



# 2008 SCHOOL CHOICE RESEARCH RECAP

The Facts About School Choice



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## Public School Students with Special Needs Benefit from Vouchers

Vouchers for students with special needs have a positive impact on the academic achievement of students who remain in public schools, according to the first study to measure the effect of a special needs voucher program.<sup>1</sup>

The study, conducted by Jay Greene and Marcus Winters of the New York-based Manhattan Institute, looked specifically at the effects of Florida's McKay Scholarship Program on students with special needs who remain in public schools.

The study found that public school students with special needs who were exposed to more nearby options because of the McKay program posted higher math and reading scores than their peers in other public schools who had fewer options nearby. Students who benefited the most were those with a Specific Learning Disability (SLD)—the mildest learning disability. Students with SLDs comprise the highest percentage of students with disabilities in Florida and around the country.

Specifically, in the 2004-05 school year, the average public school student with an SLD scored 16.31 scale points higher in math and nearly 24 points higher in reading on the Florida Comprehensive Assessment Test (FCAT) than he or she would have without the McKay program. Students with the most severe disabilities were “neither helped nor harmed by increased exposure to the McKay program.”<sup>2</sup>

## Milwaukee Evaluation Reports Reveal High Parental Satisfaction and Taxpayer Savings

In Milwaukee, prominent education researchers have started work on what is the “most comprehensive evaluation of a school choice program ever attempted.”<sup>3</sup> Early indicators from the study, which examines the Milwaukee Parental Choice Program (MPCP), reveal taxpayer savings statewide and high parental satisfaction. In February 2008, the School Choice Demonstration Project (SCDP), an education research center in the University of Arkansas' Department of Education Reform, released its first set of reports providing baseline data for a five-year evaluation of the MPCP. Some of the initial findings include:

- **Fiscal impact** — MPCP produces growing taxpayer savings “from \$1.6 million in FY94 to \$24.6 million in FY07 and \$31.9 million in FY08.”<sup>4</sup>
- **School supply** — The supply of private schools increased in response to a voucher-induced increase in demand. Of the 97 schools participating in the MPCP that responded to the SCDP survey, 31 were created after the establishment of the MPCP. Of these

schools, 54.8 percent cite the MPCP as a major factor in their decision to open a school, while an additional 16.1 percent cite MPCP as a minor factor.<sup>5</sup>

- **Parental satisfaction** — Overall parental satisfaction was found to be very high, particularly among parents with children enrolled in MPCP schools. Fifty-three percent of MPCP parents would give their child's current school an “A,” compared to 34 percent of MPS parents and 19 percent of average American parents.<sup>6</sup> In particular, “MPCP parents are most satisfied with what is taught in school, school safety, and the amount their child has learned.”<sup>7</sup>

## Nonpartisan Wisconsin Legislative Fiscal Bureau Finds Milwaukee Parental Choice Program Saves Local Taxpayer Dollars

A November 2008 report by the nonpartisan Wisconsin Legislative Fiscal Bureau found that the MPCP is saving local taxpayer dollars in 2008-09. Specifically, the MPCP per-pupil property tax levy is \$235 less than the per-pupil levy for Milwaukee Public Schools (MPS). When all sources of public funding are included, the MPCP costs \$6,607 per pupil, while the per-pupil cost for MPS is \$13,468.<sup>8</sup>

## Milwaukee Vouchers Boost Graduation Rates

A study released in May by School Choice Wisconsin demonstrates that students participating in the Milwaukee Parental Choice Program (MPCP) graduate at higher rates than students in Milwaukee Public Schools (MPS).<sup>9</sup> University of Minnesota researcher and report author John Warren found that if the MPS graduation rate had equaled that of MPCP students for the classes of 2003 through 2007, the number of public school students graduating in those five years would have been nearly 20 percent higher—representing an additional 2,976 students. Warren acknowledges that his findings are “general” rather than exact and that they do not address the question of whether or not the higher graduation rates in MPCP schools are directly caused by school choice. This question is being addressed by the ongoing five-year longitudinal study comparing student progress in MPS with progress in MPCP schools, which will enable a precise measure of graduation rate differences.

## D.C. Vouchers Increase Reading Scores; Parents Highly Satisfied

According to the U.S. Department of Education's second-year evaluation of the D.C. Opportunity Scholarship Program, students who were offered a scholarship showed meaningful academic improvement in reading.<sup>10</sup> Particularly, three subgroups of students—88 percent of the study sample—demonstrated statistically significant achievement gains in reading. The report also found the following:

- Parents are highly satisfied with the schools they chose. Seventy-six percent of parents who were offered a voucher gave their child's school a grade of an "A" or a "B," compared with the 63 percent of parents who were not offered a voucher.
- Parents of children offered a scholarship view their child's school as significantly less dangerous than do parents whose children were not offered a scholarship.
- On average, students offered a scholarship attend smaller schools and have smaller class sizes.

## State Analysis Finds Florida's Corporate Tax Credit Scholarship Program Is a Cost-Saver

A legislatively required fiscal analysis of the Corporate Tax Credit Scholarship Program found that in fiscal year 2007-08, \$1.49 in education spending was saved for every dollar of tax credits awarded to businesses that donated funds to Scholarship Funding Organizations. This amounted to a total of \$38.9 million in savings that year. Additionally, the report concluded that expanding the program's tax credit cap to meet scholarship demands would save even more money.<sup>11</sup>

## Goldwater Institute: Florida Reforms Lead the Way

A report by the Arizona-based Goldwater Institute highlighted Florida's education reform efforts and urged other states to adopt similar policies.<sup>12</sup> The authors argue that the state's portfolio of reforms—such as statewide curriculum standards, statewide standardized assessments, consequences for failing schools, and school choice programs—have resulted in higher student achievement. To make their points, the authors drew attention to improvements on the National Assessment of Educational Progress (NAEP) reading test. For example, Florida's fourth-grade gains have exceeded national averages by more than two times since 1998. And in 2007, Florida's average NAEP reading score for Hispanic fourth-graders surpassed the average NAEP fourth-grade reading scores of all students in 15 states, including

Arizona. A similar pattern for African-American students emerged: Over the past 10 years, eighth-graders have shown gains more than eight times the national average.

## Ohio Program Demonstrates That Competition Works

Ohio's Educational Choice (EdChoice) Scholarship Program is a successful catalyst for improving the performance of failing public schools, according to a study released in August by the Indiana-based Friedman Foundation for Educational Choice and cosponsored by the Alliance.<sup>13</sup> The study found that in failing schools serving voucher-eligible children, math and reading scores improved as a result of voucher competition. Furthermore, no negative effects were detected for public schools—a finding that significantly undercuts opponents' arguments that school choice harms public schools.

*Download the full reports at: [AllianceForSchoolChoice.org/ResearchResources](http://AllianceForSchoolChoice.org/ResearchResources)*

## Notes

1. Jay P. Greene and Marcus A. Winters, "The Effect of Special Education Vouchers on Public School Achievement: Evidence from Florida's McKay Scholarship Program," Manhattan Institute Civic Report No. 52, April 2008.
2. Ibid, Executive Summary.
3. Patrick J. Wolf, "The Comprehensive Longitudinal Evaluation of the Milwaukee Parental Choice Program: Summary of Baseline Reports," SCDP Milwaukee Evaluation Report #1, February 2008, p. 5.
4. Robert M. Costrell, "The Fiscal Impact of the Milwaukee Parental Choice Program in Milwaukee and Wisconsin, 1993-2008," SCDP Milwaukee Evaluation Report #2, February 2008, p. 1.
5. Brian Kisida, et al., "The Milwaukee Parental Choice Program: Baseline Descriptive Report on Participating Schools," SCDP Milwaukee Evaluation Report #3, February 2008, p. 8, Table 2.
6. John F. Witte, et al., "MPCP Longitudinal Educational Growth Study Baseline Report," SCDP Milwaukee Evaluation Report #5, February 2008, p. 27.
7. Ibid, p. 26.
8. Wisconsin Legislative Fiscal Bureau, Memo from Russ Kava, Fiscal Analyst, to Representative Jason Fields, November 19, 2008; Representative Jason Fields, "Legislative Fiscal Bureau Compares MPS and School Choice Levies," Press Release, November 20, 2008.
9. John R. Warren, "Graduation Rates for Choice and Public School Students in Milwaukee, 2003-2007," School Choice Wisconsin, May 2008.
10. Patrick Wolf, Babette Gutmann, Michael Puma, Brian Kisida, Lou Rizzo, and Nada Eissa. Evaluation of the DC Opportunity Scholarship Program: Impacts After Two Years (NCEE 2000-4023). Washington, DC: National Center for Education Evaluation and Regional Assistance, Institute of Education Sciences, U.S. Department of Education.
11. Florida Office of Program Policy Analysis & Government Accountability, "The Corporate Income Tax Credit Scholarship Program Saves State Dollars," Report No. 08-68, December 2008.
12. Dan Lips and Matthew Ladner, "Demography Defeated: Florida's K-12 Reforms and Their Lessons for the Nation," Goldwater Institute Policy Report No. 227, September 30, 2008.
13. Greg Forster, "Promising Start: An Empirical Analysis of How EdChoice Vouchers Affect Ohio Public Schools," Friedman Foundation for Educational Choice, August 2008.