



Insight

# Providing Equality of Opportunities: A Review of School Choice 2015

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## INTRODUCTION

A defining principle for the school choice movement is a belief that parents should be able to send children to a school that best fits the child's educational needs. Over the last two decades, options available to parents have expanded beyond the use of public funds for private schools. Today, magnet schools, homeschools, internet delivered schools, and charter schools represent just a handful of the modern school choice movement's non-traditional school options – most of which remain in the public sector.

## FINANCIAL ASSISTANCE PROGRAMS

While the growth of education delivery options has brought renewed commitment to the cause, there remains vested interest and significant growth in the various federal, state and non-profit financial aid programs for students seeking other private or public education options. More specifically:

**Individual Tax Credits/Deductions:** Through individual tax credits and deductions, parents can receive state income tax relief for approved educational expenses. Examples of these include private school tuition, books, supplies, computers, tutors, and transportation.

**Tax Credit Scholarships:** Rather than being operated by the government, scholarship tax credit programs provide state tax credits to businesses and individuals that donate money to scholarship funds. Such funds help children attend the private schools of their parents' choice.

Today there are 16 scholarship tax credit programs operating across the country, and [research](#) has demonstrated that these programs improve student achievement, while saving money for state and local governments.<sup>[1]</sup>

**Education Saving Accounts:** Parents are able to withdraw their children from public district or charter schools and receive a deposit of public funds into government-authorized savings accounts with restricted, but multiple, uses. Today, Arizona is the only state exploring the benefits of this model.

**Opportunity Scholarship Programs (vouchers):** Under such a program, funds typically expended by a school district would be allocated to a participating family in the form of a voucher. These vouchers could be used to pay partial or full tuition for their child's private school. This voucher could be used at both religious and non-religious institutions. Other examples of voucher programs include the following:

Means-tested voucher: Targeted to help low-income families who meet specific criteria. Ten programs of this kind are currently operating.

Failing schools voucher: Targeted to children who attend low-performing public schools. Two programs of this kind are currently operating.

Special needs scholarship: Targeted to children with special educational needs. Ten programs of this kind are currently operating.

In all there are 21 school voucher programs enacted across the country, and research has demonstrated that vouchers increase student achievement, boost graduation rates, and help public schools improve. They also lead to high parental satisfaction rates.[2]

## GROWTH

A disheartening fact of the nation's current education system is that the United States spends \$12,608 per pupil per year – more than any other developed nation according to the Organization for Economic Cooperation and Development (OECD). Additionally, as reported by the strategic data firm MCH, there are nearly 3,500 failing districts and over 22,990 failing public schools across the country. These schools trap students, inhibit them from reaching their full potential, and most often relegate them to poverty. For a lucky few, however, school choice programs offer parents the options to send their children to other learning institutions rather than the failing neighborhood public school.

The number of parents and students participating in choice programs now represent a significant percent of the student population in the United States. Homeschooled students make up [three percent of the student population](#) and private schools students make up another [ten percent](#). In recent years, the number of online learners has also significantly spiked. For the 2005-2006 school year, [50,000 students](#) participated in online classrooms. By the 2011-2012 school year, that number jumped to 275,000, a 450 percent increase. Charter schools, which receive public funding but operate independently of the established public school system, have also seen [growth](#) in the last decade. In 2003-2004, 789,000 students attended charter schools. In 2013-2014, 2.57 million students attended charter schools, with another [1.04 million students](#) on the enrollment wait list. An estimated [642 new charter schools](#) opened in the 2013-2014 school year alone. Charter schools are on track to keep growing. Overall, the number of students involved in school choice is increasing each year.

## RESULTS

With the number of students participating in choice programs increasing, parents from all economic backgrounds are seeing the benefits of sending a child to a better-fit school. It is also important to note that a majority of families involved in publically funded school choice programs come from low-income communities. Meanwhile, public school systems in low socioeconomic status communities are often under-resourced, [negatively affecting students' academic progress](#). Multiple research studies have shown that providing educational options creates a more competitive, productive school system for all and leads to improved academic outcomes.

One such [report](#) by education expert Paul E. Peterson, summarizes the positive impact of providing education options to disadvantaged students and the long-term academic effects. Referencing a study conducted on high school test performance at the University of Chicago, he notes the positive effect of a private Catholic education

on student achievement. Using test results, the private education yielded positive impact for all students. Specifically, socio-economically disadvantaged minority students received an even greater private school advantage. Peterson also notes the private sector has shown positive impacts on education attainment, especially for minority students.

Another study in Washington, D.C. examined the effects of the DC Opportunity Scholarship Program on high school graduation rates. The DC Opportunity Scholarship Program allowed students to use a voucher up to \$7,500 to cover tuition, books, and transportation for a better school choice. In 2009, 5,547 students qualified for a voucher. Of the 5,547 students, 2,281 students were awarded the scholarship and used it within the 2009 year. **91 percent** of these students graduated high school. This was thirty percent higher than the average graduation rate of D.C. Public Schools. The findings from this scholarship program study promote the positive effects of school choice in academic achievement, which then creates a more highly educated community.

In New York, a study by the Brookings Institution and Harvard University shows African American participants in a private school choice program were 24 percent more likely to enroll in college as a result of receiving a voucher. The study also shows that African American enrollment rates in selective colleges more than doubled among voucher students, and the rate of enrollment in full-time colleges increased by 31 percent.<sup>[3]</sup>

There are others, and more studies are released each year, but overall the findings are the same. School choice programs are providing a growing number of students the opportunity to achieve academic success.

## CONCLUSION

With the rise of different educational options, school choice remains an important factor in ensuring equal opportunities for disadvantaged children. As concluded by multiple research studies, school choice and supporting financial aid programs allow disadvantaged students a better chance to receive a high-quality K-12 education. Moreover, choice programs offer economic benefits to the state through scholarship tax programs and even promotes a competitive, productive atmosphere among different types of schools. Simply put – school choice yields positive results.

*Karla Luetzow contributed to this report*

[1] American Federation for Children; [ww.federationforchildren.org](http://ww.federationforchildren.org)