



**BRIEF**

# **PORTFOLIO OF CHOICE**

## Private School Choice Programs

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**Choice**  Strengthening the State of  
Choice in America's Schools

# Portfolio of Choice: Private School Choice Programs

## The National Comprehensive Center

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Robson, K., O'Neal Schies, J., & Graziano, L. (2020). *Portfolio of Choice: Private School Choice Programs*. Rockville, MD: National Comprehensive Center at Westat.

The contents of this publication were developed under a grant from the Department of Education. However, the contents do not necessarily represent the policy of the Department of Education, and you should not assume endorsement by the Federal government.

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## Key Takeaways

- » Nationwide, 31 states, D.C., and Puerto Rico operate 66 private school choice programs. As of the 2019–20 school year, approximately 1.4 million students participated in one of the four types of private school choice programs—voucher, tax credit scholarship, education savings account, or individual tax credit/deduction.
- » The median funding amount across all programs was just over \$5,100 per student.
- » Program eligibility rules help tailor the programs to high-need students such as those who are low income, those who have disabilities, or those who are in foster care. While state-level data on program participation is incomplete, there's evidence that the students participating in private school choice programs are relatively more disadvantaged than the pool of all eligible students.
- » While data is limited, existing research suggests that voucher programs may have a negative effect on participating students' math test scores, but a positive effect on students' longer-term outcomes, student and parent satisfaction, and improvements in the student test scores of the public schools that lose students to private schools as a result of voucher programs.
- » Policymakers have an opportunity to improve private school choice programs by strengthening reporting and accountability requirements in ways that enable them to answer critical questions about the success of their programs.

## Introduction

The concept of school vouchers, which use public education funding to pay tuition at private schools, was first introduced by Nobel Prize winner and economics professor Milton Friedman. In 1955 he penned *The Role of Government in Education*, an essay arguing that using public dollars to cover the cost of private school tuition could increase competition among schools, drive gains in student achievement, and decrease the overall cost of education.<sup>1</sup> The first programs were enacted during the early 1960s.

Private school choice programs are frequently mired in political and legal controversy. Two primary factors fuel this controversy. First, these programs trace their roots to the 1960s in the height of school desegregation. Tuition-grant laws came forth across the South during this period, enabling White families to access public funds to pay tuition at private schools instead of sending their children to racially mixed public schools.<sup>2</sup> Second, many of the schools that receive public funds through these programs are explicitly religious,<sup>3</sup> creating debate over their constitutionality.

<sup>1</sup> <https://la.utexas.edu/users/hcleaver/330T/350kPEEFriedmanRoleOfGovttable.pdf>

<sup>2</sup> <https://digitalcommons.law.yale.edu/cgi/viewcontent.cgi?article=1214&context=ylpr>

<sup>3</sup> See, for example, the list of schools participating in [North Carolina's voucher program](#) or [Wisconsin's voucher program](#)



Despite the controversy, private school choice programs currently operate in 31 states, D.C., and Puerto Rico, and serve approximately 1.4 million students.

The goal of this brief is to provide state policymakers with a clear understanding of the fact-base underlying private school choice programs: what they are, how they work, who they serve, and how the policies that shape them can be strengthened to ensure that the students attending private schools through these programs receive a high-quality education.

## What Are Private School Choice Programs and Where Do They Operate?

There are four types of private school choice programs: vouchers, tax credit scholarships, education savings accounts (ESAs), and individual tax credits and deductions. While the policy structures differ substantially across these four program types, what they all have in common is the use of public funds to support families in paying partial or full tuition at private schools. Through different mechanisms, both voucher programs and ESAs provide families with some or all of the per-pupil state funds that would otherwise be sent to a school district. Families can use these funds to cover private school tuition. Tax credit scholarships and individual tax credits and deductions provide an incentive to businesses and individuals who choose to use their own private dollars to help their own or other children afford private schools. A main goal of all four program types is to increase opportunities to attend private schools for low- and moderate-income families that otherwise would not be able to afford them.

As of the 2019–20 school year, a total of 66 private school choice programs operated across the country, serving about 1.4 million students (see Figure 1). Some states operate multiple programs. Each of these programs is described in detail below and summarized in Table 1.



**Table 1. Private School Choice Programs**

Program	Description	Number of states <sup>1</sup>	Average award amount
Vouchers	<ul style="list-style-type: none"> <li>» Per-pupil funds that would typically go to a public school district to educate a child are given to the family in the form of a voucher</li> <li>» Vouchers can be used to pay tuition at participating private schools</li> </ul>	16 states, D.C., and P.R.	\$7,500
Tax credit scholarships	<ul style="list-style-type: none"> <li>» Businesses and individuals receive tax credits when they donate to nonprofit scholarship-granting organizations (SGOs)</li> <li>» SGOs disburse donations in the form of scholarships to private schools</li> </ul>	18 states	\$3,500
Education savings accounts	<ul style="list-style-type: none"> <li>» State per-pupil education funding is placed in a government-authorized savings account</li> <li>» Parents can use these funds to cover specified education expenses, including private school tuition and fees</li> </ul>	5 states <sup>2</sup>	\$8,900
Individual tax credit or deduction	<ul style="list-style-type: none"> <li>» Parents and guardians can claim tax credits or deductions for spending on approved educational expenses, including private school tuition</li> </ul>	9 states	\$2,500

<sup>1</sup><https://www.edchoice.org/engage/fast-facts/#esa-fast-facts>

<sup>2</sup>Excluding Nevada’s program, which is currently suspended.

## Vouchers

School voucher programs direct state education dollars to families and allow them to use those funds for the cost of private school tuition. Under these programs, all or part of the state’s per-pupil funds that would be spent by a school district are instead allocated to a participating private school chosen by the family.<sup>4</sup>

Because voucher programs enable public dollars to go directly to private schools, including religious private schools, they have been the subject of many court cases over the years. In 2002, the U.S. Supreme Court ruled in the case of *Zelman v. Simmons-Harris* that voucher programs are constitutional. However, prior to the U.S. Supreme Court’s June 2020 ruling in *Espinoza v. Montana Department of Revenue*, they were not necessarily constitutional in all states. Many states had so-called Blaine amendments that prohibited taxpayer money from going to religious institutions (see box below).

<sup>4</sup> <https://www.edchoice.org/school-choice/types-of-school-choice/what-are-school-vouchers-2/>



### Religion and race: Why private school choice programs are controversial

Many private schools, in particular Catholic schools, trace their roots to the late 1800s, when Catholic communities set up private religious schools as a rejection of the infusion of Protestant values into the public school system.<sup>5</sup> State legislatures, dominated by anti-Catholic sentiment, responded by adopting so-called Blaine Amendments, which disallow public funds from flowing to sectarian schools. Historically, these amendments served as a way to block Catholic communities' demands for equal treatment of their schools.<sup>6</sup> In more recent decades, they've been used to challenge the constitutionality of states' private school choice programs.

In 2002, the U.S. Supreme Court ruled in the case of *Zelman v. Simmons-Harris*, upholding the constitutionality of the voucher program in Cleveland, Ohio. The case clarified that when an individual uses public money to send their child to a private religious school, that it does not violate the freedom of religion clause in the First Amendment.<sup>7</sup> Even so, cases have continued. Most recently, the Montana Supreme Court ruled that the state's tax credit scholarship program, which allowed money to go to private schools, violated Montana's constitution—particularly, the state's Blaine Amendment.<sup>8</sup> This case, *Espinoza v. Montana Department of Revenue*, made its way to the U.S. Supreme Court. In June 2020, the Court ruled that states may not exclude religious schools from scholarship programs—effectively rejecting states' Blaine Amendments as unconstitutional.<sup>9</sup>

In addition to the religious nature of private schools being a cause of controversy, many private schools—and the first iterations of private school choice programs—trace their roots to the late 1950s and 1960s and the height of school desegregation. Creating private schools that only White children could attend, so-called “segregation academies,” was one way communities and families avoided sending their children to integrated schools. By 1969, more than 200 new private schools were established in states across the South<sup>10</sup> as part of the region's resistance to racially integrated schools.<sup>11</sup> White families flocked to them, emptying their local public schools. In Mississippi, for example, private school enrollment jumped more than 220% between 1964 and 1970.<sup>12</sup> To support White families in accessing these schools, states across the South enacted tuition-grant laws that provided government funds to pay tuition at private schools.<sup>13</sup> Alabama and Mississippi provided families with \$185 per year (approximately \$1,300 in 2020 dollars) to attend segregation academies. Louisiana's program provided grants of up to \$360 (\$2,600 in 2020 dollars).<sup>14</sup>

While private school choice proponents often point to the Milwaukee Parental Choice Program, which was enacted in 1990, as the first “modern” school choice program,<sup>15</sup> the origins of using public funds to pay for tuition at private schools has foundations in explicitly racist policies. This history continues to cast a shadow over the policies today.

<sup>5</sup> <https://scholarship.law.georgetown.edu/cgi/viewcontent.cgi?article=1083&context=facpub>

<sup>6</sup> <https://ij.org/issues/school-choice/blaine-amendments/>

<sup>7</sup> <https://www.edchoice.org/engage/faqs/are-school-choice-programs-legal/>

<sup>8</sup> <https://www.oyez.org/cases/2019/18-1195>

<sup>9</sup> <https://www.scotusblog.com/2020/06/symposium-rip-state-blaine-amendments-espinoza-and-the-no-aid-principle/>

<sup>10</sup> <https://www.americanprogress.org/issues/education-k-12/reports/2017/07/12/435629/racist-origins-private-school-vouchers/>

<sup>11</sup> <https://digitalcommons.law.yale.edu/cgi/viewcontent.cgi?article=1214&context=ylpr>

<sup>12</sup> <https://files.eric.ed.gov/fulltext/ED049327.pdf>

<sup>13</sup> <https://digitalcommons.law.yale.edu/cgi/viewcontent.cgi?article=1214&context=ylpr>

<sup>14</sup> <https://digitalcommons.unl.edu/cgi/viewcontent.cgi?article=1009&context=ciel>

<sup>15</sup> <https://www.ncsl.org/research/education/school-choice-vouchers.aspx#:~:text=In%201989%2C%20the%20Wisconsin%20legislature,in%20the%20Milwaukee%20School%20District.&text=McKay%20Scholarships%20Program%20for%20Students.vouchers%20to%20students%20with%20disabilities>

Today, 16 states, Washington, D.C., and Puerto Rico operate a combined total of 29 voucher programs.<sup>16</sup> These programs typically target specific student populations, including students from low-income families and students with disabilities. Several states have multiple voucher programs targeting different populations. Ohio, for example, operates five voucher programs: one for students living in the Cleveland Metropolitan School District, one for students with autism, one for students with disabilities more generally, one for students from low-income families, and one for students who are assigned to low-performing schools.<sup>17</sup>

As of the 2019–20 school year, more than 218,000 students used a voucher to attend a private school.<sup>18</sup> The average voucher amount across all programs was approximately \$7,500.<sup>19</sup>

## Tax Credit Scholarships

Tax credit scholarship programs use tax credits to incentivize businesses and individuals to donate money to nonprofit SGOs, which in turn disburse those donations in the form of scholarships to eligible students to attend participating private schools. Because tax credit scholarships are funded by individuals and businesses, rather than by state governments, their design helps bypass one of the major challenges facing voucher programs—public dollars directly supporting private, and often, religious schools.

Today, 18 states operate a total of 23 tax credit scholarship programs. Like vouchers, these programs are often targeted to specific groups of students, including low-income students or students with disabilities.<sup>20</sup> Some states operate multiple tax credit scholarship programs. Florida, for example, operates two programs: one for low-income students and one for students who have been victims of bullying.<sup>21</sup>

As of the 2019–20 school year, nearly 300,000 students nationwide used a tax credit scholarship to attend a private school.<sup>22</sup> The average scholarship amount across all programs was approximately \$3,500.<sup>23</sup>

## Education Savings Accounts

Through education savings account (ESA) programs, a state deposits a set amount of money, typically based on its per-pupil funding for public schools, into a bank account in which families that have chosen to withdraw their children from public schools can access. Families can use these

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<sup>16</sup><https://www.edchoice.org/engage/fast-facts/#voucher-fast-facts>

<sup>17</sup><https://www.edchoice.org/school-choice/state/ohio/>

<sup>18</sup><https://www.edchoice.org/engage/fast-facts/#voucher-fast-facts>

<sup>19</sup>Author's calculation based on data from <https://www.edchoice.org/school-choice/school-choice-in-america/>

<sup>20</sup><https://www.edchoice.org/school-choice/types-of-school-choice/tax-credit-scholarship/>

<sup>21</sup><https://www.edchoice.org/school-choice/state/florida/>

<sup>22</sup><https://www.edchoice.org/engage/fast-facts/#voucher-fast-facts>

<sup>23</sup>Author's calculation based on data from <https://www.edchoice.org/school-choice/school-choice-in-america/>



funds to cover a restricted set of activities, including paying tuition at private schools. (Families can also use these funds to hire tutors or pay for online classes, for example.)<sup>24</sup>

Five states currently operate ESA programs. A sixth state, Nevada, created an ESA program in 2015. However, the Nevada Supreme Court ruled it unconstitutional in 2016 and it has been inactive since.<sup>25</sup> ESAs were initially designed to support students with disabilities in accessing the educational services that best meet their needs.<sup>26</sup> However, states have slowly been expanding eligibility. Arizona's ESA program, for example, now includes students who have attended a failing school, have been adopted from the state's foster care system, and/or who live on a Native American reservation.<sup>27</sup> Although currently inactive, Nevada's law would have been the most expansive ESA program in the country, open to all students in public schools.<sup>28</sup>

As of the 2019–20 school year, nearly 22,000 families used ESA funds to cover educational expenses, including private school tuition.<sup>29</sup> The average amount set aside by the state into ESAs across all programs was approximately \$8,900.<sup>30</sup>

## Individual Tax Credits and Deductions

Individual tax credits and deductions allow parents to receive state income tax relief for approved educational expenses, which can include private school tuition.<sup>31</sup> Tax credits work by lowering the total amount of taxes a person owes, while deductions reduce an individual's total taxable income.

Alabama, Illinois, Iowa, Minnesota, and South Carolina operate individual tax credit programs. As of 2018, approximately 489,000 tax returns claimed tax credits for educational expenses in these states. Indiana, Louisiana, Minnesota, and Wisconsin offer individual tax deductions. As of 2018, nearly 413,000 tax returns claimed deductions for educational expenses in these states.<sup>32</sup> The average tax credit or deduction across all programs was approximately \$2,500.<sup>33</sup>

Parents or guardians who spend money on approved educational expenses in these states can claim a tax credit or deduction according to their state's policy. This broad eligibility is the reason for the higher numbers of participating families despite fewer operating programs. Importantly, existing data makes it impossible to determine which of these families spend money on private school tuition versus any other eligible expenses such as books, tutors, or after school programs.

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<sup>24</sup><https://www.edchoice.org/school-choice/types-of-school-choice/education-savings-account/>

<sup>25</sup><https://news3lv.com/news/local/nevada-supreme-court-ruling-keeps-education-savings-account-program-suspended>

<sup>26</sup>[https://blogs.edweek.org/edweek/charterschoice/2015/06/school\\_vouchers\\_education\\_savings\\_accounts\\_difference\\_between.html](https://blogs.edweek.org/edweek/charterschoice/2015/06/school_vouchers_education_savings_accounts_difference_between.html)

<sup>27</sup><https://www.edchoice.org/school-choice/programs/arizona-empowerment-scholarship-accounts/>

<sup>28</sup>[https://blogs.edweek.org/edweek/charterschoice/2015/06/school\\_vouchers\\_nevada\\_law\\_breaks\\_new\\_ground.html](https://blogs.edweek.org/edweek/charterschoice/2015/06/school_vouchers_nevada_law_breaks_new_ground.html)

<sup>29</sup><https://www.edchoice.org/engage/fast-facts/#esa-fast-facts>

<sup>30</sup>Author's calculation based on data from <https://www.edchoice.org/school-choice/school-choice-in-america/>

<sup>31</sup><https://www.edchoice.org/school-choice/types-of-school-choice/how-do-k-12-education-tax-credits-deductions-work/>

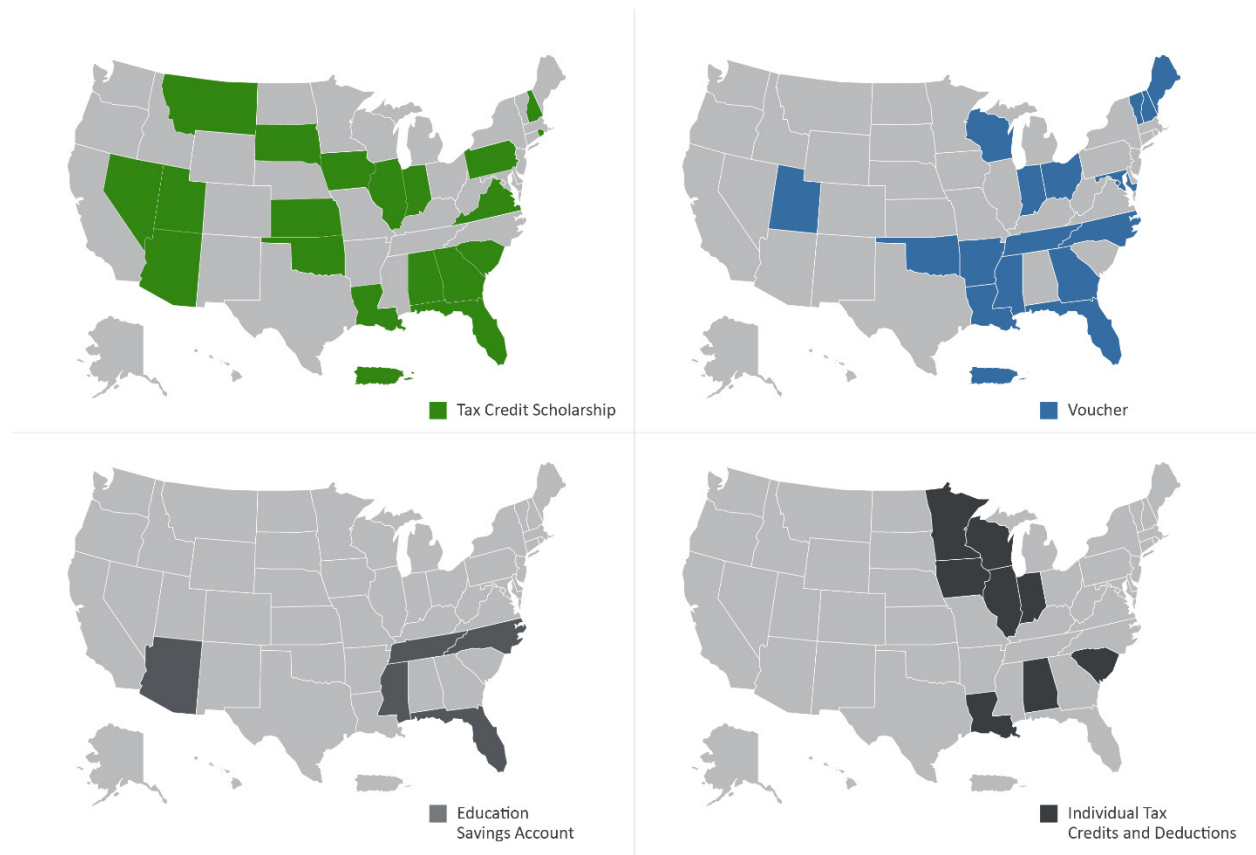
<sup>32</sup><https://www.edchoice.org/engage/fast-facts/#tax-credits-deductions-fast-facts>

<sup>33</sup>Author's calculation based on data from <https://www.edchoice.org/school-choice/school-choice-in-america/>





Figure 1. Map of Private School Choice Programs



## Who Enrolls and in What Type of Private School Choice Program?

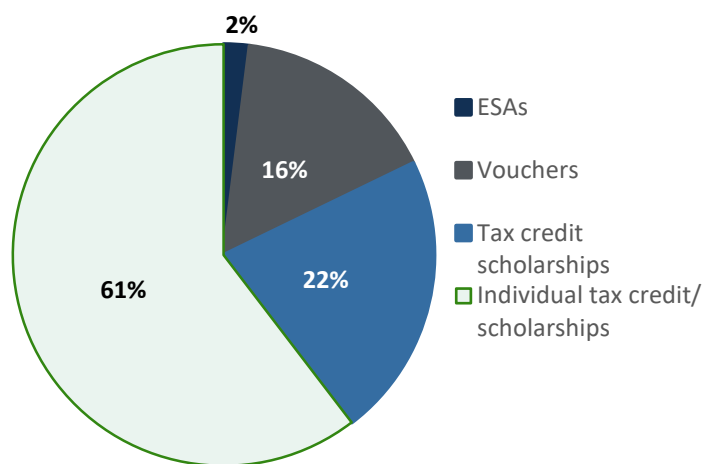
Of the 1.4 million students participating in one of the four types of private school choice programs, more than 60 percent participate in individual tax credit/deduction programs, while just 2 percent participate in ESAs (see Figure 2). Those participation rates reflect program availability and eligibility. Just five of the 66 private school choice programs operating nationally are ESAs, and four of those five programs are tailored to special education students. In contrast, individual tax credit/deduction programs have the broadest eligibility requirements of all program types, which helps explain the substantial number of students who use these programs.

There is limited data available on the demographics of students who take advantage of private school choice programs, especially ESAs and individual tax credit/deductions. The data that does exist is largely limited to voucher and tax-credit scholarship programs. Given the focus of many of these programs on low-income students, students attending low-performing schools and districts, and students with disabilities, it is reasonable to assume that, as a population, participating students are more likely to be low-income and more likely to have a disability than the population as a whole.

State-level data, while incomplete, support these assertions and further suggest that the students participating in private school choice programs are relatively

*more* disadvantaged than the pool of all eligible students.<sup>34</sup> Participants in D.C.’s voucher program, for example, live in the poorest neighborhoods in the city, with more than 40 percent living in the two wards with the lowest average household income.<sup>35</sup> North Carolina’s voucher recipients have a median household income of \$16,213, putting them among the lowest-income families in the state.<sup>36</sup>

**Figure 2. Private School Choice enrollment, by program type (N = 1.4 million students)**



NOTE: Numbers add up to more than 100 percent due to rounding.

<sup>34</sup><https://www.ncsl.org/research/education/accountability-in-private-school-choice-programs.aspx>

<sup>35</sup><https://files.eric.ed.gov/fulltext/ED547163.pdf>

<sup>36</sup><https://ced.ncsu.edu/elphd/wp-content/uploads/sites/2/2017/07/A-Pro-le-of-Applicants-to-North-Carolina%E2%80%99s-Opportunity-Scholarship-Program.pdf>

There are also limited demographic data on the students who participate in tax-credit scholarship programs.<sup>37</sup> Similar to voucher programs, limited available data suggests that the students who participate tend to be relatively more disadvantaged than the population of eligible students. In Nevada, for example, students are eligible to participate if they come from families earning up to 300 percent of the federal poverty line. Research suggests that at least half of the participants come from families eligible for free or reduced-price lunch, meaning they earn no more than 185 percent of the federal poverty line, far below the eligibility threshold.<sup>38</sup> In Florida, research has found that income-eligible participants also tend to come from low-performing schools and be among the lowest-performing students in those schools.<sup>39</sup>

## How Are Participating Private Schools Held Accountable?

Market-based accountability is an important part of many private school choice policies. This perspective assumes that parents are better arbitrators of school quality than the state. In other words, with choice policies in place, parents are free to choose—or not choose—a school. The schools that perform well for students and meet families’ expectations will retain students, and those that fail to meet parents’ expectations will lose students. This theory acknowledges that parents may want different things from schools and that the school that meets one family’s needs may not meet another’s.

This market-based approach to accountability stands in stark contrast to the accountability measures in place for public schools. Public schools are regulated by federal, state, and local laws and policies, and must therefore meet a variety of health and safety, civil rights, and accounting requirements. Under federal and state accountability systems, public schools must also administer annual assessments to determine students’ progress toward state-mandated standards that outline what students at each grade level should know and be able to do. Public schools must report assessment results publicly, disaggregated by student subgroups defined by race/ethnicity, low-income, special education status, and status as an English learner. Schools that fail to meet state-determined thresholds of performance are subject to interventions, such as increased monitoring by the district or state, changes in staffing, or changes related to how the school is governed or operated.<sup>40</sup>

Private schools are held to many of the same health and safety, civil rights, and accounting requirements as public schools, however, they face fewer requirements related to assessment and accountability for student outcomes compared to public schools. While some states allow or encourage private schools to participate in the state assessment system, none requires it.<sup>41</sup> Some states do require private schools to administer a nationally normed assessment, such as the IOWA

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<sup>37</sup><https://www.edchoice.org/engage/faqs/who-uses-school-choice-programs/>

<sup>38</sup>[http://www.doe.nv.gov/uploadedFiles/ndedoenvgov/content/Private\\_Schools/Scholarship\\_Grants/January302017summary.pdf](http://www.doe.nv.gov/uploadedFiles/ndedoenvgov/content/Private_Schools/Scholarship_Grants/January302017summary.pdf)

<sup>39</sup><https://www.urban.org/research/publication/effects-statewide-private-school-choice-college-enrollment-and-graduation/view/full-report>

<sup>40</sup>[https://ies.ed.gov/ncee/edlabs/regions/central/pdf/REL\\_2016131.pdf](https://ies.ed.gov/ncee/edlabs/regions/central/pdf/REL_2016131.pdf)

<sup>41</sup><https://www2.ed.gov/admins/comm/choice/regprivschl/regprivschl.pdf>



Test of Basic Skills or the Stanford 10, but they typically are not required to report the results publicly. State intervention in low-performing private schools is also quite limited.

The differences in testing and accountability requirements between public and private schools pose a challenge for private school choice programs, as these programs funnel taxpayer dollars to private institutions with limited ability for the public to know whether their tax dollars are resulting in improved outcomes for young people.

Some states have sought to remedy this, putting in place additional testing or reporting requirements for private schools that accept students who pay for tuition through a voucher or tax-credit scholarship. The most common way states approach accountability is to set guidelines that schools must meet to accept students through private school choice programs. These typically include some measure of the school's quality (e.g., requiring schools to be accredited by a reputable agency) or requiring schools to adhere to the state's seat-time requirement.<sup>42</sup>

Some states, like Indiana, Louisiana, and Wisconsin, require all students using vouchers or tax-credit scholarships to take the state assessment. Schools must report the data, and the schools must meet a certain threshold of performance to be allowed to continue to accept students through choice programs.<sup>43</sup> However, states tend to fall short of requiring public data reporting.

Table 2 summarizes the three categories of accountability that states typically have in place for private school choice programs. The last column identifies the percentage of programs with each mechanism in place, based on an analysis of the 27 voucher and ESA programs that were in operation during the 2016–17 school year.<sup>44</sup>

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<sup>42</sup><https://www.ncsl.org/documents/educ/AccountabilityInPrivateSchoolChoice.pdf>

<sup>43</sup><https://www.ncsl.org/documents/educ/AccountabilityInPrivateSchoolChoice.pdf>

<sup>44</sup>Includes ESA programs operating in Arizona, Florida, Mississippi, and Tennessee, and voucher programs operating in Arkansas, D.C., Florida, Georgia, Indiana, Louisiana, Maryland, Mississippi, North Carolina, Ohio, Oklahoma, Utah, and Wisconsin. Source: <https://www.gao.gov/assets/690/688444.pdf>



**Table 2. Accountability Mechanisms for Private School Choice Policies**

Category	Mechanism	Some programs require:	Percentage of voucher and ESA programs with this mechanism in place (N=27)
Academic	Testing	Schools to administer tests Schools to administer state standardized or norm-referenced tests Test results to be reported publicly	67% require schools to administer tests; 33% require test results to be publicly reported
	Core subjects	Schools to teach core academic subjects	51%
	Accreditation	Schools to be accredited Schools to be accredited by an agency approved by the state	59%
Administrative	Health and safety	Schools to follow state and local health and safety codes	93%
	Background checks	Schools to conduct background checks on all employees	63%
	Teacher qualifications	Schools to hire teachers with minimum qualifications Schools to hire teachers with degrees or state teaching licenses	70% require specified minimum qualifications; 48% require teaching licenses or degrees
	Paraprofessional qualifications	Schools to hire paraprofessionals or specialists with minimum qualifications	52%
	Site visits	Schools to submit to site visits by program officials	56%
Financial	Annual audit	Schools to conduct annual audits or independent financial reviews	30%
	Proof of fiscal soundness	Schools to provide proof of fiscal soundness or financial viability	56%

Source: [GAO Report to Congressional Requesters, Private School Choice](#)



### What Do We Know About Student Performance in Private School Choice Programs?

Generally, private schools are not required to adhere to the same testing and reporting requirements as public schools, making it more difficult to determine whether the students who participate in them are learning more than they would otherwise. Just eight states require participating private schools to publicly report results on national or state tests; six states require public reporting of high school graduation rates. Just four require schools to report the demographics of students in participating schools.<sup>45</sup> Moreover, existing research only examines outcomes of students attending private schools through either voucher or tax-credit scholarship programs, with the vast majority focused on voucher programs. Available research on school vouchers points to several trends:

#### ***Students who use vouchers to attend private schools do less well on standardized tests than similar students who remain in public schools, especially in math.***<sup>46</sup>

- » In Indiana, students in grades 5–8 who transferred from public to private schools experienced an average achievement loss in mathematics during their first year attending a private school compared to similar students remaining in public schools. This finding persisted four years into the program.<sup>47</sup>
- » Participation in D.C.’s Opportunity Scholarship Program had statistically significant negative effects on students’ math achievement after two years.<sup>48</sup>
- » The effects of participation in Ohio’s EdChoice voucher program were negative in reading and math.<sup>49</sup>
- » Participation in Louisiana’s Scholarship Program is consistent with large negative effects after four years, especially in math.<sup>50</sup>

#### ***Vouchers have positive effects on students’ longer-term outcomes:***

- » Older evidence from Milwaukee’s voucher program suggests that participants have greater educational attainment than their peers, as measured by college enrollment and persistence.<sup>51</sup> More recent research confirms this, finding that ninth graders who enrolled in the voucher program were 6 percentage points more likely to enroll in a four-year college than their district counterparts.<sup>52</sup>
- » A study of a privately funded voucher program in New York City (no longer in existence) found that participation had significant effects on the college enrollment and degree attainment of Black and Hispanic students from moderately disadvantaged households.<sup>53</sup>
- » A study of D.C.’s Opportunity Scholarship Program suggested positive effects on high school graduation.<sup>54</sup>

#### ***Voucher programs may lead to small improvements in public schools***

- » Analysis of Louisiana’s Scholarship Program demonstrate neutral to positive effects on the achievement of students in affected public schools.<sup>55</sup>
- » Changes to Milwaukee’s voucher program that led to an increase in competitive pressure, including the expansion of eligibility to include religious schools, which resulted in more participating schools and changes in funding that resulted in greater revenue losses to public schools, resulted in greater improvement to affected public schools compared to the initial program design that had less competitive pressure.



- » Ohio's EdChoice program led to modest improvements in the achievement of public school students who were eligible for a voucher but did not use it; these improvements are attributed to the competitive effects of the choice program.<sup>56</sup>

***Participation may improve parent and student satisfaction***

- » An older D.C. study shows families that received vouchers had higher parent and student satisfaction,<sup>57</sup> while a more recent study finds greater satisfaction for students.<sup>58</sup>
- » A study of Florida's voucher program for students with disabilities found families were more satisfied with their new private school than their previous public school.<sup>59</sup>

There is substantially less research on the effects of tax credit scholarship programs. Florida's program is the only one that has been extensively researched. These studies point to similar findings: The program has no effect on student test scores;<sup>60</sup> participants are more likely than their peers to enroll in both two- and four-year colleges and earn a bachelor's degree;<sup>61</sup> and the expansion of the program produced larger benefits for students attending the public schools affected by scholarship-driven enrollment losses, as measured by math and reading test scores and suspension and attendance rates.<sup>62</sup>

<sup>45</sup><https://www.edweek.org/ew/articles/2020/02/28/private-school-choice-programs-fall-short-on.html?r=108762173&mkey=0D6F0EBF-5F25-4E41-A640-93BE9D1D3911>

<sup>46</sup><https://www.brookings.edu/research/more-findings-about-school-vouchers-and-test-scores-and-they-are-still-negative/>

<sup>47</sup><https://onlinelibrary.wiley.com/doi/epdf/10.1002/pam.22086>

<sup>48</sup><https://ies.ed.gov/ncee/pubs/20184010/pdf/20184010.pdf>

<sup>49</sup>[https://edex.s3-us-west-2.amazonaws.com/publication/pdfs/FORDHAM%20Ed%20Choice%20Evaluation%20Report\\_online%20edition.pdf](https://edex.s3-us-west-2.amazonaws.com/publication/pdfs/FORDHAM%20Ed%20Choice%20Evaluation%20Report_online%20edition.pdf)

<sup>50</sup>[https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3376230](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3376230)

<sup>51</sup>[https://www.urban.org/sites/default/files/publication/96721/do\\_voucher\\_students\\_attain\\_higher\\_levels\\_of\\_education\\_1.pdf](https://www.urban.org/sites/default/files/publication/96721/do_voucher_students_attain_higher_levels_of_education_1.pdf)

<sup>52</sup><https://www.urban.org/research/publication/do-voucher-students-attain-higher-levels-education>

<sup>53</sup><https://www.edworkingpapers.com/sites/default/files/ai19-76.pdf>

<sup>54</sup><https://eric.ed.gov/?id=EJ1010252>

<sup>55</sup>[https://www.mitpressjournals.org/doi/abs/10.1162/edfp\\_a\\_00286](https://www.mitpressjournals.org/doi/abs/10.1162/edfp_a_00286)

<sup>56</sup><https://fordhaminstitute.org/ohio/research/evaluation-ohios-edchoice-scholarship-program-selection-competition-and-performance>

<sup>57</sup><https://ies.ed.gov/ncee/pubs/20104018/pdf/20104018.pdf>

<sup>58</sup><https://ies.ed.gov/ncee/pubs/20194006/pdf/20194006.pdf>

<sup>59</sup>[https://media4.manhattan-institute.org/pdf/cr\\_38.pdf](https://media4.manhattan-institute.org/pdf/cr_38.pdf)

<sup>60</sup>[http://www.floridaschoolchoice.org/pdf/ftc\\_research\\_2009-10\\_report.pdf](http://www.floridaschoolchoice.org/pdf/ftc_research_2009-10_report.pdf)

<sup>61</sup>[https://www.urban.org/sites/default/files/publication/99728/the\\_effects\\_of\\_the\\_florida\\_tax\\_credit\\_scholarship\\_program\\_on\\_college\\_enrollment\\_and\\_graduation\\_2.pdf](https://www.urban.org/sites/default/files/publication/99728/the_effects_of_the_florida_tax_credit_scholarship_program_on_college_enrollment_and_graduation_2.pdf)

<sup>62</sup><https://www.nber.org/papers/w26758> and <https://www.nber.org/papers/w16056.pdf>





## Best Practices for Designing High-Quality Private School Choice Programs

Private school choice programs operate in 31 states, D.C., and Puerto Rico. However, the design of these programs varies substantially from one to the next. Even so, there are some best practices that policymakers can use to design private school choice policies.

- 1. Establish data collection policies and procedures that enable policymakers and researchers to answer key questions about program performance.** The field has limited data on the students and families that participate in voucher and tax credit scholarship programs and even less about those who participate in ESAs or who take individual tax credit deductions. This makes it difficult for policymakers and researchers to understand whether programs are meeting the goals set out in their legislation.

Moreover, there are many goals that private school choice programs could be pursuing, including student outcomes as measured by assessments or graduation rates, parental satisfaction, civic engagement, racial and ethnic integration, or fiscal goals. Many states implement private school choice programs to pursue several of these goals simultaneously. However, without processes in place to collect data from participating students and families, it is impossible to determine whether or not a given program is meeting its goals.

It is important that policymakers are careful to balance the need for data collection policies and procedures with the regulatory burden placed on participating schools. If that burden becomes too high, schools may opt out of the program, creating fewer seats for students.

- 2. Ensure transparency and accountability for program funds.** Because private school choice programs are funded, directly or indirectly, by taxpayer dollars, key information about those programs should be transparent to the public. At a minimum, transparency requirements should include a list of participating schools, the number of students the program serves, and the amount of funding schools receive. Demographic data could further help the public understand who is using program funds.

Policymakers should also have clearly established, transparent policies in place to hold schools accountable if they misuse funds. The exact contours of accountability for a given program will vary by state, however, policymakers must ensure that there is *some* accountability in place for the use of funds. Ideally, accountability policies should be aligned to the goals of the program and informed by the data collected.

- 3. Remove barriers to participation for eligible students.** Many states have private school choice programs designed to ensure certain groups of students, such as low-income students, students in foster care, or students with disabilities, have access to private schools. This is critical, and should continue. In addition, there may be other groups of high-need students, such as those who are homeless or who live in rural communities, who would benefit from attending a private school. Barriers such as transportation might make it impossible for these students to participate in private school choice programs. Policymakers should assess whether there are





groups of eligible students who do not currently have access to private school choice programs, determine what the barriers to participation are, and take steps to remove those barriers.



## Key Resources on Private School Choice Programs

- » [EdChoice's School Choice in America Dashboard](#)
  - › Provides data on all four private school choice programs, including current enrollment and numbers of existing programs, and includes an overview of policies in all 50 states, as well as links to state-specific laws and policies
- » [National Conference of State Legislatures' Interactive Guide to School Choice](#)
  - › Provides a summary of school choice policies (public and private) by state
- » [The 123s of School Choice](#)
  - › Provides a summary of research on school choice programs
- » [EdWeek's School Choice Policy Database](#)
  - › Provides an overview of transparency and accountability policies by state

