



## Why We Need School Choice

By Jamie Story, Education Policy Analyst

Reality has set in. Texas schools are trailing much of the United States, and United States schools are trailing the rest of the world. Over the years, the “solution” offered for ailing schools has been an infusion of new resources. Unfortunately, these “reforms” have done nothing to increase outcomes, and generations of students have suffered in the meantime. We *must* find a true solution now.

School choice is the most effective and efficient means to improve student achievement. It provides immediate help to students trapped in failing schools, while encouraging competition that leads to increased outcomes for *all* students, from public and private schools alike. School choice is the most promising solution for our schools *and* our children.

### Schools Must Improve

Texas students are being underserved by public schools.

- Almost 40 percent of Texas students fail to graduate high school.<sup>1</sup>
- 88 percent of Texas public schools are rated “Acceptable” or higher, but this designation only requires that 35 percent of students demonstrate proficiency in science, 40 percent in math, and 60 percent each in reading, writing, and social studies.<sup>2</sup>
- Texas students exhibit the 3<sup>rd</sup>-lowest SAT scores and the 8<sup>th</sup>-lowest ACT scores among the 50 states, despite having below average participation rates on the two tests.<sup>3</sup>
- Over the past ten years, SAT scores in Texas have increased by only one point, while the average for the rest of the country has increased by 18 points.<sup>4</sup>
- Half of all students in Texas two-year colleges, and 40 percent of all college students statewide, require remedial coursework.<sup>5</sup>

Those favoring the status quo often boast that 4<sup>th</sup> and 8<sup>th</sup>-grade Texas students have recently outperformed

the national average on several subjects of the National Assessment of Educational Progress. Unfortunately, besting the national average is hardly impressive, as the U.S. ranks near the bottom of industrialized countries in student achievement.<sup>7</sup>

### Traditional Approaches Have Fallen Short

For decades, vast resources have been increasingly devoted to public education in Texas, in the hopes that more money will positively impact student achievement.

- Between 1960 and 2001, real per-student spending tripled.
- From 1995 to 2005, teacher salaries increased by almost 25 percent in real terms.
- The student-to-teacher ratio has decreased from 24:1 in 1969 to 15:1 today.<sup>8</sup>

Teacher salaries have increased, class sizes have decreased, and overall spending on public education has ballooned—but academic achievement has remained essentially stagnant. Money has never been, and will never be, the solution for our ailing public schools.

### Existing School Choice in Texas Is Promising, but Insufficient

While the infusion of more resources has failed to make a difference academically, there are *real reforms*, costing nothing, that have been proven to increase student achievement. The most promising—and most immediate—is school choice.

Currently, Texas has two broad forms of school choice: public school choice and charter schools. Public school choice (through Public Education Grants and the No Child Left Behind Act) gives students in low performing schools the opportunity to transfer to another public school. But this privilege is underutilized, largely because schools are not required to accept transfers. As a

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result, fewer than 1 percent of eligible students actually access public school choice through these means.

Charter schools provide another form of school choice that has shown great promise, but has failed to reach all of the students who need it, largely because of a legislative cap limiting the number of charter schools. This cap, along with a series of regulations more burdensome than those faced by traditional public schools, has prevented charter schools from reaching their potential.

While public school choice and charter schools have contributed to increased achievement for a relative handful of students, they are insufficient to meet the needs of all Texas children. Vouchers are the missing piece of the school choice puzzle.

## Vouchers Improve Student Outcomes

Research from Texas and the nation attests to the benefits of vouchers on both public and private school students.

Recipients of vouchers exhibit gains:

- In Milwaukee, voucher students exhibited an 8 percentile point gain in math after four years.<sup>9</sup>
- In Dayton, African-American students gained 6.5 percentile points after two years.<sup>10</sup>
- In Washington, D.C., African-American students gained 9.2 percentile points after two years.<sup>11</sup>
- In Charlotte, students gained about 6 percentile points in both math and reading after one year.<sup>12</sup>

Students in public schools facing voucher competition exhibit gains as well:

- In Florida, public schools whose students are eligible for vouchers made gains 5 percentile points greater than schools not facing competition.<sup>13</sup>
- In Milwaukee, schools faced by voucher competition exhibited gains that were 3.4 percentile points greater than those made by schools not facing competition.<sup>14</sup>

- In Edgewood ISD in San Antonio, graduation rates have increased in six of seven years since the privately-funded HORIZON scholarship program began, rising from 60 percent to 75 percent since 1999.<sup>15</sup>

Furthermore, research shows that voucher students in Cleveland and Milwaukee attend schools that are more racially integrated than local public schools.<sup>16</sup> Not only do vouchers increase student achievement, but they increase racial integration as well.

What's the bottom line? In researching the Milwaukee program, Dr. Cecilia Rouse of Princeton University reached a startling conclusion: math gains found in the Milwaukee Parental Choice Program would cut the black/white achievement gap almost in half in four years.<sup>17</sup>

## What would school choice in Texas look like?

Texas already finances schools on a per-student basis, with adjustments made for district and student characteristics. When a student leaves a school for any reason, be it moving or dropping out, the money attached to that student leaves as well. But under school choice, only a portion of the student's allotment leaves the public school, meaning per-student spending in that school actually increases.

Also, consider that the typical school choice program involves fewer than five percent of students, while more than half of Texas urban public school students fail to graduate.<sup>18</sup> Clearly, the Texas dropout crisis is a far greater financial drain on schools than school choice would be.

Expanded school choice will improve academic outcomes for all Texas students, will increase racial integration, and will help to reduce the inequities faced by students of various socioeconomic backgrounds. School choice through vouchers will give Texas students more opportunities for success. ★

<sup>1</sup>Intercultural Development Research Association, "Texas School Holding Power Improves—But Progress is Slow in Texas Public Schools Attrition Study, 2003-04," IDRA Newsletter (Oct. 2004).

<sup>2</sup>Texas Education Agency, "2006 Accountability Manual," Table 6: 42.

<sup>3</sup>Jamie Story, "Rhetoric is Clouding the Facts," Texas Public Policy Foundation (Mar. 2006).

<sup>4</sup>Ibid.

<sup>5</sup>PSR paper has citation

<sup>6</sup>Texas Education Agency, "Texas students outperform national average on three of four NAEP tests" (19 Oct. 2005) <http://www.tea.state.tx.us/press/2005naepr.pdf>.

<sup>7</sup>Jamie Story, "Texas, We Have a Problem," Texas Public Policy Foundation (Mar. 2006) 2.

<sup>8</sup>Author's calculations based on TEA AEIS data.

<sup>9</sup>Cecilia Rouse, "Private School Vouchers and Student Achievement," *Quarterly Journal of Economics* (May 1998).

<sup>10</sup>William G. Howell and Paul E. Peterson, *The Education Gap*, Brookings (2002) 161.

<sup>11</sup>Ibid.

<sup>12</sup>Jay P. Greene, "Vouchers in Charlotte," *Education Next* (Summer 2001).

<sup>13</sup>Jay P. Greene and Marcus A. Winters, "Competition Passes the Test," *Education Next* (Summer 2004).

<sup>14</sup>Caroline Hoxby, "The Rising Tide," *Education Next* (Winter 2001).

<sup>15</sup>TEA AEIS data.

<sup>16</sup>Jay P. Greene, "Choice and Community: The Racial, Economic, and Religious Context of Parental Choice in Cleveland," Buckeye Institute (Nov. 1999) Fuller and George Mitchell, "The Impact of School Choice on Racial and Ethnic Enrollment in Milwaukee Private Schools," *Current Education Issue*, no. 99-5 (Dec. 1999).

<sup>17</sup>Cecilia Rouse, op. cit.

<sup>18</sup>"Diplomas Count: An Essential Guide to Graduation Policy and Rates," *Education Week*, Vol. 25, Issue 41S (June 2006)

<http://www.edweek.org/ew/toc/2006/06/22/index.html>.