# KEEP PUBLIC FUNDS IN TEXAS PUBLIC SCHOOLS

REJECT HARMFUL PRIVATE SCHOOL VOUCHER PROGRAMS INVEST IN PUBLIC EDUCATION

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Private school voucher bills are being debated in the Texas Legislature again this year. An ever-increasing body of research shows that vouchers negatively affect student achievement, harm rural communities, exacerbate school segregation, promote discrimination, and undermine public school systems that welcome and serve all students. Texas public schools, which educate the vast majority of children, including the largest number of rural students in the country, remain starkly underfunded. Texas lawmakers must continue rejecting proposals for harmful voucher programs and instead use state resources to invest in public schools.

## WHAT WOULD TEXAS VOUCHER BILLS DO?

Private school voucher bills proposed in the Texas Legislature's 2023 session would establish the state's first voucher system and contain some of the most harmful features of voucher legislation nationwide. Leading bills, such as SB 8, would:

- ➔ Fund "education savings account" (ESA) vouchers, which are largely unregulated personal accounts that can be used for private school tuition or a wide array of private education expenses, such as tutoring and transportation.
- ➔ Establish broad eligibility for vouchers, sometimes even for the wealthiest families. Bills with narrower eligibility follow a common playbook seen in other states: a relatively small start that is expanded in size and scope in subsequent legislative years.
- → Exclude many lower-income families, students with disabilities, rural students, and others unable to access the program.

## **VOUCHER PROGRAMS NEGATIVELY AFFECT EDUCATIONAL OUTCOMES**

Voucher programs fail to achieve the most basic goal of education policy: improving educational outcomes for students. In fact, research shows vouchers have *substantial negative effects* on academic achievement:

- Studies in Louisiana, Indiana, and Ohio found that students who attended private schools using vouchers performed worse than similar peers in public schools.<sup>1</sup> These negative effects persisted over years, meaning they were not a temporary result of students' transition to a new school.
- Studies of voucher programs in Washington, D.C., and Alabama found no significant improvement in student test scores.<sup>2</sup>
- Vouchers fail to deliver even on non-academic measures. Parents do not report greater satisfaction with schools, nor a greater sense of safety, with the use of vouchers.<sup>3</sup>
- Pro-voucher groups rely on research that is cherry-picked and often not peer reviewed.<sup>4</sup>

### Claims that vouchers improve academic performance are simply false.

## **VOUCHER PROGRAMS HARM RURAL SCHOOLS AND STUDENTS**

The National Center for Education Statistics classifies over 25% of Texas public school campuses as rural.<sup>5</sup> Rural areas often have few or no private schools, meaning the hundreds of thousands of Texas students in rural districts would see no benefit from a voucher program.

Use of vouchers for virtual education – a solution often touted by privatizers – would not serve rural students well. Research shows that online education does not provide equitable learning opportunities, harms student outcomes, and is highly susceptible to accountability failures due to lack of oversight.<sup>6</sup>

Although rural students would be unable to utilize vouchers to attend private schools, a voucher program would still drain tens or hundreds of millions of dollars per year from the state's public school system, which is already underfunded. Rural schools are the centers of their communities and already face unique strains on their resources.

## *Vouchers would harm under-resourced rural public schools, with* no benefit to *rural students who cannot access private schools.*

## **VOUCHER PROGRAMS DEPRIVE STUDENTS OF THEIR CIVIL RIGHTS**

Many of the rights and protections that apply to students in public schools do not apply to students using vouchers to attend private schools.<sup>7</sup> Students frequently face discrimination when they try to enroll in a private school or after they are admitted.

Voucher programs generally do not prohibit discrimination based on religion or LGBTQ+ status, and there are numerous reports of private schools discriminating against voucher students based on their sexual orientation or gender identity.<sup>8</sup> Additionally, English learners and students with disabilities who accept vouchers usually give up rights under non-discrimination laws and the federal Individuals with Disabilities Education Act (IDEA).<sup>9</sup> Compounding this concern is the fact that families are often not informed of the loss of these rights.<sup>10</sup>

### When the state funds vouchers, it underwrites discrimination.

## **VOUCHER PROGRAMS LACK STANDARDS, ACCOUNTABILITY & TRANSPARENCY**

Voucher programs drain millions of dollars from public coffers but are subject to shockingly little public accountability—a fraction of the requirements imposed on public schools:

- Voucher programs often lack quality standards, such as curriculum and teacher certification requirements.
- Voucher proponents actively resist public accountability and transparency measures. Programs frequently lack data collection requirements, academic accountability mandates such as testing, and fiscal accountability guardrails.<sup>11</sup>
- Voucher programs are ripe for fraud and mismanagement of public funds. An
  investigation of Florida's voucher program found that voucher schools hired teachers
  without college degrees and falsified fire safety and health records, and a report by
  Arizona's Auditor General revealed that hundreds of thousands of public dollars
  diverted to fund vouchers were misspent on fraudulent purchases.<sup>12</sup>

### Unregulated, unaccountable voucher programs are a waste of taxpayer dollars.

## **VOUCHERS EXACERBATE SCHOOL SEGREGATION**

#### **Voucher Programs Promote School Segregation**

- Indiana's program has been described as a "case study" in the segregating effects of vouchers: it "increasingly benefits higher-income white students, many of whom are already in private schools, and diverts funding from all other students who remain in the public school system."<sup>13</sup>
- Other scholars conclude "[t]he State of Indiana has actively engaged in a process that

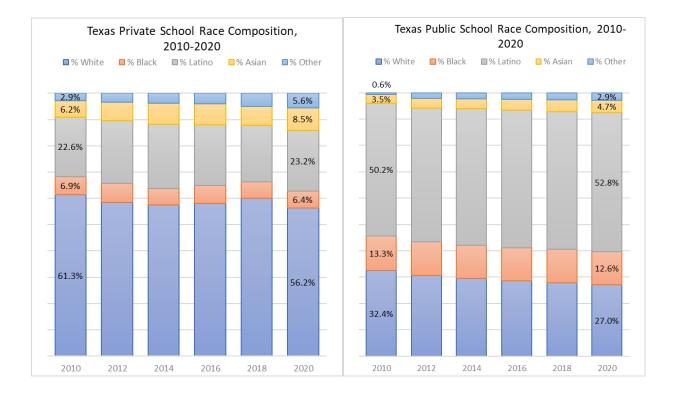
has effectively re-created the segregation academies that littered much of the southern United States in response to the 1954 *Brown v. Board of Education* decision."<sup>14</sup>

- An analysis by an Ohio newspaper using data provided by the Ohio Department of Education found the state's voucher programs disproportionately served white students.<sup>15</sup>
- A Century Foundation report found that "voucher programs are more likely to increase school segregation than to promote integration or maintain the status quo."<sup>16</sup>

### Texas Private Schools Disproportionately Serve White Students<sup>17</sup>

The vast majority of Texas students attend public schools. In 2020, there were about 247,000 students attending private schools. By contrast, there were 5.5 million public school students, an increase of 13% from 2010.

White students are the majority population in private schools in Texas, composing 56% in 2020. In comparison, they were 27% of the public school population in 2020. Black and Latino students attend private schools at lower rates than white students. The data shows 13% of the public school population in Texas is Black, and 53% is Latino, compared to 6% and 23% of students in private schools, respectively.



## *Voucher programs provide public funding to systems of racially segregated schools and exacerbate school segregation.*

## **VOUCHERS DO NOT USE FEWER STATE RESOURCES**

Pro-voucher groups claim vouchers cost less than educating students in public schools. This is demonstrably false.

#### Vouchers are more expensive than public schooling

A 2018 study found the cost of educating a student through an Arizona voucher program was 75% higher than the cost of educating a public school student.<sup>18</sup> Another study estimated that shifting to a system of private school vouchers could raise education costs by 25% or more when accounting for students who would have attended private schools without a voucher as well as administrative costs like record keeping and program monitoring.<sup>19</sup>

### Vouchers shift education expenses to parents

Public schools provide transportation, special education services, and free or reduced-price lunches for qualifying students, but these and other essential services often must be purchased by families using vouchers to attend private schools. Additionally, families frequently need to "top up" the value of a voucher to cover the full cost of private school tuition.<sup>20</sup>

## Vouchers subsidize private education for students who would not otherwise have attended public school

Voucher programs do *not* simply shift funds that would have been spent on public school students to pay for their private education. When states establish voucher programs, families already paying for or planning to use private education often participate.<sup>21</sup> Many voucher laws permit participation by students who have not previously attended public school, such as those entering kindergarten. Data from several states shows that 70-80% of their voucher students were already attending private schools.<sup>22</sup>

### Voucher programs do not change fixed costs in public schools

Public schools, which serve the vast majority of students, have substantial "fixed costs." Because students who take vouchers exit different schools, grade levels and classrooms, public school districts are not able to proportionally reduce facilities, staff, programs, and other fixed costs to fully offset the loss of funding that is diverted to voucher programs.<sup>23</sup>

### Vouchers concentrate students who require increased resources in the public schools

Private schools can refuse to admit or provide adequate services for students with disabilities, English learners, and others who require increased resources for an equitable education, meaning these students are more frequently educated in public schools. Parents may also return their children to public schools when they realize they are not receiving the essential services and legal protections available there. Public schools require increased resources to serve students with elevated needs, even as public funds are diverted to pay for vouchers.

## *Vouchers cost taxpayers money to subsidize private education – often for the wealthy.*

## **TEXAS PUBLIC SCHOOLS ARE UNDERFUNDED**

Private school voucher programs siphon much-needed funding away from public schools, which already lack sufficient resources. Education Law Center's annual school funding report documents chronic and severe underfunding of Texas's public schools. In the 2022 edition of *Making the Grade: How Fair is School Funding in Your State?*, Texas received the following grades:

→ "F" in overall funding level.

Texas ranks 40th in overall funding level, with per pupil funding almost \$2,800 below the national average.

→ "D" in funding distribution.

Texas has a regressive school funding system, providing less funding to highpoverty school districts even though these districts need *more* resources than wealthy districts in order to adequately serve their students.

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Texas ranks in the bottom half of states in PK-12 education revenue as a percentage of GDP (about 3.5%), even though its per capita GDP is almost \$4000 above the national average.<sup>24</sup>

Attempting to fund a parallel system of unaccountable private schools will only increase the strain on the state's education dollars. Public dollars should not be siphoned away to private schools, especially since Texas's public schools suffer from inadequate and inequitable funding.

Research shows that states that enact voucher programs tend to funnel greater amounts of public dollars to these programs over time, instead of investing in their public schools. A <u>report</u> examining voucher programs in seven states from fiscal year 2008 through fiscal year 2019 found that each state dramatically increased its expenditure of public funds on voucher programs and also reduced efforts to fund public education.<sup>25</sup> For example, Arizona increased voucher spending by 270 percent from 2008 to 2019, and decreased per-pupil public education funding by 5.7 percent during that time period.<sup>26</sup> The state's ESA voucher program alone, which now has universal eligibility, is projected to cost over \$500 million this year.<sup>27</sup>

## **TEXAS MUST INVEST IN PUBLIC SCHOOLS**

Voucher programs threaten vital funding for public schools but are not shown to improve student outcomes or promote student rights. By contrast, evidence-based and cost effective strategies, such as increasing educators' pre-service training, expanding access to high-quality early childhood education, and improving wraparound services and enrichment opportunities, have been shown to increase student achievement. Furthermore, only public schools must welcome all students—no matter their background or personal characteristics—and provide the services and supports that allow them to access a constitutionally adequate education.

## It is only when we invest in public schools that all students and their communities have true opportunities to learn, grow, and thrive.

#### About Public Funds Public Schools

Efforts to undermine public education by promoting the use of public funds for private education must be met with a robust, sustained response to safeguard the nation's public schools.

Public Funds Public Schools is a national campaign to ensure that all public funds for education are used to maintain, support, and strengthen public schools. PFPS, which is directed by Education Law Center, is a partnership of Education Law Center and the Southern Poverty Law Center. PFPS uses a range of tools to protect and promote public education, including litigation, advocacy, and research.

#### For more information about PUBLIC FUNDS PUBLIC SCHOOLS, visit: www.pfps.org

<sup>&</sup>lt;sup>1</sup> Jonathan Mills & Patrick Wolf, *The Effects of the Louisiana Scholarship Program on Student Achievement after Four Years*, University of Arkansas (2019), <u>https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=3376230</u>; Jonathan N. Mills, Anna J. Egalite & Patrick J. Wolf, *How has the Louisiana Scholarship Program Affected Students? A Comprehensive Summary of Effects after Two Years*, Education Research Alliance for New Orleans (2016),

https://educationresearchalliancenola.org/files/publications/ERAPolicy-Brief-Public-Private-School-Choice-160218.pdf; Megan Austin, R. Joseph Waddington, & Mark Berends, *Voucher Pathways and Student Achievement in Indiana's Choice* 

Scholarship Program (2019), RSF: The Russell Sage Foundation Journal of the Social Sciences, 20-40 <u>https://www.jstor.org/stable/10.7758/rsf.2019.5.3.02#metadata\_info\_tab\_contents</u>; David Figlio & Krzysztof Karbownik, *Evaluation of Ohio's EdChoice Scholarship Program: Selection, Competition, and Performance Effects*, Thomas B. Fordham Institute (2016), <u>https://fordhaminstitute.org/ohio/research/evaluation-ohios-edchoice-scholarship-program-</u> <u>selection.competition-and-performance</u>.

<sup>&</sup>lt;sup>2</sup> Ann Webber, et al., *Evaluation of the DC Opportunity Scholarship Program: Impacts Three Years after Students Applied*, Institute of Education Sciences, (2019), <u>https://ies.ed.gov/ncee/pubs/20194006/pdf/20194006.pdf</u>; Erika Steele & Joan M. Barth, *Evaluation of the Alabama Accountability Act: Academic Achievement Test Outcomes of Scholarship Recipients 2018-2019*, Institute for Social Science Research, University of Alabama (2020), <u>https://www.revenue.alabama.gov/wpcontent/uploads/2022/03/AAA\_Report\_Independent\_Research\_2018-2019.pdf</u>.

<sup>&</sup>lt;sup>3</sup> Webber, et al., *supra* note 3.

<sup>&</sup>lt;sup>4</sup> T. Jameson Brewer, *NEPC Review: The 123s of School Choice: What the Research Says About Private School Choice: 2019 Edition (EdChoice, April 2019)*, National Education Policy Center (2019),

https://nepc.colorado.edu/sites/default/files/reviews/TTR%20Brewer.pdf.

<sup>&</sup>lt;sup>5</sup> Texas Education Agency, *Campus and District Type Data Search*, <u>https://tea.texas.gov/reports-and-data/school-data/campus-and-district-type-data-search</u>.

<sup>&</sup>lt;sup>6</sup> Public Funds Public Schools, *Vouchers for Private Virtual Education Are Misspent Public* Money, <u>https://pfps.org/assets/uploads/CR PFPS Fact Sheet Virtual Schools DEC 2020-4 002 .pdf</u>.

<sup>&</sup>lt;sup>7</sup> Bayliss Fiddiman & Jessica Yin, *The Danger Private School Voucher Programs Pose to Civil Rights*, Center for American Progress (2019), <u>https://cdn.americanprogress</u>, <u>https://www.americanprogress.org/article/danger-private-school-voucher-programs-pose-civil-rights/</u>.

<sup>&</sup>lt;sup>8</sup> Julie F. Mead & Suzanna E. Eckes, *How School Privatization Opens the Door for Discrimination*, National Education Policy Center (2018), <u>https://nepc.colorado.edu/sites/default/files/publications/PB%20Mead-Eckes%20Privatization\_4.pdf;</u> Kevin G. Welner & Preston C. Green, *Private School Vouchers: Legal Challenges and Civil Rights Protections*, UCLA Civil

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diversity/private-school-vouchers-legal-challenges-and-civil-rights-protections/Welner-Green-JT 022818-for-post.pdf. <sup>9</sup> Mead & Eckes, *supra* note 8; National Council on Disability, *Choice & Vouchers - Implications for Students with Disabilities* (2018), <u>https://ncd.gov/sites/default/files/NCD\_Choice-Vouchers\_508\_0.pdf</u>.

<sup>10</sup> Government Accountability Office, *Private School Choice: Federal Actions Needed to Ensure Parents are Notified about Changes in Rights for Students with Disabilities* (2017), https://www.gao.gov/products/GAO-18-94.

<sup>11</sup> Arianna Prothero & Alex Harwin, *Private School Choice Programs Fall Short on Accountability, Transparency, Education Week* (Feb. 28, 2020), <u>https://www.edweek.org/policy-politics/private-school-choiceprograms-fall-short-on-transparency-accountability/2020/02</u>.

<sup>12</sup> Leslie Postal, Beth Kassab & Annie Martin, *Florida Private Schools Get Nearly \$1 Billion in State Scholarships with Little Oversight, Sentinel Finds,* Orlando Sentinel (Oct. 17, 2017); <u>https://www.orlandosentinel.com/news/education/os-florida-schoolvoucher-investigation-1018-htmlstory.html</u>; Yvonne Wingett Sanchez & Rob O'Dell, *Parents spent \$700K in school voucher money on beauty supplies, apparel; attempted cash withdrawals,* Arizona Central (Oct. 29, 2018), https://www.azcentral.com/story/news/politics/arizona/2018/10/29/misspent-school-voucher-funds-exceed-700-k-littlerecovered/1780495002/.

 <sup>13</sup> Chris Ford, Stephenie Johnson & Lisette Partelow, *The Racist Origins of Private School Vouchers*, Center for American progress (2017), <u>https://www.americanprogress.org/article/racist-origins-private-school-vouchers/</u>.
 <sup>14</sup> Michael B. Shaffer & Bridget Dincher, *In Indiana, School Choice Means Segregation*, Phi Delta Kappan (2020), <u>https://kappanonline.org/indiana-school-choice-means-segregation-shaffer-dincher</u>.

<sup>15</sup> Bill Bush, White Students Disproportionately Use Ohio School Voucher Program, Columbus Dispatch (Aug. 27, 2016), <u>https://www.dispatch.com/content/stories/local/2016/08/28/white-students-disproportionately-use-ohio-school-voucher-program.html</u>.

<sup>16</sup> Halley Potter, *Do Private School Vouchers Pose a Threat to Integration*, The Century Foundation (2017), <u>https://tcf.org/content/report/private-school-vouchers-pose-threat-integration/</u>.

<sup>17</sup> Student enrollment counts and race/ethnicity totals for public schools come from the NCES Common Core of Data files, <u>https://nces.ed.gov/ccd/</u>. Student enrollment and race/ethnicity estimates for private schools come from the NCES Private School Universe Survey, <u>https://nces.ed.gov/surveys/pss/</u>. The "Other" category combines American Indian and Alaskan Native students with students identifying as two or more races.

<sup>18</sup> Dave Wells, *\$10,700 Per Student: The Estimated Cost of Arizona's Private School Subsidy Programs*, Grand Canyon Inst. (2018), <u>https://grandcanyoninstitute.org/wp-</u>

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<sup>19</sup> Henry M. Levin & Cyrus E. Driver, *Cost of an Educational Voucher System*, 5(3) Educ. Econ. 265 (1997), https://www.tandfonline.com/doi/abs/10.1080/09645299700000023.

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<sup>21</sup> Levin & Driver, *supra* note 19.

<sup>22</sup> Gloria Rebecca Gomez, *Private school students flock to expanded school voucher program*, AZ Mirror (Sept. 1, 2022), <u>https://www.azmirror.com/2022/09/01/private-school-students-flock-to-expanded-school-voucher-program/;</u> Ethan DeWitt, *Most NH voucher recipients not leaving public schools, education department says*, Valley News (Mar. 29, 2022), <u>https://www.vnews.com/Most-education-freedom-account-recipients-not-leaving-public-schools-department-says-</u> 45714077.

<sup>23</sup> Stuart S. Yeh, *The Cost-Effectiveness of Five Policies for Improving Student Achievement*, 28(4) Am. J. Evaluation 416 (2007), <u>https://journals.sagepub.com/doi/10.1177/1098214007307928</u>; Raise Your Hand Texas, *Death By A Thousand Cuts: Fixed Costs, District Budgets, and School Privatization* (2017), <u>https://www.raiseyourhandtexas.org/school-vouchers/truth-vouchers-school-district-costs/</u>.

<sup>24</sup> Danielle Farrie & David G. Sciarra, *Making the Grade: How Fair Is School Funding in Your State?*, Education Law Center (2022), <u>https://edlawcenter.org/assets/files/pdfs/publications/Making-the-Grade-2022-Report.pdf</u>.

<sup>25</sup> Samuel E. Abrams & Steven J. Koutsavlis, *The Fiscal Consequences of Private School Vouchers*, Public Funds Public Schools (Mar. 2023), <u>https://pfps.org/assets/uploads/SPLC\_ELC\_PFPS\_2023Report\_Final.pdf</u>.
 <sup>26</sup> Id.

<sup>27</sup> Lauren Gilger, *The cost of Arizona's new universal school voucher program is \$200M – and climbing*, KJZZ (Mar. 28, 2023), https://bit.ly/3GGoUQh.