The idea behind education vouchers is simple: If parents are able to send their children to any school of their choice, whether that school is public or private, all students will benefit. The assumption is that students receiving vouchers can enroll in a participating private school of their family’s choosing, while students who remain in public schools will benefit because competition from private schools will prompt improvements in public education.

The advent of vouchers has spurred an ardent debate that goes beyond the funding of education to the very ideas, values, and purposes of education. Funding for the voucher programs in existence across the country comes from state or local governments, private organizations, or a combination of these two sources. This edition of SEDL’s Insights on Education Policy, Practice, and Research reviews the status of publicly funded voucher programs in the United States, discusses some of the issues shaping the movement, and examines research about some of the most common questions posed by public voucher programs. In the Southwestern Region that SEDL serves—Arkansas, Louisiana, New Mexico, Oklahoma, and Texas—publicly funded vouchers have not passed through the legislatures, but several private voucher programs are in place. This briefing paper also includes a chart of privately and publicly funded voucher activity and resources in each of the five states.
movement, along with such options as magnet schools, charter schools, home schools, tuition tax credits and deductions, and private voucher programs that states and communities are offering to open up more education options for students.

For their supporters, vouchers hold out an avenue of escape from failed public education systems. Proponents believe that public schools are doing a poor job of educating children because they have no competition built into them. The fact that private schools have to compete for students in a free market and are unencumbered by bureaucracies, unions, and unreasonable state rules and regulations makes them much more efficient at allocating educational resources than public schools. This, in turn, enables them to do a better job of educating students. Another argument is that vouchers give all parents, and especially poor ones, the same freedom to choose schools for their children as more affluent parents have had.

For their opponents, vouchers undermine not only school reform but also the value of a common education experience to the nation. Opponents of vouchers assert that vouchers can never reach more than a few students but can do immense harm by siphoning off resources that otherwise could be used for teacher salaries, instructional materials, and other school improvements. The children who are most likely to be left behind are those who need attention the most—poor children whose parents are unable to be fully involved in their education. What’s more, voucher opponents maintain that competition is unlikely to improve public schools because public schools cannot function like the marketplace. Unlike owners of private businesses, teachers and principals do not control their own finances and therefore are not free to add resources to keep students from leaving. The best way to improve education, they believe, is to continue to strengthen public school reforms.

Both arguments have been around for a long time. The first voucher plan in this country was introduced by economist Milton Friedman in the mid-1950s and since then voters in some 20 states have weighed the pros and cons of this educational arrangement. Overwhelmingly, they have defeated voucher and tuition tax credit referenda. A 1999 poll conducted by the Gallup Organization for Phi Delta Kappa found that 70 percent of parents favored government efforts to improve public schools as opposed to offering vouchers (Holloway, 1999). To date only a handful of publicly funded voucher programs are in operation and some are the object of current litigation. None exist in Arkansas, Louisiana, New Mexico, Oklahoma, and Texas, but the idea still holds wide political appeal. Twenty-five state legislatures listed vouchers or other plans that use public dollars to fund private education on their legislative agendas during sessions in 2000 (Janofsky, 2000). In Michigan and California the question is slated to go before voters in November. In the Southwestern Region, some governors and state legislators are in various stages of advancing either voucher legislation or other alternatives that would ease the financial burden for parents who wish to send their children to private school (see chart on page 6). Although few measures made their way into law in the year 2000, vouchers are likely to reappear as an item on year 2001 legislative agendas.
WHERE ARE PUBLIC VOUCHER PROGRAMS NOW?

To date, the nation's largest public voucher programs have been launched in Milwaukee and Cleveland. The first statewide voucher program was pilot tested just last year in Florida. Together, these programs have involved about 150 schools (Olson, 2000). Other voucher programs have been implemented elsewhere on a much smaller scale.

In 1989 the Wisconsin legislature passed the “Milwaukee Parental Choice Program.” That law provided for about 1,000 low-income Milwaukee Public Schools’ students to attend, at state expense, participating private, nonsectarian schools within the city. In 1995, the Wisconsin legislature revised the law to also include religious schools. At the same time, it approved a ten-fold increase in student enrollment for the program. A Wisconsin Circuit Court issued an injunction blocking the Milwaukee expansion. But in June 1998, the Wisconsin Supreme Court ruled that the arrangement did not violate the federal or state constitution by including religious schools. In November 1998, the U.S. Supreme Court declined to review the case, thus allowing the Wisconsin Supreme Court’s ruling to stand. In 1999–2000, vouchers in Milwaukee were worth up to $4,894 each and supported 8,000 students.

Cleveland’s voucher programs also received a legal challenge. Last December, the Federal District Court in Cleveland ruled that Cleveland’s five-year-old voucher violated the Constitution’s separation of church and state by using public funds to send students to parochial schools. Roughly 5,000 students received vouchers worth up to $2,250 through this program, 85% of whom attended schools with religious affiliations. In all, more than 80 percent of the 56 participating private schools

For their opponents, vouchers undermine not only school reform but also the value of a common education experience to the nation.
were religiously affiliated. The case is now awaiting a ruling from the Sixth Circuit Court of Appeals.

Recently, a state judge in Florida struck down what was potentially the nation’s largest voucher program. He ruled that using taxpayer money for private education violated the Florida constitutional requirement that the state provide a “high quality system of free public schools.” This ruling, which is certain to be appealed, carries substantial weight for at least two reasons. First, Florida’s voucher plan, known as the Opportunity Scholarship Program, is the first program in the country to tie vouchers to the state’s accountability program. Initiated by Governor Jeb Bush, it is unlike other voucher programs that have been implemented in that it is not limited to low-income or poor-performing students. Instead, it grants private school scholarships of $3,500 to students enrolled in public schools that the state has designated as failing two times in a row over a course of four years. Once students receive a voucher, they may attend a private school until they graduate from high school, even if their home school is taken off the F list. [Editor’s note: During the 1999–2000 school year no Florida schools were designated as “failing.”]

A second reason that observers are watching Florida is that the program has become the model for a national voucher program being proposed by Texas governor George W. Bush in his bid for the White House. A similar program proposed in Texas, however, met significant resistance by state legislators, who adjourned without authorizing a voucher bill. Senator Teel Bivins of Amarillo reportedly intends to introduce the bill again when the legislature returns to session in 2001.

Most challenges to vouchers focus on the First Amendment to the U.S. Constitution, which mandates separation of church and state, largely because of the large number of parochial schools that would receive public funding.

Most challenges to vouchers focus on the First Amendment to the U.S. Constitution, which mandates separation of church and state, largely because of the large number of parochial schools that would receive public funding. Florida’s voucher program expands the debate by directly addressing the appropriateness of expending public funds on any private schools, religious or secular. The only thing people on both sides of the dispute agree upon is that sooner or later the legal uncertainties of voucher programs will put the question before the U.S. Supreme Court.

Researchers David Berliner of the University of Arizona and Bruce Biddle of the University of Missouri (1995) are quick to point out the dangers of allowing First Amendment issues to divert attention from other, equally important questions about voucher programs—namely, do voucher students receive a better education? And do voucher programs truly offer all students equal educational opportunity? In other words, what do we know about the achievement of students in voucher programs, student eligibility for such programs, and the accountability of private schools accepting publicly funded vouchers?

Do Voucher Students Show Higher Achievement?

The voucher movement assumes that private school students achieve at higher levels than public school students do. Is that really so?

In general, students who attend private schools achieve at a slightly higher level than do public school stu-
students, but not sufficiently high that the results are statistically significant. Murray (1999) reports that NAEP scores show that higher socioeconomic status students do marginally better in public schools, while poor students do slightly better in private schools.

Research, however, has consistently shown that these achievement differences have less to do with whether a school is public or private than with other variables. Parents’ education level and income, two characteristics widely regarded in research as influencing student achievement, tend to be higher in private schools. Thus students in private schools are likely to have an achievement edge. Parents who choose private schools may also be more educationally motivated and more likely to pass that motivation on to their children (Alexander and Pallas, 1985; Levin, 1990).

A positive relationship between private schools’ apparent higher achievement and these factors finds support in another study. Rothstein, Carnoy, and Benveniste (1999) reported that among the most significant factors contributing to differences in student outcomes were the communities the schools serve and parents’ social, cultural, and economic backgrounds. The researchers concluded that the culture, practices, and outcomes at an inner-city private school are more likely to be similar to those of an inner-city public school than to a private school in an affluent suburban community.

Smaller Numbers Limit Voucher Findings

Research on how public voucher programs affect student achievement is limited because of the small number of voucher programs that exists. Analyses from the Milwaukee voucher experiment have generally shown few achievement benefits. Test data from the program’s first five years revealed that the performance of students who received vouchers was about equal to that of students who remained in Milwaukee Public Schools (Witte, Thorn, Pritchard, and Claibourne, 1995). This study was criticized for having serious methodological flaws, including a large rate of student attrition during the period of the study and failure to account for students’ family background and prior achievement (Peterson 1997). A second analysis of the same data, therefore, was conducted and found a substantial positive impact on the mathematics and reading achievement of Milwaukee students who remained in the program for three and four years (Greene, Peterson, and Du, 1996). A third analysis (Rouse, 1997) found that voucher students significantly outperformed nonvoucher students in mathematics but not in reading.

That third study also examined school and class size, two key variables related to student achievement. It found that public school students who were educated in Milwaukee’s

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**Private Schools in the United States**

**Number of private elementary and secondary schools in the United States:** 27,402

- 48 percent Catholic schools
- 30 percent other religious schools
- 22 percent nonsectarian.

**Number of students:** approximately 5 million or 10 percent of the total number of elementary and secondary students

**Demographics**

- 78 percent white, non-Hispanic
- 9 percent black, non-Hispanic
- 8 percent Hispanic
- 5 percent Pacific Islander
- 0.5 percent American Indian/Alaskan Native

**Services**

- 11 percent offer English for Speakers of Other Languages (ESOL)
- 4 percent offer bilingual education
- 1 percent offer special education
- 1 percent offer gifted programs

**Location**

- 50 percent of all private school students attended schools in urban areas
- 40 percent attended schools in an urban fringe or a large town
- 12 percent attended rural schools

Vouchers and Tax Credits around the Region

ARKANSAS

Voucher Legislation
Legislation providing student vouchers equal to state per pupil expenditures (H.B. 2275) was introduced in 1999, but did not get out of committee.

Tax Credits/Deductions
H.B. 2159 offers tuition tax credits of up to $500; introduced in 1999. H.B. 2172 offers tax credit for educational expenses. Neither bill passed.

Private Vouchers 1
The Children’s Scholarship Fund (CSF) backs a statewide private voucher program in Arkansas and a local program in Memphis.

LOUISIANA

Voucher Legislation
A number of school voucher bills were proposed in 1999, none of which passed. A bill offering a $3,000-per-pupil plan for students in failing schools passed the Senate Education Committee but died in the full Senate.

Tax Credits/Deductions
Proposed tax credit legislation in 2000 included:

• H.B. 18—increases the individual income tax credit for educational expenses allowable for each child attending K–12 if such child qualifies as a dependent on the taxpayer’s tax return. It was referred to, but not passed out of, Ways and Means Committee;

• H.B. 105—provides a personal income tax credit for contributions to a school tuition organization. Bill was referred to, but not passed out of, Ways and Means Committee.

Private Vouchers
The Children’s Scholarship Fund (CSF) backs a statewide private voucher program in Arkansas and a local program in Memphis.

NEW MEXICO

Voucher Legislation
The Elementary and Secondary School Voucher Act (H.B. 138), which would have established a statewide voucher program, was defeated in committee at the end of the 2000 regular session.

Tax Credits/Deductions
None

Private Vouchers
Educate New Mexico, a new nonprofit group, plans to award between 400 and 1,000 four-year scholarships to help students from poor families attend private or religious schools. There are no academic requirements. Students who win awards must gain admission into a private or religious school and be able to pay the balance of any tuition and fees not covered by the grants. See http://educatenm.org/ for more information.

Additional Comments
Governor Gary Johnson has been championing a plan that would allow over 100,000 poor children to be eligible for state vouchers worth roughly between $3,600–4,100 to attend private or religious schools in the first year of a four-year phase-in plan; gradually all New Mexico students would be eligible.

OKLAHOMA

Voucher Legislation
None

Tax Credits/Deductions
H.B. 1100 (2000), which creates income tax credit for certain tuition and fee payments, was referred to, but not passed out of, Rules Committee.

H.B. 2671 creates an income tax credit for certain tuition and fee payments for private elementary or secondary schools located in the state of Oklahoma. It was referred to, but not passed out of, Tax/Revenue Committee.

S.B. 620 (2000) allows credit against income taxes to certain persons for unreimbursed expenditures related to education. The bill was referred to, but not passed out of, Finance Committee.

Private Vouchers
None

Additional Comments
Governor Frank Keating supports vouchers for students with special needs, as well as vouchers equivalent to the state’s average, annual per-pupil expenditure for students from Oklahoma’s low-performing schools.

The Committee for Oklahoma Educational Reform (COER) was founded in 1990 to devise a plan to restore accountability to public education using scholarships. COER has two proposed constitutional amendments toward that goal.

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1 Most private vouchers in the Southwestern Region are provided by the Children’s Scholarship Fund (CSF), created in 1998 by New York City investor Theodore J. Forstmann and Wal-Mart heir John Walton. Over 40,000 four-year partial scholarships ranging from $600 to $1,600 a year have been awarded to low-income students nationally by CSF.

2 Children First CEO America, founded in 1992 in Texas, provides information, training, and support for private scholarship programs around the country. They are affiliated with most of the private school choice programs in the Southwestern Region. To qualify as a school choice program under the CEO America definition, the organization must put no stipulation on parents regarding either choice of schools or academic performance of students. These foundations offer unrestricted tuition vouchers based solely on the family’s income and usually tied to the Federal School Lunch Program income requirements. Recipients typically are chosen by lottery although some programs use a first-come, first-serve approach.
Voucher Legislation
A 1999 bill proposing a small-scale voucher program for low-income students in the state’s six most urban counties failed to pass.

Another bill, H.B. 2118, proposes a pilot program that would allow up to 10 percent of children in any low-performing school in one of Texas’s seven largest school districts to attend a school of their choice. They would receive a scholarship from the residence district worth up to 80 percent of per-pupil funding (excluding funds dedicated to school facilities). The district would retain the remaining 20 percent of per-pupil expenditures and 100 percent of the debt service taxes. In this way, the bill provides for an increase in per-pupil funding for children in public schools. No school would be required to participate, but once a school did elect to participate it would have to accept all applicants. Participating private schools would not be bound to public school regulations, but participating students would be required to take the statewide Texas Assessment of Academic Skills (TAAS) exam. H.B. 2118 also failed.

Tax Credits/Deductions
Tax-credit legislation for contributions to before and after school programs passed in 1999, with a concurrent resolution clarifying that the legislation did not provide any tax assistance for private school tuition.

Tax-credit legislation for donations to schools (H.B. 99, H.B. 3645) and for scholarships for private schools (H.B. 1569) was introduced but did not move further.

Private Vouchers
Private voucher programs (affiliates of CEO America) exist in San Antonio, Austin, Houston, Dallas, Ft. Worth, Tyler, and Midland. San Antonio’s Edgewood district had the nation’s first districtwide school choice program, the Horizon program. Approximately 96 percent of the children within the Edgewood School District qualify for the Horizon program vouchers, which are worth up to $4,000 per school year.

Additional Comments
Governor George W. Bush supports allowing students in low performing schools to transfer to other districts, with state funds shifting to new district.

Who’s Eligible for Vouchers?
Student eligibility for vouchers is an important point for policymakers to consider—if they are to realize the policy intent of providing options to families with low incomes or children in failing schools. Voucher programs select their students in different ways. The programs in Milwaukee and Cleveland are directed at students who come from low-income families. The mean family income for voucher students in Milwaukee between 1990 and 1994 was $11,300. In Cleveland, students who received vouchers in 1998 came from families with average incomes of $15,800. Students who are eligible for the Florida program must considerably more satisfaction in all of these areas than they did in their evaluations of their children’s previous schools. Also, Milwaukee parents’ involvement in school activities was greater in private schools that accepted vouchers than in most other Milwaukee public schools (Witte, et al. 1994).

Evidence of the effects of vouchers on the achievement of students who remained in public schools appears to have been inconclusive at best. The New York Times reported that two Pensacola public schools are fighting student flight by hiring more teachers, reducing class size, stretching the school year by 30 days, and adding afternoon tutoring (Wilgoren, March 14, 2000). They have also cut back on science and social studies, two subjects not on the state test in favor of more drill in reading, writing, math, and test-taking techniques. Whether these changes can be directly attributed to vouchers rather than the state’s accountability procedures is difficult to determine.
be enrolled in a “failing” school as designated by the state. Similarly, this fall, California voters will decide whether to provide all parents, regardless of financial need or school performance, with a $4,000 a year voucher for nonpublic school tuition. In New Mexico, Governor Gary Johnson is proposing a similar program. Both these programs would also phase in vouchers for students already in private schools.

**Private Schools Set Own Admissions Criteria**

Students bearing vouchers from even the most generous voucher program, however, can bump up against private school admissions criteria. Admission is typically dependent on personal interviews, grades, and analyses of behavioral patterns. Unless agreements to the contrary are sealed ahead of time, private schools accepting vouchers can refuse students based on academics, gender, disability, national origin, discipline, parent participation, and a range of other characteristics. In a survey of private schools in California, Corwin (1993) found that the majority of Catholic schools require strong test scores and academic records for admission in addition to recommendations from public school principals and sometimes interviews with parents and prospective students. He notes that although Catholic schools enroll a high percentage of minority students, they are students who have successfully passed the screening process.

In its voucher program, Milwaukee adheres to a strict income cap equal to 175 percent of the federal poverty level to determine eligibility of families. It requires participating private schools to accept any voucher student who applies, unless a student’s disability is so severe that the school would have to make major adjustments. If the school has more applicants than open slots, it selects its voucher students by random drawing.

Conversely, Cleveland holds its lottery first, after which the winners apply to the private school of their choice. Many participating schools accept students on a first-come, first-served basis without regard to academic records, but the program does not require them to do so. Instead, it gives schools discretion over which students they admit. If some winners don’t get in, their vouchers are given to other students on the program’s waiting list.

A question for policymakers to address is, “Will vouchers be available to eligible families even if their children are already enrolled in private schools?” Policymakers must be clear about the intent for the vouchers in determining eligibility. Both the Milwaukee and Cleveland programs were aimed at allowing low-income public school students to leave low-performing public schools. Only about one-third of Milwaukee’s voucher students and one-fourth of Cleveland’s voucher students took the opportunity afforded by the vouchers to leave the public schools. The remaining voucher students, whose parents were eligible for, and received, vouchers were already enrolled in private schools or were just starting kindergarten (National Education Association and American Federation of Teachers, 1999). This situation raised the question of whether the intent of the voucher programs was realized? Did giving vouchers to students already in private schools deprive other students? Or did the circumstance suggest the vouchers, as instruments of choice or change, were less necessary than anticipated?

**Access Raises Concerns**

Even though the public voucher programs implemented so far are directed to low-income students and students in failing schools, questions of access and equal opportunity are relevant. Studies suggest that families who have better access to information; can afford transportation, learning resources, and uniforms; and place a premium on education are more likely to take advantage of vouchers when they are offered. And again, the research from Milwaukee bears this out. Witte (1997) found that Milwaukee parents who applied for education vouchers for their children were more educated themselves, more involved with their children’s education, and had higher expectations for their children than the average Milwaukee public school parent. Witte’s finding was confirmed in research on the privately funded Horizon voucher program in San Antonio. In that study, mothers of low-income voucher students were three times more likely to have had some college education than mothers of comparable public school students (Martinez, Godwin, and Kemerer, 1996).

Another issue is the number of private schools willing to accept vouchers. In Pensacola, where the Florida program was tested, 80 percent of private schools do not accept vouchers. Witte et al. (1994) found that less than half of the eligible secular private schools participated in Milwaukee’s voucher program.

Not only are the participating private schools few in number, many do not provide the full range of services that students need. The National Center for Education Statistics reports that of private schools in the United States, only a small percentage provide special services for students who
do not speak English, need special education, or are gifted (see box on page 5). Witte and colleagues (1994) found that less than one percent of private school students were enrolled in special education programs, in contrast to 12 percent in Milwaukee public schools. This discrepancy of services leads to voucher opponents’ fears that public school classrooms will be left with a higher percentage of students with language, behavioral, and learning problems.

The distance between a student’s home and the nearest participating private school might also undermine a student’s ability to use vouchers. Most private schools are located in urban and suburban communities. According to a survey of all the nation’s private schools conducted by the National Center for Education Statistics (1997), almost half of all private school students attended schools that were located in urban areas. Approximately 40 percent attended schools in an urban fringe or large town. Only 12 percent of students attended private schools in rural communities. Many small and rural communities have no private school alternative.

Should Voucher Programs Be Accountable for Achieving State Standards?

Private schools have traditionally operated outside the scope of public authority. They do not report their achievement results or how they use their funds. As more public dollars flow into private schools, one question that will increasingly surface is, “How are these funds being used?”

A Gallup poll in 1998 showed that even though the public voucher programs implemented so far are directed to low-income students and students in failing schools, questions of access and equal opportunity are relevant.
of the 44 percent of the respondents who were in favor of private school choice, 75 percent agreed that “private or church-related schools that accept government tuition payments should be accountable to the state in the way public schools are accountable.” Advocates of more stringent reporting requirements argue that a lack of clear accountability interferes with the public’s ability to evaluate whether or not continuing vouchers is good public policy.

**Different Schools Aim for Different Goals**

The question of whether private schools ought to be accountable to the public for their use of public funds continues to challenge policymakers. A 1998 U.S. Department of Education report, conducted at the request of Congress, stated that private and religious schools were unlikely to participate in a voucher program that would require them to meet the same accountability standards required of public schools. Those key areas included admissions, student testing, curriculum, and religious training (Muraskin, Fried, & Lahring, 1998). Private schools maintain that the marketplace is a sufficient measure of their performance. Those private schools that hew to the higher standards that parents are looking for will draw growing numbers of students; those that don’t live up to expectations will simply go out of business.

Accountability questions revolve around such matters as what outcomes to look for in voucher programs, how to measure them, and how to handle schools that fail to live up to their promises. These issues can be technically or logistically difficult for public schools. For private schools, the major question becomes, “How fair is it to measure and compare student achievement when the goals of education may differ from school to school?” For example, while educational standards and achievement are always important, some parents send their children to private schools for other reasons, such as school safety, a particular pedagogical orientation or special program, or religious training and philosophical reinforcement. Accountability demands, then, could change the very nature of private schools, interfering with the missions and curricula that have made them a unique and valuable part of education in the United States.

**States’ Oversight Varies**

So far, voucher programs have addressed these dilemmas in different ways. In Florida, participating private schools are not graded as are public schools under the state’s accountability system, but students using vouchers do have to take state tests. Legislation expanding Milwaukee’s vouchers to include religious schools specifically eliminated the requirement that the state superintendent of schools conduct annual performance evaluations of private schools that received voucher students. The only requirement is an evaluation of the voucher program to be submitted to the legislature. Nor do private school teachers have to be certified, curricula reviewed, or private schools accredited by any outside agency.

Milwaukee private schools accepting vouchers, however, must meet other requirements. They cannot discriminate against disabled students, for instance. Also, they must provide at least 875 hours of instruction each year in reading, language arts, mathematics, social studies, science, and
health, and meet all the health and safety laws or codes that apply to Wisconsin public schools. The Wisconsin legislature also specified in 1998 that schools receiving vouchers submit an independent financial audit annually and, in the case of religious schools, allow parents to exclude their children from religious activities.

In addition, to continue participating in a voucher program, a private school in Milwaukee must meet one of four requirements (Wisconsin Education Association Council, n.d.):

- At least 70 percent of voucher students must advance one grade level.
- Voucher students at the school must, on average, have at least a 90 percent or better attendance rate.
- A school must certify that at least 80 percent of its voucher students demonstrate “significant academic progress”—although the state does not define how that progress should be measured.
- At least 70 percent of families of voucher students must meet the school’s own criteria for parental involvement.

Vouchers Add Costs

Voucher programs may bring high costs to public school systems. First, these systems are hit by the new costs of supporting an infrastructure for the voucher programs. Then, they may feel the effects of funds shifting from public to private schools.

Among new costs for school districts are those associated with administering and evaluating the public voucher program, verifying eligibility, record keeping, and developing information systems so parents can make the right choices for their children.

In the meantime, while voucher programs decrease the number of students that a public system has to educate, they do nothing to cut the cost of maintaining public schools in general. Schools must still pay big-ticket items such as transportation for voucher students. The latter, already a major expense in school budgets, becomes even bigger if districts must transport more students to private schools further away and across a wider geographic area.

In 1998–99, private schools in Milwaukee that accepted voucher students received $4,894 per student. This was a loss of $22 million to the public schools. That same year, the shift of funds from Cleveland schools to voucher schools was nearly $9 million. With additional transportation and administrative costs, the total costs rose to more than $10 million (National School Boards Association, 2000).

Where Do Dollars Go?

Other researchers have traced the flow of funds from local school districts to private schools. William Cooley (1991) of the University of Pittsburgh studied the likely flow of funds in a proposed Pennsylvania voucher program that was to provide $900 in credits for each student in the state. Because of the location of the participating private schools, Cooley found that two-thirds of the funds authorized from the plan would funnel into the eight counties with the highest per capita incomes, while none of the funds would go to the state’s poorest counties. In other words, his findings showed that tax dollars from poor counties would, in
Overall, voucher programs show their strengths in the positive attitudes that parents of voucher students report regarding school safety, climate, instructional quality, and school administration.

Researchers have also projected the costs to taxpayers of publicly funded voucher programs. Levin and Driver (1996) calculated that the cost of a voucher program that was open to all students and offered all the services that public schools provide—special education, bilingual education, vocational education, food services, transportation—would cost taxpayers almost $75 billion a year.

Comparisons Unjust

Levin also warns against comparing public school expenditures with private school tuition because private schools heavily supplement tuition with fund-raising events, fees for extra activities, and financial and in-kind contributions. In addition, religious organizations generally subsidize sectarian schools. Levin’s (1998) analysis of Milwaukee’s program indicates that private schools with voucher students received about $1,000 more per student than comparable public schools for the ’96–’97 school year. Milwaukee Public Schools allocated $3,469 per student in K–8 schools and $3,042 per student in elementary schools; private schools with voucher students received $4,373. Milwaukee had budgeted $7,628 per student but this figure included the cost of centralized services that private schools don’t have, and the higher cost of educating high school students, who are not included in the voucher program, so a school-based comparison was more appropriate, according to Levin.

For policymakers contemplating vouchers as a means of giving parents and students more educational choice, these findings raise a number of questions. What if the voucher isn’t enough to cover tuition at the school of a family’s choice? Should parents be responsible for paying the remainder? Who is going to make up the difference in public school dollars?

IN CLOSING

Publicly funded voucher programs will continue to be proposed and debated. They may even be enacted in the next few years. At present, the body of research about the impact of publicly funded voucher programs on student achievement is too small to be conclusive. The research shows little statistically significant difference between students with vouchers and those without. In some studies, voucher students have shown improvement in reading and mathematics over time. Research suggests that factors other than whether the school is private or public have a greater impact on student performance. Some anecdotal research points to parental satisfaction with the vouchers.

But voucher programs remain largely experimental. The experience of Pensacola suggests that the presence of a voucher program might motivate a local school district to implement reforms that lead to student success. Many more questions, however, need to be answered about the impact of vouchers on student achievement, eligibility and access, accountability, and finance.

There remain the far-reaching questions: What will be the impact of vouchers on all students and all schools? How will that impact affect our society?

On both sides of the voucher debate, people agree that no single reform is a panacea. And it takes a while for an intervention to show widespread positive results. At this
time, given a relatively short time frame and small numbers, voucher programs show limited impacts. But if the voucher experiment continues to be evaluated, the research base will grow. As it does, education decision makers’ will deepen their understanding so they ask not, “Do vouchers work?” but rather, “Under what conditions do students learn best?”

REFERENCES


**ADDITIONAL RESOURCES ABOUT VOUCHER PROGRAMS**

Children First CEO America (funds private vouchers around the country). http://www.childrenfirstamerica.org/

Children’s Scholarship Fund (funds scholarships). http://www.scholarshipfund.org/


Heritage Foundation’s “School Choice 2000: What’s Happening In the States.” http://www.heritage.org/schools/


Wisconsin Education Association Council (collection of voucher resources). http://www.weac.org/resource/vouchpg.htm

**Resources for information about privately funded voucher programs in SEDL’s Southwestern region**

**ARKANSAS**

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**OKLAHOMA**

No privately funded, school choice voucher programs currently exist in this state. A program operated for four years in Oklahoma City. A program is still in the development stage in Tulsa.
This edition of *Insights* was written by Ülik Rouk, Policy Studies Associates in Washington, DC, and edited by Joyce Pollard, program manager for policy information services at SEDL. Julia Guzman, policy specialist, SEDL, conducted additional research on legislative activity and resources.

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This edition of Insights on Education Policy, Practice, and Research reviews research about publicly funded voucher programs in the nation’s schools. Proponents of voucher programs argue that parents should be able to send their children to any school of their choice, including private schools. Opponents of voucher programs claim that such arrangements will undermine not only public school reform but also the value of a common educational experience to the nation. These issues and others are playing out in Milwaukee and Cleveland, which have the largest school district voucher programs, and in Florida, which piloted the first statewide voucher program during the 1999–2000 school year. Although publicly funded voucher programs have not been adopted in Arkansas, Louisiana, New Mexico, Oklahoma, and Texas, a number of voucher or scholarship programs have been proposed during legislative sessions, and will likely be on the agendas of forthcoming sessions.

What does the research say about the effects of publicly funded vouchers on students, schools, and school districts that have been at the forefront of this movement?

About student achievement:
• Overall, there appears to be little statistically significant difference in the achievement of students who received vouchers and those who remained in public schools.
• Given the small number of students who have taken advantage of these programs, limited evidence exists on the impact of vouchers on public school reform.
• As the Milwaukee experiment continues to be studied, findings point to some differences in reading and mathematics scores for voucher students.

About parent satisfaction:
• The Milwaukee research find positive effects of voucher programs in parents’ attitudes regarding school safety, climate, instructional quality, and school administration.

About student eligibility:
• In Milwaukee and Cleveland family income determines a student’s eligibility for a voucher.
• Florida has tied its voucher program directly to its accountability system and plans to offer vouchers to any student whose school receives a failing rating from the state two years in a row.
• Private schools accepting vouchers can refuse to accept students who fail to meet their admissions criteria. Admission is usually dependent on personal interviews, grades, and analysis of behavioral patterns.

About student access:
• The number of private schools that accept vouchers is small; religious schools represent the largest group of participating private schools.
• Only a small percentage of private schools have programs for students who do not speak English, need special education, or are gifted.
• The distance between a student’s home and the nearest participating private school may undermine a student’s ability to use a voucher.

About accountability for results:
• State oversight of private schools that accept vouchers varies. The degree of state oversight ranges from only monitoring civil rights to requiring voucher students in private schools to take state achievement tests.
• Private and religious schools that accept public voucher students may have to account for their use of public funds. Placing accountability demands on private schools, however, might impinge on the nature of the private school.

About costs of public voucher programs:
• Vouchers programs create new costs for public schools, including the costs of administering and evaluating the program and developing information systems for parents.
• Voucher programs cause districts to deal with the effects of shifting funds from public to private schools.
• Voucher programs expand costs of transporting students, depending on the location of participating schools.