



ISSUE BRIEF

PRIVATE SCHOOL VOUCHERS

BACKGROUND

President Bush included three voucher proposals in his FY 2009 budget request. His major proposal, dubbed "Pell Grants for Kids," would provide up to \$300 million in vouchers tied to the NCLB Act. He also proposed converting the 21st Century Community Learning Centers (afterschool) program into an \$800 million voucher experiment. Both proposals have faced broad opposition and are essentially dead.

The president's third proposal is to reauthorize and increase funding from \$14.8 million a year to \$18 million for the Washington, D.C. voucher program, a five-year pilot program set to expire in 2008. Federal evaluations have twice revealed no significant differences in academic achievement between voucher students and D.C. public school students, and the program has been plagued with many of the accountability shortcomings found in other voucher programs. In June, the House Appropriations Committee approved level funding vouchers for another year, while acknowledging it will not be reauthorized. In July, the Senate Appropriations Committee approved a slight cut to vouchers (from \$14.8 million to \$14 million), but more importantly placed limits on the program. Strongly suggesting the program is coming to an end, the committee directed that FY 2009 funds could only be spent on existing students and no new applicants; future funding would be contingent on a Congressional reauthorization of the program and city government legislation supporting it; and, private schools would have to meet two minimal accountability standards – proof of a city building occupancy permit and core subject teachers holding bachelor's degrees. Like most of the appropriations bills, the one carrying the D.C. voucher program has stalled and may be superseded by a continuing resolution, then brought forward under the next Congress.

NSBA continues its advocacy efforts to defeat any private school vouchers or tuition tax subsidy legislation. We remain especially focused on ensuring that Congress does not reauthorize or continue funding the expiring Washington, D.C. voucher program, the only federally funded voucher program, and worked closely with Senate leadership to secure the limits and phase-out language in the Senate bill. We also have taken a lead role in the National Coalition for Public Education (NCPE), a group of 50 education, religious and civil rights groups, in working to pressure Congress to stop funding vouchers.

WASHINGTON, D.C. VOUCHER DETAILS

The Washington, D.C. school voucher program is the nation's only federally funded voucher program. Created controversially in 2004, the program provides vouchers worth up to \$7,500 to about 1,900 students. Currently a \$14.8 million a year program, the Administration wants to increase funding to \$18 million annually. Enacted as a five-year "pilot," the program is set to expire in 2008 unless Congress chooses to reauthorize or continues funding it.

Despite predictions by voucher proponents that the program would enable students to attend a better school, the federally mandated evaluation of the program has twice found no significant academic differences in reading and math between private school voucher students and Washington, D.C. public school students. In addition, a 2007 review by the U.S. Government Accountability Office (GAO) uncovered several accountability problems with the program, suggesting that many resulted from a lack of detailed fiscal policies and high staff turnover at the non-profit entity that operates the program. Among the problems:

- Voucher funds were spent for students' tuition at some schools that do not charge any tuition for non-voucher students.
- Students from Washington, D.C. public schools "in need of improvement" are vastly underrepresented in the voucher program although the law stipulates that they are to receive priority for receiving a voucher. In 2006, just 24 percent of participating voucher students had been enrolled in schools in need of improvement, whereas 52 percent of all DCPS students attend such schools. (Note: participating private schools are permitted to maintain their admission standards).
- In a randomly selected sample of 18 participating private schools, three lacked a building occupancy permit, six had a building occupancy permit but not to operate as a private school or child care center and seven had only an occupancy permit to operate as a child care center.
- In a randomly selected sample of 50 participating students, GAO identified voucher payment problems with 46 of the students.
- Voucher funds were spent on before- and after-school care for 60 percent of students (in the random sample) but in most cases GAO could not determine whether the schools' services included any academic support activities, as required by the program.
- Though intended to serve K-12 students, it is essentially an elementary and middle school program because so few seats have been made available by private high schools.

NSBA POSITION

NSBA opposes private school vouchers and urges Congress to not renew or fund the expiring Washington, D.C. voucher program, to oppose appropriating any federal funds for a national voucher program, and to oppose any amendments to make vouchers part of a reauthorized ESEA / NCLB.

- The 5-year Washington, D.C. voucher experiment should expire—Congress should allow the experiment with vouchers in the nation's capital to expire as it is set to do in 2008. Besides costing taxpayers approximately \$14.8 million a year, the program has not led to improved student achievement and has suffered from many of the same oversight problems (as noted by the GAO report) that voucher programs in other cities and states have experienced.
- Vouchers abandon public schools and drain away critical dollars—Vouchers divert attention, commitment and dollars from public schools to pay private school tuition for a few students, including many who already are in private school. Even proposals that purportedly create a new funding stream to pay for vouchers miss the mark: if new public money is available for education it should be invested in strengthening the schools that educate the vast majority of our students – our public schools. The president's proposals to spend hundreds of millions of dollars on private school tuition are especially misguided considering federal funding for crucial education programs, such as Title I and IDEA remain drastically underfunded. Congress needs to adequately fund existing public school programs – not create new programs that send scarce dollars to private schools.
- Vouchers eliminate public accountability—In stark contrast to the strong requirements faced by public schools, private voucher schools, including those in the Washington, D.C. program, do not

have to meet NCLB standards including the hiring of “highly qualified” teachers, the NCLB testing requirements and Adequate Yearly Progress, nor do they have to accept all students. Existing voucher programs, from Florida to Cleveland to Milwaukee, have suffered from scandal and fraud due to the lack of public accountability inherent in these programs.

- Vouchers are no way to raise student achievement for all—A GAO report to Congress on the Cleveland and Milwaukee voucher programs noted that the most credible research found “little or no difference in voucher and public school students’ performance.” The federal evaluation of the Washington, D.C. voucher experiment discovered the same.
- Vouchers leave behind many students, including those with the greatest needs—Vouchers leave behind many disadvantaged students because private schools may not accept them or do not offer the special services they need. Students with disabilities “were actively counseled out of the (voucher) program,” in Cleveland, a state official acknowledged.
- Vouchers waste taxpayer money—Vouchers force taxpayers to support two school systems: one public and one private. Existing private school students usually are eligible to receive vouchers, creating a new cost to taxpayers.
- Vouchers give choices to private schools, not parents—Private schools decide if they want to accept vouchers, and then how many students they want to admit. And even if a voucher student does gain acceptance into a private school, the school can later reject him or her for numerous reasons, as the evaluator of Milwaukee’s program documented. The lawmaker who founded the Milwaukee voucher program later questioned the dismissal of students by private schools, and criticized the ability of private schools to select parents and students instead of parents selecting schools as proponents typically claim will occur.
- Vouchers remain publicly unpopular—Utah voters, in 2007, overwhelmingly voted to repeal a state voucher program by a margin of 62 percent to 38 percent. This marked the 11th time in 11 referenda over the past 30 years that voters have decisively rejected specific voucher or tuition tax credit proposals.

SUMMARY

NSBA urges Congress to reject private school vouchers and tuition tax subsidies that undermine public accountability in education and ignore the needs of America’s 50 million public school students. We urge Congress to work with NSBA to improve, not weaken, the nation’s public schools.