

Education Vouchers

What are education vouchers?

Educational vouchers represent a system of education finance in which parents are given a tuition certificate that can be used to attend participating public or private schools. Education vouchers can be paid by public (government) or private (corporations, foundations) funds. Many different kinds of voucher plans have been proposed. Each may address the needs of different students and emphasize different priorities. For example, the dollar amount of a voucher differs considerably among different plans. Also, a voucher can be given to low-income students, to students in failing schools, or to the entire population. However, all publicly-funded voucher programs take funds usually given directly to public schools and allocate them to parents to decide where money for their child's education will be spent.

For further discussion of education vouchers, see the following NCSPE article:
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Occasional Paper 5: Levin, Henry M. 2000. "A Comprehensive Framework for Evaluating Educational Vouchers." http://www.ncspe.org/publications_files/245_OP05.pdf
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Why are publicly-funded education vouchers controversial?

Publicly-funded education vouchers allow families to make private decisions regarding how public taxpayer money should be spent. Therefore, a voucher program hopes to create an educational market where schools must compete for students. Supporters claim market benefits, such as choice and innovation, will improve education. Opponents fear that vouchers will lead to greater inequality and the loss of civic preparation. Current evidence concerning the impact of vouchers is disputed. The potential advantages and disadvantages of publicly-funded vouchers are listed below.

What are the possible advantages of publicly-funded vouchers?

- **Increased Choice.** A tuition certificate, especially for low-income families, helps parents afford to choose a school suited to their child's needs.
- **Greater Competition.** As families gain the ability to choose the school their child attends, schools may have to improve to attract students.
- **Targeted Assistance.** Vouchers can be aimed at a particular struggling student population and offer assistance without changing the entire public education system.
- **More Parental Discretion.** Vouchers provide parents with significant authority over the knowledge and skills their child will learn.

What are the possible disadvantages of publicly-funded vouchers?

- **Increased Inequality.** Unregulated markets may produce widely varying quality and school focus.
- **Difficult Implementation.** Many private schools refuse to participate in voucher programs and there may be more interested students than seats available.
- **Administrative Costs May Rise.** New administrative and functional oversight, informational services, and transportation will need to be addressed to run a voucher program. This creates additional costs.
- **Loss of Public Sphere.** If education becomes a private decision of the family, there is little incentive to engage in public discourse and activity.

For further discussion of the debate surrounding education vouchers, see the following NCSPE articles:

Occasional Paper 54: Fischel, William A. 2002. "An Economic Case against Vouchers: Why Local Schools are a Local Public Good."
http://www.ncspe.org/publications_files/101_op54.pdf

Occasional Paper 56: Brunner, Eric and Jon Sonstelie. 2002. "Homeowners, Property Values, and the Political Economy of the School Voucher."
http://www.ncspe.org/publications_files/938_OP56.pdf

Occasional Paper 67: Kane, Pearl. 2002. "An Interview with Milton Friedman on Education" http://www.ncspe.org/publications_files/240_OP67.pdf

Occasional Paper 76: Merzlyn, Wolfram and Heinrich W. Ursprung. 2003. "Voter Support for Privatizing Education: Evidence on Self-Interest and Ideology."
http://www.ncspe.org/publications_files/OP76.pdf

What was the Zelman decision? Why is it important?

The case *Zelman et al. v. Simmons-Harris et al.* gained national attention when the Supreme Court declared that vouchers could be used to attend religious schools under specific circumstances. The case concerned the Cleveland Scholarship and Tutoring Program, which provided students with vouchers to attend public and private schools. Nearly all voucher recipients attended religious schools. Voucher opponents insisted the Cleveland program violated the separation of church and state. Defenders of the voucher program claimed students simply enrolled in the best schools available. For example, 46 of the 56 schools willing to accept vouchers held a religious affiliation. On June 27, 2002, in a 5-4 ruling, the court found that Cleveland's voucher program did not violate the Establishment Clause of the First Amendment and was allowed to continue operation.

The influence of the Zelman decision continues to be debated. Many voucher advocates believe legal acceptance is a crucial step forward in promoting widespread voucher programs. However, legal scholars and educators note that the ruling only applies to federal law. Many state constitutions explicitly prohibit the use of public dollars to fund religious education, which may obstruct future voucher programs.

For further reading on the recent Zelman et al. v. Simmons-Harris et al. Supreme Court ruling, see the following NCSPE articles:
Occasional Paper 50: Belfield, Clive and Henry M. Levin. 2002. "Does the Supreme Court Decision on Vouchers Really Matter for Education Reform?" http://www.ncspe.org/publications_files/911_OP50.pdf
Occasional Paper 51: Kemerer, Frank R. 2002. "The US Supreme Court's Decision in Cleveland: Where to From Here?" http://www.ncspe.org/publications_files/538_OCCP51.pdf
Occasional Paper 61: Belfield, Clive and Henry M. Levin. 2002. "What Does the Supreme Court Ruling Mean for School Superintendents?" http://www.ncspe.org/publications_files/914_AASAFinal.pdf

How large are publicly-funded voucher programs?

Despite the significant attention given to educational vouchers, there are only a few, small voucher programs in existence. Many proposals for voucher programs have met sharp resistance from state legislators and local citizens. At present, only three states have operational voucher programs. A few other states are debating creating a voucher program. The chart below details current voucher programs in the United States.

State	Targeted Location	Target Population	Number of students (2002)	Current Status
Ohio	Cleveland	Lottery preference for low-income students	5,147*	Operational
Wisconsin	Milwaukee	Low-income students	11,670*	Operational
Florida	State-wide	Students in failing schools and eligible disabled student	9,270*	Operational
Colorado	Denver	"free and reduced lunch" students in participating districts	0	Approved, facing legal challenge
District of Columbia	Washington D.C.	Middle and low-income students (family of 4<52,000)	0	Under review of legislature

Source: American Education Reform Council. <http://schoolchoiceinfo.org>

Evaluations of the impact of vouchers on educational achievement suggest no substantial differences in student achievement.

For further reading on state voucher programs, see the following NCSPE articles:
Occasional Paper 42: Catterall, James and Richard Chapleau. 2001. "Voting on Vouchers: A Socio-Political Analysis of California Proposition 38, Fall 2000." http://www.ncspe.org/publications_files/487_OP42.pdf
Occasional Paper 78: Lenti, Leighann. 2003. "A New Wave of Voucher Programs? The Colorado Opportunity Contract Pilot Program." http://www.ncspe.org/publications_files/OP78.pdf

Where can I find out more about publicly-funded vouchers?

Information about publicly-funded vouchers located on the NCSPE website can be found at <http://www.ncspe.org/inforead.php?mysub=6>

Books on education vouchers include:

Howell and Peterson. 2002. *The Education Gap: Vouchers and Urban Schools*. Washington D.C.: Brookings Institution Press.

Hoxby, C.M. 2003. *The Economics of School Choice*. Chicago, IL: University of Chicago Press.

Levin, H. 2001. *Privatizing Education: Can the Marketplace Deliver Freedom of Choice, Efficiency, Equity and Social Cohesion*. Boulder, CO: Westview Press.

For additional information from internet resources see:

Education Commission of the States at:

<http://www.ecs.org>

People for the American Way– an advocate for public education– at:

<http://www.pfaw.org>

Manhattan Institute– an advocate for private education– at:

<http://www.manhattan-institute.org>