi staffer Brett Kittredge and Mississippi Center for Public Policy analyst Jameson Taylor to discuss research that their organizations had used to determine their support for school choice in Mississippi as well as their proposals for how the state
should proceed in increasing educational choice for parents. After attempts to interview opponents were unsuccessful, I focus much of the opposing views upon arguments made by Diane Ravitch.

In addition, I focus much of my research within states, such as Arizona, Florida, and Louisiana, which offer favorable comparisons to Mississippi as well as cities throughout the country that possess some of the earliest-enacted and largest school choice programs such as Milwaukee and Cleveland’s private school voucher programs. Louisiana’s program initially expanded as a method to address Hurricane Katrina’s aftermath in south Louisiana with 74% of students enrolled in failing schools during the 2005-2006 school year. Through a combination of school choice and charter school programs, Louisiana was able to lower that percentage to 8% (Louisiana Department of Education, 2014). Using the evidence from these states, I offer successful practices that can be employed to create a blueprint for an ideal school choice environment in Mississippi. This blueprint will allow low-income and minority students around the state gain access to more quality alternatives that provide them with greater opportunity to succeed in life and create a higher standard for educational quality in Mississippi. By allowing all students to gain an adequate and college-ready education from a quality school, whether public or private, Mississippi can work to improve its standing in every facet of society by raising better-educated, productive members of society.

Finally, I work to provide a fair report that highlights the available research regarding these programs as well as including relevant data to support my conclusions and allow any reader to analyze the original data presented and form their own conclusions. While I expected to ultimately come to a supportive conclusion regarding
these programs, I offer here my entering bias in favor of these programs so that any reader may take that into consideration throughout reading my thesis. However, I did strive to present my research and findings in a neutral and fair way throughout this project. I do not attempt to hide my bias, but instead seek to first make it known, and then work to interpret my research using research that is supported by well-substantiated studies using such proven methods as random assignment. I also work to make my bias a non-factor by only using research that includes their original data and methodology so that I can present the findings in a manner that can be readily investigated by others to ascertain their validity.

**Literature Review**

In many states, charter school policies are often the first major school choice program implemented, while other programs such as vouchers and ESAs follow after political feasibility is increased by the implementation of charter schools. One potential explanation is charter school policies are often more politically feasible and have much more support in the research as successes. This appears to be due to initial policy focusing on stringent and difficult approval policies for the creation of a charter school. Another possible explanation is that charter schools make open-enrollment school choice and voucher programs more effective by providing quality choices within areas that previously lacked any quality options and instead consisted of only under-performing public or private schools, such as might be found within certain areas of the Mississippi Delta. These observations could help predict the current political feasibility and possibility of enacting these programs in Mississippi with the charter school policy having been enacted in 2013. As these charter schools are created in the state, the
environment for education reform that includes administrative autonomy and parental choice becomes more hospitable for other school choice options. Indeed, since Mississippi enacted charter schools in 2013, it has also enacted an education savings account program, additional voucher program, and will be contemplating multiple school choice bills in 2016, several of which are likely to also be enacted to both improve and expand existing programs or create new choice programs.

One of the most significant problems for evaluating the success of school choice programs is the lack of definitive results and studies of existing programs as most of these programs have been launched within the past ten years. Fortunately, studies are starting to emerge. For example, on the fiscal impact, the National Council of State Legislatures (NCSL) reported that the “Milwaukee Parental Choice Program saved the state $37.2 million in FY 2009, $46.7 million in FY 2010, and $51.9 million in FY 2011” (NCSL). Likewise, the NCSL reported Florida’s Corporate Income Tax Credit Scholarship Program enabled Florida to save “$1.49 for every $1 it issued in tax credits, totaling $38.9 million in savings in FY 2007-08 and $1.44 for every $1 in tax credits issued in FY 2008-09, resulting in total net budget savings of $36.2 million as a result of a greater increase in tax credits issued” (Cunningham, 2013).

Furthermore, Indiana reported that its choice program has grown from 4,000 students enrolled during the 2011-2012 school year to about 30,000 students currently enrolled (McInerny, 2015). However, this massive expansion has caused the program to go from saving the state funds to costing millions in the education budget and is expected to continue to do so at least until the expansion levels off (Ciernak, Stewart, and Ruddy 2015). Finally, the American Federation for Children provides some basic statistics that
are helpful in understanding the current status of voucher and choice programs across the
country. Currently, there are fifty-nine school choice programs in existence with twenty-
five of those being voucher programs, twenty-nine tax credit/deduction scholarship
programs, and five education savings account programs. Across these, the 2013-14
school year saw over $1.2 billion in dedicated funding available for these programs. The
oldest school choice program is the Milwaukee voucher program enacted in 1990 while
some new school choice programs enacted in 2013 are North Carolina, South Carolina,
and Mississippi’s ESA program for students with disabilities, Alabama’s corporate and
individual tax credit programs, as well as public voucher programs in North Carolina,
Ohio, and Wisconsin (“Ed Choice 101”).

However, while some of the research supports proponents’ claims, other studies
point to some negative outcomes such as the possibility of constitutional questions with
Florida’s statewide voucher program being struck down by the Florida Supreme Court in
2006. One big question focuses on the academic outcomes for students in voucher
programs. Some studies show no significant gains while others show slight gains, and
strong gains for low-income and minority students. Also, at least one article points to
rising costs associated with the voucher programs due to large expansions in enrollment
such as in Indiana (McInerny, 2015). Recent studies released in the last five years help to
address much of the negative speculation toward these programs based on the fact that
until recently many of the school choice arguments had been based upon limited research
and much speculation. Throughout this thesis, I focus much of my research on studies
conducted since 2011 to dispel much of that speculation and replace it with actual results
showing the academic, fiscal, and social effects of such school choice.
Conclusions

Based on my research and analysis, the first conclusion I argue is school choice programs continue to need more neutral research conducted by independent researchers and think tanks. Based on the available research, while overall gains are limited in some programs, perhaps due to a need to revise or expand existing programs, the evidence does seem to point to a likelihood of positive academic gains among low-income and minority students who partake in the programs, particularly in math for African-American students and reading for Hispanic students. Existing studies show a likelihood of academic improvements for special-needs students as well. Additionally, despite the variance in academic results, the positive fiscal benefits for school choice programs throughout the country have been consistent across states with almost every state reporting impressive savings from private school voucher and education savings account programs due largely to those programs being set at an amount lower than the public school per pupil expenditure with the exception of programs for students with special needs.

My primary conclusion suggests the disadvantages of each program can be addressed when placed in coexistence with each other in order to provide a comprehensive school choice environment in Mississippi that encourages competition among schools, increases academic benefits for all students, most notably low-income and minority students that most often have the lowest levels of achievement because of the schools they find themselves trapped within, while also providing Mississippi with significant fiscal savings. By expanding charter schools simultaneously alongside an expansion of education savings account programs and other school choice policies, Mississippi can increase the amount of quality options across the state, both private and
public, as well as increase access to these schools for children currently trapped in perennial underperforming schools. A combination of these programs could address many needs while the shortcomings of each can be addressed through the use of other school choice programs.

In an ideal future for Mississippi, school choice can enable students to attend higher-performing public schools nearby that are outside of their district through open enrollment while educational savings account programs with a voucher component can help low-income and minority students have an opportunity to transfer from an underachieving school to a higher quality private school nearby as well as customize their education with therapy, tutoring, afterschool programs, and other services that would otherwise be reserved for more affluent families. Furthermore, in areas that lack quality public or private schools, charter schools can create that quality option to provide school choice participants with a better option for their children rather than the traditional public school that is currently failing to provide a quality education for its students. Finally, school choice programs can actually help the underperforming traditional public schools through competitive effects, sharing of successful practices, and the use of fiscal savings realized through school choice programs being used to increase the overall public funds that each school has to educate its remaining students.

I begin this thesis with a background chapter to explore school choice in general as well as to present the views of school choice’s opponents and legal challenges to school choice programs. My research points to how school choice opponents’ views have been challenged by recent research into school choice that has shown little or no negative harm to public schools, a point that I go into further detail in the next chapter. Within the
background chapter, I also further explain my research question that led my research into school choice programs across the country in my efforts to create an ideal, comprehensive school choice proposal for Mississippi. Next, I explore three of the most visible and impactful choice programs: charter schools, private school vouchers, and education savings account (ESA) programs. Within each of these chapters, I use my research to define each and provide background information as well as to explore academic, fiscal, and social effects to determine whether each program is a successful and beneficial option for Mississippi. Finally, I conclude with a comprehensive proposal for Mississippi to use an approach of multiple school choice programs, including open enrollment, charter schools, vouchers, and education savings accounts to create an environment where parents can customize each child’s education to best fit their individual needs.
BACKGROUND

The term “choice” is often discussed by both proponents and critics as a novel innovation in public education, but a variety of school choice options have existed for years in the United States including magnet, charter, and alternative schools as well as homeschooling, vouchers, education saving accounts (ESAs), and tax-credit programs among others. Instead of making the argument about whether school choice should be allowed within public education, the more accurate argument to be explored is not “whether” but instead, “how” and “how much” (Hill and Betts, 2003). School choice can be exhibited through many different forms, but for the purpose of this thesis, I focus on the choice programs of charter schools, private school vouchers, and ESAs. Charter schools operate within the public realm while vouchers and ESAs operate within the private realm, but they all represent ways to increase the interaction, cooperation, and competition between educational systems, no matter the source of funding.

The implementation of school choice programs has exploded in the last decade with most states now having at least one of the three aforementioned programs. With this rapid expansion, the research surrounding the programs has grown, thus allowing for a more substantiated analysis of their effectiveness and potential for improving a state’s K-12 educational system. The ultimate goal of educational reform is to give every child the ability to succeed in life through the knowledge and skills to succeed both in college and in the workplace. By improving the quality of education for every child, lawmakers
improve the quality of society with improved education leading to an improvement in outcomes for every spectrum of life.

**Public Educational Problems**

Since 1970, the average per-pupil expenditures adjusted for inflation in America rose from approximately $4,060 in 1970 to an estimated $9,391 in 2006 while average NAEP scores have remained relatively stagnant despite this doubling in education costs as seen in *Figure 2* (Burke, 2013).

**Figure 2**

![Education Spending vs. Achievement](image)

Similarly, while the United States has increased total spending per pupil to one of the highest levels in the world, it is being outperformed by countries such as South Korea, whose average per pupil expenditure is roughly half that of the United States as seen in *Figure 3* and *4* (Ladner, 2012).
While the United States remains one of the world leaders in terms of income, military strength, wealth, and cultural influence as well as higher education, medical and scientific discoveries, and industrial productivity, the K-12 educational system is consistently ranked below many of its fellow economically advanced countries in terms of both efficiency and effectiveness. This is despite consistently outspending those countries by substantial amounts in terms of per pupil expenditures. Unfortunately, this lack of progress seems to be continuing with the overall quality of schools still not
improving after the No Child Left Behind (NCLB) Act of 2002. Since 2002, the percentage of schools considered by the federal government to be “in need of improvement” has increased from 13 percent to 17 percent while reading achievement scores of American high school seniors decreased from 1992 to 2005.

Furthermore, the United States’ need to ensure that students are adequately prepared for college is made more significant by an understanding of uneducated adults’ impact upon the American labor force. As seen in Figure 5, one’s labor force participation rate increases with the highest level of education achieved. For high school dropouts, the labor participation rate is less than 50 percent (Keating, 2015).

![Figure 5](image)

**Figure 5** Labor Force Participation Rate by Education Attainment (25 Years and Older), 2012

This trend is similarly emphasized by looking at a breakdown of unemployment rates as seen in Figure 6 with those that hold less than a high school degree having a 12.4 percent unemployment rate as of 2012 (Keating, 2015).
In the words of Milton Friedman, “Government has appropriately financed general education for citizenship, but in the process, it has been led also to administer most of the schools that provide such education. Yet, the administration of schools is neither required by the financing of education, nor justifiable in its own right in a predominantly free society.” Friedman goes on to note how, in all of society, education remains the only significant process that America still does more or less identically to how it was done a hundred years ago. Friedman blamed this lack of serious innovation with the traditional public school system on the effects of a government monopoly because as the economist pointed out, monopolies preempt innovation within any system. He goes on to explain the slow progress for school choice:

“Centralization, bureaucratization, and unionization have enabled teachers’ union leaders and educational administrators to gain effective control of government elementary and secondary school leaders. The
union leaders and educational administrators rightly regard extended parental choice through vouchers and tax-funded scholarships as the major threat to their monopolistic control. So far, they have been extremely successful in blocking any significant change.” (Forster and Thompson, 2011).

Currently, the traditional public school system across the country is failing children in underperforming schools, dropouts, inner-city children, English-language learners, free and reduced lunch children, and special needs children. Each of these demographic groups represent a disproportionate percentage of students enrolled in underperforming schools and subsequently perform worse academically than their more affluent peers. School choice programs are often created to specifically target these groups before expanding to cover all students and work to give them options and a chance to improve their educational outcomes (Forster and Thompson, 2011).

**Existing Programs**

According to a report by the National Alliance for Public Charter Schools and the Center for Education Reform, as of 2015, forty-three states and Washington, D.C. have enacted charter school laws with Alabama becoming the most recent state after enacting a charter school law in March 2015 which should soon add to the over 6,600 charter schools spread across the country and serving over two million students (Ladner, 2012). Across the United States as of January 2016, there are twenty-five voucher programs, nine individual tax credit and tax deduction programs, twenty tax credit scholarship programs, and five education savings account programs (ESAs). *Figure 7* provides an overview of the existing voucher, tax credit, and education savings account programs.
across the United States as of February 2016 along with an in-depth look at each state’s current school choice picture.

**Figure 7** School Choice Programs in the United States

<table>
<thead>
<tr>
<th>State</th>
<th>Program Type</th>
<th>Program Name</th>
<th>Participation</th>
<th>Participation Rate</th>
<th>Eligibility</th>
<th>Eligibility Rate</th>
<th>Average Funding</th>
<th>Public Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>AL</td>
<td>Tax-Credit Scholarship</td>
<td>Alabama – Education Scholarship Program</td>
<td>3,696*</td>
<td>1%</td>
<td>276,156</td>
<td>57%</td>
<td>$6,097†</td>
<td>70%</td>
</tr>
<tr>
<td>AL</td>
<td>Individual Tax Credit/Deduction</td>
<td>Alabama – Accountability Act of 2013 Parent-Taxpayer Refundable Tax Credits</td>
<td>88</td>
<td>&lt;1%</td>
<td>24,624</td>
<td>3%</td>
<td>$2,037†</td>
<td>23%</td>
</tr>
<tr>
<td>AR</td>
<td>Voucher</td>
<td>Arkansas – Succeed Scholarship Program for Students with Disabilities</td>
<td>N.A.</td>
<td>N.A</td>
<td>65,166</td>
<td>13%</td>
<td>$6,584</td>
<td>70%</td>
</tr>
<tr>
<td>AZ</td>
<td>Tax-Credit Scholarship</td>
<td>Arizona – Original Individual Income Tax Credit Scholarship Program</td>
<td>27,362</td>
<td>4%</td>
<td>658,513</td>
<td>100%</td>
<td>$1,853</td>
<td>26%</td>
</tr>
<tr>
<td>AZ</td>
<td>Tax-Credit Scholarship</td>
<td>Arizona – Low-Income Corporate Income Tax Credit Scholarship Program</td>
<td>13,118</td>
<td>4%</td>
<td>352,135</td>
<td>53%</td>
<td>$1,869</td>
<td>26%</td>
</tr>
<tr>
<td>AZ</td>
<td>Tax-Credit Scholarship</td>
<td>Arizona – Lexie’s Law for Disabled and Displaced Students Tax Credit Scholarship Program</td>
<td>349</td>
<td>&lt;1%</td>
<td>131,863</td>
<td>12%</td>
<td>$4,648</td>
<td>64%</td>
</tr>
<tr>
<td>AZ</td>
<td>Education Savings Account</td>
<td>Arizona – Empowerment Scholarship Accounts</td>
<td>2,501*</td>
<td>1%</td>
<td>253,228</td>
<td>22%</td>
<td>$12,417†</td>
<td>172%</td>
</tr>
<tr>
<td>AZ</td>
<td>Tax-Credit Scholarship</td>
<td>Arizona – “Switcher” Individual Income Tax Credit Scholarship Program</td>
<td>13,548</td>
<td>1%</td>
<td>1,087,687</td>
<td>95%</td>
<td>$1,339</td>
<td>19%</td>
</tr>
<tr>
<td>CO</td>
<td>Voucher</td>
<td>Colorado – Douglas County Choice Scholarship Program</td>
<td>494</td>
<td>1%</td>
<td>64,421</td>
<td>95%</td>
<td>$4,572</td>
<td>53%</td>
</tr>
<tr>
<td>DC</td>
<td>Voucher</td>
<td>District of Columbia – Opportunity Scholarship Program</td>
<td>1,259</td>
<td>7%</td>
<td>17,198</td>
<td>35%</td>
<td>$8,712</td>
<td>49%</td>
</tr>
<tr>
<td>FL</td>
<td>Voucher</td>
<td>Florida – John M. McKay Scholarships for Students with Disabilities Program</td>
<td>30,104*</td>
<td>8%</td>
<td>383,612</td>
<td>13%</td>
<td>$7,188†</td>
<td>85%</td>
</tr>
<tr>
<td>FL</td>
<td>Tax-Credit Scholarship</td>
<td>Florida Tax Credit Scholarship Program</td>
<td>78,142*</td>
<td>13%</td>
<td>615,586</td>
<td>33%</td>
<td>$5,413†</td>
<td>64%</td>
</tr>
<tr>
<td>FL</td>
<td>Education Savings Account</td>
<td>Florida – Gardiner Scholarship Program</td>
<td>4,080</td>
<td>1%</td>
<td>355,242</td>
<td>12%</td>
<td>$10,716†</td>
<td>127%</td>
</tr>
<tr>
<td>GA</td>
<td>Voucher</td>
<td>Georgia Special Needs Scholarship Program</td>
<td>3,811</td>
<td>2%</td>
<td>193,952</td>
<td>11%</td>
<td>$5,396</td>
<td>59%</td>
</tr>
<tr>
<td>-------</td>
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<td>---------</td>
</tr>
<tr>
<td>GA</td>
<td>Tax-Credit Scholarship</td>
<td>Georgia – Qualified Education Expense Tax Credit</td>
<td>13,628</td>
<td>1%</td>
<td>1,671,348</td>
<td>94%</td>
<td>$3,151</td>
<td>35%</td>
</tr>
<tr>
<td>IA</td>
<td>Individual Tax Credit/Deduction</td>
<td>Iowa – Tuition and Textbook Tax Credit</td>
<td>136,937</td>
<td>46%</td>
<td>349,168</td>
<td>100%</td>
<td>$111</td>
<td>1%</td>
</tr>
<tr>
<td>IA</td>
<td>Tax-Credit Scholarship</td>
<td>Iowa – School Tuition Organization Tax Credit</td>
<td>10,848</td>
<td>8%</td>
<td>125,472</td>
<td>36%</td>
<td>$1,624</td>
<td>16%</td>
</tr>
<tr>
<td>IL</td>
<td>Individual Tax Credit/Deduction</td>
<td>Illinois – Tax Credits for Educational Expenses</td>
<td>302,855</td>
<td>22%</td>
<td>1,353,296</td>
<td>100%</td>
<td>$271</td>
<td>2%</td>
</tr>
<tr>
<td>IN</td>
<td>Tax-Credit Scholarship</td>
<td>Indiana – School Scholarship Tax Credit</td>
<td>9,127</td>
<td>2%</td>
<td>369,162</td>
<td>52%</td>
<td>$1,361</td>
<td>14%</td>
</tr>
<tr>
<td>IN</td>
<td>Voucher</td>
<td>Indiana – Choice Scholarship Program</td>
<td>32,695</td>
<td>5%</td>
<td>671,255</td>
<td>59%</td>
<td>$3,668</td>
<td>41%</td>
</tr>
<tr>
<td>IN</td>
<td>Individual Tax Credit/Deduction</td>
<td>Indiana – Private School/Homeschool Deduction</td>
<td>52,149</td>
<td>47%</td>
<td>111,872</td>
<td>10%</td>
<td>$1,776</td>
<td>19%</td>
</tr>
<tr>
<td>KS</td>
<td>Tax-Credit Scholarship</td>
<td>Kansas – Tax Credit for Low Income Students Scholarship Program</td>
<td>73</td>
<td>&lt;1%</td>
<td>109,764</td>
<td>22%</td>
<td>$1,485</td>
<td>15%</td>
</tr>
<tr>
<td>LA</td>
<td>Voucher</td>
<td>Louisiana Scholarship Program</td>
<td>7,110</td>
<td>5%</td>
<td>155,696</td>
<td>20%</td>
<td>$5,856</td>
<td>56%</td>
</tr>
<tr>
<td>LA</td>
<td>Individual Tax Credit/Deduction</td>
<td>Louisiana – Elementary and Secondary School Tuition Deduction</td>
<td>106,549</td>
<td>95%</td>
<td>112,645</td>
<td>14%</td>
<td>$4,060</td>
<td>36%</td>
</tr>
<tr>
<td>LA</td>
<td>Voucher</td>
<td>Louisiana – School Choice Program for Certain Students with Exceptionalities</td>
<td>342</td>
<td>2%</td>
<td>19,127</td>
<td>7%</td>
<td>$2,264</td>
<td>22%</td>
</tr>
<tr>
<td>LA</td>
<td>Tax-Credit Scholarship</td>
<td>Louisiana – Tuition Donation Rebate Program</td>
<td>781</td>
<td>&lt;1%</td>
<td>205,590</td>
<td>44%</td>
<td>$4,214</td>
<td>40%</td>
</tr>
<tr>
<td>ME</td>
<td>Voucher</td>
<td>Maine – Town Tuitioning Program</td>
<td>5,559</td>
<td>100%</td>
<td>5,559</td>
<td>3%</td>
<td>$10,339</td>
<td>85%</td>
</tr>
<tr>
<td>MN</td>
<td>Individual Tax Credit/Deduction</td>
<td>Minnesota – Education Deduction</td>
<td>219,914</td>
<td>36%</td>
<td>604,897</td>
<td>100%</td>
<td>$1,168</td>
<td>11%</td>
</tr>
<tr>
<td>MN</td>
<td>Individual Tax Credit/Deduction</td>
<td>Minnesota – K-12 Education Credit</td>
<td>53,712</td>
<td>42%</td>
<td>128,889</td>
<td>21%</td>
<td>$272</td>
<td>2%</td>
</tr>
<tr>
<td>MS</td>
<td>Voucher</td>
<td>Mississippi Dyslexia Therapy Scholarship for Students with Dyslexia Program</td>
<td>148</td>
<td>1%</td>
<td>12,245</td>
<td>2%</td>
<td>$4,918</td>
<td>60%</td>
</tr>
<tr>
<td>MS</td>
<td>Voucher</td>
<td>Mississippi – Nate Rogers Scholarship for Students with Disabilities Program</td>
<td>1</td>
<td>&lt;1%</td>
<td>13,617</td>
<td>3%</td>
<td>$3,556</td>
<td>44%</td>
</tr>
<tr>
<td>State</td>
<td>Program Type</td>
<td>Program Details</td>
<td>Number of Programs</td>
<td>Participation Rate</td>
<td>Expenditure</td>
<td>Enrollment Rate</td>
<td>Funding per Child</td>
<td></td>
</tr>
<tr>
<td>-------</td>
<td>--------------</td>
<td>----------------</td>
<td>-------------------</td>
<td>-------------------</td>
<td>-------------</td>
<td>----------------</td>
<td>-----------------</td>
<td></td>
</tr>
<tr>
<td>MS</td>
<td>Education Savings Account</td>
<td>Mississippi – Equal Opportunity for Students with Special Needs Program</td>
<td>275</td>
<td>&lt;1%</td>
<td>65,806</td>
<td>13%</td>
<td>$6,500</td>
<td></td>
</tr>
<tr>
<td>MT</td>
<td>Tax-Credit Scholarship</td>
<td>Montana – Tax Credits for Contributions to Student Scholarship Organizations</td>
<td>N.A.</td>
<td>N.A.</td>
<td>151,250</td>
<td>100%</td>
<td>$3,152</td>
<td></td>
</tr>
<tr>
<td>NC</td>
<td>Voucher</td>
<td>North Carolina – Special Education Scholarship Grants for Children with Disabilities</td>
<td>611</td>
<td>&lt;1%</td>
<td>193,999</td>
<td>12%</td>
<td>$5,070</td>
<td></td>
</tr>
<tr>
<td>NC</td>
<td>Voucher</td>
<td>North Carolina – Opportunity Scholarships</td>
<td>2,522*</td>
<td>1%</td>
<td>451,158</td>
<td>43%</td>
<td>$4,009</td>
<td></td>
</tr>
<tr>
<td>NH</td>
<td>Tax-Credit Scholarship</td>
<td>New Hampshire – Education Tax Credit Program</td>
<td>128</td>
<td>&lt;1%</td>
<td>41,326</td>
<td>30%</td>
<td>$1,327</td>
<td></td>
</tr>
<tr>
<td>NV</td>
<td>Tax-Credit Scholarship</td>
<td>Nevada – Educational Choice Scholarship Program</td>
<td>N.A.</td>
<td>N.A.</td>
<td>149,277</td>
<td>54%</td>
<td>$7,793</td>
<td></td>
</tr>
<tr>
<td>NV</td>
<td>Education Savings Account</td>
<td>Nevada – Education Savings Accounts</td>
<td>N.A.</td>
<td>N.A.</td>
<td>446,299</td>
<td>96%</td>
<td>$5,139</td>
<td></td>
</tr>
<tr>
<td>OH</td>
<td>Voucher</td>
<td>Ohio – Cleveland Scholarship Program</td>
<td>8,008</td>
<td>17%</td>
<td>47,950</td>
<td>100%</td>
<td>$4,678</td>
<td></td>
</tr>
<tr>
<td>OH</td>
<td>Voucher</td>
<td>Ohio – Autism Scholarship Program</td>
<td>3,193</td>
<td>14%</td>
<td>22,444</td>
<td>1%</td>
<td>$19,789</td>
<td></td>
</tr>
<tr>
<td>OH</td>
<td>Voucher</td>
<td>Ohio – Educational Choice Scholarship Program</td>
<td>21,556</td>
<td>11%</td>
<td>189,413</td>
<td>10%</td>
<td>$4,188</td>
<td></td>
</tr>
<tr>
<td>OH</td>
<td>Voucher</td>
<td>Ohio – Jon Peterson Special Needs Scholarship Program</td>
<td>6,904</td>
<td>3%</td>
<td>256,672</td>
<td>14%</td>
<td>$9,605</td>
<td></td>
</tr>
<tr>
<td>OH</td>
<td>Voucher</td>
<td>Ohio – Income-Based Scholarship Program</td>
<td>5,718</td>
<td>1%</td>
<td>732,384</td>
<td>60%</td>
<td>$4,024</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Voucher</td>
<td>Oklahoma – Lindsey Nicole Henry Scholarships for Students with Disabilities</td>
<td>377</td>
<td>&lt;1%</td>
<td>103,432</td>
<td>16%</td>
<td>$6,632</td>
<td></td>
</tr>
<tr>
<td>OK</td>
<td>Tax-Credit Scholarship</td>
<td>Oklahoma Equal Opportunity Education Scholarships</td>
<td>767</td>
<td>&lt;1%</td>
<td>329,157</td>
<td>79%</td>
<td>$917</td>
<td></td>
</tr>
<tr>
<td>PA</td>
<td>Tax-Credit Scholarship</td>
<td>Pennsylvania – Educational Improvement Tax Credit Program</td>
<td>34,826</td>
<td>5%</td>
<td>686,327</td>
<td>54%</td>
<td>$1,587</td>
<td></td>
</tr>
<tr>
<td>PA</td>
<td>Tax-Credit Scholarship</td>
<td>Pennsylvania – Opportunity Scholarship Tax Credit Program</td>
<td>14,987</td>
<td>11%</td>
<td>138,438</td>
<td>7%</td>
<td>$2,312</td>
<td></td>
</tr>
</tbody>
</table>
Race in School Choice

According to a 2015 survey by the Black Alliance for Educational Options (BAEO), black voters show overwhelming support for providing parents with educational options that include charter schools and private school vouchers. Seventy percent of respondents supported providing parents with more overall educational choices in their local districts while 65 percent supported charter schools and 60 percent supported vouchers ("New Survey Shows Black Voters Strongly Support Parental Choice for..."
Educational Options in their Communities,” 2015). Additional polling in 2015 showed support for charter schools to be over 70 percent among Latinos while 58 percent of union households supported school choice programs (Jeffries, 2015).

In a study led by Diana Slaughter-Defoe of African-American mothers participating in school choice programs in California, specifically charter school and publicly and privately funded private school voucher programs, the researchers found increasing support for school choice among the African-American community with many parents showing their support through their willingness to enroll their children within school choice programs. The researchers found that many of these mothers favored vouchers because while they had some reservations, they believed that publicly funded private school vouchers gave working-class parents such as themselves the financial boost necessary to be able to afford to send their child to a private school. One mother noted that while vouchers would not benefit all black families, it was better to enact a school policy that would benefit some black families rather than enacting no policy with the effect of helping no families at all. Another mother explained her support for school vouchers, “Vouchers would really help supplement my efforts to pay tuition, whereas putting [my daughter] in a public school that’s not up to par – to me – I’m doing my child a disservice … It’s almost like every man for himself really… I do feel bad about that, but I can’t hold my child back because of that.” (Slaughter-Defoe, Stevenson, and Arrington, 2011)

The Slaughter-Defoe study also found, in keeping with most other school choice studies, that parents whose children attended choice schools exhibited higher satisfaction rates than those whose children attended traditional public schools. Finally, in a study by
the researchers of students in charter schools in comparison to their traditional public school counterparts, the researchers found that among the 18 comparisons conducted, 12 showed statistically significant results with there being positive results in reading/language arts and math for students enrolled in first grade, sixth, and seventh grades while about 80 percent of the public school students were African-American compared to 90 percent of the students enrolled in the charter schools used in the study (Slaughter-Defoe, Stevenson, and Arrington, 2011).

**Opposition to School Choice**

Much of the school choice opposition in the United States focuses on opposition to private school vouchers as they stand as the face of school choice in America. However, the arguments used against private school vouchers can be transferred to education savings account programs in terms of their use of taxpayer dollars to provide parents with choices that include private school tuition. Specific opposition to ESA programs often rely upon the same arguments used against vouchers while opposition to charter school programs focus on other areas of dissent due to charters being a public option rather than private as are vouchers and ESAs.

According to the National Association of Educators (NEA), “Vouchers fail to significantly expand choice for parents” because where they do exist, access means only a chance within a lottery to earn a limited-use voucher to be used if a parent can find a private school to accept the voucher. In 2002, the NEA argued that vouchers would never be widely available because vouchers lack the necessary popular and political support. They cite an August 2001 Gallup Poll that showed only 27 percent of respondents would opt for vouchers instead of improving and strengthening existing public schools (Pons,
2002). However, both of these points seem to have weakened over the past decade with almost 30 voucher programs now in existence across the United States including five statewide programs. Additionally, as discussed in further detail in the chapter on vouchers, multiple polls have now shown a majority of Americans supporting school choice programs including private school vouchers (Carpenter II, 2014).

The NEA also argued that “vouchers failed to improve student achievement significantly or consistently for students who have moved from public to private schools, and that vouchers actually end up costing taxpayers more because of administrative costs and the costs of providing vouchers for students not formerly enrolled in public schools” (Pons, 2002). The NEA has remained by these points throughout the pro-voucher Bush administration, while they have not provided many updates to their voucher stance since President Bush left office. To these points, the research has shown mixed results in terms of academic results with some studies showing no improvement, but also no decline, for many students while existing studies have also shown significant improvement for low-income, minority, and special needs students enrolled in voucher programs.

While the academic benefits are occasionally quite large for focused target groups, the gains are generally more modest, largely due to the fact that the programs themselves are rather modest with strict limits on the students that they can serve, the resources that they can offer, and the freedom that schools may possess to innovate. Forster (2011) reviewed various studies related to school choice and found . . . Twelve empirical studies have explored the academic outcomes produced by school choice programs for participants as well as twenty-three studies investigating school choice’s impact upon public schools, six studies investigating school choice’s fiscal effects, and
seven studies exploring the impact upon civil values and practices, including respect for the rights of others and civic knowledge. The results of these studies are shown below in **Figure 8** with most studies showing positive effects in each category and none showing negative effects (Forster, 2013).¹

<table>
<thead>
<tr>
<th>Empirical Studies on School Choice</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Figure 8</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Academic Outcomes of Choice</td>
</tr>
<tr>
<td>Participants</td>
</tr>
<tr>
<td>Positive Effect: 11</td>
</tr>
<tr>
<td>No Visible Effect: 1</td>
</tr>
<tr>
<td>Negative Effect: 0</td>
</tr>
<tr>
<td>Academic Outcomes of Public</td>
</tr>
<tr>
<td>Schools</td>
</tr>
<tr>
<td>Positive Effect: 22</td>
</tr>
<tr>
<td>No Visible Effect: 1</td>
</tr>
<tr>
<td>Negative Effect: 0</td>
</tr>
<tr>
<td>Fiscal Impact on Taxpayers</td>
</tr>
<tr>
<td>Positive Effect: 6</td>
</tr>
<tr>
<td>No Visible Effect: 0</td>
</tr>
<tr>
<td>Negative Effect: 0</td>
</tr>
<tr>
<td>Racial Segregation in Schools</td>
</tr>
<tr>
<td>Positive Effect: 7</td>
</tr>
<tr>
<td>No Visible Effect: 1</td>
</tr>
<tr>
<td>Negative Effect: 0</td>
</tr>
<tr>
<td>Civic Values and Practices</td>
</tr>
<tr>
<td>Positive Effect: 5</td>
</tr>
<tr>
<td>No Visible Effect: 2</td>
</tr>
<tr>
<td>Negative Effect: 0</td>
</tr>
</tbody>
</table>

*Source: Forster, Greg, Ph.D. A Win-Win Solution The Empirical Evidence on School Choice*

**Figure 9** breaks down the twelve studies exploring the academic outcomes for choice participants while **Figure 10** shows the twenty-three studies showing the impact of school choice upon public school students.

¹ Forster’s study was conducted for the Friedman Foundation for Educational Choice, as was much of the existing research on school choice policies included in this thesis. As such, the possible bias of the source must be considered when examining the evidence presented. To address this criticism, the Friedman Foundation notes, “All individuals have opinions, and many organizations (like our own) have specific missions or philosophical orientations. Scientific methods, if used correctly and followed closely in well-designed studies, should neutralize those opinions and orientations. Research rules and methods minimize bias. We believe rigorous procedural rules of science prevent a researcher’s motives, and an organization’s particular orientation, from pre-determining results. If research adheres to proper scientific and methodological standards, its findings can be relied upon no matter who has conducted it. If rules and methods are neither specified nor followed, then the biases of the researcher or an organization may become relevant, because a lack of rigor opens the door for those biases to affect the results. The Friedman Foundation for Educational Choice welcomes any and all questions related to methods and findings.”
**Figure 9**

**Academic Outcomes of Choice Participants**

<table>
<thead>
<tr>
<th>Location</th>
<th>Author</th>
<th>Year</th>
<th>Positive Effect</th>
<th>No Visible Effect</th>
<th>Negative Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>Changos &amp; Peterson</td>
<td>2012</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New York</td>
<td>Jin et. al.</td>
<td>2010</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D.C.</td>
<td>Wolf et. al.</td>
<td>2010</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charlotte</td>
<td>Cowen</td>
<td>2008</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New York</td>
<td>Kneger &amp; Zhu</td>
<td>2004</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>New York</td>
<td>Bernard et. al.</td>
<td>2003</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>New York</td>
<td>Howell &amp; Peterson</td>
<td>2002</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>D.C.</td>
<td>Howell &amp; Peterson</td>
<td>2002</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dayton</td>
<td>Howell &amp; Peterson</td>
<td>2002</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charlotte</td>
<td>Greene</td>
<td>2001</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milwaukee</td>
<td>Grene et. al.</td>
<td>1998</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milwaukee</td>
<td>Reese</td>
<td>1998</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: This table shows all empirical studies using random-assignment methods.

*Source: Forster, Greg, Ph.D. A Win-Win Solution The Empirical Evidence on School Choice*

**Figure 10**

**Academic Outcomes of Public Schools**

<table>
<thead>
<tr>
<th>Location</th>
<th>Author</th>
<th>Year</th>
<th>Positive Effect</th>
<th>No Visible Effect</th>
<th>Negative Effect</th>
</tr>
</thead>
<tbody>
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<td>Florida</td>
<td>Chakrabarti</td>
<td>2013</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Florida</td>
<td>Winters &amp; Greene</td>
<td>2011</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ohio</td>
<td>Carr</td>
<td>2011</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Florida</td>
<td>Field &amp; Herl</td>
<td>2011</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milwaukee</td>
<td>Grene &amp; Marsh</td>
<td>2009</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ohio</td>
<td>Forster</td>
<td>2008</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Florida</td>
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<tr>
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<td>2007</td>
<td>X</td>
<td></td>
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<td>Chakrabarti</td>
<td>2007</td>
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<td>2007</td>
<td>X</td>
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<tr>
<td>D.C.</td>
<td>Grene &amp; Winters</td>
<td>2006</td>
<td>X</td>
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<td>Field &amp; House</td>
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<td>Grene &amp; Winters</td>
<td>2004</td>
<td>X</td>
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<tr>
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<td>Chakrabarti</td>
<td>2004</td>
<td>X</td>
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</tr>
<tr>
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<td>X</td>
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<td>2002</td>
<td>X</td>
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<tr>
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<td>Hammons</td>
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<td>X</td>
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<td>2001</td>
<td>X</td>
<td></td>
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</tr>
</tbody>
</table>

Note: This table shows all empirical studies using all methods.

*Source: Forster, Greg, Ph.D. A Win-Win Solution The Empirical Evidence on School Choice*
Finally, *Figure 11* shows the fiscal impacts of school choice upon taxpayers.

![Figure 11](image)

<table>
<thead>
<tr>
<th>Location</th>
<th>Author</th>
<th>Year</th>
<th>Positive Effect</th>
<th>No Visible Effect</th>
<th>Negative Effect</th>
</tr>
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<tbody>
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<td>2013</td>
<td>X</td>
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<tr>
<td>Florida</td>
<td>LDEOR*</td>
<td>2012</td>
<td>X</td>
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<tr>
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<td>C stunt</td>
<td>2010</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Florida</td>
<td>OPRAGA**</td>
<td>2008</td>
<td>X</td>
<td></td>
<td></td>
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<tr>
<td>Nationwide</td>
<td>Aust</td>
<td>2007</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D.C.</td>
<td>Aust &amp; Mitchies</td>
<td>2006</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Note: This table shows all empirical studies using all methods.  
*DEER stands for Legislative Office of Economic and Demographic Research (State of Florida).  
**OPRGA stands for Office for Program Policy Analysis and Government Accountability (State of Florida).  
*Source: Forster, Greg, Ph.D. A Win-Win Solution The Empirical Evidence on School Choice

A 2012 study published by Education Week concluded the criticism that school choice would harm public schools has not materialized and that school choice does not pose a threat to public school academic outcomes (“What Research Says About School Choice,” n.d.). Finally, almost every study of existing voucher programs over the last decade have shown significant overall fiscal savings with an estimated $1.7 billion in cumulative fiscal savings from all voucher programs. I further address most of these arguments against vouchers in the chapter on private school vouchers with research-based evidence.

Other critics of private school vouchers have argued that in addition to a lack of public support for vouchers and the mixed results in terms of academic effects, vouchers also fail to increase parental satisfaction or feelings that their child’s school was better or safer than the public school they left (“10 Reasons Why Private School Vouchers Should Be Rejected,” 2011). However, surveys of many parents of students enrolled in voucher programs over the past decade have shown increased parental satisfaction of both academic benefits and safety, as shown in the voucher chapter. Even more significantly, school choice research has shown a surprising coalition of support with liberal figures,
such as Democratic Senators Dianne Feinstein and Cory Booker, civil rights leaders such as Shavar Jeffries, and conservative small government advocates all working alongside each other in support of increasing parental choice in education (Loeb, Valant, and Kasman, 2011). Indeed, the 2015 Schooling in America Survey shows that with the freedom to do so, many more parents would choose private and charter schools than currently choose these non-traditional options. Figures 12 and 13 show when given the choice, which school type parents would prefer to choose to enroll their child.

**Figure 12** Parent Preferences for School Type

![Bar chart showing parent preferences for school type](chart.png)

- Regular Public School: 36%
- Charter School: 12%
- Private School: 41%
- Home School: 9%


FRIEDMAN FOUNDATION FOR EDUCATIONAL CHOICE, 2015 Schooling in America Survey, Q10.
Indeed, perhaps the greatest indicator for the success of school choice programs in the United States has been the willingness of Democrats\(^2\) to allow and even support some school choice programs. This possibility of a consensus being struck for the right type of program can be seen with how Democrats played a leading role in both the creation and expansion of school choice programs in Iowa, Florida, Pennsylvania, and Rhode Island over the last fifteen years. The Democratic Governor of Arizona, Janet Napolitano signed into law five different school choice measures during the 2005 and 2006 legislative sessions. Democrat Pennsylvania Governor Ed Rendell signed expansions and improvements of the state’s tax-credit program while legislative Democrats in Rhode Island and Iowa led the efforts to create tax credit programs in those states (Forster and Thompson, 2011).

\(^2\) Among legislators, school choice has been met with ideological conflict among party lines with Republicans often supporting school choice programs while Democrats have largely opposed school choice at the urging of teacher unions, the NEA, and other education groups supporting the traditional public schools.
Former Assistant Secretary of Education, Diane Ravitch argues that private schools accepting vouchers that serve low-income and minority children while producing high graduation and college acceptance rates, are actually still failing to properly educate those children because voucher students in these schools have scored lower on state assessments than did their traditional public school counterparts. To this argument, my research points to a need for states to forego using state assessments to measure accountability on the grounds that doing so puts a private school at a disadvantage where public schools currently already focus much of their curriculum to teaching for state assessments while private schools do not. As a result, a more accurate accountability measure has been the use of nationally recognized norm-referenced tests such as the Stanford-10 that do not require private schools to change their curriculum.

Regarding charter schools, Ravitch argues that some charter schools do produce high test scores while others get low scores, even within the same charter networks. She also notes that on average, charter schools have not produced better results than traditional schools because of this range (Ravitch, 2013). However, Ravitch does suggest compromise measures to make charter schools more agreeable. She argues that charter schools should be required to collaborate more with public schools, most notably by actively pursuing the students performing poorly in public schools: potential dropouts, English-language learners, special-needs students, and others so that the charter school can work to focus upon these groups. Further, she argues that for-profit charter schools should be banned and instead replaced by charter schools that operate as community schools and are administered by local educators and nonprofit organizations instead of by charter chains (Ravitch, 2013).
With vouchers, Ravitch notes that the Congressional study of Washington D.C.’s Opportunity Scholarship Program found that “there is no conclusive evidence that the OSP program affected student achievement,” while the evidence that the vouchers did increase high school graduation rates led to Congress reauthorizing the program (Ravitch, 2013).

School choice critics also argue these programs have increased racial and socioeconomic segregation, partially due to a lack of outreach, access, information, and free transportation that would allow low-income and minority students to fully take advantage of school choice programs to transfer to better-performing schools. However, eight empirical studies have explored school choice’s effects upon racial segregation within schools. Seven of these studies discovered that school choice programs moved students from more segregated schools into schools that were less segregated. The eighth study found no overall net effect upon segregation by school choice policies. More importantly, no major empirical study as of 2013 had found negative effects upon racial segregation (Forster, 2013). Overall, the implementation of school choice programs have not demonstrated the negative racial effects of increased segregation suggested by critics.

Finally, I attempted to reach out to school choice opponents in Mississippi to request an interview for their thoughts and reasons for opposing school choice. However, my attempts were unsuccessful. School choice opponents in Mississippi focus their arguments with their primary criticism that school choice programs, including charter schools and private school vouchers, will take away money from traditional public schools. These opponents argue that increased funding for education is the solution to increasing Mississippi’s achievement level, and school choice programs will only lower
achievement further. One Democrat State Representative in a Facebook post, argues that charter schools should not be allowed because they, “Select the students they want, exclude students with disabilities, kick out students they don’t want, kick out students who make low grades, and refuse to accept students who don’t speak English well enough” (Hughes, 2016).

**Conclusion**

In this thesis, I work to answer my research question, “What is the ideal school choice picture for Mississippi?” After examining charter schools, private school vouchers, and education savings accounts, I use my research to address my research question and develop a proposal for Mississippi. Overall, it is important to emphasize that this thesis does not advocate for increased school choice as a “magic cure” for Mississippi’s educational woes. Unfortunately, there is no simple cure or any one solution that will single-handedly improve education in this state for all children, regardless of race, income, disability, or other factors.

However, school choice programs offer one step to first help the children currently enrolled in underperforming schools without the ability or means to transfer to a more successful school. While charter schools can sometimes gain a majority share of the students in a district, most school choice programs do not enroll more than ten percent of a district’s students. As such, it is important to emphasize their usefulness in first helping to provide quality alternatives to struggling traditional public schools while also saving some educational funding for states. This rescue component of school choice seems to be the most often ignored aspect that these programs offer aside from helping drive education reforms. Thus, one must keep in mind throughout this thesis that school choice
programs provide both “rescue” and “reform” benefits in education, but they do not represent the entirety of education reform. This thesis is thus meant to explore school choice as one group of options to help improve education in Mississippi while needing to be used in conjunction with a variety of other, non-choice reform options. This approach, made famous by Jeb Bush in Florida, is referenced as the “shotgun approach to education” by implementing a variety of reforms such as school choice, teacher accountability measures, increased fiscal oversight, and other options.
"CHARTER SCHOOLS"

Definition

Charter schools are one of the most common forms of school choice. They operate within the public school system while remaining separate from traditional public schools. They are funded publicly, but are managed independently and represent semi-autonomous schools of choice. Charter schools charge no tuition and usually must adhere to the same accountability measures as traditional public schools. However, charter schools have much more freedom over staffing, budgets, curriculum, and other operations than do most traditional public schools. States give charter schools this autonomy in exchange for a promise of increased academic results with often less overall funding than traditional schools. One aspect of this autonomy includes the ability of charter schools to have more independence in hiring teachers. Charter schools can avoid teacher licensure requirements, teacher participation in district or state pension systems, automatic raises for teachers with master’s degrees, teacher tenure, union participation and collective bargaining, and teacher evaluations based in part upon student performance.

However, some of this autonomy is balanced by the fact that charter schools must operate with the oversight of a charter authorizer that approves the charter school’s initial application and then maintains responsibility for the school’s sustainability, quality, and effectiveness. The charter authorizer accomplishes this goal by performing periodic reviews of the school and ultimately deciding whether or not the school should remain
operating or be closed. The authorizer varies from state to state, but the entities who can serve as authorizers include school districts, universities, mayors, businesses, nonprofit organizations, and independent state boards (Cunningham, 2013). This compromise between full autonomy while being fully publicly funded and operating with state-sanctioned oversight and accountability provides states with the ability to take an initial step toward implementing education reform and school choice.

Perhaps the most fundamental aspect of charter schools, therefore, is that these schools are grounded in site-based management theory, which argues that important management decisions, such as those concerning human resources, budgets, pedagogy, and curriculum, are best made at the local school level rather than by more removed governing bodies (Lewis, 2013). As a result of this fundamental theory, charter schools are allowed considerably more discretion in their decision-making while being freed from much of the regulation that traditional public schools must endure. These charter schools have seen their popularity grow significantly in recent years, partly due to their productivity and ability to improve their students’ academic outcomes while operating on a budget often much more limited than that of a traditional public school (Burke, 2014).

**Background**

Charter schools have seen their enrollment double over the last ten years with a current enrollment of more than two million students representing more than five percent of the total K-12 enrollment in the United States. Additionally, despite the growth in the quantity of charter schools from approximately 3,700 to over 6,700 today, charter schools still have a waiting list of more than one million students across the country (Berends, Cannata, and Goldring, 2011). Over the past three decades, charter schools have become
possibly the most popular, and therefore most politically feasible, school choice option across the country. Indeed, researchers at Harvard University and the Ford Foundation have recognized charter schools as one of the country’s best public policy initiatives (Nathan, 2002). A significant factor behind the much faster growth of charter schools in comparison to other school choice programs such as private school vouchers, tax credits, and education savings accounts, has been the perception by supporters of traditional public education that charter schools are the most acceptable of the school choice proposals because of the fact that they remain public schools and avoid privatizing education, along with greater public awareness, familiarity with, and support of charter schools in comparison to other choice programs.

In many states considering broad school choice reforms, charter schools have often been the first type of program enacted due to possessing this wider base of political support across parties and demographic groups. Seen as both the least intrusive as well as the most research-proven school choice option, charter schools have achieved significant success across the country while growing to the point that they should soon match or surpass private schools in terms of total K-12 enrollment nationwide. Over the past several years, charter schools have suffered from implementation flaws in many programs that led to some charter schools underperforming in relation to their traditional public school peers and in some cases, being forced to close.

**What Have Other States Done?**

As of March 2015, Alabama became the 43rd state in the United States to enact charter school legislation. Currently, 43 states and Washington, D.C. have enacted charter school policies. The only states that do not currently allow charter schools are Kentucky,
Montana, Nebraska, North Dakota, South Dakota, Vermont, and West Virginia. Of the remaining seven states, charter schools could possibly be enacted in the near future. Kentucky or West Virginia are the most likely to enact charter schools after each state passed a charter school law in one legislative body within the last two years but failed to pass it in both. Figure 14 shows how charter schools’ enrollment share in three major U.S. cities has increased in recent years.
Figure 14  Charter Schools’ Enrollment Share of Public School Students

*Source: The National Alliance for Public Charter Schools*
Many southern states can offer useful comparisons for Mississippi. Florida currently has a very active environment for charter schools, with 427 charter schools serving over 150,000 students, representing five percent of Florida’s total K-12 enrollment (Ladner, 2012). Florida’s success with charter schools has come in the midst of widespread education reform since Jeb Bush was elected Governor and has included one of the strongest charter school laws in the country, along with private school voucher and tax credit programs. With Florida’s charter school law, charter schools are available to all students but total enrollment in charters throughout the state has not yet propelled Florida to being among the national statewide leaders, while the Miami-Dade County School District does provide Florida with one of the largest school district charter enrollments in the country as seen in Figure 15.

*Figure 15

**THE HIGHEST NUMBER OF PUBLIC CHARTER SCHOOL STUDENTS BY SCHOOL DISTRICT, 2014–15**

<table>
<thead>
<tr>
<th>Rank</th>
<th>School District</th>
<th>State</th>
<th>Charter students</th>
<th>Non-charter students</th>
<th>Total Enrollment</th>
<th>Enrollment Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Los Angeles Unified School District</td>
<td>CA</td>
<td>151,310</td>
<td>501,350</td>
<td>652,660</td>
<td>23%</td>
</tr>
<tr>
<td>2</td>
<td>New York City Department of Education</td>
<td>NY</td>
<td>84,310</td>
<td>983,700</td>
<td>1,068,010</td>
<td>8%</td>
</tr>
<tr>
<td>3</td>
<td>The School District of Philadelphia</td>
<td>PA</td>
<td>64,090</td>
<td>130,660</td>
<td>194,750</td>
<td>33%</td>
</tr>
<tr>
<td>4</td>
<td>Chicago Public Schools</td>
<td>IL</td>
<td>57,320</td>
<td>355,780</td>
<td>413,290</td>
<td>14%</td>
</tr>
<tr>
<td>5</td>
<td>Miami-Dade County Public Schools</td>
<td>FL</td>
<td>55,590</td>
<td>301,310</td>
<td>356,900</td>
<td>16%</td>
</tr>
<tr>
<td>6</td>
<td>Detroit City School District</td>
<td>MI</td>
<td>52,420</td>
<td>47,040</td>
<td>99,460</td>
<td>53%</td>
</tr>
<tr>
<td>7</td>
<td>Houston Independent School District</td>
<td>TX</td>
<td>51,400</td>
<td>196,190</td>
<td>247,590</td>
<td>21%</td>
</tr>
<tr>
<td>8</td>
<td>New Orleans Public School System</td>
<td>LA</td>
<td>42,860</td>
<td>3,340</td>
<td>46,200</td>
<td>93%</td>
</tr>
<tr>
<td>9</td>
<td>Broward County Public Schools</td>
<td>FL</td>
<td>41,550</td>
<td>225,300</td>
<td>266,850</td>
<td>16%</td>
</tr>
<tr>
<td>10</td>
<td>District of Columbia Public Schools</td>
<td>DC</td>
<td>37,680</td>
<td>47,550</td>
<td>85,230</td>
<td>44%</td>
</tr>
</tbody>
</table>

*Source: The National Alliance for Public Charter Schools*

Louisiana likewise currently enrolls approximately five percent of its K-12 population within its 96 charter schools with the majority of those charter schools being found within the Orleans Parish School District in New Orleans where charter school students comprise 93% of the enrollment share of students as seen in Figure 16.

Louisiana’s path to introducing and increasing school choice across the state was greatly
accelerated by the aftermath of Hurricane Katrina in 2005, thus leading the state
department of education to place almost all of the traditional public schools in New
Orleans under state control, leading to the conversion of most schools into charter
schools. Since then, Louisiana has expanded charter schools statewide.

**Figure 16**
**THE HIGHEST PERCENTAGE OF PUBLIC CHARTER SCHOOL STUDENTS BY SCHOOL DISTRICT, 2014-15**

<table>
<thead>
<tr>
<th>Rank</th>
<th>School District</th>
<th>State</th>
<th>Charter students</th>
<th>Non-charter students</th>
<th>Total</th>
<th>Enrollment Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Orleans Parish School District</td>
<td>LA</td>
<td>42,860</td>
<td>3,340</td>
<td>46,200</td>
<td>93%</td>
</tr>
<tr>
<td>2</td>
<td>Detroit City School District</td>
<td>MI</td>
<td>52,420</td>
<td>47,040</td>
<td>99,460</td>
<td>53%</td>
</tr>
<tr>
<td>3</td>
<td>School District Of The City Of Flint</td>
<td>MI</td>
<td>5,660</td>
<td>6,490</td>
<td>12,150</td>
<td>43%</td>
</tr>
<tr>
<td>4</td>
<td>District Of Columbia Public Schools</td>
<td>DC</td>
<td>37,680</td>
<td>47,550</td>
<td>85,230</td>
<td>44%</td>
</tr>
<tr>
<td>5</td>
<td>Kansas City, Missouri School District</td>
<td>MO</td>
<td>9,980</td>
<td>14,230</td>
<td>24,210</td>
<td>41%</td>
</tr>
<tr>
<td>6</td>
<td>Gary Community School Corporation</td>
<td>IN</td>
<td>3,010</td>
<td>7,570</td>
<td>12,580</td>
<td>40%</td>
</tr>
<tr>
<td>7</td>
<td>The School District of Philadelphia</td>
<td>PA</td>
<td>64,090</td>
<td>130,660</td>
<td>194,750</td>
<td>33%</td>
</tr>
<tr>
<td>8</td>
<td>Hall County Schools</td>
<td>GA</td>
<td>8,200</td>
<td>17,080</td>
<td>25,280</td>
<td>32%</td>
</tr>
<tr>
<td></td>
<td>Victor Valley Union High School District</td>
<td>CA</td>
<td>4,390</td>
<td>9,500</td>
<td>13,890</td>
<td>32%</td>
</tr>
<tr>
<td>9</td>
<td>Indianapolis Public Schools</td>
<td>IN</td>
<td>13,830</td>
<td>30,100</td>
<td>43,920</td>
<td>31%</td>
</tr>
<tr>
<td></td>
<td>Grand Rapids Public Schools</td>
<td>MI</td>
<td>6,900</td>
<td>15,610</td>
<td>22,510</td>
<td>31%</td>
</tr>
<tr>
<td>10</td>
<td>Dayton City School District</td>
<td>OH</td>
<td>6,220</td>
<td>14,220</td>
<td>20,440</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td>San Antonio Independent School District</td>
<td>TX</td>
<td>17,000</td>
<td>40,450</td>
<td>57,450</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td>Cleveland Municipal School District</td>
<td>OH</td>
<td>16,220</td>
<td>38,730</td>
<td>54,950</td>
<td>30%</td>
</tr>
</tbody>
</table>

*Source: The National Alliance for Public Charter Schools*

Mississippi and Alabama have both enacted charter school legislation since 2013,
but Mississippi’s first charter schools did not open until fall of 2015 with two charter
middle schools opening in the state capital of Jackson. Alabama is not expected to open a
charter school until fall 2016 at the earliest.

**What the Research Says**

Charter schools possess the largest body of research of the various school choice
programs. This research has shown charter schools to have perhaps the greatest
likelihood of improving academic outcomes for students, especially low-income and
minority students that transfer from traditional public schools. In addition, charter schools
are often guaranteed by their authorizing law to provide positive fiscal benefits for the
state by being provided with less public funding than traditional public schools. Finally,
in addition to the strong positive effects upon low-income and minority children, research shows charter schools to have much higher parent satisfaction than traditional public schools as well as enjoying broad public support (Carpenter, 2014).

**Academic Effects**

Early research on charter schools across the country provided mixed results with studies showing positive, negative, and neutral results from charter schools depending upon the specific program and location in question. However, much of these early mixed results have since been explained as being dependent upon the strength of the charter school authorization process. A tougher process to gain authorization to open a charter school was much more likely to guarantee positive academic results than were authorization processes that were more lax. This logic has likewise been supported by much of the more recent research that has taken place after more states have tightened their charter authorization processes to make them stricter. This comes in response to such findings such as the 2011 meta-analysis by the National Charter School Research Project that found that middle school students in charter schools tended to outperform their counterparts in traditional public schools in both math and reading (Cunningham, 2013). Additionally, a study of Michigan, Arizona, and Minnesota charter schools found that achievement in public schools located near charter schools had increased after the opening of the charter schools (Hill and Betts, 2003).

Perhaps one aspect of charter schools’ positive academic effects that has recently gained solidifying evidence from research, is the effect of charter schools upon students during their first year after transferring to a charter school from a traditional public school. In one study by Berends, Cannata, and Goldring, the researchers found that
overall, fall-to-spring models showed that students switching from traditional public schools to charter schools experienced positive gains of 0.304 and 0.305 standard deviations in reading and math, respectively. These findings were statistically significant and positive in the first year at a charter school (Berends, Cannata, and Goldring, 2011). These results, along with other similar studies over the past five years have provided charter schools with more justification to operate in states as an alternative to under-performing traditional public schools.

Meanwhile, Stanford Professor Dr. Caroline Hoxby conducted perhaps the most comprehensive charter school study. Dr. Hoxby analyzed data from approximately 99 percent of the nation’s charter schools using state-mandated test data. The results of her study show that when charter students are compared to students in the matched public school, charter students are 3.2 percent more likely to be proficient in math and 5.2 percent more likely to be proficient in reading. Hoxby also found charter schools that had been operating longer had a greater proficiency advantage over the matched public schools. For example, Hoxby found that charter schools that had been operating one to four years had a 2.5 percent advantage, while a school that had been operating five to eight years had a 5.2 percent advantage, and schools that had been operating for nine to eleven years possessed a 10.1 percent advantage (Walberg, 2007).

Finally, within the New York City School District, the second largest district in the country in terms of most charter students, recent test scores have shown remarkable achievements for the rapidly expanding Success Academy network that includes 12 of the charter schools in New York City. When New York City posted its annual test scores for 2015, 68 percent of Success Academy students were proficient in English, compared to
30 percent in the city overall. However, most astonishingly, 93 percent of students in Success Academy charter schools were proficient in math, compared to 35 percent citywide. All of the twelve schools in the Success Academy network were ranked in the top 40 schools for math. These very positive results are bolstered further by the fact that the student body of these Success Academy schools, randomly chosen through a lottery, include 77 percent that qualify for free or reduced lunch and 92 percent that are black or Hispanic (Epstein, 2015).

Taken together, these results highlight impressive research gathered from charter schools in terms of their positive benefits for academic results. Provided that the authorizing process put into place by states is stringent enough to create a strict and difficult process, the academic results for charter schools would appear to likely be positive in comparison to traditional public schools. With charter schools growing to include more than five percent of the national K-12 population, this evidence from recent research would seem to justify such growth.

**Fiscal Effects**

In addition to their increasingly positive academic effects, charter schools also often provide states with a public school alternative with increased efficiency and positive fiscal effects for the state. Some fiscal savings are often realized immediately as many states fund charter schools at a lower rate than traditional public schools. While some charter schools operate on larger budgets than their traditional public school counterparts, the schools often do so with the help of private funding from various corporations and thus still provide the state with a net savings in public funding.

Researchers Patrick J. Wolf, Meagan Batdorff, Albert Cheng, Jay F. May, Larry
Maloney, and Sheree T. Speakman found that “the public charter school sector delivers a weighted average of an additional 17 NAEP points per $1,000 invested in math, representing a productivity advantage of 40 percent for charters. In reading, the public charter sector delivers and additional 16 NAEP points per $1,000 invested, representing a productivity advantage of 41 percent for charters” (Burke, 2014). This increased efficiency among charter schools provides states with strong cause to use charters for their positive fiscal effects alone in order to strengthen current education budgets that have been struggling in many states since the 2007 recession.

Also, Wolfe and his coauthors found that the lifetime economic earnings that were obtained by charter school students frequently outpace those of traditional public schools. The authors note, “In all states, charter schools deliver a greater [Return on Investment] ROI than do [traditional public schools] TPS” (Burke, 2014). While the positive fiscal effects of charter schools have various explanations, one explanation offered by Wolf and his coauthors is that, “It appears to be likely that much of the basis for the higher productivity of public charter schools rests on the fact that they receive less funding and therefore are highly disciplined in their use of those educational dollars” (Burke, 2014).

**Impact Upon Low-Income and Minority Students**

In Wolf et al.’s study, the researchers also found that in 18 of the 31 states evaluated, charter schools enrolled more disadvantaged students than did their traditional public school counterparts (Burke, 2014). Therefore, it would seem that charter schools do not merely skim the highest-performing students from traditional public schools, but rather enroll larger amounts of students from demographic groups that often perform
below average in many states. In their study, *School Choice and School Improvement*, the researchers found that Hispanic students make larger gains in reading (0.883 standard deviations) while black students make larger gains in math (0.242 standard deviations, compared to the gains that they experienced within traditional public schools (Berends, Cannata, and Goldring, 2011). These statistically significant results show that charter schools can provide positive benefits for minority children that are able to enroll in a charter school rather than remain within the traditional public school system.

Further, the National Charter School Research Project found in a meta-analysis conducted in 2011 that specific groups of students in charter schools, especially low-income and middle school charter students performed better academically than their counterparts in traditional public schools (Cunningham, 2013). This increased success for low-income and minority children is often explained by advocates as results of the schools’ increased efficiency in comparison to many traditional public schools that are often plagued by mass inefficiency, waste, lack of adequate funding, poor teacher quality, and poor test scores when comprised of a majority of low-income or minority children. Finally, Stanford professor Caroline Hoxby found in her multiyear evaluation of New York City charter schools that disadvantaged students enrolled in a charter school from kindergarten through eighth grade would be brought up to the level of students enrolled in affluent suburban schools in regards to scores in mathematics, while attending a charter school from kindergarten through eighth grade would narrow 66 percent of the achievement gap in English. According to Hoxby, “Charters produce a major and lasting difference and accomplish a narrowing of the Harlem-Scarsdale achievement gap, or the gap between affluent districts and lower-income areas” (Burke, 2014).
Public Opinion

Over the past decade, charter schools have grown in terms of number of schools, enrollment, and share of the total K-12 enrollment in the United States. At the same time, research has shown how charter schools can be improved and these improvements have resulted in charter school programs that offer strong academic results for all students. Thus, public opinion of charter schools over recent years has nearly consistently shown strong support for charter schools as seen in Figures 17, 18, and 19.

**Figure 17**

Percentage of Respondents in Favor of Charter Schools, *Education Next* Polls

![Graph](image)


**Figure 18**

Percentage of Respondents in Favor of Charter Schools, PDK/Gallup Polls

![Graph](image)

Sources: Data from Lowell E. Rose and Alec M. Gallup, "The 32nd Annual Phi Delta Kappa/Gallup Poll of the Public’s Attitudes toward the Public Schools," *Phil Delta Kappan* 82, no. 1 (Sep., 2000), pp. 41-48.
Conclusion

Overall, it would certainly seem that charter schools offer an impressive ability to equalize the educational playing field for low-income and minority students. These students often find themselves in a socioeconomically-segregated traditional public school system with underperforming schools that fail to adequately educate these children. These schools have been unable to regularly and significantly improve results in a manner such as charter schools have been able to accomplish according to the research discussed in this chapter.

Figure 19

![Graph showing public views on charter schools, 2013-2015](image)
“PRIVATE SCHOOL VOUCHERS”

Private school vouchers, also known as “opportunity scholarships,” operate as state-funded scholarships that allow students to attend a private school rather than a traditional public school. These vouchers allow parents an opportunity to choose a private school for their child, while being provided with all or part of the public funding that a state, district, or both has set aside for their child’s education had the parents remained within the public school system. These funds can then pay partial or full tuition at a participating private school of their choice, with the decision varying among states whether to allow the participation of religious schools. Typically, participating private schools must apply and agree to participate within the program with the option to set caps or decline participation while meeting minimum standards set forth by the state as part of the voucher program legislation. States also set parameters to decide eligibility for students to receive vouchers. These parameters typically target specific subgroups of students such as low-income students that fall under a specified income threshold, students with disabilities, students who are attending under-performing schools, or students in foster care or military families (Cunningham, n.d.).

It is important to note that publicly funded private school vouchers, as discussed here, should not be confused with public school vouchers, as endorsed by figures such as Democratic United States Senator Elizabeth Warren in her call for using fully-funded
vouchers to allow children to attend any public school. Neither should they be confused with privately funded scholarship programs that operate across the country to provide students with vouchers or scholarships to cover part or all of the cost of tuition at private schools but are funded by private donations rather than state or local taxpayer dollars.

**Background**

The godfather of school choice in American education, Nobel Prize-winning conservative economist Milton Friedman once said that, “To create a competitive market, the voucher should be available to all children, should be sufficient to pay for a good education at a private school, should not impose detailed regulations, should not prohibit parents from adding to the value of the voucher, and should be redeemable at for-profit, not-for-profit, and religious schools” (Forster and Thompson, 2011: 123). Since Friedman first proposed the idea of private school vouchers in 1955, he and his wife, Rose, dedicated the rest of their lives to working to see their dream realized. Friedman also repeatedly emphasized the importance of creating a universal voucher program that included higher-income families so that program designers could fashion the type of market in which innovation and experimentation would improve quality and provide cost savings (Forster and Thompson, 2011: 123).

Currently, the support for private school vouchers has continued to grow with over 15 voucher programs enacted since 2011, along with the advocacy of such national figures as former Florida Governor Jeb Bush who has said, “School choice is like a catalytic converter accelerating the benefits of other education reforms,” in reference to the voucher and tax credit programs that accompanied Bush’s litany of education reforms enacted during his two terms as Florida’s governor (Ladner, 2012). Further support for
private school vouchers includes prominent Democratic U.S. Senators Dianne Feinstein of California and Cory Booker of New Jersey, with strong support within the general public in many annual surveys. This support also continues to grow as the traditional public educational system in many states fail to find improvement through other reform measures, as well as with evidence shown in Figure 20 that the decline in the private school portion of K-12 education in the United States has been partly responsible for the increased budgetary strains and pressures leading to underfunding of public schools in many states.

Figure 20  
Additional Cost of Total U.S. Enrollment Shift to Public Schools

The first publicly funded private school voucher program in the United States was enacted in Milwaukee, Wisconsin, in 1990, followed by Cleveland, Ohio, in 1995, with the first federally funded private school voucher program in Washington, D.C. in 2003. The first statewide voucher program was launched in 1999 in Florida, but it was later ruled unconstitutional in 2006 by the Florida Supreme Court. In 2006, Ohio launched its
statewide program followed by Wisconsin expanding its program statewide as well as Louisiana and Indiana enacting statewide programs. Participation within private school voucher programs across the country has grown sharply over the last decade as seen in Figure 21. Over 500,000 vouchers were awarded between 1990-2011 with that number only rising since 2011 as more states have expanded or created voucher programs.

Public opinion on private school vouchers has remained relatively stable over the past several years, as seen in Figure 22. In addition to the Friedman Foundation public opinion research, a 2013 Education Next poll indicated greater support of vouchers for low-income families (53 percent) than for universal vouchers (44 percent) (Carpenter II, 2014). This consistent majority of support for private school vouchers explains the rapid growth of voucher programs across the country over the last ten years. The increase in number of programs as well as the increase in participation in each program has provided
significant political feasibility for legislators to expand school choice in their states. However, one negative factor that has inhibited some voucher programs in some states has been the constitutional challenges brought forth by critics.

The constitutionality of these programs, especially those including religious schools, was established by the Supreme Court in its 2002, 5-4 Zelman v. Simmons-Harris decision. The Supreme Court upheld the Cleveland Scholarship and Tutoring Program on the grounds of “nonpreference,” where the Court’s opinion stated that the government gave no preference to religious schools, but that parents were responsible for making the decision whether to use their voucher at a religious or nonreligious private school. Therefore, the United States Supreme Court established a legal precedent declaring that private school voucher programs could include religious schools without violating the First Amendment’s Establishment Clause (Lewis, 2013).

However, on the state level, the question of constitutionality has remained more fluid with Florida’s Supreme Court striking down its statewide voucher program in 2006, and Louisiana’s Supreme Court striking down its newly established voucher program in 2011 for unconstitutionally taking funds away from the department of education’s public
school monies. With the exception of Louisiana, many state lawsuits involve the so-called Blaine Amendments present in many state constitutions, originally placed by Protestant legislatures to prevent the funding of Catholic private schools, which specifically prohibit religious private schools from receiving public monies.

These questions of constitutionality have required legislators seeking to encompass religious private schools to take additional steps to ensure constitutionality, such as creating education savings account (ESA) programs instead that allows for various uses of the public education funds by parents beyond simply private school tuition. This change follows a key aspect of the United States Supreme Court’s 2002 Simmons-Harris ruling in which the Court found that Cleveland’s voucher program was “an exercise of genuine choice for the parents, since state funds were directed first to parents who could then choose whether to use the funds at a sectarian school.”

**What Have Other States Done?**

*Figure 23* provides an overview of state voucher programs, although it should be noted that Arkansas and Colorado, with voucher programs enacted after 2014, are not described in *Figure 23.*

<table>
<thead>
<tr>
<th>State Private School Voucher Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>State</strong></td>
</tr>
<tr>
<td>Arizona</td>
</tr>
<tr>
<td>Georgia</td>
</tr>
<tr>
<td>State Information</td>
</tr>
<tr>
<td>-------------------</td>
</tr>
</tbody>
</table>
| Florida           | - Students with certain disabilities  
|                   | - Students with Individual Education Plans (IEPs)  
|                   | Yes                                             | - Must annually provide a written statement of each student's progress  
|                   |                                                 | - Private schools are not required to administer state assessments but parents can ask that their student take state exams and the private school must cooperate  
|                   |                                                 | No cap                                         | - Equal to what a public school would receive for each participating student |
| Indiana           | - Students with household income up to 150% of the free and reduced price lunch guideline (FRPL)  
|                   | - Students with an Individual Education Plan (IEP) and a household income not exceeding 200% FRPL  
|                   | - Students whose neighborhood public school is assigned an "F" by the state accountability system and have a household income not exceeding 150% FRPL  
|                   | - Students who previously received either a voucher or tax credit scholarship with household income not exceeding 200% FRPL  
|                   | - Yes, student must have attended public school prior to two semesters  
|                   | - This requirement is waived for students whose neighborhood school receives an "F" grade by the state  
|                   | - This requirement is waived if a student received a tax credit scholarship the previous school year  
|                   | - Must be accredited by the state or a regional accrediting agency  
|                   | - Schools must administer state assessments to voucher recipients  
|                   | - Schools will be included in the state school grading system  
|                   | - Schools must implement annual teacher performance evaluation plan  
|                   | 15,000                                          | - 90% of the state per-pupil funding for students that qualify for FRPL  
|                   |                                                 | - 50% of the state per-pupil funding for students with household incomes up to 150% FRPL, or in the case where income is allowed to reach 200% FRPL  
|                   |                                                 | - $4,500 for students in grades 2-8 |
| Kentucky          | - Students with household income up to 150% of the federal poverty guideline and who attended a public school that received a school grade of C or below under the school grading system  
|                   | - Students entering kindergarten who meets the income requirement  
|                   | - Students in grades K-8 with Individual Education Plans (IEP) that have been diagnosed with certain disabilities and live in an eligible parish  
|                   | - Income-based voucher: less than 150% of the federal poverty guideline  
|                   | - Special needs voucher: No enrollment required  
|                   | - Schools must administer state assessments to voucher recipients  
|                   | - Schools with at least 40 voucher students in grades 3-8, or in high school, receive a performance score based on the test results of voucher students called the Scholarship Cohort Index (SCI)  
|                   | - Schools that receive an SCI score less than 50 cannot enroll new voucher students the following year  
|                   | No cap                                          | - Income-based voucher: Equal to the state per-pupil allocation  
|                   |                                                 | - Special needs voucher: Up to 50% of the state per-pupil allocation |
| Maine             | Students residing in a district that does not operate any public schools, or does not contract with schools of another district  
|                   | No                                             | - If at least 80% of a private school's student attends a publicly funded school, the school must participate in the state assessments  
|                   |                                                 | - Must be non-denominational  
|                   |                                                 | None                           | Equal to the statewide average per-pupil allocation |
### Mississippi

<table>
<thead>
<tr>
<th>State Information</th>
<th>Major Provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Programs:</strong></td>
<td><strong>Student Eligibility Requirements</strong></td>
</tr>
<tr>
<td>- Mississippi Dyslexia Therapy Scholarship for Students with Dyslexia Program (2011)</td>
<td>- Students in grades 1-6 who have been diagnosed with dyslexia</td>
</tr>
<tr>
<td>- Speech-Language Therapy Scholarship for Students with Speech-Language Impairments (2015)</td>
<td>- Students in grades 1-6 who meet the IDEA definition of having a speech-language impairment</td>
</tr>
<tr>
<td><strong>Statute:</strong></td>
<td><strong>Previous Public School Attendance Requirement</strong></td>
</tr>
<tr>
<td>Miss. Code Ann. Title 37, Chapter 172</td>
<td>No</td>
</tr>
<tr>
<td>2011 H.B. 2313</td>
<td><strong>Private School Participation Standards</strong></td>
</tr>
<tr>
<td>2013 H.B. 999</td>
<td>- Participating private schools must receive accommodations from the state in the practice of dyslexia therapy or speech-language therapy</td>
</tr>
<tr>
<td><strong>Jurisdiction:</strong></td>
<td><strong>Cap on # of Vouchers Awarded</strong></td>
</tr>
<tr>
<td>Statewide</td>
<td>No cap</td>
</tr>
<tr>
<td><strong>Max. dollar value of voucher:</strong></td>
<td>Equal to the state's base per pupil allocation plus any state and federal categorical funding that participants would otherwise qualify for</td>
</tr>
</tbody>
</table>

### North Carolina

<table>
<thead>
<tr>
<th>State Information</th>
<th>Major Provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Programs:</strong></td>
<td><strong>Student Eligibility Requirements</strong></td>
</tr>
<tr>
<td>- Opportunity Scholarship Program (2013)</td>
<td>- Students with household incomes not exceeding 150% of the federal poverty level</td>
</tr>
<tr>
<td>- Special Education Institutional Scholarship Grants for Children with Disabilities (2013)</td>
<td>- Students with an Individual Education Plan (IEP) who are not already placed in a private school at the district's expense</td>
</tr>
<tr>
<td><strong>Statute:</strong></td>
<td><strong>Previous Public School Attendance Requirement</strong></td>
</tr>
<tr>
<td>N.C.G.S. § 115C-562</td>
<td>Yes, unless the student is a foster child</td>
</tr>
<tr>
<td><strong>Jurisdiction:</strong></td>
<td><strong>Private School Participation Standards</strong></td>
</tr>
<tr>
<td>Statewide</td>
<td>Opportunity Scholarship Program:</td>
</tr>
<tr>
<td></td>
<td>- Must administer state assessments or an equivalent exam to voucher students and report results to the state</td>
</tr>
<tr>
<td></td>
<td>- Must report graduation rates of voucher students to the state</td>
</tr>
<tr>
<td></td>
<td>- Must provide parents of voucher students an annual progress report including standardized assessment scores</td>
</tr>
<tr>
<td></td>
<td>- Private schools with 25+ voucher students must publicly report aggregate student assessment data</td>
</tr>
<tr>
<td></td>
<td>- Cannot charge voucher students higher tuition/fees than non-voucher students</td>
</tr>
<tr>
<td></td>
<td>- These requirements do not apply to schools participating in the Special Education Scholarship Grants program</td>
</tr>
<tr>
<td><strong>Cap on # of Vouchers Awarded</strong></td>
<td>Opportunity Scholarship Program:</td>
</tr>
<tr>
<td></td>
<td>- No, but limited to the amount appropriated by the legislature</td>
</tr>
<tr>
<td></td>
<td>- After all prior voucher recipients are funded, at least 50% of remaining funds must be used to fund students with household incomes not exceeding 100% FRPL</td>
</tr>
<tr>
<td></td>
<td>- No more than 30% of remaining funds can be used for students entering kindergarten in its first grade</td>
</tr>
<tr>
<td><strong>Max. Dollar Value of Voucher</strong></td>
<td>Special Education Scholarship Grants Program:</td>
</tr>
<tr>
<td></td>
<td>- No cap</td>
</tr>
<tr>
<td></td>
<td>- $9,000 per semester</td>
</tr>
<tr>
<td>State Information</td>
<td>Student Eligibility Requirements</td>
</tr>
<tr>
<td>-------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td><strong>Oklahoma</strong></td>
<td>Students with a disability who has an Individualized Education Plan</td>
</tr>
<tr>
<td><strong>Utah</strong></td>
<td>- Students with certain disabilities that also have an Individual Education Plan (IEP)</td>
</tr>
<tr>
<td><strong>Wisconsin</strong></td>
<td>Living in Milwaukee and Racine - Only for students living in Racine school district</td>
</tr>
</tbody>
</table>
Growth in the enrollment within the largest programs can also be seen in Figure 24.

Arkansas

In 2015, Arkansas enacted the Arkansas Succeed Scholarship Program for Students with Disabilities to provide vouchers for students with disabilities as well as dependents of active-duty military members to use for private school tuition beginning with the 2016-17 school year. Every voucher is set to be funded at the same amount as the current Arkansas public school foundation funding amount for the current school year ($6,584 for the 2015-16 school year) or the price of tuition and fees at the private school of the parents’ choice, whichever amount is lower (“The ABCs of School Choice,” 2016).
Colorado

In 2011, Colorado enacted the Douglas County Choice Scholarship Pilot Program with 494 participating students and a cap of 500 in 21 participating schools with an average voucher value worth the lesser of 75 percent of the per-pupil public revenue ($4,572 in 2011-12) or of the private school tuition. However, the Douglas County voucher program is currently being kept on hold after the district court’s permanent injunction against the voucher program on August 12, 2011. The Colorado Court of Appeals overturned the district court’s ruling, but following a split vote by the Colorado Supreme Court against the program, the program will remain on hold until the United States Supreme Court either reviews the case itself, or issues an impactful ruling on its current Blaine Amendment challenge case of Columbia, Missouri v. Pauley which raises a similar challenge using the Blaine Amendment (“The ABCs of School Choice,” 2016).

Florida

In 1999, Florida enacted the first of many school choice and educational reform efforts under Governor Jeb Bush with the Opportunity Scholarships Program. This program allowed students enrolled in failing schools to receive a voucher from the state to attend a higher-performing private or public school. However, the Florida Supreme Court ruled in 2006 that the program’s support of private schools was unconstitutional, thus allowing students to only use the voucher to transfer to a higher-performing public school. Figure 25 shows the fiscal effects that Florida’s OSP program did have during its operation from 2000-2007.
Further, a study published by the Federal Reserve Bank of New York shows that the voucher program had a positive effect upon underperforming public schools, who after their first year of receiving a D or F grade, were in danger of losing students and accompanying funds to private schools should the public school get a second D or F the following year. The study found that these threatened schools focused more on the students below and closer to the cutoff lines for the high stakes testing. However, this increased focus did not seem to lead to any loss of success on the part of the higher-performing students. Instead, the entire distribution of scores shifted higher in many of these schools in reading, math, and writing, with the greatest improvement concentrated in the score ranges located below the high stakes cutoff. These results in each subject for schools threatened with losing students to the voucher program can be seen in Figures 26, 27, and 28 (Chakrabarti, 2007).
Figure 26: Percentage of Students in Levels 1-5, FCAT Reading, F and D Schools

Figure 27: Percentage of Students in Levels 1-5, FCAT Math, F and D Schools
Also in 1999, Florida enacted the Florida John M. McKay Scholarships for Students with Disabilities program as a pilot program before expanding the program statewide in 2000 to become the largest voucher program currently active within the United States. As of fall 2015, there were 30,104 students participating in 1,344 schools with an average voucher value of $7,200. Special-needs students can use these vouchers to attend both private schools and other public schools better suited to providing a tailored education for these students (“The ABCs of School Choice,” 2016). Since 2001, the program has seen a jump from 100 participating schools to 888 participating schools in 2009 to the current number of 1,344 participating schools (Lewis, 2013). Figures 29 and 30 lay out much of the fiscal effect of Florida’s McKay Scholarship program.
Figure 31 shows that Florida has seen the greatest improvement in combined NAEP gains since the inception of the McKay Scholarships program for special-needs students (Ladner, 2012).
Georgia

In 2007, Georgia established the Georgia Special Needs Scholarship Program to allow any special needs student to receive a voucher to attend private school. As of the 2014-15 school year, the program had 3,811 students participating in 220 schools with an average voucher value of $5,396. Figure 32 demonstrates the individual average costs and savings per voucher student while the cumulative fiscal effects of Georgia’s special needs voucher program can be seen in Figure 33.
Indiana

In 2011, Indiana enacted the nation’s first statewide voucher program targeting low-income students with the Indiana Choice Scholarship Program. As of the 2015-16 school year, the program had 32,695 students participating in 316 schools with an average voucher value of $3,968. The various expansions of the eligibility for students under Indiana’s Choice Scholarship program can also be seen in Figure 34.
Louisiana

In 2008, Louisiana initially launched the Louisiana Scholarship Program as a pilot program in New Orleans before expanding it statewide for low-income students in 2012. Currently, the program has 7,110 students participating in 121 schools with an average voucher value of $5,856 with a maximum voucher of up to 90 percent of the total combination of state and local funding (“The ABCs of School Choice,” 2016). During the 2012-13 school year, only about 5,500 students were offered a scholarship out of the over 10,000 applicants (Ciernak, Stewart, and Ruddy, 2015). The overall fiscal effect of the initial Student Scholarships for Educational Excellence Program before it was expanded statewide is seen in **Figure 35** as well as within **Figure 36**.

**Figure 34**

![Indiana Choice Scholarship Pathways](image)


**Figure 35**

<table>
<thead>
<tr>
<th>School Year Ending</th>
<th>Voucher Students</th>
<th>Average Voucher Cost Per Student</th>
<th>Total Voucher Cost (LA GeV')</th>
<th>Voucher Students Diverted from Public School</th>
<th>Average Variable Costs Per Student (LA Schools - Two Parishes)</th>
<th>Total Variable Cost Relief (LA Schools - Two Parishes)</th>
<th>Total Net Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>924</td>
<td>$3,856</td>
<td>$2,496,144</td>
<td>824</td>
<td>$8,265</td>
<td>$5,198,235</td>
<td>$2,752,091</td>
</tr>
<tr>
<td>2010</td>
<td>1,194</td>
<td>$4,306</td>
<td>$5,134,200</td>
<td>1,194</td>
<td>$8,173</td>
<td>$9,758,844</td>
<td>$4,624,844</td>
</tr>
<tr>
<td>2011</td>
<td>1,678</td>
<td>$4,593</td>
<td>$7,767,054</td>
<td>1,678</td>
<td>$7,729</td>
<td>$12,990,846</td>
<td>$5,279,792</td>
</tr>
</tbody>
</table>

The statewide voucher program encountered an initially crippling legal ruling when the Louisiana Supreme Court found that the voucher program’s funds were being unconstitutionally used as part of the state’s public school funding system. Thus, in July 2013, Governor Bobby Jindal and the state legislature passed a separate funding mechanism for the program. With the program now again rendered operable, the program’s next legal hurdle came with a lawsuit from the U.S. Department of Justice in 2013 arguing that the program interfered with the desegregation order set forth in the *Brumfield v. Dodd* of 1975. However, the DOJ dropped this lawsuit in November 2013 after analyses of the program’s effect upon racial stratification showed the voucher program actually improved integration measures for schools (Ciernak, Stewart, and Ruddy, 2015).

In addition to Louisiana’s statewide voucher program, the Louisiana School Choice Program for Certain Students with Exceptionalities program was launched in
2011 to provide vouchers for special needs students. Currently, the program has 342 students participating in 22 schools with an average voucher value of $2,264 ("The ABCs of School Choice," 2016).

**Mississippi**

In 2012, Mississippi enacted its first voucher program, called the Mississippi Dyslexia Therapy Scholarship for Students with Dyslexia. Currently, the program has 148 students participating in 3 schools, with an average voucher value of $4,918. To be eligible, students must have previously attended either a public school or a private school emphasizing instruction in dyslexia instruction. Parents of students with dyslexia that have been awarded a voucher may then enroll that child within an accredited private school that provides dyslexia therapy ("The ABCs of School Choice," 2016).

In 2013, Mississippi enacted its second voucher program, the Mississippi Nate Rogers Scholarship for Students with Disabilities program. Currently, the program has one participating student with a voucher value of $3,556. Parents of students that have been awarded a voucher may enroll their child within an accredited participating private school that can provide speech-language therapy ("The ABCs of School Choice," 2016).

**North Carolina**

In 2013, North Carolina enacted its statewide voucher program, the North Carolina Opportunity Scholarship Program that launched in 2014. As of the 2015-16 school year, 2,522 students were participating in 263 schools with an average voucher value of $4,009. Since its inception, North Carolina has expanded the program’s funding up to $24.8 million for the 2016-17 school year ("The ABCs of School Choice," 2016).
Also in 2013, North Carolina enacted a voucher program for students with special needs called the North Carolina Special Education Scholarship Grant for Children with Disabilities. The program launched in 2014 with 611 students participating in 168 schools with an average voucher value of $5,070 in 2014-15. North Carolina provides $4.2 million of funding per year with any funds leftover rolling over to the next fiscal year (“The ABCs of School Choice,” 2016).

Ohio

In 1995, Ohio enacted its first voucher program, the Cleveland Scholarship Program (CSP) that provided students of the Cleveland Metropolitan School District with vouchers to attend private or public schools bordering the school district while no more than half of new recipients could have been previously enrolled in private schools. As of the 2015-16 school year, Cleveland had 8,088 students participating in 34 schools with an average voucher value of $4,678. Figure 37 shows the average costs and savings per voucher student in the CSP while Figure 38 shows the cumulative fiscal impact of the Cleveland Scholarship Program.

Figure 37

Cleveland Scholarship Program
Average Costs and Savings Per Voucher Student

<table>
<thead>
<tr>
<th>School Year Ending</th>
<th>Variable Public School Costs Per Student</th>
<th>Voucher Cost Per Student</th>
<th>Savings Per Student</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>$1,856</td>
<td>$2,095</td>
<td>$1,239</td>
</tr>
<tr>
<td>2008</td>
<td>$2,551</td>
<td>$2,693</td>
<td>$1,142</td>
</tr>
<tr>
<td>2009</td>
<td>$3,195</td>
<td>$3,337</td>
<td>$1,142</td>
</tr>
<tr>
<td>2010</td>
<td>$3,738</td>
<td>$3,886</td>
<td>$1,148</td>
</tr>
<tr>
<td>2011</td>
<td>$4,386</td>
<td>$4,535</td>
<td>$1,149</td>
</tr>
<tr>
<td>2012</td>
<td>$5,035</td>
<td>$5,186</td>
<td>$1,151</td>
</tr>
<tr>
<td>2013</td>
<td>$5,686</td>
<td>$5,835</td>
<td>$1,149</td>
</tr>
<tr>
<td>2014</td>
<td>$6,336</td>
<td>$6,486</td>
<td>$1,150</td>
</tr>
<tr>
<td>2015</td>
<td>$6,986</td>
<td>$7,135</td>
<td>$1,149</td>
</tr>
<tr>
<td>2016</td>
<td>$7,636</td>
<td>$7,785</td>
<td>$1,149</td>
</tr>
</tbody>
</table>

Sources: Author's calculations; The Friedman Foundation for Educational Choice, National Catalog of School Choice Programs; National Center for Education Statistics (NCES); Common Core of Sets; ICCES via ESI schoolgenerator, http://fics.ucop.edu/hs/tablesGenerator.aspx.
In 2003, Ohio enacted the Autism Scholarship Program to provide Ohio students on the autism spectrum with vouchers to fund education services from a private provider, including private schools. As of the 2015-16 school year, the program had 3,193 students participating in 272 schools with an average voucher value of $19,789 and a maximum reimbursement amount of $27,000 (“The ABCs of School Choice,” 2016).

In 2005, Ohio enacted its statewide voucher program, the Ohio Educational Choice Scholarship Program (EdChoice) that launched in 2006 covering grades K-8 and was later expanded in 2013 to also cover grades 9-12. As of the 2015-16 school year, the EdChoice program had 21,556 students participating in 472 schools with an average voucher value of $4,158 (“The ABCs of School Choice,” 2016). Figure 39 shows the average costs and savings per voucher student in the EdChoice program while Figure 40 shows the cumulative fiscal effects of the EdChoice voucher program for Ohio.

### Table 1: Cleveland Scholarship Program Overview

<table>
<thead>
<tr>
<th>School Year Ending</th>
<th>Voucher Students</th>
<th>Average Voucher Cost Per Student</th>
<th>Total Voucher Cost (OH Day 1 and Cleveland Schools)</th>
<th>Percent Share of Voucher Students Not Diverted from Public School</th>
<th>Voucher Students Diverted from Public School</th>
<th>Average Variable Costs Per Student (Cleveland Schools)</th>
<th>Total Variable Cost Relief (Cleveland Schools)</th>
<th>Total Net Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>1,954</td>
<td>$2,129</td>
<td>$4,070,079</td>
<td>25%</td>
<td>2,166</td>
<td>$4,314</td>
<td>$8,011,204</td>
<td>$3,641,216</td>
</tr>
<tr>
<td>1998</td>
<td>2,014</td>
<td>$2,043</td>
<td>$4,090,254</td>
<td>25%</td>
<td>2,186</td>
<td>$4,411</td>
<td>$8,214,241</td>
<td>$3,685,987</td>
</tr>
<tr>
<td>1999</td>
<td>2,059</td>
<td>$2,063</td>
<td>$4,120,433</td>
<td>25%</td>
<td>2,206</td>
<td>$4,514</td>
<td>$8,317,177</td>
<td>$3,637,229</td>
</tr>
<tr>
<td>2000</td>
<td>2,564</td>
<td>$2,603</td>
<td>$4,660,535</td>
<td>18%</td>
<td>2,791</td>
<td>$5,311</td>
<td>$9,624,488</td>
<td>$3,163,953</td>
</tr>
<tr>
<td>2001</td>
<td>2,797</td>
<td>$2,687</td>
<td>$6,420,703</td>
<td>18%</td>
<td>3,114</td>
<td>$5,948</td>
<td>$11,369,293</td>
<td>$2,115,503</td>
</tr>
<tr>
<td>2002</td>
<td>2,521</td>
<td>$2,603</td>
<td>$6,327,692</td>
<td>15%</td>
<td>3,845</td>
<td>$6,736</td>
<td>$12,596,889</td>
<td>$17,767,207</td>
</tr>
<tr>
<td>2003</td>
<td>2,581</td>
<td>$2,602</td>
<td>$6,351,585</td>
<td>14%</td>
<td>4,542</td>
<td>$7,186</td>
<td>$13,957,369</td>
<td>$16,566,214</td>
</tr>
<tr>
<td>2004</td>
<td>2,587</td>
<td>$2,314</td>
<td>$12,623,463</td>
<td>14%</td>
<td>5,063</td>
<td>$7,536</td>
<td>$18,153,412</td>
<td>$34,256,959</td>
</tr>
<tr>
<td>2005</td>
<td>2,570</td>
<td>$2,512</td>
<td>$14,311,867</td>
<td>12%</td>
<td>5,025</td>
<td>$7,360</td>
<td>$18,255,528</td>
<td>$32,646,681</td>
</tr>
<tr>
<td>2006</td>
<td>2,513</td>
<td>$2,853</td>
<td>$16,082,560</td>
<td>12%</td>
<td>5,174</td>
<td>$8,096</td>
<td>$20,152,412</td>
<td>$31,886,357</td>
</tr>
<tr>
<td>2007</td>
<td>2,517</td>
<td>$2,879</td>
<td>$17,555,203</td>
<td>14%</td>
<td>5,293</td>
<td>$8,794</td>
<td>$21,498,894</td>
<td>$33,853,622</td>
</tr>
<tr>
<td>2008</td>
<td>2,672</td>
<td>$2,807</td>
<td>$17,703,633</td>
<td>16%</td>
<td>5,868</td>
<td>$10,222</td>
<td>$26,488,943</td>
<td>$38,918,110</td>
</tr>
<tr>
<td>2009</td>
<td>2,652</td>
<td>$2,236</td>
<td>$10,000,424</td>
<td>16%</td>
<td>4,672</td>
<td>$7,751</td>
<td>$15,587,952</td>
<td>$27,757,038</td>
</tr>
<tr>
<td>2010</td>
<td>2,546</td>
<td>$2,077</td>
<td>$16,579,132</td>
<td>20%</td>
<td>4,918</td>
<td>$10,140</td>
<td>$14,421,312</td>
<td>$27,045,123</td>
</tr>
<tr>
<td>2011</td>
<td>2,607</td>
<td>$2,123</td>
<td>$17,878,051</td>
<td>20%</td>
<td>4,958</td>
<td>$10,243</td>
<td>$14,739,257</td>
<td>$29,465,306</td>
</tr>
</tbody>
</table>

Sources: Author’s calculations, The Friedman Foundation for Education Choice, National Catalogue of School Choice Programs, Ohio Dept. of Education, National Center for Education Statistics (NCES), Common Core of Data (CCD), U.S. Census Bureau.
Proponents of Ohio’s EdChoice program argue that the program allows students to escape underperforming public schools while also increasing and leveling access to private schools for low-income families across the state regardless of the performance of their assigned traditional public school. Currently, the EdChoice program is the third largest voucher program in the nation, behind only Florida’s John M. McKay voucher program and the Milwaukee Parental Choice Program (Spalding, 2014).
In 2011, Ohio launched the Jon Peterson Special Needs Scholarship Program that began in 2012 to provide children with special needs with vouchers to pay for private school tuition as well as additional services at private therapists and other service providers including public school districts. Currently, the program has 6,904 students participating with 263 service providers with an average voucher value of $9,605 and a maximum voucher set up to $27,000 (“The ABCs of School Choice,” 2016).

Finally, in 2013, Ohio enacted the Ohio Income-Based Scholarship Program to provide vouchers for kindergartners, first-graders, second-graders, and third-graders who are not otherwise covered under any of Ohio’s other voucher programs. Students from families with incomes up to 200 percent of the federal poverty level receive the maximum voucher amount of $4,650. As of the 2015-16 school year, the Income-Based Scholarship Program had 5,718 students participating in 472 schools with an average voucher value of $4,024 (“The ABCs of School Choice,” 2016).

**Oklahoma**

In 2010, Oklahoma enacted the Oklahoma Lindsey Nicole Henry Scholarships for Students with Disabilities program. During the 2014-15 school year, 377 students were participating in 51 schools with an average voucher value of $6,632. An eligible student may receive a voucher worth up to the amount of the combined state and local dollars spent on the child by a public school until the chosen private school’s tuition and fees have been met. However, the child’s original school district can maintain up to 5% of the voucher funds for its administrative purposes.
Utah

In 2005, Utah enacted the Utah Carson Smith Special Needs Scholarship Program. Currently, the program has 700 students participating in 43 schools with an average voucher value of $5,342 (“The ABCs of School Choice,” 2016). Any special-needs child is eligible with the only limiting factor being the $4.4 million budget for the program. The program uses a lottery to establish voucher recipients if necessary and students receive a voucher worth the amount of Utah’s state foundation funding amount per student along with an adjustment based on the severity of the student’s disability.

With students requiring less than three hours of specialized disabilities services, the child’s adjustment is set at 1.5 times the state foundation amount ($4,368). For students that require more than three hours of specialized services, the child’s adjustment is set at 2.5 times the state foundation amount ($7,730) (Spalding, 2014). The fiscal effects of Utah’s programs thus far are shown in Figure 41.

Washington, D.C.

In 2004, Washington, D.C. enacted the nation’s first and only federally-funded voucher program with the Washington, D.C. Opportunity Scholarship Program (OSP)
signed into law by President Bush to provide $14 million in funding for vouchers to students from low-income families. The OSP has 1,259 students participating in 41 schools with an average voucher value of $8,712 during the 2015-16 school year while being overseen by the U.S. Department of Education and funded separately from the D.C. charter and public schools. Under the Obama administration, the Opportunity Scholarship Program failed to be reauthorized by Congress and accepted no new students into the program as a result. This development led to protests from the city’s parents, as well as a quick move by Washington, D.C.’s city council to pass a unanimous resolution urging Congress to reauthorize the program. Afterward, Republican Senator Tim Scott and House Speaker John Boehner led a bipartisan group that included Democratic Senators Dianne Feinstein and Cory Booker to support and successfully enact a bill that reauthorized Washington, D.C.’s voucher program until 2025 (Bowman, 2015).

Research regarding the effects of the OSP has provided a solid example of academic, fiscal, and social benefits. One study showed that in terms of graduation rates, 91 percent of voucher users graduated high school while only 70 percent of students who were not given a voucher graduated from high school (Burke 2013). Furthermore, Harvard University published results of a four-year-long random assignment study showing that students who had been offered vouchers, performed approximately 3.9 scale scores higher than their public school counterparts in reading which would be equal to about three months of learning (Berends, 2011).

Figure 42 shows the fiscal impact of the Opportunity Scholarship Program.
The Harvard study also reported that parents of voucher students were more satisfied with their child’s school after four years than their counterpart parents within the control group, while also viewing their child’s school as safer than did their counterpart parents (Berends, 2011). However, despite this overall satisfaction by parents enrolled in the program, many parents chose not to use their awarded OSP voucher. Figure 43 demonstrates the reasons why some parents of students in the Harvard study who were offered OSP scholarships ultimately did not use them.
Wisconsin

In 1990, Wisconsin enacted the nation’s first private school voucher program with the Milwaukee Parental Choice Program. Currently, the program has 27,169 students participating with an average voucher value of $7,366 (“The ABCs of School Choice,” 2016). The University of Wisconsin-Madison’s John Witte found in his March 2011 evaluation that 76.6 percent of voucher students in the Milwaukee program graduated on time compared to only 69 percent of their public school peers. More significantly, voucher students who remained in the program throughout high school held a graduation rate of 94 percent (Burke, 2013).

In a comprehensive analysis of the program conducted by the University of Arkansas’s School Choice Demonstration Project, researchers explored the program’s fiscal impact upon both state and local budgets over the period of three years. The researchers found that the program saved the state an estimated $37.2 million in Fiscal Year 2009, $46.7 million in FY 2010, and $51.9 million in FY 2011 with the rapid increase being partially attributed to an increase in funding for public school students in general combined with a decrease in the maximum voucher awarded to students (Cunningham, 2013). While incorporating the gradual eligibility expansion of the program, Figure 44 demonstrates the individual fiscal impact of Milwaukee’s voucher program while Figure 45 shows the breakdown of the cumulative fiscal effects of Milwaukee’s voucher system for Wisconsin.
In 2011, Governor Scott Walker signed into law a second districtwide voucher program with the Racine Parental Private School Choice program for students in the
Racine Unified School District. As of the 2015-16 school year, the Racine program had 2,127 students participating in 19 private schools with a maximum voucher value of $7,324 (“The ABCs of School Choice,” 2016).

In 2013, Wisconsin enacted a statewide voucher program called the Wisconsin Parental Choice Program. As of the 2015-16 school year, the program had 2,514 students participating in 82 schools with an average voucher value of $7,388 (“The ABCs of School Choice,” 2016). Additional statutory academic requirements for participating private schools set by Wisconsin’s legislature include requirements they become accredited, administer the same standardized tests used in the traditional public school system, publicly report aggregated student scores, as well as additional regulations regarding promotion, instructional hours, staff credentials, and academic standards (Ciernak, Stewart, and Ruddy, 2015).

Finally, in 2015, Wisconsin enacted the Special Needs Scholarships program that will launch for the 2016-17 school year. Students with disabilities will be able to receive a voucher worth $12,000 to attend private school with voucher payments increasing by an equal percentage as general public school aid increases in Wisconsin. One caveat of Wisconsin’s Special Needs Program is that unlike other states, Wisconsin requires a student to first have applied to and been rejected by at least one nonresident public school under Wisconsin’s open enrollment program before the student can receive a voucher (“The ABCs of School Choice,” 2016).

**Additional Research**

The Center on Education Policy released a report in 2011 that compiled and reviewed major school voucher studies. This study supported the conclusion that students
using school vouchers tend to have higher high school graduation rates in comparison to their public school counterparts while also being more likely to enroll in a college or university. Their report supported this conclusion for the Cleveland Scholarship and Tutoring Program, Milwaukee’s Parental Choice Program, and Washington, D.C.’s Opportunity Scholarship Program. Finally, the report supported many states’ efforts to focus their voucher programs to target low-income students based on the available research indicating that much of the academic gains are often focused on the low-income and minority students within the voucher programs (Cunningham, 2013). In addition, the cumulative fiscal effects of ten of the largest voucher programs in the United States can be seen in Figure 46 and 47.
As a whole, the overall benefits of private school vouchers have been shown to include overwhelming net fiscal benefits for a state. These fiscal savings can then be used to fund other state programs or, as many states have done, to be reinjected into underperforming public schools. The latter measure allows legislators to increase political feasibility by providing these underperforming schools with increased overall resources after a decrease in their costs after the reduction in enrolled students. In this regard, vouchers allow states to increase education funding to schools without increasing educational appropriations from preexisting funds while also providing parents with increased school choice. Thus, voucher programs that include this component can serve as effective compromises for many legislators.
Further, vouchers have not been shown to cause significant negative academic effects, but have been shown to often cause slight to moderate benefits in grades, graduation rates, and college attendance rates. These results are often much more significant for low-income, minority, and special-needs students. As a result, legislators often specifically target these demographics initially before later expanding the programs to make more students eligible. Increased parental satisfaction and parental involvement have also been shown to be common results of voucher programs.

In terms of costs, as demonstrated in this chapter, vouchers have not shown negative fiscal effects for states. Without a provision to return fiscal savings to the affected public school, however, vouchers do cause public schools to lose overall funding as they lose students. As a result, this effect is the program’s most significant cost and most controversial aspect denounced by critics.

The figures displayed in this chapter provide a detailed breakdown of overall fiscal savings by almost every voucher program with a cumulative total of over $1.7 billion in fiscal savings across all programs. Further, they demonstrate how voucher programs have grown sharply over the past ten years both in number of programs as well as in enrollment in each program. Cumulatively, the figures also show the positive academic effects by individual voucher programs for both special-needs students and students in underperforming schools.

Overall, the research has shown academic, fiscal, and social benefits for involved students, their parents, and states. While not all programs have shown positive academic benefits for voucher students, most have shown increases in graduation rates, and none have shown negative effects or that the programs harmed public schools (Forster and
Thompson, 2011). The strongest evidence supporting vouchers has been the significant fiscal savings for states by providing vouchers equal to amounts below the per-pupil expenditure in public schools. With over $1.7 billion in cumulative savings from voucher programs in the United States, vouchers provide states with a way to likely realize fiscal benefits. Finally, voucher programs have shown a nearly universal increase in parent satisfaction in their child’s education and school safety as well as an increase in parental involvement in their child’s life.
“EDUCATION SAVINGS ACCOUNTS (ESAs)”

Definition

Education Savings Accounts (ESAs) represent the newest school choice program, and they function as an improvement upon a traditional school voucher program in the eyes of many school choice and voucher advocates (Lips, 2015). Designed to function in much of the same way as the federal Supplemental Nutrition Assistance Program (SNAP), education savings accounts provide parents with a way to withdraw their children from their public district or charter school in order to have the state deposit public funds into their government-authorized savings account which can be used in multiple ways restricted to direct educational expenses. ESA funds can cover tuition and fees at private schools, private tutoring, online learning programs, textbooks, educational therapies or services, curriculum, fees for a standardized norm-referenced achievement exam, Advanced Placement exam fees, college or university admission exam fees, contributions to a 529 college tuition program, community college costs, and numerous other educational expenses (Bedrick and Burke, 2015). Parents manage these accounts under state supervision in order to ensure accountability.

Background

No choice program is without critics and opponents. Opponents of education savings accounts argue ESAs improperly funnel public education dollars to religious
schools while others argue public dollars are being taken away from struggling neighborhood schools and given instead to private schools that are held to a lower standard with less accountability than their public school counterparts. However, no strong evidence points to a connection between private school choice programs and long-term funding shortages in public schools (Cunningham, n.d.).

Many advocates of education reform that have championed school choice over the years now consider education savings accounts to be a superior delivery system for expanding choice within states (Lips, 2015). Unlike any previous school choice program, ESAs offer families complete control over every dollar devoted to their children’s education while allowing them to tailor their children’s learning experience to suit each child’s individual needs (Lips, 2015). Additionally, ESAs may hold a constitutional advantage over voucher programs because the broader possible use of educational funds may provide immunity for a system of parent-managed education accounts from legal challenges under the so-called “Blaine Amendments” in some state constitutions that prohibit public funding from going to religious schools (Ladner, 2012).

Many proposed ESA programs modeled after Arizona’s plan allow parents to save unused funds in their child’s ESA to spend on future educational expenses, both within K-12 or even for tuition at a community college or university after the student graduates high school. Advocates for ESAs argue that with these features, parents will have a greater incentive to control their educational costs because they are able to control how and when their child’s educational funds are spent (Bedrick and Burke, 2015). This incentive encourages families to economize in order to maximize the value of every
dollar spent, similar to how they spend their own money ordinarily. Indeed, Arizona has witnessed many parents saving up to twenty percent of their ESA funds per year.

Overall, education savings accounts offer an education that is uniquely tailored to each child’s individual needs through enabling a parent to direct the public educational funds for their child to multiple education providers of their choosing, rather than continuing to relegate their child to the nearest government-assigned, brick-and-mortar traditional public school (Burke, 2013). In an effort to safeguard against possible fraudulent activity by parents, ESA accounts are subject to audits with possible criminal charges if fraud is discovered. Furthermore, only direct educational expenses are generally covered by most ESA accounts to ensure that funds are not wasted or misused. ESAs create an educational environment with the potential to ensure that all children are provided with an equal opportunity to reach his or her full potential in life. Education savings accounts create the necessary conditions to reshape America’s K-12 educational system into a system that recognizes and adapts to each child’s unique learning needs.

What Have Other States Done?

Currently, there are five states that have authorized education savings accounts. In 2011, Arizona became the first state in the country to create an education savings account program followed by Florida in 2014, and Mississippi, Nevada, and Tennessee in 2015. Nevada possesses the broadest ESA program in the United States, as it is available to any student currently enrolled in public school which is approximately 93 percent of Nevada K-12 students. Meanwhile, over 3,000 students are currently enrolled in ESAs in Arizona and Florida, while over 3,500 families have applied thus far for Nevada’s ESA program set to launch in 2016 (Kittredge, 2015).
Arizona

The first ESA program within the United States, called Empowerment Scholarship Accounts, was created by Arizona lawmakers in 2011. This program allows parents to choose to withdraw their children from any public, district, or charter school in order to receive a portion of their assigned public funding to be deposited into an account that parents may use to purchase multiple, state-approved educational services or materials provided that they sign a contract agreeing not to enroll their child back into a traditional public school while accepting ESA funds. Acceptable expenses under Arizona’s ESA program are: private school tuition and fees, textbooks, education therapy services and aides, private online learning courses, tutoring, Advanced Placement exams, college admissions exams, norm-referenced achievement tests, curriculum, contributions to a 529 college savings plan, college textbooks, college tuition, and ESA management fees (Burke, 2013). Any unused funds will “roll over” from year to year, allowing parents to save unspent funds for future education-related expenses. As of 2014-15, 2,501 students were participating with 134 participating schools.

Student eligibility includes any student who has either previously attended a public school for at least 100 days during the prior fiscal year, received a special education tax-credit scholarship from a School Tuition Organization (STO), already participated in the ESA program, or has received money from an STO under “Lexie’s Law” which provided private school vouchers for special needs students. For the 2014-15 school year, Arizona expanded eligibility to include students with special needs, public school students or students in districts with a “D” or “F” letter grade, children of active-duty military members currently stationed in Arizona, youth adopted from Arizona’s
foster care system, siblings of previous or current ESA recipients, and students currently eligible to enroll in a preschool program for children with disabilities (“The ABCs of School Choice,” 2016). Currently, the cap for students is set at 0.5 percent of the previous year’s public and charter school students until 2019 when the cap will be removed.

There is a requirement that parents must sign an agreement upon choosing to withdraw his or her child from the public school system, stating that he or she will provide instruction for the child in mathematics, grammar, science, reading, and social studies. In addition, the parent must also agree to not enroll the child in any public or charter schools. After signing this agreement with the Arizona Department of Education, parents will then receive 90 percent of the original state-allocated funds for his or her child, with the money being deposited onto a debit card that may only be used for education-related expenses (Burke, 2013). Parents may then use the debit card to exhaust the available funds on one or more educational services, or they can choose to save some of the funds for future educational expenses including college. This feature was designed to create an incentive for parents to encourage increased competition among providers to create an optimal market in terms of both quality and cost (Ladner, 2012).

Student funding in the 2015-16 school year was $4,645 for K-8 and $4,904 for grades 9-12 for students without special needs with the increase for high school students accompanying the higher public per-pupil expenditures for high school students. The specific amount distributed into a family’s ESA depends on several child-specific factors. Children in underperforming schools, active-duty military families, or foster care will receive approximately $2,845 per year which is 90 percent of Arizona’s per-pupil allocation of $3,162. These students receive higher ESA amounts due to the fact that
legislators and proponents argue that these students often make up a disproportionate percentage of students in underperforming schools and often also have less family income to use for educational purposes than their more affluent peers. In 2013, the program’s expansion increased the average award for students without special needs from approximately $3,000 to about $5,300. Children that do have special needs receive much larger distributions that are weighted according to the severity or nature of their disability. For special needs students, the average base amount ranges from $1,500 to $3,700 and is then added to the child’s estimated per-pupil amount.

**Florida**

In 2014, Florida became the second state to authorize education savings accounts, called Personal Learning Scholarship Accounts (PLSAs). Unlike Arizona, Florida attempted to reduce bureaucratic inertia by using public funds but placing management and administration of those funds under the control of the same non-profit scholarship organizations that already participate in Florida’s tax-credit scholarship program. Within the first six months of the PLSA law being signed into law, Step Up for Students, Florida’s largest scholarship organization had already approved ESA scholarships for over 1,200 students (Bedrick and Burke, 2015).

In addition to the PLSA program, Florida also enacted the Gardiner Scholarship Program in 2014 to provide education savings accounts for students with special needs. As of the 2015-16 school year, 4,270 students were participating in 174 participating schools and an average account value of $10,240. Under this program, the public funds from the state are administered by an approved Scholarship Funding Program as under the PLSA program. Parents can then use their funds to pay for direct educational
expenses such as private school tuition, online education, tutoring, education curriculum, therapy, and postsecondary educational institutions within Florida (“The ABCs of School Choice,” 2016). To be eligible as a special needs student, a child must have an Individualized Education Plan (IEP) or have been diagnosed with one of the following: an intellectual disability, Down’s Syndrome, spina-bifida, Prader-Willi syndrome, Williams syndrome, or be a kindergartner that is considered to be “high risk.” During the 2015-16 school year, Florida expanded eligibility to include 3- and 4-year-olds, students who are somewhere on the autism spectrum, or students with muscular dystrophy (“The ABCs of School Choice,” 2016).

Mississippi

In 2015, Mississippi enacted the Equal Opportunity for Students with Special Needs Program that had 286 students participating in 2015-16 in 10 participating schools with an annual award value of $6,500. Under Mississippi’s ESA program, students with special needs can receive a portion of their assigned public funding into a government-authorized savings account that can be used to purchase direct educational services. To be eligible, students must have an IEP within the past 18 months. The annual award amount of $6,500 is subject to increase or decrease at the same proportion as the Mississippi Adequate Education Program calculated funding amount that the state provides to public schools (“The ABCs of School Choice,” 2016).

Nevada

In 2015, Nevada launched an education savings account program to provide parents with funds to purchase a variety of direct educational expenses. Parents must sign an agreement ensuring that their child will receive instruction within Nevada at a private
school, post-secondary educational institution, a tutor or tutoring program, or a distance learning program. They must also agree to use the ESA funds only for the authorized purposes such as tuition and fees at a participating school, post-secondary institution, distance learning school, textbooks, tutoring services, curriculum and supplemental materials, transportation costs for travel to and from a participating provider or providers up to $750 per school year, fees for nationally standardized norm-referenced tests, AP exams, college or university admissions exams, special instruction or services for students with special needs, or fees for management of their ESA by private financial firms. Annual ESA accounts may be worth 100 percent of Nevada’s average basic spending per pupil ($5,710 in 2015-16) for special needs students or students from households with incomes up to the level of the free and reduced-price lunch program ($44,863 for a family of four in 2015-16). Other students may receive ESA funding of 90 percent of Nevada’s average per-pupil spending ($5,139 in 2015-16) (‘The ABCs of School Choice,” 2016).

Nevada’s ESA program has encountered legal issues with a currently pending lawsuit to halt the program on the grounds that it unconstitutionally uses public money to fund religious institutions such as private schools. Nevada filed a motion to dismiss arguing the state’s ESA program functioned similarly to the state’s health-care program in which state public employees receive public funds deposited into a health savings account, as this money can be spent at a Catholic or other religious hospital (Tillotson, 2015).
Tennessee

Also in 2015, Tennessee enacted the Individualized Education Account (IEA) Program that will launch in 2017 and have an estimated average annual award value of $6,200. The IEA program will provide parents with an education savings account to pay for a variety of direct education services for students that include private school tuition, online education, tutoring, therapy, curriculum, post-secondary institutions in Tennessee, and other approved expenses (“The ABCs of School Choice,” 2016). In order to be eligible for the program, students must be eligible to enroll in kindergarten through 12th grade. They must also have an IEP and a diagnosis for one of the following: deaf-blindness, autism, a hearing impairment, an orthopedic impairment, an intellectual disability, a visual impairment, or a traumatic brain injury. Also, students must have either been enrolled in a Tennessee public school within the previous two semesters, be attending a Tennessee public school for the first time, or have received an IEA during the previous school year. The funding for an IEA is funded at 100 percent of the state and local funds used in the Tennessee’s funding formula that would have been provided for the student if he or she had attended their assigned public school with the additional special education funds that the student would have otherwise been entitled to under his or her IEP (“The ABCs of School Choice,” 2016).

What Does the Research Say?

The Friedman Foundational for Educational Choice conducted a study in 2013 to examine how families used their ESA funds under Arizona’s program with the overview being displayed in Figures 48, 49, and 50. The researchers found that families had chosen a wide variety of private schools for their children, including parochial schools,
Montessori schools, Waldorf academies, single-sex schools, and schools catering to autism. A majority of parents (66 percent) used their ESAs to only pay tuition at a private school, thus using their ESA to function purely as a voucher. However, 34 percent of parents used their ESAs to also purchase a variety of educational products and services such as curriculum, textbooks, therapy, tutoring, and online educational services.

Some parents used these services as a supplement to their child’s private-school education, while others used these services to provide a tailored education for their child completely separate from a traditional brick-and-mortar school. Notably, 26 percent of funds were unspent, indicating that families were saving some of their funds for future expenses, as proponents had predicted (Bedrick and Burke, 2015). This outcome serves to support proponents’ claims that parents would save a portion of their ESA funds, thus increasing competition among vendors to provide educational services with better quality at lower prices as parents seek to balance their child’s education with the best price to simultaneously save funds for future years or for their child’s college tuition.

**Figure 48**  Distribution of Empowerment Scholarship Account Funds

![Graph showing distribution of Empowerment Scholarship Account Funds](image-url)
Of the 34 percent of parents who used their ESAs to purchase educational services besides only private school tuition, sixty-two families purchased education therapy and services for a total of $209,205, forty-seven families paid for private tutoring for a total of $122,140, thirty-nine families purchased curriculum for a total of $60,299, and seven families purchased online learning options during the 2011-12 school year through March 2013 (Burke, 2013). Overall, these results indicate that Arizona’s ESA program is being effective in providing Nobel-Prize winning economist Milton
Friedman’s dream of school choice in which parents are able to tailor their child’s educational experience to create a student-centered educational system that empowers families.

**Public Opinion**

In a 2013 survey of Arizona ESA program participants, 100 percent of parents reported feeling at least somewhat satisfied with the program, 71 percent reported feeling very satisfied, and zero participants reporting having neutral or negative opinions about Arizona’s Empowerment Scholarship Accounts program (Kittredge, 2015). As *Figure 51* shows, in a survey by the Friedman Foundation, 64 percent of the general public expressed support for ESAs while 65 percent of their oversampling of school moms supported the programs (Carpenter II, 2014).

*Figure 51*

![Graph showing public views on education savings accounts (ESAs), 2013-2015](image)

**Conclusion**

Overall, education savings accounts seem to offer a school choice alternative that works to incorporate the advantages of other school choice programs such as charter
schools and private school vouchers. The limited amount of available research, largely performed in Arizona, has shown an outstanding parental satisfaction rate of 100 percent of Arizona parents in the ESA program, while serving as the template for other states pursuing ESA programs. Parents are able to withdraw their child from the traditional public school and then receive a set amount of funds into an education savings account that allows parents to purchase direct educational services, including but not limited to private school tuition, while also saving leftover funds. With this program, states add another school choice alternative for parents to choose from and offers more school choice and control over their child’s education while also increasing fiscal benefits for the state.
“MOVING MISSISSIPPI FORWARD”

Mississippi’s Educational Background

Every Mississippi child deserves a fair opportunity to achieve his or her potential. This very principle lies behind the very foundation of American education. During the mid-nineteenth century, Horace Mann famously called for American schools to be the “balance wheel of society” and the “great equalizer” (Carter, Welner, and Ladson-Billings, 2013). Unfortunately, Mississippi remains far away from accomplishing that ideal. Every day, a child’s future prospects becomes increasingly limited by ever-growing opportunity gaps. This waste of talent becomes even more pronounced when looking at impoverished or minority students. Without equitable, efficient, and effective opportunities to allow these children to achieve that potential, Mississippi will continue to be ranked at the bottom nationally in many categories. To achieve Horace Mann’s goals of American education being the “great equalizer,” states like Mississippi must take efforts to ensure that every child has the same chance for success in life.

Figure 52 shows Mississippi’s ranking nationally by Education Week along with a breakdown by criteria.
Mississippi currently ranks 51st in the country for quality of K-12 education by *Education Week*. This ranking at or near the bottom of American education has persisted for years despite the state’s recent increase in educational spending. Since Fiscal Year 2005, per pupil expenditures in Mississippi have increased from $8,714 to $9,196 in FY...
2014. However, despite this slight increase in educational spending overall over the past decade, the Mississippi legislature is unlikely to increase educational expenditures in an amount significant enough to allow underperforming schools to adequately improve educational outcomes on their own. *Figure 53* shows the expenditures of public school districts between FY 2005 to FY 2014 as reported in a 2015 analysis of Mississippi’s K-12 expenditures by the Joint Legislative Performance Evaluation and Expenditure Review (PEER) Committee.

*Figure 53*  
*Inflation-Adjusted Expenditures in All Categories, FY 2005 through FY 2014*

Since 2005, expenditures in every category of educational spending increased in Mississippi except for those expenditures in instructional spending. Instructional spending, including teachers’ salaries, classroom assistants, special education programs, employee benefits, and textbooks and other supplies, has dropped from $4,969 in FY 2005 to $4,890 in FY 2014, or a drop of 3.2 percent or approximately $75 million.
Among increases, student support spending was the second smallest increase in expenditures as spending only increased 6.1 percent. In comparison, administrative spending has increased by 13 percent, or over $57 million (Joint Legislative P.E.E.R. Committee, 2015). Mississippi currently has the second-highest paid State Superintendent of Education in the country behind Washington, D.C. Despite the increase in overall spending, academic results have not followed from the increase in funds that have come from the legislature, perhaps because of how districts have spent these funds as described above. **Figure 54** highlights the direct contrast between the increases in administrative spending over the past ten years with the decrease in instructional spending while **Figure 55** shows the difference in the growth of administrative salaries together with the decline in teacher salaries as seen in the PEER report.

**Figure 54**

*Source: Joint Legislative Committee on Performance Evaluation and Expenditure Review. A Review of Expenditures of Mississippi’s Public School Districts, FY 2005 through FY 2014*
The expenditures for the last five years show an even starker contrast among areas of spending by districts. Administrative spending has seen a $2 million increase, spending on other programs has increased by $3 million, transportation spending has increased by $9 million, plant operation spending decreased by $4 million, spending on student support decreased by $6 million, and food services spending decreased by $11 million. However, most noticeably, instructional spending decreased by $288 million out of the overall decrease in expenditures of $295 million (Joint Legislative P.E.E.R. Committee, 2015).
Mississippi’s educational achievement has slowly increased in terms of its reading and math scores on the National Assessment of Educational Progress (NAEP). As of 2016, 30 percent of Mississippi’s fourth graders scored proficient or higher in reading while 26 percent scored proficient or higher in math. Likewise, 20 percent of Mississippi’s eighth graders scored proficient or higher in reading and 22 percent scored proficient or higher in math. While these scores represent increases in Mississippi’s scores since 2009, they still have not allowed Mississippi to move up in the state rankings. Finally, only four percent of Mississippi’s high-schoolers achieve a passing grade of 3 or higher on an AP exam, up from a 3.9 in 2015. However, 29.3 percent of students nationally score a 3 or higher (Guilfoyle, 2016).

Despite the increase in expenditures by Mississippi school districts combined with increasing allotments from the state legislature to the point where K-12 expenditures in Mississippi comprise 62.5 percent of the General Fund, schools have not seen a significant accompanying increase in results while also remaining under-funded according to the state’s K-12 education funding formula. Simply increasing the budget for K-12 in Mississippi will not have a significant impact with much of that funding likely not going to instructional costs in the classroom.

**Why School Choice Is Important for Mississippi**

First, the most important thing to keep in mind when discussing any type of education reform is to remember that no single program or approach is going to solve all of Mississippi’s educational woes. No program is going to single-handedly serve as a magic bullet to fix the decades of failures by many public schools in Mississippi to properly educate children and allow them to achieve their full potential in life. However,
by incorporating a comprehensive, multi-faceted school choice approach in Mississippi, the state can approach these problems through various programs as part of an overall educational effort that attacks the problems from top to bottom, much like Florida’s approach under then Governor Jeb Bush of using a plethora of educational reforms. With this approach, school choice efforts are but one facet of the approach while supporting other efforts to reform public education itself while school choice acts as “rescue” programs to help children currently trapped in underperforming schools who cannot wait for the school to improve a few years down the road, and also acts as “reform” programs to incentivize improvement and change among public schools as they are forced to begin competing to keep students from using a voucher or ESA to attend a higher quality private school.

School choice will help Mississippi’s families by allowing parents to choose schools for their children to gain access to higher quality instruction, more supportive and safer school environments, and higher graduation and college attendance rates. By allowing all parents to have a choice in their child’s education regardless of income level, Mississippi can apply the research that has consistently shown that parents are more satisfied with their child’s school when they choose the school rather than being automatically assigned without having a choice (Hill and Betts, 2003).

Choice is not a method for policymakers to attack public schools nor is it an avenue to privatize education. Instead, school choice is meant to create a competitive and vibrant marketplace for education in Mississippi that includes, public, private, charter, and online options for parents with the ability to fully customize the place and method of education for their child.
How School Choice Can Improve Parental Involvement

An often overlooked aspect for improving students’ educational achievement is parental involvement. A plethora of studies have shown that when parents are engaged in their child’s education, those students often maintain higher grades and receive higher test scores (Cunningham, 2013). Increasing parental involvement stands as a central tenet of school choice policies. Positive academic and fiscal effects aside, perhaps the most proven aspect of school choice programs such as charter schools, voucher programs, and education savings account programs has been the increase in parental involvement and satisfaction that follow the implementation of these programs. By giving parents more control over their child’s education through providing them with the resources and autonomy to choose their child’s source of education as well as the ability to customize the education to their child’s individual needs, school choice programs increase parental involvement.

Increased parental involvement will benefit many individual low-income and minority students while also benefitting the system as a whole as the aggregate results from these students coalesce together to increase the overall educational achievement of Mississippi’s children. More affluent families already have the resources to practice such school choice by being able to afford to purchase private school tuition for their children or move into a higher quality school district. School choice programs allow lower-income, minority, and parents of children mired in underperforming school districts to gain the same power as their more affluent peers. Children of these parents often have the least parental involvement as well as lower parental satisfaction in their child’s schools. Increasing their involvement in their child’s life and education alone makes school choice
programs an excellent choice for states to pursue for these families as witnessed in voucher programs in Washington, D.C., Milwaukee, and Cleveland as well as the ESA program in Arizona.

**How School Choice Can Help Low-Income and Minority Students**

A common theme of school choice policies is the principle of giving parents at least one alternative to traditional public school systems. These policies often emphasize a focus on low-income and minority families who previously would have had little or no choice. Research on charter schools and voucher programs have shown that low-income and minority students often benefit the most from school choice with increased student achievement in some subjects as well as an increased rate of high school graduation and college enrollment (Cunningham, 2013). These benefits, along with increased parental involvement and satisfaction, provide Mississippi with a chance to help narrow the opportunity gap among these low-income and minority families as well as families with special needs students. These groups make up the most at-risk student populations as well as the best populations to target with school choice programs. Thus, school choice programs, when properly designed, can actually create a more equal and democratic educational system than the current traditional public school system that only further worsens the already wide opportunity gap.

Additionally, choice programs have consistently shown to be specifically beneficial toward minority students with increases in subject-area scores as well as a significant increase in graduation rates that lowers the gap between minority and white students (Forster and Thompson, 2011).
Proposal

School choice programs including charter schools, private school vouchers, and education savings accounts can ultimately allow impoverished children and students in underperforming schools to have the same opportunities for success as their more affluent peers. The key is for policymakers to realize that school choice is not an attack upon the traditional public school system, but rather it is a new, modern way for Mississippi to provide public education for its students. School choice does this by forcing schools to demonstrate performance and quality or else lose students to competitors, including charter schools or private schools accepting vouchers or ESAs. Thus, choice attacks the traditional public school monopoly by introducing increased competition, incentives for schools to improve their academic quality, graduation rates, and fiscal efficiency, as well as encouraging public schools to adopt ideas, policies, and curriculum that have proven successful for charter and private schools.

How Mississippi Could Use Charter Schools

With the support of much recent research of charter schools with strict authorizing processes, positive academic and fiscal effects are being realized by states as charter schools offer themselves as one of the most politically feasible, cost-saving, efficient, tools for states to improve academic results for students in under-performing traditional public schools. With charter schools legal in Mississippi and with a strict authorizing process in place, Mississippi has the opportunity to begin to use charter schools to offer parents choices in areas of the state where parents would otherwise have no other choice than their underperforming traditional public school. With the first two charter schools opening in the state capital of Jackson in 2015, Mississippi should continue to open
further charter schools across the state to take advantage of the academic and fiscal
benefits of charter schools as well as to attempt to alleviate the plights of low-income and
minority communities that consistently struggle with underperforming schools while its
citizens cannot afford costly private schools, if there are any available. By increasing the
amount of choices in the public side of education, Mississippi will be able to reap the
benefits as well as create a stronger foundation for further school choice programs to be
implemented such as vouchers and open enrollment. Such programs operate effectively
only if there are successful alternatives for parents to choose, and charter schools can
offer precisely that in areas where there was no viable option beforehand.

**How Mississippi Could Use Education Savings Accounts**

Based upon existing research thus far and the features and opportunities presented
by education savings accounts, I believe that expanding Mississippi’s existing ESA
program to cover all Mississippi students represents the most ideal opportunity for
Mississippi to create a thriving and competitive educational environment that helps
parents provide customized educations for their children. While voucher programs may
create competition between private and public schools, ESAs create opportunity for
increased competition across the entirety of much of the educational spectrum by
allowing parents to create a customized education that is tailored to the individual needs
of a child. In terms of funding, Mississippi should adopt a sliding scale allowing students
with disabilities and low-income students to receive ESAs worth 90 percent of
Mississippi’s average per-pupil spending while other students should receive 75 percent
of the state’s per-pupil spending. Funds should also be allowed to roll-over and be able to
be saved by parents for future educational expenses including for college.
In terms of administration of funds and ESAs, Mississippi should adopt Florida’s practice of placing the administrative duties of the ESA program under control of private, non-profit scholarship organizations. The reasons for this proposal are threefold: First, a non-profit scholarship organization is better suited to avoiding bureaucracy or political opponents with school choice being rooted in the organization’s mission. Second, while awarding and overseeing ESAs are merely an auxiliary mission for the state’s Department of Education, it is the primary goal of a scholarship organization, thus allowing the organization to focus fully on doing so properly while striving to adopt the best practices. Third, non-profit scholarship organizations allow for increased flexibility in operation unlike with a government agency such as flextime to allow parents to attend workshops and meetings outside of normal business hours (Bedrick and Burke, 2015). In terms of the application process, Mississippi should utilize an online application and allow applications to be sent via email, direct mail, by hand-delivery, or fax.

Ultimately, a universal education savings account program would provide Mississippi with an excellent way to provide options to accommodate the wide variety of differing needs across the state. As Mississippi currently has an ESA program, expanding the program to become universal should be more politically feasible than creating an original program while providing the state with a way to provide much-needed educational reform to a statewide educational system ranked at the bottom of the country.

**Mississippi’s Current Efforts to Expand School Choice**

The majority of Mississippians have demonstrated consistent support for school choice programs, thus helping to provide increased political feasibility for Mississippi legislators to increase the state’s school choice alternatives further. In a recent poll by
OnMessage Inc., 78 percent of Mississippians supported giving “parents the right to send their child to the public or private school that best serves their needs.” This support includes 73 percent of Democrats, 83 percent of Republicans, 73 percent of African-American voters, and 81 percent of white voters (Callen, 2016). Clearly, the support for school choice in Mississippi transcends party and racial lines. Figure 56 shows the results of a national Fox News poll as well as the OnMessage poll regarding the difference in support for Obama, Obamacare, and school choice to show how people of both races put party ideology aside to support school choice. While both President Obama and Obamacare draw an anticipated sharp racial gap in support, with a vast majority of African-Americans supporting both in comparison to a minority of whites. However, a significant majority of both races support school choice.

Comparison of Support Among Race

The support from African-Americans is especially significant for Mississippi because their support and participation will be crucial for the success of school choice programs in the state. Many of the lowest-performing schools in Mississippi are located in districts that are primarily African-American. As a result and in order for these
programs to succeed, the state will need the support and involvement of both low-income and minority parents in the underperforming school districts that school choice most seeks to help. This wide support also helps to greatly help the political feasibility of choice programs for every legislator.

In his 2016 Inaugural Address, Governor Bryant argued for school choice, “For example, it should be a parent’s right, not just a privilege by income or social status, to take his or her hard-earned tax dollars and send their child to a school they choose. We should heed the lessons of history and not stand in the school house doorway and resist school choice in the name of district integrity, or average daily attendance” (Kittredge 2016). With overwhelming support for school choice among Mississippi voters of both parties, a Governor making school choice a top priority, and a Republican supermajority in the House and Senate, 2015 and the next four years promise to be eventful in the expansion of school choice for Mississippi. My interviews with Senator Gray Tollison (R-MS9), chairman of the Mississippi Senate Education Committee, and Representative John Moore (R-MS60), chairman of the Mississippi House Education Committee, further demonstrate the Mississippi legislature’s determination to expand school choice for Mississippi’s children.

In my interview with Senator Tollison, the Senator noted that charter schools were a big step for Mississippi in establishing true school choice. According to Tollison, “Charter schools established a beachhead for school choice in the state.” When asked about what he thought the ideal school choice picture for Mississippi over the next five years would be, Tollison responded that he believes Mississippi should focus on charter schools and expanding them to allow students to cross district lines and to allow the
creation of charters in more than just districts that are currently ranked “D” or “F.” He also noted that the state should look at the existing ESA program to expand it to cover students who are from low-income and minority families while the state courted public opinion by targeting the students most in need of help and rescue from the schools that are failing them. Finally, Senator Tollison noted that within the traditional public school realm, he wanted to see the expansion of open enrollment to have Mississippi finally reach the ultimate goal of truly open school choice that incorporates all public, charter, and private options (“School Choice Interview with Senator Tollison,” 2016).

Representative Moore, the chairman of the House Education Committee, began the interview by emphasizing that the Mississippi Legislature “is not in the business of preserving school bureaucracy” through their efforts to shape educational policy. Instead, they “are in the business of providing the best education for students.” Representative Moore also argued for the use of a “shotgun approach to school choice that is methodical and uses private schools, allows students to cross district lines for public and charter schools, allows students to choose the best available school near them, and that helps provide transportation for students who choose a better school outside of their traditional public school district.” He followed by noting that he intended to work to expand Mississippi’s ESA program, which he did by authoring the House Bill to do so, which died in the Appropriations Committee during the 2016 session. He also spoke about expanding open enrollment among public schools, allowing movement across district lines while allowing receiving districts to maintain the autonomy to refuse students while sending districts cannot refuse the transfer. However, this open enrollment can include a requirement for schools to accept students on a first-come, first-serve basis with the only
preference being given to low-income students. Another possible requirement is for students to wait at least one school year before they can participate in a sport at a new school in order to prevent schools from recruiting athletes ("School Choice Interview with Representative Moore," 2016).

Representative Moore pointed to Mississippi’s ESA program as an example for how he would like to implement increased school choice in Mississippi with an initial pilot program or specifically-targeted program like the ESA program that can then be improved upon, caps increased, and ultimately expanded. He also included one warning that the Legislature should focus on “D” and “F” school districts in terms of eligibility for these programs because legislators “cannot just open the floodgates.” Finally, over the next five years, Representative Moore discussed how he would like to see a “totally different educational system” if he has his way, one that is more efficient, more like a college system with choices, driven by performance rather than baseless funding, controlled by parents, experiences significant changes in leadership from top to bottom, and is driven by competition. Representative Moore closed out the interview by saying, “I just want parents to have a choice for their children. They have a choice in everything else in life. You can pick whatever higher educational avenue you want and every other aspect of our society with the competitive nature of our society. No competition is why our K-12 educational system is in shambles ("School Choice Interview with Representative Moore," 2016).”

Brett Kittredge, of the school choice advocacy group Empower Mississippi, also shared his views on increasing school choice in Mississippi. He believes that currently, a person has school choice if he or she can afford it. Whether a person can afford to move
to a neighborhood with good schools or afford to pay for private school often dictates whether a child received a quality education which is unacceptable and must be corrected through school choice. Kittredge noted, “What is so appealing about school choice is that parents finally receive the ability to judge their child’s school. If a charter school or private school is not meeting the needs of the children it is designed to serve, parents will leave and the school will shut down.” He advocated for giving parents as many options as possible and letting them decide what they believe will best fit their child, while certain programs, or types of schools, will probably be more popular or useful in certain areas of the state. While he believes these programs should be universal, he also argues for them giving preference to low-income families or those with special needs if there is a lottery due to limited space. However, he did not believe that school choice programs should be limited to these groups because cities need strong middle and upper class families to thrive, and school choice is a way to entice families to remain in cities rather than move to the suburbs. He noted how potentially holding off middle-class flight could have tremendous benefits for cities like Jackson beyond school choice (“School Choice Interview with Brett Kittredge of Empower MS,” 2016).

Kittredge believes that the most feasible school choice programs for Mississippi involves expansions of both the current ESA and charter school laws. He believes that the ESA program should be expanded to most other students in the state, similar to Nevada’s law passed in 2014. Such a law that allowed all students currently enrolled in public school or rising kindergartners/first graders would benefit a large group of Mississippi students, while being revenue neutral. By making the program revenue neutral, and limiting the program to one percent of the current public school population each year, the
expansion would be more politically feasible while taking away from opponents’ argument that school choice privatizes public schools.

Kittredge viewed education savings accounts as “vouchers 2.0” where ESAs are much more parent friendly because by the state directing the money directly to the parents, who then have full control over how the money is spent which could include some sort of private school, public school, dual enrollment, tutoring, online learning, therapy, etc. He noted, “The underlying theme of school choice is that no two students are alike, and we should no longer educate them like they are. This is what an ESA can do.” Finally, Kittredge believes that the current charter school program should be expanded by allowing students to cross district lines while allowing charter schools to also open in “C” districts. He went further by suggesting that Mississippi pursue having charter schools focused exclusively on STEM subjects, drama/theater, or any number of specific school types (“School Choice Interview with Brett Kittredge of Empower MS,” 2016). Mr. Kittredge’s ideal school choice picture for Mississippi is universal school choice with education savings accounts, charter schools statewide, public school open enrollment, tax-credits, etc., so that every school in the state is fighting for students and understands that it must be competitive to remain open.

Finally, Jameson Taylor of the Mississippi Center for Public Policy shared the opinions of Mississippi’s largest think tank. He began by arguing that within Mississippi’s educational system, the most critical need is student-centered funding where the state specifically funds students instead of the state funding school buildings for the amount of students they hold. Taylor argued that education should be child-centered, and so should funding by giving parents the funding and flexibility to customize
their child’s education. With this change to the current process, school choice would use this student-centered funding to allow students to attend any public, charter, or private school of their choice along with purchasing other educational services, while within the traditional public school realm, low-income children living in a district would receive more attention and directed personal funding than wealthier students in the district. According to Taylor, the examples for this focus on student-centered funding approach has been the very recent pushes by Arizona and Hawaii to implement such a funding mechanism.

Taylor’s ideal picture of school choice in Mississippi included a wide variety of school choice programs as seen within Florida and Arizona with “the more programs, the better.” While he noted that there was no such thing as a perfect policy with every policy having the potential of negative side effects such as the effect of teaching to the test after implementing state testing. As a result, Mississippi should welcome a diverse approach such as tax-credit scholarships, education savings accounts, vouchers, open enrollment, and charter schools. Mr. Taylor sees school choice as a broad universal concept that should permeate every school, whether public or private, while allowing every student to get the services they need instead of being evaluated purely upon seat-time. He argues that school choice should not be understood as a division between public and private, but rather as a way for both to complement each other. To illustrate his point, Taylor referenced a trip to Florida where the Mississippi Center for Public Policy took legislators to tour private and charter schools while speaking to public school district staff. While there, they discovered that the public school staffers welcomed school choice after their initial apprehension because it has been something that can be beneficial to
public schools by letting kids that are unsatisfied have an escape hatch, which has helped those districts by letting those children transfer to a better-suited school for them while allowing the public schools to focus on their remaining students ("School Choice Interview with Jameson Taylor," 2016).

**An All-Encompassing School Choice Proposal for Mississippi**

Based on the research presented in this thesis as well as the current political climate in Mississippi that has made school choice a politically feasible approach to education reform throughout the state, I advocate for an expansion of the current charter school policy to allow charters in every school district that are open to any student, including those who live across district lines. Also, individual public schools in districts rated a C, D, or F would be able to convert into a charter school if requested by the district school board or a three-fourths majority of parents of children in the school. In addition, Mississippi would continue to offer open enrollment among public schools with 100 percent of state and local funds following the student, and C, D, or F school districts would lose the ability to refuse to allow a student to transfer away while receiving districts would still be allowed to refuse students in the case of reaching full capacity. Between allowing public schools to be converted into charter schools as well as open enrollment, policymakers can allow public schools to better adapt and compete with private education providers while remaining public.

However, I focus my proposal upon expanding Mississippi’s current education savings account program for special needs students to make every child in Mississippi eligible with a requirement of being a rising kindergartner, first-grader, second-grader, or have attended a traditional public school or charter school within the previous three years,
or else live within public school district rated as a C, D, or F school district if the student has already been enrolled in a private school. Thus, in connection with charter schools while also having a voucher component due to parents’ ability to use their ESA to purchase private school tuition, ESAs allow Mississippi to offer an encompassing school choice program that allows parents to have a wide range of educational options to fully customize their child’s education.

In order to allow religious schools who meet eligibility criteria to participate within Mississippi’s school choice efforts, an ESA program allows the state to avoid unconstitutionality by providing parents with a plethora of options for spending their child’s educational funds in a variety of ways that do not go to a religious school, much in the same manner that most states’ public employees’ health insurance plans allow for employees to choose between private religious hospitals, private secular hospitals, and public hospitals. By providing additional options beyond private schools, ESAs allow parents to have the widest variety of school choice offered by any program. Unlike vouchers, an ESA allows the funds to be directly deposited into parents’ accounts with the spending of those funds occurring completely separate from the state.

Use of ESA Funds

If the ESA is used for private school tuition and cost of tuition is lower than the ESA amount, parents will be allowed to spend the remaining ESA funds for other approved educational expenses or save the funds for following years or in an approved college savings account to pay for college tuition and fees at an in-state university, public or private. Also, if a student graduates a year or more early, half of the ESA amount for
the unused year(s) may be used for college tuition and fees at a public or private in-state university or college.

**Requirements for Participating Private Schools**

In exchange for accepting publicly-funded students, private schools will have a choice of administering a state assessment to ESA students such as the MCT-2s for elementary and middle school students and the Mississippi SATP tests for high schoolers, or else, they may choose to administer a nationally-recognized and norm-referenced test such as the Stanford-10. A national norm-referenced test can help address both aspects by not requiring specific curricula demands upon a private school (Ladner, 2012). The schools will be required to submit participating ESA students to a test of their choosing (the required norm-referenced test or state assessment may be used) at the beginning and end of each school year. However, the state will pay for the assessment of these tests, but only for ESA students if the school chooses to submit all students to them. These private schools will also be required to share student performance data of all students with parents and the public. Additionally, all schools in Mississippi, traditional public, charter, or private schools will be required to publish annual reports detailing dropout rates, graduation rates, college attendance rates, and job statistics. The state may also choose to require official accreditation for participating private schools.

However, private schools will not be required to share their financial reports with the state as academic performance reports will be the state’s assurance of accountability and transparency for the private schools’ use of taxpayer dollars that follow the participating students to the school. However, should the state begin to require public schools to report financial reports to the state, this requirement should also include any
schools participating in choice programs. Finally, participating private schools will not be able to change their admission standards or requirements to be more restrictive than they were before the passing of these programs and expansions. The schools will also be prohibited from using race, income, or other demographic factor as a negative factor in admissions. For the first year, the cap for public school students enrolling in an ESA program and choosing an option other than a traditional public school or charter school will be set at five percent of the student’s home district enrollment, with that cap increasing by one percent each year for five years, at which point the cap will be removed. Private schools will only be allowed to charge an additional amount beyond the ESA amount for parents making above 200 percent of the federal poverty level, and then only if at least fifty percent of the school’s ESA students are low-income students with incomes below 200 percent of the federal poverty level.

However, while transparency and accountability are crucial to ensuring the success of a private school voucher or ESA program, a similarly important aspect will be ensuring that private schools are not forced to endure additional significant burdens upon their operation. Available research on choice programs have provided evidence for accountability measures to ensure that these programs will be more likely to provide positive academic outcomes for participants (Hill and Betts, 2003). Such measures include proper funding, student targeting, parent information, performance measurement, and student access to schools.

Each of these measures must be properly addressed within Mississippi’s all-encompassing choice policies in order to ensure successful outcomes for the state’s children. Finally, student testing data from participating schools as well as demographic
information, graduation rates, and other pertinent data shall be made readily available online and upon request by participating schools. However, while ensuring accountability of choice programs shall be paramount, moving forward, participating schools must also be allowed to maintain their freedom to choose their own curriculum, teachers and staff, and preferred methods of operation without that freedom being infringed by undue regulation.

**Fiscal**

In terms of vouchers and education savings accounts, funding should be provided at 90 percent of the average Mississippi per-pupil expenditure for low-income families with incomes up to 200 percent of the federal poverty level. Students from families above 200 percent of the federal poverty level, funding should be provided at 75 percent of the average Mississippi per-pupil expenditure for public school students. These funding levels are consistent with what other states have done and work to ensure that while the state will receive fiscal savings, students from low-income families will receive more state funds than those from families with higher income levels.

**Additional Program Details**

As part of its effort to expand school choice in Mississippi and its accessibility to all families, the state should follow the example of Indiana’s Institute for Quality Education and establish an interactive website for parents that allows them to shop around for the school or educational pathway that best fits their child. Parents can select the type of pathway they are seeking, whether a traditional public school, private school, charter school, online virtual school, or other educational option. Then, the website will filter the results to show parents the schools nearest them or other relevant options with
relevant student performance data and other descriptive and qualitative information as well as allow parents to discover eligibility for a voucher or education savings account followed by the estimated value of either and a link with instructions for parents to apply (Frazee, 2015). Additionally, part of the expansion of school choice legislation in Mississippi should include funding of a program evaluation by the Joint Legislative PEER Committee to be completed every four years to consider student performance, program accessibility, participants’ graduation and college attendance rates, fiscal effects of the school choice programs upon state and local budgets, and a comparison between program participants and their counterparts in traditional public schools. Private schools that fail to meet performance standards for three years in a row will be subject to not be allowed to receive any new students through school choice programs. Charter schools that fail to meet performance standards will be subject to being closed.

School Choice in Mississippi’s 2015 Legislative Session

At the time of writing, Senate Bill 2161, authored by Senate Education Committee Chairman Tollison, would expand the charter school program in Mississippi. The bill would allow charter schools to be created without local board approval in “C” rated districts along with “D” or “F” districts. The bill would also allow students to cross district lines to enroll in a charter school instead of the current provision requiring students to live within the district. Also, SB 2161 would allow charter school employees to participate in Mississippi’s Public Employee Retirement System (PERS) and other benefits programs. Finally, the bill would allow charter schools that are conversions of existing public schools to lease their school buildings from the local school district
provided the charter school pays market value (Kittredge, 2016). As of April 2016, SB 2161 had passed the Legislature and was signed into law by Governor Bryant.

Regarding education savings accounts, Mississippi legislators authored Senate Bill 2385 and House Bill 943 to expand the eligibility for Mississippi’s existing ESA program for special needs students. Under these bills, eligibility would be expanded to cover all current public school students, students entering kindergarten or first grade, students with an IEP or specified disability, dependents of an active duty military parent, foster children who have been adopted or have legal guardians, and siblings of currently eligible or participating students. Low-income families would receive an ESA worth $5,000, most middle class families would receive an ESA worth $4,000, and other families would receive $3,000. ESAs for special needs students would remain worth $6,500. However, both the Senate Bill 2385 and House Bill 943 died in their respective Appropriations committees after passing out of their respective Education committees.

**Conclusion**

The initial primary goal of expanding school choice in Mississippi through the expansion of charter schools, a voucher program, and a universal ESA program is to provide a “rescue” for parents of children trapped in underperforming schools by allowing parents to transfer their child from the traditional public school to either a charter or private school while also having the option to seek tutoring, therapy, online instruction, or other methods. Secondly, and most importantly, the increased competition resulting from the expansion of school choice in Mississippi provides the “reform” component of school choice by forcing traditional public schools to adapt, reform, and increase quality and efficiency to compete with alternative education providers. Creating
and expanding a comprehensive school choice plan for Mississippi will force public schools to adapt. When public schools lose students to charter schools, private schools, or other educational pathways, they endure a financial loss of the state funds that follow the student away from the public school, thus providing the public school with a strong incentive to improve their quality and efficiency. Unless these traditional public schools improve the educational outcomes valued by parents by improving efficiency and use of funding as well as instructional practices, the school will continue to lose students and funding.

By expanding the private school market in Mississippi, the state can achieve fiscal benefits first by offering a voucher or ESA of an amount below the public per-pupil expenditure (Spalding, 2014). Additionally, the increased competition within the education marketplace will tend to constrain the growth of these costs.

Regarding charter schools, my research showed that programs with a strict authorizing process are much more likely to see successful academic results. As a result, Mississippi’s charter school law was passed to have such a process to ensure that those results are repeated here. As charter schools expand throughout the state, they will provide Mississippi with the ability to create at least one quality option for education in areas where none existed previously. This expansion will coincide positively with an expansion of Mississippi’s current ESA program that would allow parents across the state to customize their child’s education to best suit each child instead of forcing low-income and minority children to continue to remain trapped in underperforming schools that are failing them and are failing Mississippi. By looking to other states for examples and adapting Mississippi’s programs to best reflect other states’ successes and failures,
Mississippi can ideally achieve better academic results while also increasing fiscal savings. The state can then return those savings to the public schools, giving them increased funding while lowering their total enrollments. Finally, Mississippi will be able to take advantage of a large majority of public support to implement and extend these school choice programs to achieve the widespread social benefits of increased parental satisfaction and involvement in their child’s education, two factors that have been sorely lacking for many Mississippi families. With Mississippi’s status as a poor, rural state, supporting these choice programs will be harder than for wealthier, larger, or more urbanized states. As a result, the growth of these options should be slower than in previous states, but Mississippi should be able to support the programs due to the fiscal savings incurred while the variety in options should work to overcome the difficulties presented by rural areas.


9) Callen, Grant. "Callen: Poll Shows Mississippians Want School Choice."


68) "School Choice Interview with Brett Kittredge of Empower MS." E-mail interview. 15 Jan. 2016.

69) "School Choice Interview with Frank Yates." E-mail interview. Feb. 2016.

70) "School Choice Interview with Jameson Taylor." E-mail interview. Feb. 2016.


