

# Expanding School Choice Benefits All Students

By Kendyl Turner & Chris Talgo

August 2024

## THE PROBLEM

- The draconian reaction by public schools to the COVID-19 pandemic inspired a turn toward school choice.
- Most states do not offer an ESA school choice option despite school choice's increasing popularity.
- Studies show government-run public schools are failing to properly educate students in an efficient manner.
- Low- and middle-income families typically cannot afford to enroll their children in high-performing non-public schools.

## THE SOLUTIONS

- School choice levels the educational playing field, allowing all students to attend the school that best fits their unique needs and circumstances.
- ESA programs facilitate higher educational outcomes for both public and non-public school students.
- ESA programs reduce state education budgets and taxpayer costs.
- ESA participants report their mental well-being and physical safety are increased.
- ESA participants are less likely to encounter alcohol abuse, bullying, drug use, fighting, gang activity, racial tension, theft, vandalism, and weapon-based threats.

## INTRODUCTION

Over the past decade and particularly since the COVID-19 pandemic, an increasing number of American families have become dissatisfied with government-run public schools and desire robust school choice options.

During the pandemic, most public schools, at the behest of teacher unions, decided to close their doors for in-person learning. Meanwhile, private and parochial schools generally remained open for in-person learning. The vast majority of public schools also mandated face masks for children as well as vaccines whereas private and parochial schools abstained from these heavy-handed tactics.

These issues have been accentuated now that data show that public school shutdowns created a series of harmful effects, both inside and outside the classroom. In fact, studies show that students who were not allowed to attend in-person classes during the pandemic are now suffering from lower academic attainment and various social and emotional problems.<sup>1</sup>

In response to these issues, more American families are demanding universal school choice so that they have the ability to choose where and how their child is educated. Rather than being forced to attend government-run public schools based on their Zip code, more Americans than ever support school choice and education savings account programs.

## EDUCATION SAVINGS ACCOUNTS

Education savings account (ESA) programs are the primary vehicle by which school choice is currently delivered in 17 states: Alabama, Arizona, Arkansas, Florida, Georgia, Indiana, Iowa, Louisiana, Mississippi, Montana, New Hampshire, North Carolina, South Carolina, Tennessee, Utah, West Virginia, and Wyoming.<sup>2</sup>

Generally, ESA programs allow families to use public education funds to choose the schooling option that best fits the unique and needs and circumstances of their children. Rather than the education funding going directly to the public schools, ESAs allot a certain amount of money to families opting out of traditional public schools. ESA funds can be used to pay for tuition at private schools, homeschooling, educational resources, tutoring or therapy services, and other approved curricula or materials.

**“Rather than the education funding going directly to the public schools, ESAs allot a certain amount of money to families opting out of traditional public schools. ESA funds can be used to pay for tuition at private schools, homeschooling, educational resources, tutoring or therapy services, and other approved curricula or materials.”**

## THE ADVANTAGES OF ESAS

Although ESAs are a relatively new idea, they have exploded in popularity in recent years.

In 2019, approximately 19,000 students were enrolled in ESA programs. Today, that number stands at more than 328,000.<sup>3</sup>

Since their inception in 2011, ESA programs have a demonstrated record of success. First and foremost, research shows that ESAs result in better educational outcomes. In fact, the vast majority of research shows that ESA programs produce higher standardized test scores and educational attainment for participants.<sup>4</sup>

**“Data also show that ESA programs increase school integration, improve students’ civic values and practices, and lead to less alcohol abuse, bullying, drug use, fighting, gang activity, racial tension, theft, vandalism, and weapon-based threats.”**

Even better, these studies show that test scores and educational attainment improve for both ESA participants and the students who remain in public schools due to the higher level of competition school choice inherently brings to all schools.

Additionally, ESAs increase states’ financial efficiency by reducing overhead costs of public schools and giving money directly to individual students. The Cato Institute explains, “Arizona’s ESA program enrolled 77,571 students...[at] about 5 percent of public-school spending in the state. Iowa’s ESA program enrolled 16,757 students...[at] less than 2 percent of public-school spending in the state...Taxpayers should enjoy savings because the average per-pupil costs of choice programs are substantially less than the costs of public schools.”<sup>5</sup>

At a macro level, estimates show, “\$12.4 billion to \$28.3 billion in cumulative net fiscal savings for state and local taxpayers... Educational choice programs generated between \$1.80 to \$2.85 in estimated fiscal savings, on average, for each dollar spent on the programs.”<sup>6</sup> Advocating for school choice and implementing ESA programs empowers families while substantially cutting state education costs.

Further, ESA programs have been shown to provide several positive non-academic results. For example, “States adopting broad-based voucher programs and charter schools witness declines in adolescent suicides ... [and] private schooling reduces the number of times individuals are seen for mental health issues.”<sup>7</sup> Data also show that ESA programs increase school integration, improve students’ civic values and practices, and lead to less alcohol abuse, bullying, drug use, fighting, gang activity, racial tension, theft, vandalism, and weapon-based threats.<sup>8</sup>

## POLICY RECOMMENDATIONS

Lawmakers wishing to further school choice in their states have many options.

First, policymakers should implement universal ESA programs if their state does not currently offer school choice. For example, Utah recently passed a bill that would allow all K-12 students to receive a universal ESA program titled, “The Utah Fits All Scholarship Program.”<sup>9</sup> In short, this bill would allocate \$8,000 per student to attend the school that best fits their unique educational needs and circumstances. Leftover money could be rolled over into the next year, and could be used to pay for higher education expenses.

Second, lawmakers should specifically offer ESA programs to students with disabilities. The funds granted to these students could be used for therapy, mentoring, or any other required educational activity.

Third, lawmakers should prevent misuse of funds by requiring an annual or biannual report of how the funds were utilized; this ensures parents use ESA funds solely for educational purposes.

Fourth, if concerns arise regarding larger government encroachment, bills may be enacted to ensure vouchers and ESA programs remain at the state level, rather than federal.<sup>10</sup> The Department of Education need not become involved in the school choice process. Like most public policy issues, education is best handled at the state level.

Policymakers may also determine a yearly budget for how much money can be allocated to ESA programs; once determined, they may move forward by choosing a date to rollout the program. They may also choose to conduct a pilot program to gauge the success of ESA programs in their state. A detailed plan including budget outlays, student demographics, accountability procedures, and determining a rollout date warrant a prime starting point to implementing ESA programs at the state level.

# Endnotes

- 1 U.S. Department of Education, “Supporting Students During the COVID-19 Pandemic: Maximizing In-Person Learning and Implementing Effective Practices for Students in Quarantine and Isolation,” 2024, <https://www.ed.gov/coronavirus/supporting-students-during-covid-19-pandemic#:~:text=Data%20collected%20before%20and%20during,critical%20school%20services%20and%20extracurricular>
- 2 EdChoice, “What is an Education Savings Account?,” 2024, EdChoice, <https://www.edchoice.org/school-choice/types-of-school-choice/education-savings-account/>
- 3 EdChoice, “School Choice Fast Facts and Statistics,” 2024, <https://www.edchoice.org/school-choice/fast-facts/>
- 4 EdChoice, “The 123s of School Choice,” 2024, <https://www.edchoice.org/wp-content/uploads/2024/06/2024-123s-of-School-Choice.pdf>
- 5 Chris Edwards, “Fiscal Effects of School Choice,” The Cato Institute, May 23, 2024, <https://www.cato.org/blog/fiscal-effects-school-choice>
- 6 Martin F. Lueken, “Fiscal Effects of School Choice,” EdChoice, November 2021, <https://www.edchoice.org/wp-content/uploads/2021/11/Fiscal-Effects-of-School-Choice-Condensed.pdf>
- 7 Angela K. Dills and Corey DeAngelis, “The Effects of School Choice on Mental Health,” SSRN, October 24, 2018, [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3272550](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3272550)
- 8 M. Danish Shakeel and Corey DeAngelis, “Can private schools improve school climate? Evidence from a nationally representative sample,” Journal of School Choice, 2018, <https://www.tandfonline.com/doi/full/10.1080/15582159.2018.1490383>
- 9 Utah Legislature, “Funding for Teacher Salaries and Optional Education,” Utah Legislature, May 3, 2023, <https://le.utah.gov/~2023/bills/static/HB0215.html>
- 10 Greg Forster, “Keep Education—And Choice—In the States,” The Oklahoma Council of Public Affairs, April 1, 2017, <https://ocpathink.org/post/perspective-magazine/keep-education-and-choice-in-the-states>

