New Research
Learn more about Baltimore scholarship students’ academic attainment

Two-Minute Talk
Our newest team member talks why she joined the Foundation and school choice challenges

NEW STATES ON THE BLOCK
Get the rundown on states that enacted their first school choice programs this year
Barriers to school choice are crumbling

There are some lyrics by rockstar John Mellencamp that perfectly describe the incredible growth of school choice: “When the walls come crumblin’, crumblin’…down.”

In 2015, school choice crossed the halfway barrier. As of today, there are 57 school choice programs operating in 28 states and the District of Columbia. This year alone, four new states joined the school choice family—Arkansas, Montana, Nevada, and Tennessee. In addition, a number of states, including Arizona and Indiana, have dramatically expanded their existing school choice programs.

And the walls come crumblin’ down.

Nevada enacted a groundbreaking universal education savings account (ESA) program, which will be open to all public school students at 90 or 100 percent funding. Arkansas passed a new voucher program for children with special needs. Nevada and Montana enacted tax-credit scholarship programs for low- and middle-income families, and Mississippi and Tennessee got on the scoreboard by passing ESA programs for children with special needs. As for the expansions, Indiana increased the funding amount of its vouchers for children in elementary school. Arizona added all children on reservations to be included in the ESA program.

And the walls come crumblin’ down.

This growth in legislative success is matched by the growth in public support. According to a 2014 poll by the Friedman Foundation and Braun Research, Inc., Americans say they support school vouchers by nearly a 2–1 margin. Moreover, support has grown by 7 percent since 2012. Support transcends race, party affiliation, and geography with strongest support coming from public school parents, low-income workers, and minorities.

And the walls come crumblin’ down.

Yet, despite this growth, there are some serious challenges facing the school choice movement. Although we are spending $1.5 billion on school choice, that amount accounts for only 0.26 percent of what is spent on traditional public schooling. More than 350,000 children use vouchers, tax credits and ESAs, but that number represents only 0.73 percent of the number of children in public schools.

There are also serious issues with the quality of legislation and grave concerns about the overregulation of private schools. Right now, too many bills limit the number of children eligible to choose, too many bills limit the amount of money available to families, and too many bills limit the total amount that can be spent on choice programs. Regulation-wise, there are too many well-meaning reformers who are okay with bureaucratic fixes and rules. All that does, though, is make private schools function more and more like public schools, which threatens the supply of alternatives many students and parents so desperately need.

In the end, these issues must be taken seriously and must make us question whether bills of that type will ever lead to systemic reform. Is the school choice movement about charity, which is great but insufficient, or systemic reform, which is absolutely necessary?

I prefer the latter because I don’t just want the walls blocking opportunity to come crumbling down. I want them to tumble down for all families.
How one small family made a huge impact in Mississippi

This legislative session, Mississippi became the third state to enact education savings accounts (ESAs) for students with special needs. But that school choice victory didn’t come easily. Many families played a key role in getting Mississippi’s ESAs passed.

Katie and John McCustion and their son, Ian, were one of those families.

Because he has dyslexia, Ian struggled in his public school. His parents have said they are far from anti-public school, but in their case, Ian’s teachers lacked the training and expertise necessary to provide him proper and effective instruction.

The McCustions have participated in numerous Individualized Education Plan (IEP) meetings to no avail, and the family was faced with the possibility of taking on litigation to fight the district for funds that would help their son get the educational services he needs. Thankfully, with the passage of Mississippi’s new ESA program, they have more options at their disposal.

The McCustion family was instrumental in getting ESAs passed this year. They have been avid parent advocates, community organizers, and social media activists in their state. To help them prepare for the school choice fight, the couple also attended the Friedman Foundation’s annual media training in 2014. There they learned how to conduct themselves in an on-camera interview, how to leverage social media for advocacy, and how to craft key messages that win.

If there was ever any doubt in the power of parents, the McCustions have proved just how influential a parent’s advocacy can be in the fight for school choice.

Foundation empowers advocates with trainings, research, new talent

Maryland – Doran Moreland presented the Foundation’s new report, “The Achievement Checkup,” to an audience in Baltimore. The report examined the educational attainment of Baltimore private school scholarship students. Visit edchoice.org/AchievementCheckup for the full report.

Michigan – Dr. Benjamin Scafidi analyzed an education policy solution that could not only improve public education in Detroit, but also play a part in attracting people and businesses to the community. His Friedman Foundation blog post was also picked up by The Detroit News.

Minnesota – The Foundation released the “Minnesota K-12 and School Choice Survey” on April 15. Visit edchoice.org/MinnesotaSurvey for the full report.

Nevada – Leslie Hiner and Michael Chartier testified to the Nevada legislature on behalf of a universal education savings account (ESA) bill.


National – The Foundation presented its first Parent Organizer Training in New York City. Participants tweeted reviews, including, “The best conference EVER for #schoolchoice organizers,” and “Thanks @edchoice @Voices4Choices for a great conf in NY this week! Our team learned lots & left inspired.”

National – The Friedman Foundation’s research and analysis was mentioned in several news articles, including ones in Education Week, U.S. News & World Report, Politico, and The Daily Signal.

Foundation – Brittany Corona is the newest member of the Foundation’s State Programs team. To see the states she covers, visit edchoice.org/StateDirectors.

Brittany Corona joined the Foundation as a state programs and government relations director in April 2015. Previously, she worked as a domestic policy research assistant at The Heritage Foundation.
New States

When a state enacts its first school choice program—that is, vouchers, education savings accounts (ESAs), tax-credit scholarships, or individual tax credits and deductions—it officially becomes a school choice state. So far this legislative session, four states have crossed the threshold.

Nevada set itself apart from the rest by creating two school choice programs in one year. Notably, the state’s legislature enacted the most expansive school choice program to date with a design the closest we’ve seen to Milton Friedman’s vision: universal education savings accounts. To learn more about all of the new states on the block, check out the profiles below.

Don’t forget, those programs are not the only school choice breakthroughs this year. Mississippi created ESAs for students with special needs. Minnesota, Nebraska, New York, Ohio, Pennsylvania, Rhode Island, Delaware, and Wisconsin also are considering school choice legislation this session. Stay up to date on the progress of those bills by following us on Twitter @edchoice.

Arkansas

25th School Choice State

Succeed Scholarship Program for Students with Disabilities

VOUCHER

ELIGIBILITY: About 13 percent of students are eligible statewide, including public school students with Individualized Education Plans and dependents of active-duty military members.

FUNDING: The annual voucher value is about $6,500, which is 80 percent of public school per-pupil spending.

More at edchoice.org/ArkansasVouchers.

Montana

27th School Choice State

Tax Credits for Contributions to Student Scholarship Organizations

TAX-CREDIT SCHOLARSHIP

ELIGIBILITY: This program is universal, so 100 percent of students are eligible statewide. However, a $3 million cap will severely restrict access.

FUNDING: The maximum scholarship value is 50 percent of the average per-pupil expenditure for the second most recently completed fiscal year ($5,232 in 2011–12). The total tax credit each taxpaying donor can receive is capped at $150.

More at edchoice.org/MontanaScholarships.
**Nevada Education Savings Accounts**

**EDUCATION SAVINGS ACCOUNT**

**ELIGIBILITY:** All public school students, about 93 percent of children, are eligible statewide.

**FUNDING:** Students with special needs or who come from low-income households may receive 100 percent of the statewide average basic support per pupil (~$5,700). All other students may receive 90 percent of the statewide average basic support per pupil (~$5,100).

More at [edchoice.org/NevadaESAs](https://edchoice.org/NevadaESAs).

**Nevada Educational Choice Scholarship Program**

**TAX-CREDIT SCHOLARSHIP**

**ELIGIBILITY:** About 50 percent of families are income-eligible statewide. Students must come from households with incomes at or below 300 percent of the federal poverty line ($72,750 for a family of four in 2015-16).

**FUNDING:** The maximum scholarship value is $7,775, which is 95 percent of public school per-pupil spending. There is no total individual tax credit cap, and the credit value is 100 percent.

More at [edchoice.org/NevadaScholarships](https://edchoice.org/NevadaScholarships).

**Tennessee**

**Individualized Education Account Program**

**EDUCATION SAVINGS ACCOUNT**

**ELIGIBILITY:** About 2 percent of students statewide are eligible. The program is open only to certain students with special needs.

**FUNDING:** The average account value is estimated at $6,200, which is 75 percent of public school per-pupil spending.

More at [edchoice.org/TennesseeESAs](https://edchoice.org/TennesseeESAs).
Friedman Foundation On: The Montana Governor’s ESA Veto
Michael Chartier | michael@edchoice.org

Montana families could not catch a break from cloudy skies in April. Gov. Steve Bullock vetoed an education savings account (ESA) measure, which would have allowed eligible families the ability to fully customize their children’s education. That marks the third school choice bill in two sessions that has reached the governor’s desk and not been signed.

Instead Gov. Bullock vetoed two and let the other, a too-small tax-credit scholarship program, become law without his signature. The governor reported halting his pen because of concerns about policy design and constitutionality; however, neither of his objections justify blocking educational opportunities for Montana children. The ESA, in particular, would have allowed children with special needs, children of active duty military or of those killed in the line of duty, and children who are in the state foster care system to access a schooling regimen tailored to their educational needs.

In terms of policy, Gov. Bullock argued that the eligibility for students with special needs was set at too broad a spectrum and that private schools would receive public monies without administrative oversight. Sadly, his assessment was lacking on both counts.

The ESA eligibility was designed to be in line with the state and federal definitions of special need, despite the governor’s insistence that the eligibility included “transient” or “minor” ailments. Gov. Bullock also noted that private schools that receive ESA funds should be subject to the rules and administration of the Office of Public Instruction. While it is reasonable for the government to have some oversight regarding health and safety, private schools have an accountability system of their own: parents.

Gov. Bullock acknowledged the ESA bill’s financial accountability measures, but stated he preferred to add more safeguards to ensure “the efficacy, integrity, or validity of the services provided.” Adding such language could empower the state to force private schools and other educational service providers to adopt the same regulatory burdens educators in the public sector abhor. Surveys have shown that overregulating school choice programs is often the culprit many private school leaders cite when explaining their decision not to accept ESAs, vouchers, or tax-credit scholarships. Furthermore, the added burden of public rules on participating private schools is likely to cause them many of the bureaucratic problems public schools suffer, making schools of both sectors more and more alike.

Finally, Gov. Bullock saw ESAs that help children with special needs as an attempt to weaken public schools. “While I respect parents’ right and choice to send their child to a private school, we shouldn’t undermine our public education system that serves students well, in order to fund these private institutions,” he said in a public statement.

Thus is the governor’s constitutional concern: public monies going to parents then to private, often religiously-affiliated, schools. According to an analysis by the Institute for Justice, the Montana Supreme Court precedent is on the side of school choice. The court previously differentiated between aid to schools and aid to families. This is also consistent with the United States Supreme Court decision Zelman v. Simmons-Harris (2002), in which the court upheld an Ohio voucher program’s constitutionality because it was “neutral with respect to religion” and the “money follows the child.” The Indiana Supreme Court argued similarly in 2013, upholding the constitutionality of its voucher program. With ESAs, the money not only follows the child, it allows parents to fully tailor the child’s education, whether that’s in a private school or a combination of private and public learning services.

Governor Bullock’s veto stripped a chance for hundreds of Montana’s students to receive an education that meets their special needs. Unfortunately, his track record for vetoing school choice programs does not make for a positive forecast during his tenure. Montana families hoping for robust educational options like those soon to be enjoyed by their neighbors in Nevada will have to wait for their day in the sun.
What inspired you to work for the Friedman Foundation?

Three reasons. First, the fight for opportunity in education lies in the states, not Washington. To me, centralization of education has proved a failure. The Foundation works in states to spread educational opportunity for all children. Second, school choice returns education decision-making authority to those who know the needs of children best: parents. Parental empowerment has the potential to improve educational outcomes, and restore the family. Third, the foundation continues the legacy of Milton Friedman, advocating for an education system that “would give parents at all income levels freedom to choose the schools their children attend.” This philosophy of universal access to school choice drives the work of the Foundation.

How have you worked in the school choice movement, and what challenges do you think it faces?

Before joining the Foundation, I was an education policy researcher at The Heritage Foundation, working on preschool, K–12, and higher education policy. I believe school choice now faces a great challenge. Mainly, anti-Catholic Blaine Amendments in state constitutions operate outside their original intent and have become a hindrance to school choice.

What are some major opportunities in your states, and what can we expect in the coming year?

Opportunities include effectively executing implementation of new programs, such as Mississippi and Tennessee education savings accounts (ESA), Arkansas' vouchers for low-income and military families, and Arizona's expansion of ESA student eligibility. There is also potential for new programs in states, such as New York, where Governor Cuomo introduced a tax-credit scholarship program. Pennsylvania is also likely to see an expansion of their two successful tax-credit scholarship programs. Other battle ground states include Virginia, Colorado, Texas, and Minnesota.

Brittany Corona is the newest member of the Foundation’s State Programs team. To see the states she covers, visit edchoice.org/StateDirectors

New report finds Baltimore youth excel with scholarships

“The Achievement Checkup,” a Friedman Foundation report released in April, examined the long-term academic outcomes of The Children’s Scholarship Fund Baltimore (CSFB). The privately-funded scholarship organization has provided more than 6,000 private elementary- and middle-school scholarships to students at a cost of more than $12 million.

The report’s author, Alex Schuh, sought to address several basic research questions, including:

• How did students fair after they received their scholarships?
• How did they perform in high school?
• What was their post-high school experience like?

In Schuh’s cross-sectional survey of seven CSFB cohorts who were eligible to graduate high school by the time of the study (334 scholarship recipients in the high school class cohorts of 2008 to 2014), he found the following:

• CSFB scholarship recipients were graduating high school at a rate of 97 percent—a much higher rate than their peers in Baltimore public schools (between 40 and 60 percent).
• CSFB alumni (84 percent) enrolled in college at a higher rate than either the Baltimore City Public School (BCPS) ninth graders or the BCPS high school graduates who were tracked in two local studies.
• Overall, CSFB parents’ reported very high educational aspirations for their children.
• Seventy-nine percent of the scholarship recipients’ high schools provided formal college counseling, but only 55 percent offered college financial counseling—a critical service for low-income families.

Privately-funded scholarship organizations like CSFB have a very limited capacity to expand to reach the more than 16 million children living in poverty in America. School choice programs, such as tax-credit scholarships, can greatly expand the number of scholarships available by providing charitable donors incentives to give.

To learn more about this report’s findings, visit the full report at edchoice.org/AchievementCheckup.
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