



# School Choice Yearbook 2007

# Alliance for School Choice and Advocates for School Choice Mission Statement

School  
Choice  
Yearbook  
2007



The Alliance for School Choice and Advocates for School Choice seek to improve our nation's K-12 education by advancing systemic and sustainable public policy that empowers parents, particularly those in low-income families, to choose the education they determine is best for their children.

# Preface to the School Choice Yearbook 2007

Just a few months ago, The Associated Press described one in ten U.S. high schools as “dropout factories.” *Education Week* magazine analyzed academic achievement in the United States and gave our country a miserable D+. And America continues to fall behind other developed countries in math, science, and reading.

Of course, a large number of public schools provide a high-quality education for our youth. But this should not mask the reality that far too many schools don’t meet minimum expectations for quality and achievement. For parents with children in these failing schools, immediate options are an absolute necessity.

School choice offers a *real solution*. By empowering parents to choose a high-quality education for their children, American students will have a better chance at succeeding in our global economy.

Research shows that school choice works. Parental satisfaction and student achievement gains are demonstrable, and competition is producing solid results. In the 2007-08 school year, there are 150,000 students benefiting from 16 private school choice programs—an 84 percent increase in student enrollment in just five years. Public opinion surveys continually show that voters of all stripes support school choice and realize that we cannot allow American education to continue its decline.

The *School Choice Yearbook 2007* is designed to serve as your reference guide to school choice—with facts, information, polling data, and more. Toward the end of the *Yearbook*, you can review updated details on each of the school choice programs available throughout the country. We hope you find this reference book useful, and we encourage you to contact us if you have any questions.

# Table of Contents

## School Choice Yearbook 2007

<b>The State of School Choice 2008</b>	<b>4</b>
<b>Growth at a Glance</b>	<b>7</b>
<b>Charts</b>	<b>8</b>
<b>State by State Progress in 2007</b>	<b>10</b>
<b>Making the Case for Private School Choice</b>	<b>13</b>
<b>Student Performance</b>	<b>14</b>
<b>School Choice Research</b>	<b>16</b>
<b>How It Works</b>	<b>21</b>
<b>Focus on Voucher Programs</b>	<b>21</b>
<b>Focus on Scholarship Tax Credit Programs</b>	<b>24</b>
<b>School Choice Spotlight</b>	<b>27</b>
<b>Special Needs Scholarship Programs</b>	<b>27</b>
<b>Growing Democratic Support</b>	<b>31</b>
<b>Public Support</b>	<b>33</b>
<b>School Choice Programs in the United States</b>	<b>37</b>
<b>Arizona</b>	<b>38</b>
<b>Florida</b>	<b>42</b>
<b>Georgia</b>	<b>44</b>
<b>Iowa</b>	<b>45</b>
<b>Ohio</b>	<b>46</b>
<b>Pennsylvania</b>	<b>49</b>
<b>Rhode Island</b>	<b>50</b>
<b>Utah</b>	<b>51</b>
<b>Wisconsin</b>	<b>52</b>
<b>Washington, D.C.</b>	<b>53</b>
<b>Creating a School Choice Bill in Your State</b>	<b>55</b>
<b>About Alliance for School Choice and Advocates for School Choice</b>	<b>56</b>
<b>Contact Information</b>	<b>57</b>
<b>National School Choice Organizations</b>	<b>58</b>

## The State of School Choice 2008

**T**he school choice movement is on the move. New educational options for America's children have grown by leaps and bounds since 1990, when the first publicly funded private school choice program for disadvantaged children began operating in Milwaukee. This school year, 150,000 children are benefiting from 16 school choice programs in nine states and the District of Columbia. A record number of students are enrolled in a record number of programs operating in a record number of states.



Admittedly, we're still a small part of the overall K-12 education picture, but we're steadily growing in size, in number, and in our ability to drive systemic change in the cities in which school choice students are most concentrated.

Year after year, the school choice movement continues to make progress throughout the country with new, expanded, or improved programs. In spring 2007, Georgia enacted its first publicly funded private school choice program—one for children with special needs—and already 899 children are attending schools of choice in the 2007-08 school year. Also in 2007, scholarship tax credit programs were expanded or improved in Arizona, Iowa, Pennsylvania, and Rhode Island. It is indeed telling that the first three of these four states have Democratic governors, proof that school choice is more an issue of equality of opportunity than ideology.

These school choice programs vary from state to state. But one thing is clear. Regardless of the type of program, once families experience the freedom of choosing a school, there is no turning back. In the words of José Magaña, a tax credit scholarship recipient in Arizona: "School choice opens a door that would otherwise be bolted shut."

Like any movement for reform, though, the school choice movement experiences the jubilation of successes and the disappointment of defeats. Unfortunately, it is the overwhelming popularity of school choice programs, once they are implemented, that scares school choice opponents and motivates them to spend millions of dollars to ensure that some programs never see the light of day.



The fact remains, however, that the status quo of our nation's public education system is not working for far too many children, particularly those who are minority and low-income. These children should not have to wait for public schools to slowly improve; they need options now. It is a disgrace that in America, the freest nation in the world, millions of children are trapped in failing schools. Today, only 14 percent of African-American fourth graders and 17 percent of Hispanic fourth graders are proficient in reading. In math, only 11 percent of African-American eighth graders and 15 percent of Hispanic eighth graders are proficient. This cannot continue. A future filled with hope and opportunity begins with the opportunity for a better education.

Respected researchers have shown that private school choice leads to improved academic achievement for participating students as well as for students remaining in the public schools. School choice also leads to greater parental satisfaction and involvement, and has been proven to be cost effective.

Not only is research on the side of publicly funded private school choice, but the public is as well. A recent survey of the American public sponsored by *Education Next* and Harvard's Program on Education Policy and Governance showed that more Americans support private school choice than oppose it, with support strongest among African-Americans and Hispanics.

Despite any obstacles we may confront, the school choice movement is emboldened to fight even harder to help the millions of children in America who are too often forgotten. The movement to empower parents to choose a better education for their children remains vital, confident in its mission, and determined to achieve success.

Make no mistake: The state of the school choice movement is strong, and the flame of educational freedom will burn even more brightly in 2008 and the years to come.



Charles R. Hokanson, Jr.  
President  
Alliance for School Choice  
Advocates for School Choice

School  
Choice  
Yearbook  
2007



# Growth at a Glance

## **A record number of children are benefiting from school choice programs.**

- In the 2007-08 school year, 150,000\* children are participating in school choice programs, an 84 percent increase in student enrollment in just five years.

## **A record number of school choice programs are operating in a record number of states.**

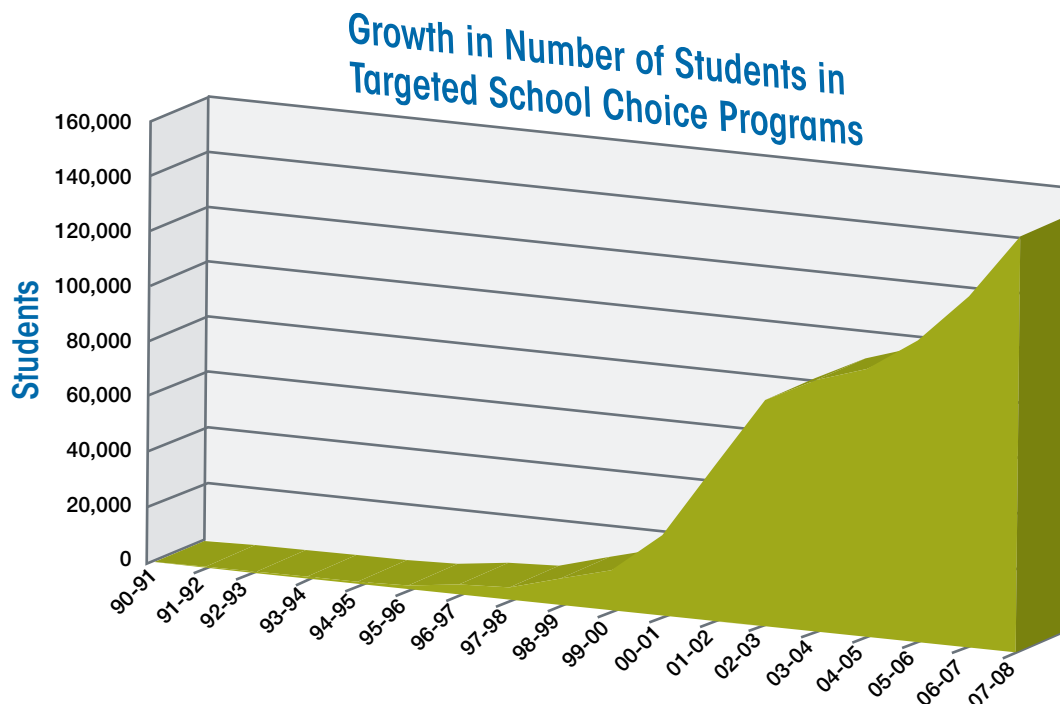
- In the 2007-08 school year, 16 school choice programs are operating in nine states and the District of Columbia.

## **The school choice movement is continuing to make progress throughout the country with new, expanded, or improved choice programs.**

- In 2007, Georgia enacted a school choice program for children with special needs and already 899 children are attending schools of choice this school year.
- In 2007, scholarship tax credit programs were expanded or improved in Arizona, Iowa, Pennsylvania, and Rhode Island.

## **Lawmakers introduced private school choice legislation in 40 states during the 2007 legislative session.**

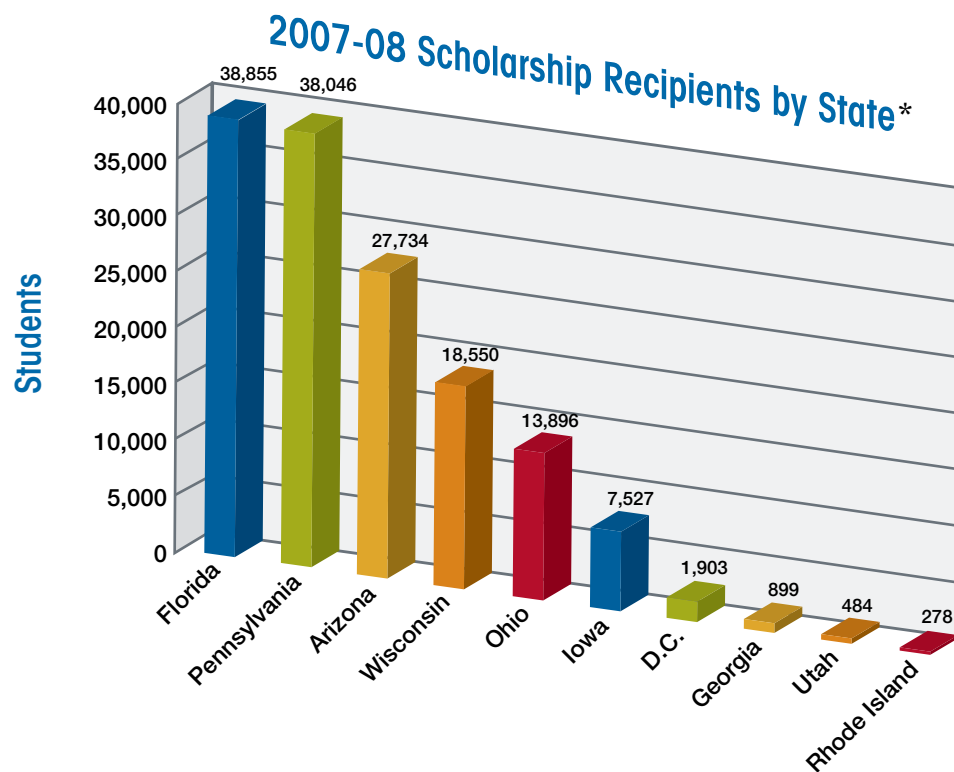
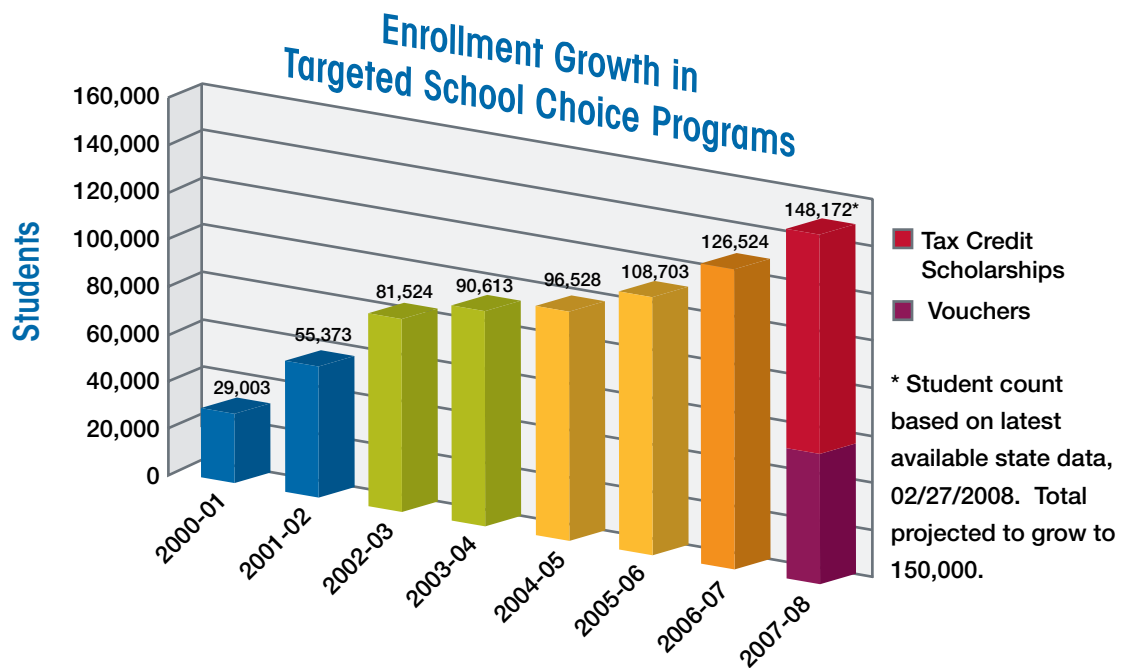
- Six states passed a school choice bill in both of their legislative chambers while an additional seven states passed a bill in one chamber.



\* Alliance for School Choice estimate based on latest available state data and historical enrollment growth trends included in the *School Choice Yearbook 2007*, 2/21/2008.



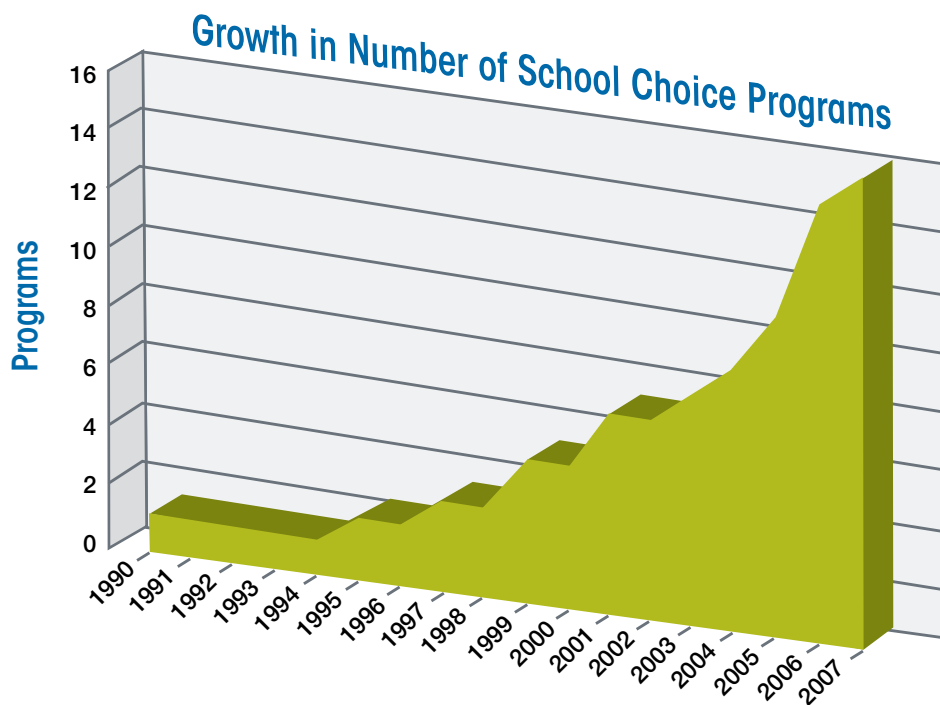
# School Choice Yearbook 2007



\* Based on latest available state program data included in the *School Choice Yearbook 2007*.

# School Choice Yearbook 2007

## Momentum in States is Building for School Choice



# School Choice Progress in 2007

## Arizona

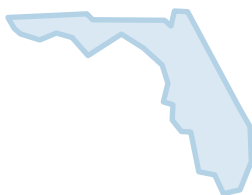
---



- The Arizona legislature funded a \$2 million expansion of the Corporate Scholarship Tax Credit program in the state's budget, raising the program's tax credit cap to \$12 million.

## Florida

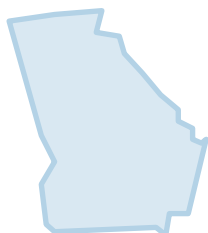
---



- Florida has seen a dramatic increase in support for the state's school choice programs among Democratic legislators. Significantly, former United States Congresswoman Carrie Meek, previously an ardent opponent of choice, has lent her support to the state's Corporate Tax Credit program. Her nonprofit Carrie Meek Foundation has become the state's newest Scholarship Funding Organization.

## Georgia

---



- The Georgia Legislature adopted the Georgia Special Needs Scholarship Program. Governor Sonny Perdue signed the legislation in May, and 899 students with special needs are already receiving scholarships and attending private schools.

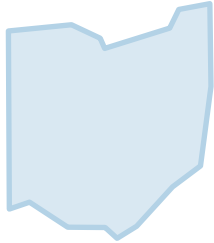
## Iowa

---



- Democratic Governor Chet Culver and the Democratic-led legislature expanded the state's Individual Scholarship Tax Credit Program by 50 percent, from \$5 million to \$7.5 million, with strong bipartisan support. This is the second year of operation for this popular program.

### Ohio



- School Choice supporters rallied to stop Governor Ted Strickland's effort to eliminate the state's EdChoice Scholarship Program. In fact, they not only defeated this challenge to the program, they also recruited more than 7,000 children to apply for EdChoice scholarships, with 6,764 students receiving them for the 2007-08 school year.

### Pennsylvania



- The legislature approved Democratic Governor Ed Rendell's budget package which included a sweeping \$16 million increase to the Educational Improvement Tax Credit program. The cap of \$59 million was expanded to \$75 million—the largest increase in the program's history. This marks the first time in the nation's history that a Democratic governor has proposed an increase to a scholarship tax credit program.

### Rhode Island



- Governor Donald Carcieri included in his budget several important improvements to the Corporate Scholarship Tax Credit Program, including language that expanded the number and type of corporations that are eligible to make donations to scholarship-granting organizations. The Democratic legislature adopted these improvements to the program.

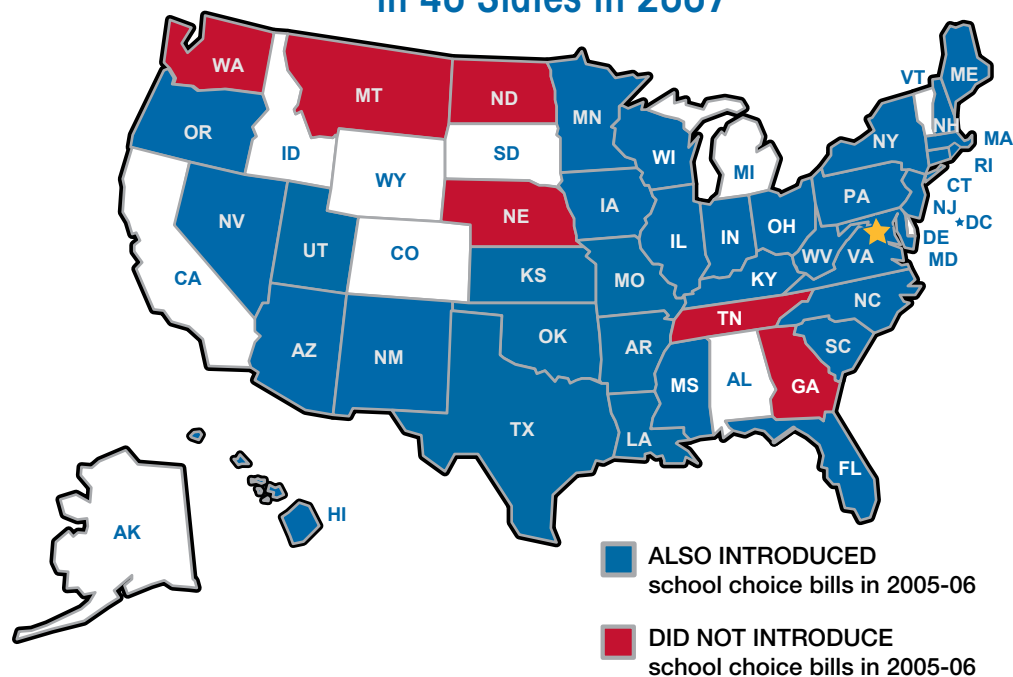
### Wisconsin



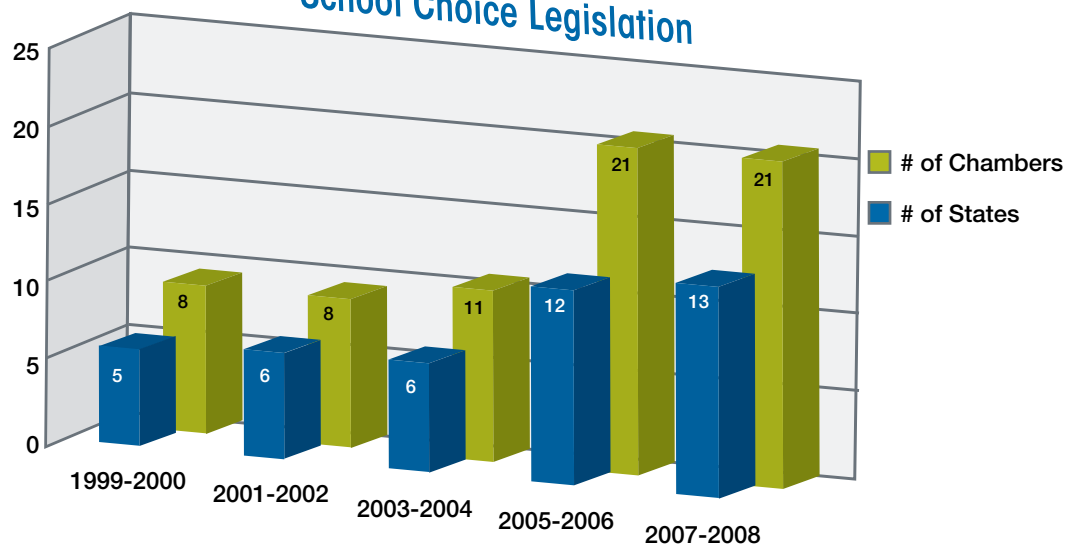
- As part of his proposed state budget, Governor Jim Doyle recommended a detrimental funding change to the Milwaukee Parental Choice Program that would have greatly discouraged future expansion of the program. Amidst a significant and sustained outcry from parents, students, and concerned citizens, the Democratic State Senate and the Republican State Assembly refused to adopt the governor's provisions.

# School Choice Yearbook 2007

## School Choice Bills Introduced in 40 States in 2007



## Legislative Progress for School Choice Legislation



## New Scholarship Opportunities Created in 2007

State	Legislation	New Opps*	New \$
AZ	Expansion of Corporate Scholarship Tax Credit	1,275	\$2,000,000
GA	Special Needs Scholarship Program	9,000	\$81,000,000
IA	Expansion of Individual Scholarship Tax Credit	7,527	\$2,500,000
PA	Expansion of EITC	10,078	\$8,666,667
RI	Eligibility Expansion for Corporate Donors	0	\$0
Total		27,880	\$94,166,667

\* All figures are estimates.



# Making the Case for Private School Choice

*School Choice is the Key to Improving Education in America*

**I**n today's "flat world," where competition for jobs comes from all corners of the globe, every student must have the opportunity to choose the school that best meets his or her educational needs, whether public or private. America is not ensuring an equal opportunity to receive a high-quality education to all of its children, and action must be taken now.

**The key to improving education in America is greater educational opportunity.**

Respected researchers have shown that school choice leads to improved academic achievement for participating students and for students remaining in the public schools. School choice increases parental satisfaction and has been proven cost-effective.<sup>1</sup>



School  
Choice  
Yearbook  
2007

# School Choice Yearbook 2007

## Why the High School Dropout Crisis Matters.

High school dropouts earn far less money than their peers, stand a greater chance of being incarcerated, and negatively impact our nation's economy.

- Dropouts from the class of 2007 will cost the country “nearly \$329 billion in lost wages, taxes and productivity over their lifetimes.”<sup>10</sup>
- High school dropouts can expect to earn \$260,000 less over their lifetimes than high school graduates.<sup>11</sup>
- In 2006, male high school dropouts earned an average of \$22,125, compared to high school graduates earning \$31,715, and \$55,446 for those with a bachelor's degree. Female high school dropouts only earned an average of \$13,255, compared to \$20,650 for high school graduates and \$36,875 for females with a bachelor's degree.<sup>12</sup>
- Seventy-five percent of state prison inmates and 59 percent of Federal inmates did not complete high school.<sup>13</sup>

## Schools are not providing America's kids the quality of education they deserve and need to excel.

### Student achievement is not acceptable.

- Today, only 17 percent of low-income fourth graders are proficient in reading, while 50 percent are below basic. A mere 15 percent of low-income eighth graders are proficient in math, while 45 percent are below basic.<sup>2</sup>
- While just 14 percent of African-American fourth graders and 17 percent of Hispanic fourth graders are proficient in reading, 54 percent and 50 percent, respectively, are below basic. And in math, a mere 11 percent of African-American eighth graders and 15 percent of Hispanic eighth graders are proficient, while 53 percent and 45 percent, respectively, are below basic.<sup>3</sup>
- Under *No Child Left Behind* (NCLB), it is estimated that more than 10,000 schools have failed to meet state reading and math standards for at least two years, and more than 2,300 have failed for at least five years.<sup>4/5</sup> The millions of children trapped in these failing schools do not have meaningful choice options. This is signaled by the fact that only around one percent of eligible children have transferred to another public school, which is their right under NCLB.<sup>6</sup>



### America is in the midst of a high school dropout crisis.

- More than 1.2 million students failed to graduate from high school in 2007.<sup>7</sup>
- It is estimated that 45 percent of African-American students and 47 percent of Hispanic students do not graduate from high school, compared to 22 percent of white students.<sup>8</sup>
- More than one in ten high schools are considered to be “dropout factories,” meaning no more than 60 percent of ninth graders make it to twelfth grade.<sup>9</sup>

**American teenagers are *behind* students in many other developed countries when it comes to math and science skills.**

- American 15-year-olds score below average in science when compared to students in the 29 other developed countries that are part of the Organization for Economic Cooperation and Development (OECD), which is an intergovernmental organization of 30 countries that are committed to democracy and the market economy.<sup>14</sup>
- Particularly, American students score lower than 16 OECD countries in science.
- A larger percentage of American 15-year-olds score at the *lowest* two levels of science proficiency than the OECD average percentage of students in these categories.<sup>15</sup>
- In math, American 15-year-olds are outperformed by 23 OECD countries.<sup>16</sup>
- America's highest-achieving math students still score below the average of the highest-achieving students throughout the OECD countries.<sup>17</sup>
- African-American and Hispanic teenagers are particularly far behind students in the large majority of developed countries. In science, African-American and Hispanic students score significantly below the United States' and OECD averages.<sup>18</sup>

**American fourth graders' reading achievement levels have remained stagnant since 2001, while students in many other countries have moved ahead.**

- In 2001, American fourth graders trailed three countries/jurisdictions in reading, while, as of 2006, we trail ten.<sup>19/20</sup>
- While American fourth graders' reading scores remain flat, eight countries/jurisdictions, including Russia, Hong Kong, and Singapore, have significantly increased their scores.<sup>21</sup>
- Russia, Hong Kong, and Singapore, which were trailing the United States in 2001, are now leading the pack.<sup>22/23</sup>
- While white students in the United States score nearly as high as students in the top countries/jurisdictions, African-American and Hispanic students' scores are comparable to students in countries/jurisdictions where the average scores are significantly below the United States' average.<sup>24</sup>
- American children in low-income schools score lower than their peers. In fact, students in schools where every child is considered low-income score nearly 100 points behind those in schools with no low-income children.<sup>25</sup>



# School Choice Yearbook 2007

## Research reveals that competition from school choice improves public schools.

"When we look at the evidence, we find that school choice improves the academic performance of public schools."

– Jay Greene,  
*Education Myths*<sup>30</sup>

"[S]ubstantial evidence shows that public and private voucher programs, and the threat of publicly funded vouchers, have positive effects on public school achievement levels.... Competition and choice create benefits beyond those enjoyed by the students who participate directly in voucher programs."

– Herb Walberg,  
*School Choice: The Findings*<sup>31</sup>

## Research shows that students, communities, and public schools benefit from private school choice.

### Milwaukee Parental Choice Program

- Researcher John Warren found that students participating in the Milwaukee Parental Choice Program (MPCP) had a high school graduation rate that was eleven percentage points higher than that of Milwaukee Public School (MPS) students in 2006 and nine percentage points higher in 2005. Also, he found that if the MPS graduation rate had equaled that of MPCP students for the classes of 2003, 2004, 2005 and 2006, the number of public school students graduating in those four years would have been 14 percent higher—an additional 1,870 students.<sup>26</sup>
- Researchers Jay Greene, Paul Peterson, and Jiangtao Du found that there were large academic gains after students participated in the Milwaukee Parental Choice Program for four years. Voucher students learned more in reading and math than students who did not participate in the program as a result of the lottery, scoring eleven percentile points higher in math and six percentile points higher in reading.<sup>27</sup>
- Economist Cecilia Rouse found that successful applicants for the choice program scored approximately 1.5 to 2.3 extra percentile points per year in math and reading compared with unsuccessful applicants and a sample of other public school students.<sup>28</sup>
- A recent study by Federal Reserve Bank economist Rajashri Chakrabarti found that after 1998, increased competition between Milwaukee's public and private schools often led to statistically significant improvements in the public schools' performance in reading, language arts, and math, which were greater than in prior years. She particularly found that schools facing the most competition had even greater improvements in reading and language arts than those facing less.<sup>29</sup>





- Similarly, economist Caroline Hoxby's research found that the more competition a Milwaukee public school faced from private school choice, the greater its academic improvement and productivity.<sup>32</sup>

**Milwaukee's public school leaders say that the Milwaukee Parental Choice Program serves as a catalyst for school improvement.**

- Former Superintendent Spence Korte credited school choice with providing the pressure necessary to force long-needed changes within the public school system: "Like many other monopolistic operations you get a little complacent when you're the only game in town.... We needed to be able to compete, to really get better...."<sup>33</sup>
- Current Superintendent Bill Andrekopoulos observed that the "competitive nature has raised the bar for educators in Milwaukee to provide a good product or they know that parents will walk."<sup>34</sup>

**Private school choice programs must continue to expand so that all disadvantaged children will have the opportunity to attend the school that best meets their educational needs.**

## **Florida McKay Scholarship Program for Students with Disabilities**

- Researchers Jay Greene and Greg Forster found that 92.7 percent of parents of participating students were satisfied with the McKay schools while only 32.7 percent expressed satisfaction with the public schools their children had previously attended.<sup>35</sup>

## **Washington, D.C. Opportunity Scholarship Program**

- The Institute of Education Sciences' June 2007 report on the program's first year found that parental satisfaction with schools of choice was high. Of the parents whose children received scholarships, 74 percent gave their child's school a grade of an "A" or "B" compared to 55 percent of parents whose children did not receive scholarships.<sup>36</sup>
- Georgetown University's third report on the Washington, D.C. Opportunity Scholarship Program reveals that the low-income families whose children participate in the program are becoming better consumers of education, focusing more on their children's academic development.<sup>37</sup>



**Cleveland Scholarship and Tutoring Program**

- In studying the Cleveland Scholarship and Tutoring Program, Paul Peterson, William Howell, and Jay Greene found that choice students attending two of the schools participating in the program experienced a 7 percentile point increase in reading and a 15 percentile point increase in math on the nationally normed California Achievement Test between 1996 and 1998.<sup>38</sup>

**Florida A+ Program**

**(which included a private school choice provision until 2006)**

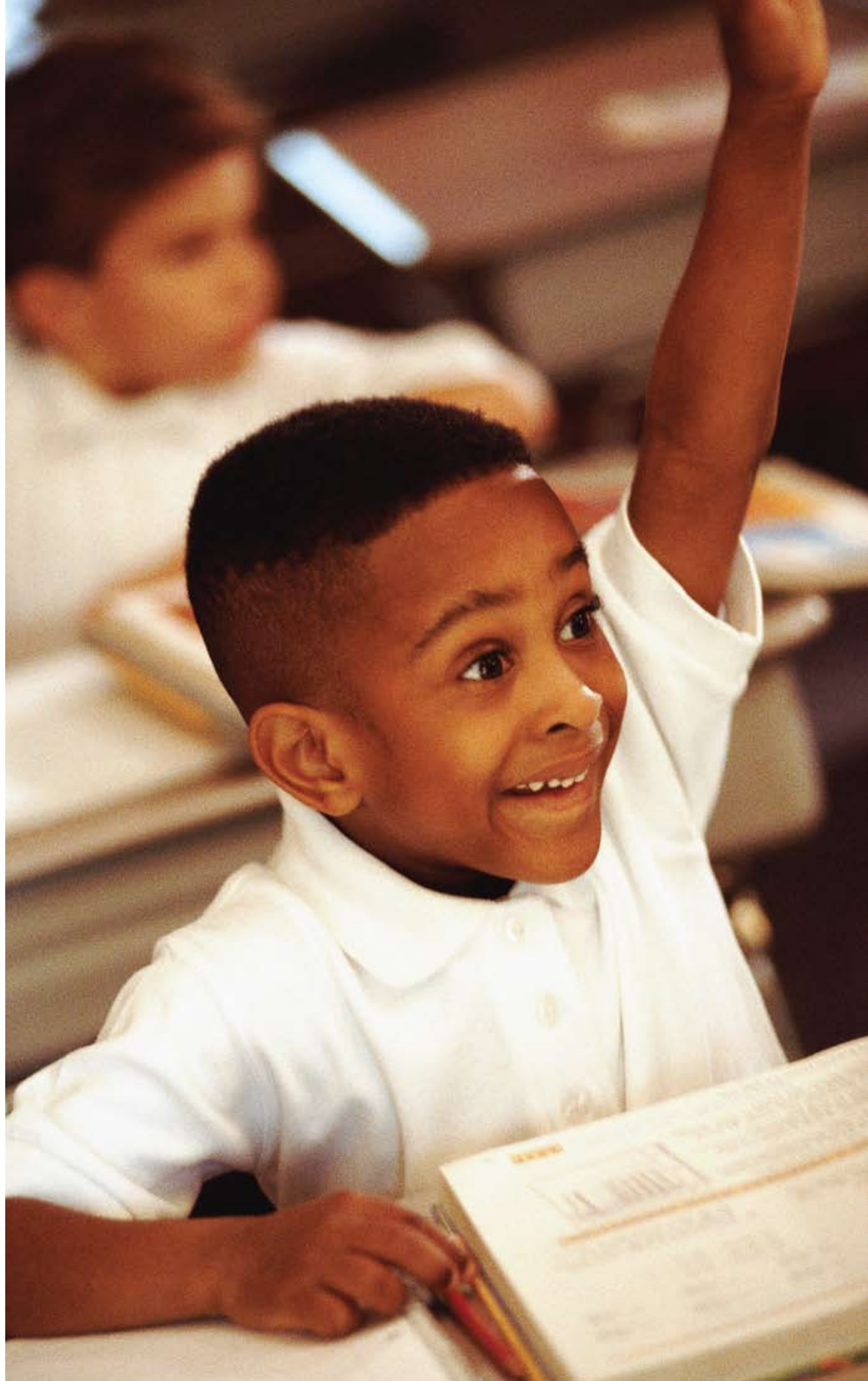
- Leading education researchers Jay Green and Marcus Winters found that students enrolled in voucher-eligible schools made year-to-year gains on the nationally normed Stanford-9 math test, which were 5.9 percentile points greater than gains made by students in other public schools. They also found that the threat of private school choice had a positive impact on student achievement, with students improving by 3.5 percentile points more than students in other public schools.<sup>39</sup>
- A November 2007 study that looked at the Florida A+ system also found that schools facing greater competition because their students were eligible for vouchers made greater gains than those facing less competition.<sup>40</sup>
- Additional research on the Florida A+ Program has shown that the threat of having to offer private school choice to students led low-performing public schools to improve and post academic gains.<sup>41</sup>



## School Choice Yearbook 2007

1. Herbert J. Walberg, *School Choice: The Findings*, Washington, DC: Cato Institute, 2007
2. 2007 National Assessment of Educational Progress Results.
3. Ibid.
4. U.S. Department of Education, 2007.
5. Nancy Zuckerbrod, "2,300 Schools Face 'No Child' Overhaul," *The Associated Press*, June 20, 2007.
6. U.S. Department of Education, Office of Planning, Evaluation and Policy Development, Policy and Program Studies Service, State and Local Implementation of the No Child Left Behind Act, Volume I—Title I School Choice, Supplemental Educational Services, and Student Achievement, Washington, DC, 2007.
7. Editorial Projects in Education (EPE), "Diplomas Count 2007: Ready for What? Preparing Students for College, Careers and Life After High School," *Education Week* 26, Issue 40.
8. Jay P. Greene and Marcus A. Winters, *Leaving Boys Behind: Public High School Graduation Rates*, Manhattan Institute Civic Report No. 48, April 2006.
9. The Associated Press, "1 in 10 schools is 'dropout factory,'" October 29, 2007.
10. Alliance for Excellent Education, "High School Dropouts in America," September 2007.
11. Cecilia E. Rouse, "Labor Market Consequences of an Inadequate Education," Paper prepared for the symposium on the "Social Costs of Inadequate Education" at Teachers' College, Columbia University, September 2005.
12. Bruce H. Webster Jr. and Alemayehu Bishaw, "Income, Earnings, and Poverty Data From the 2006 American Community Survey," U.S. Census Bureau, August 2007.
13. Caroline Wolf Harlow, "Education and Correctional Populations," *Bureau of Justice Statistics Special Report*, U.S. Department of Justice, January 2003.
14. S. Baldi, Y. Jin, M. Skemer, P.J. Green, and D. Herget, "Highlights From PISA 2006: Performance of U.S. 15-Year-Old Students in Science and Mathematics Literacy in an International Context (NCES 2008—016)," National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education, Washington, DC, 2007.
15. Ibid.
16. Ibid.
17. Ibid.
18. Ibid.
19. L. Ogle, A. Sen, E. Pahlke, L. Jocelyn, D. Kastberg, S. Roey, and T. Williams, T. "International Comparisons in Fourth-Grade Reading Literacy: Findings from the Progress in International Reading Literacy Study (PIRLS) of 2001 (NCES 2003—073)," National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education, Washington, DC, 2003.
20. J. Baer, S. Baldi, K. Ayotte, and P. Green, "The Reading Literacy of U.S. Fourth-Grade Students in an International Context: Results From the 2001 and 2006 Progress in International Reading Literacy Study (PIRLS) (NCES 2008—017)," National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education, Washington, DC, 2007.
21. Ibid.
22. L. Ogle, A. Sen, E. Pahlke, L. Jocelyn, D. Kastberg, S. Roey, and T. Williams, T. "International Comparisons in Fourth-Grade Reading Literacy: Findings from the Progress in International Reading Literacy Study (PIRLS) of 2001 (NCES 2003—073)," National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education, Washington, DC, 2003.
23. J. Baer, S. Baldi, K. Ayotte, and P. Green, "The Reading Literacy of U.S. Fourth-Grade Students in an International Context: Results From the 2001 and 2006 Progress in International Reading Literacy Study (PIRLS) (NCES 2008—017)," National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education, Washington, DC, 2007.
24. Ibid.
25. Ibid.
26. John Robert Warren, "Graduation Rates for Choice and Public School Students in Milwaukee," *School Choice Wisconsin*, January 2008.
27. Jay P. Greene, Paul E. Peterson, and Jiangtao Du, "School Choice in Milwaukee: A Randomized Experiment," in Paul E. Peterson and Bryan C. Hassel (eds.), *Learning from School Choice*, Washington, DC: Brookings Institution Press, 1998.
28. Cecilia Elena Rouse, "Private School Vouchers and Student Achievement: An Evaluation of the Milwaukee Parental Choice Program," *The Quarterly Journal of Economics*, May 1998.
29. Rajashri Chakrabarti, "Can increasing private school participation and monetary loss in a voucher program affect public school performance? Evidence from Milwaukee," *Journal of Public Economics* (2007).
30. Jay P. Greene, *Education Myths: What Special-Interest Groups Want You to Believe About Our Schools and Why It Isn't So*, Lanham, Maryland: Rowman & Littlefield, 2005, p 167.
31. Herbert J. Walberg, *School Choice: The Findings*, Washington, DC: Cato Institute, 2007, p 46.
32. Caroline M. Hoxby, "School Choice and School Productivity: Could School Choice be a Tide that Lifts All Boats?" in Caroline M. Hoxby (ed.), *The Economics of School Choice*, The University of Chicago Press, Chicago, 2003; Caroline M. Hoxby, "School Choice and school competition: Evidence from the United States. *Swedish Economic Policy Review* 10, (2003) pp 11-67.
33. Patty Lowe, "The School Down the Block," on "Weekend," Wisconsin Public Television, WMVS-TV, Milwaukee, January 12, 2001.
34. John Fund, "He's Throwing Away My Dream," *The Opinion Journal*, January 16, 2006.
35. Jay Greene and Greg Forster, "Vouchers for Special Education Students: An Evaluation of Florida's McKay Scholarship Program," Manhattan Institute Civic Report No. 38, June 2003.
36. Patrick Wolf, Babette Gutmann, Michael Puma, Lou Rizzo, Nada Eissa, and Marsha Silverberg, *Evaluation of the DC Opportunity Scholarship Program: Impacts After One Year*. U.S. Department of Education, Institute of Education Sciences, Washington, DC: U.S. Government Printing Office, 2007.
37. Thomas Stewart, Patrick Wolf, Stephen Cornman, Kenann McKenzie-Thompson, "Satisfied, Optimistic, Yet Concerned: Parent Voices on the Third Year of the DC Opportunity Scholarship Program," Georgetown University Public Policy Institute, School Choice Demonstration Project, December 2007.
38. Paul E. Peterson, William G. Howell, and Jay P. Greene, "An Evaluation of the Cleveland Voucher Program after Two Years," Harvard University Program on Education Policy and Governance, June 1999.
39. Jay P. Greene and Marcus A. Winters, "Competition Passes the Test," *Education Next*, (Summer 2004), pp 66-71.
40. Cecilia Elena Rouse, Jane Hannaway, Dan Goldhaber, and David Figlio, "Feeling the Florida Heat? How Low-Performing Schools Respond to Voucher and Accountability Pressure," Urban Institute, National Center for Analysis of Longitudinal Data in Education Research, Working Paper 13, November 2007.
41. Martin R. West and Paul E. Peterson, "The Efficacy of Choice Threats within Accountability Systems: Results from Legislatively Induced Experiments," *The Economic Journal*, 116 (March 2006), C46-C62; Rajashri Chakrabarti, "Closing the Gap," *Education Next*, (Summer 2004), p 70.

School  
Choice  
Yearbook  
2007





# How It Works

## Focus on Voucher Programs

**E**ducation vouchers are a method of public funding which empowers parents by allowing public money to follow their children to the private school of their choice.

### Types of K-12 voucher programs:

- **Means-Tested Voucher Programs** enable low-income families who meet specific income criteria, typically around 185 percent of the federal poverty guideline, to direct funds set aside for education by the government to pay for all or part of tuition at the private school of their choice.  
  
Examples:    Cleveland Scholarship and Tutoring Program (means-preferenced)  
                  Milwaukee Parental Choice Program  
                  Washington, D.C. Opportunity Scholarship Program
- **Failing Schools, Failing Students Voucher Programs** enable parents whose children are doing poorly in school or whose children attend failing public schools to use the funds set aside for education by the government to send their children to a private school.  
  
Example:     Ohio's Educational Choice Scholarship Program
- **Special Education Voucher Programs** enable parents of children identified as having special educational needs to use public funds set aside by the government to send their children to the private school of their choice.  
  
Examples:    Arizona's Scholarship for Students with Disabilities Program  
                  Florida's McKay Scholarship Program for Students with Disabilities  
                  Georgia's Special Needs Scholarship Program  
                  Ohio's Autism Scholarship Program  
                  Utah's Carson Smith Special Needs Scholarship Program

# School Choice Yearbook 2007

Voucher programs are currently operating in six states and the District of Columbia and are serving nearly 55,500 disadvantaged children, with scholarships averaging more than \$6,100.

(Alliance estimates based on latest available state program data included in the *School Choice Yearbook 2007*)

- **Foster Child Voucher Programs** provide foster children, who are often forced to change schools many times over the course of their K-12 education, with the opportunity to receive public funds to attend the private school of their guardians' choice.

Example: Arizona's Displaced Pupils Choice Grant Program

- **G.I. Junior Voucher Programs** provide children in military families, who often live on bases or in areas with high concentrations of failing schools, with the opportunity to receive public funds and attend the private school of their parents' choice.
- **Universal Voucher Programs** enable all parents, regardless of their income, where they live, or any other criteria, to direct all or part of the funds set aside for education by the government to send their children to the private school of their choice. In effect, this type of program serves to separate the government financing of education from the government operation of schools. It can be means-tested, so that poorer families receive a larger voucher.





## Voucher Programs in the United States

State	Program	Year Enacted	# Scholarships (2007-08 School Year)	Average Scholarship Amount (2007-08)	# Private Schools	State Program Funding (2007-08)	Scholarship Amount Cap/ Enrollment Cap (2007-08)
Arizona	Displaced Pupils Choice Grant Program	2006	148	\$4,251	39	\$2,500,000	\$5,000/500 students
	Scholarship for Pupils with Disabilities	2006	158	\$9,478	52	\$2,500,000	none
District of Columbia	Opportunity Scholarship Program	2004	1,903	\$6,986*	60	\$12,500,000	\$7,500
Florida	John M. McKay Scholarship for Students with Disabilities	1999	19,439	\$7,206*	836	spending estimated at \$140,077,434	none
Georgia	Special Needs Scholarship Program	2007	899	\$6,273	117	\$5,639,648	none
Ohio	Autism Scholarship Program	2003	950	\$17,500*	189	\$15,000,000	\$20,000
	Cleveland Scholarship and Tutoring Program	1995	6,182	\$2,830*	45	\$17,400,867* (spent in 2006-07)	\$3,450
	Educational Choice Scholarship Program	2005	6,764	NA	319	\$10,351,145* (spent in 2006-07)	\$4,375 K-8; \$5,150 9-12 / 14,000 students
Utah	Carson Smith Special Needs Scholarship	2005	484	\$4,600	39	\$2,400,000	\$3,771 (less than 3 hrs. of services; \$6,285 (more than 3 hrs. of services)
Wisconsin	Milwaukee Parental Choice Program	1990	18,550	NA	122	\$120,268,500 estimated spending by State	\$6,501 / 22,500 students

Chart source: Latest available state program data contained in the state program pages section of the *School Choice Yearbook 2007*.

\* 2006-07 data

NA indicates data not available.

# School Choice Yearbook 2007

Scholarship tax credit programs are currently operating in five states and are serving more than 92,500 children, with scholarships averaging more than \$1,600.

(Alliance estimates based on latest available state program data included in the *School Choice Yearbook 2007*)

## Focus on Scholarship Tax Credit Programs

**S**cholarship tax credit programs provide individuals and/or corporations with tax credits for contributions to charitable scholarship organizations that grant children scholarships to attend the private school of their parents' choice.

- Rather than being operated by the government, these scholarship programs are operated by non-profit, tax-exempt scholarship granting organizations, which use the contributions to provide scholarships that enable children to attend a private school.
- Typically, laws require that eligible families meet certain income criteria.
- Scholarship granting organizations use their own criteria for distributing scholarship monies to eligible students.
- States monitor these organizations to ensure financial accountability.
- Depending on the state, these organizations are referred to as Scholarship Organizations (SOs), Scholarship Tuition Organizations (STOs), Scholarship Granting Organizations (SGOs), or Scholarship Funding Organizations (SFOs).

### Why create a tax credit program?

- Tax credit scholarships do not originate from any state appropriations but from private charitable donations, made under the provisions of the tax code. Accordingly, they are *not* funded by public agencies.
- In each state that has adopted these scholarship programs, both existing charitable groups and newly formed charitable groups have registered as scholarship granting organizations to provide scholarships to help students. It is likely that some infrastructure is already present in your state so these programs have a short start-up period and can quickly benefit needy students.

### States with scholarship tax credit programs

- Arizona (Individual and Corporate)
- Florida (Corporate)
- Iowa (Individual)
- Pennsylvania (Corporate)
- Rhode Island (Corporate)

## Scholarship Tax Credit Programs in the United States

State	Program	Year Enacted	# Scholarships (2007-08 school year)	Average Scholarship Amount (2007-08)	# Private Schools (2007-08)	# Scholarship Organizations (2007-08)	\$ Annual Tax Credit Cap	Scholarship Amount Cap (2007-08)
<b>Arizona</b>	Corporate School Tuition Organization Tax Credit	2006	2,750	\$1,411*	NA	17	\$10,000,000 (2007) \$12,000,000 (2008) (annual increase of 20%)	\$4,300 (K-8) \$5,600 (9-12) (\$100 yearly increase)
	Individual School Tuition Organization Tax Credit	1997	24,678*	\$1,643*	357*	56*	No statewide cap; \$500 individual / \$1000 married couples	none
<b>Florida</b>	Corporate Tax Credit Scholarship Program	2001	19,416	\$3,328*	948	3	\$88,000,000	\$3,750
<b>Iowa</b>	Individual School Tuition Organization Tax Credit	2006	7,527	\$528	159	9	\$5,000,000 (2007) \$7,500,000 (2008)	none
<b>Pennsylvania</b>	Educational Improvement Tax Credit	2001	38,046	\$1,022	NA	209	\$44,666,667 statewide K-12 scholarship tax credits cap) / \$200,000 per corporation	none
<b>Rhode Island</b>	Corporate Scholarship Tax Credit Program	2006	278	\$3,757	30	4	\$1,000,000 statewide / \$100,000 per corporation	none

Chart source: Latest available state program data contained in the state program pages section of the *School Choice Yearbook 2007*.

\* 2006-07 data

NA indicates data not available.

School  
Choice  
Yearbook  
2007





# School Choice Spotlight

## Special Needs Scholarship Programs

**B**y definition, children with special needs require a customized education to reach their potential. Thankfully, over the last 20 years, we have seen a dramatic improvement in the education offered to children with special needs in public schools. Yet no single public school, no matter how extraordinary its programs, can be expected to offer the best possible special education for every child. The challenge is simply too great.

Therefore, the federal government long ago recognized that some children with special needs would best be served by giving them the chance to attend a different public or private school with a program tailored for their special need. Unfortunately, the existing process for providing families with this option is often antagonistic, legalistic, drawn out, and expensive. As a result, a growing number of states have recently decided to provide scholarships to families with special needs. Parents can then use these special needs scholarships to send their children to the public or private school with the program they feel will best meet their children's special needs.

This year, children in five states have access to special needs scholarships: Arizona, Florida, Georgia, Ohio, and Utah. In the years to come, more children will likely be given this option as legislators in several states are considering creating special needs scholarships.

A study of Florida's McKay scholarship program showed higher parental satisfaction with the McKay schools over public schools (93 percent vs. 33 percent for current participants) in areas such as individual attention, quality of services, academic progress, class size, teachers, staff communication, and school responsiveness.

(see: Jay Greene and Greg Forster, "Vouchers for Special Education Students: An Evaluation of Florida's McKay Scholarship Program," Manhattan Institute Civic Report No. 38, June 2003)



Nearly 22,000 students with special needs are receiving scholarships for the 2007-08 school year, with scholarships averaging more than \$7,500.

(Alliance estimates based on latest available state program data included in the *School Choice Yearbook 2007*)



**Arizona: Scholarship for Pupils with Disabilities**

- Established in 2006, Arizona's Scholarship for Pupils with Disabilities provides grants to children with special needs to attend the public or private school of their parents' choice.

**Florida: John M. McKay Scholarship for Students with Disabilities**

- Now in its ninth year, Florida's McKay Scholarship program is the oldest program in the country that provides scholarships for children with special needs to attend the school that best fits their educational needs.

**Georgia: Special Needs Scholarship Program**

- Modeled after McKay and signed into law in 2007, Georgia's Special Needs Scholarship Program is the newest program in the country.

**Ohio: Autism Scholarship Program**

- Established in 2003, Ohio's Autism Scholarship Program is the only school choice program that provides scholarships specifically to students with autism to use for tuition or other educational services.

**Utah: Carson Smith Special Needs Scholarship**

- Utah's Carson Smith Special Needs Scholarship program was created in 2005 to provide tuition assistance for children with special needs to attend the private school that best meets their educational needs.

**Special Needs Scholarship Programs in the United States**

State	Program	# Scholarships (2007-08 school year)	Average Scholarship Amount (2007-08)	State Program Funding (2007-08)
AZ	Scholarship for Pupils with Disabilities	158	\$9,478	\$2,500,000
FL	McKay Scholarship Program	19,439	\$7,206*	\$140,077,434
GA	Special Needs Scholarship Program	899	\$6,273	\$5,639,648
OH	Autism Scholarship Program	950	\$17,500*	\$15,000,000
UT	Carson Smith Special Needs Scholarship	484	\$4,600	\$2,400,000
Total	All Special Needs Programs	21,930	\$7,573	\$165,617,082

Chart source: Latest available state program data contained in the state program pages section of the *School Choice Yearbook 2007*.

\* 2006-07 data

## McKay Scholarship Program

**Lynette and Lucas Estrada**



As a special education teacher in a Miami public school, Lynette Estrada always felt that she was on top of her two children's academic and emotional progress. Lynette noticed that her son Lucas had autistic tendencies at a young age, prompting her to enroll Lucas at the school where she loved to work.

But she encountered difficulties. "My son was capable of completing the work, just not in school. I knew what he truly needed was a classroom aide." But Lynette's attempts to secure an aide for Lucas were unsuccessful. After Lucas's doctor told Lynette her son was capable of succeeding if placed in the right educational environment, she decided to withdraw Lucas from his public school and apply for a McKay scholarship.

The attention Lucas receives at his new school didn't just save his ability to learn—it also saved his life. When Lucas was in kindergarten, Lynette was told that he had an overactive bladder, which explained his insatiable thirst and frequent trips to the restroom. But his new teachers did not buy the doctor's explanation. Lucas's teachers continued to encourage Lynette to question Lucas's physician. Their dedication saved Lucas's life—a tumor was found on his pituitary gland. Lucas was diagnosed with cancer.

Lynette calls the McKay scholarship a "blessing" for her son and for the thousands of other children with special needs in Florida who benefit from the program.

## Georgia Special Needs Scholarship

**Rachael and Wilson Barron**



Wilson Barron was diagnosed with cerebral palsy when he was two years old. His developmental delays, coupled with significant health issues affecting his heart, made it difficult for Wilson to learn in a typical classroom.

Now, Wilson attends a private school. Rachael says the difference has been "amazing."

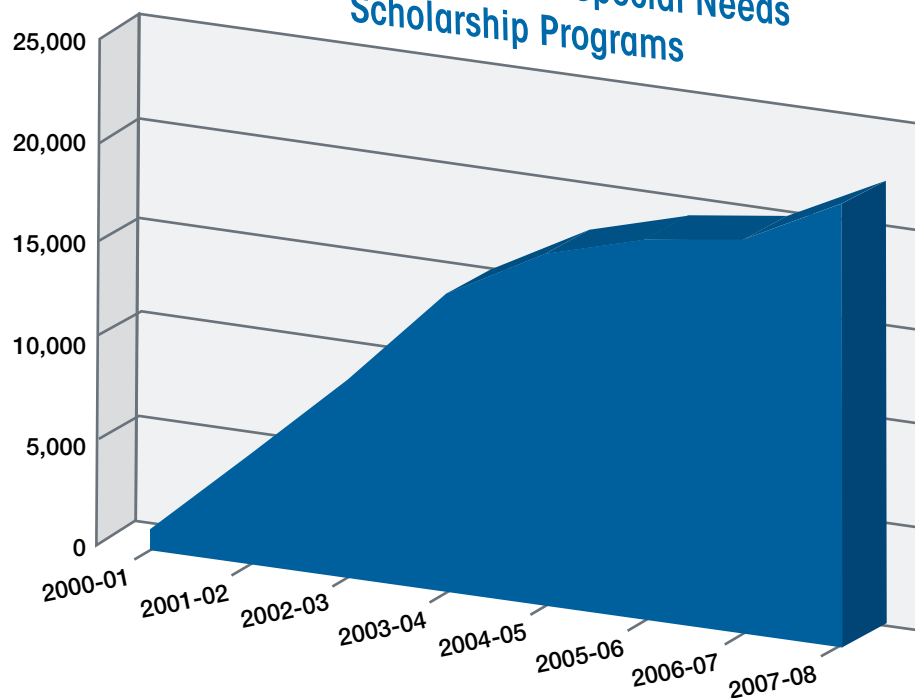
When the Georgia Special Needs Scholarship Program was introduced in the state legislature in 2007, Rachael did all she could to help the bill pass. "I hope special schools develop that will focus on key areas so kids can get the resources and specific attention they need. The Georgia Special Needs Scholarship will give students a real opportunity at an independent life."

# School Choice Yearbook 2007

## Momentum is Building for Special Needs Scholarship Programs



## Enrollment Growth in Special Needs Scholarship Programs



# School Choice Yearbook 2007

## Growing Democratic Support for Private School Choice

**E**mpowering parents with school choice can now truly be considered a bipartisan issue, as evidenced by the growing Democratic support for private school choice. The fact is, the majority of recent school choice victories in the states have only happened as a result of Democrats and Republicans working cooperatively together.

In 2007, the school choice movement continued to win with Democrats:

- For the first time ever, a Democratic Governor proposed and signed an expansion of a school choice program. Governor Ed Rendell in Pennsylvania proposed in his budget, and signed into law, a \$16 million increase to the Educational Improvement Tax Credit program. This brought the program to \$75 million, the largest increase in the program's history. Democratic State Senator Anthony Williams and Democratic Representative Dwight Evans were instrumental in passing the increase.
- For the first time ever, an expansion of a school choice program passed through a Democratic-controlled House and Senate and was signed into law by a Democratic Governor. Iowa Governor Chet Culver and the Democratic Legislature expanded the Individual Scholarship Tax Credit Program by 50 percent, from \$5 million to \$7.5 million.
- For the second year in a row, a majority of the school choice bills that passed were approved by either Democratic Governors or Democratic Legislatures.
- An organization to promote the three-sector federal funding initiative in Washington, D.C., including the District's Opportunity Scholarship Program, is chaired by the former Democratic Mayor of D.C., Anthony Williams.
- Using Florida's Corporate Tax Credit Scholarship Program, former U.S. Congresswoman Carrie Meek (D-Florida) created a scholarship funding organization to help poor African-American children attend high-performing private schools. During her long tenure in Congress, Representative Meek had vigorously opposed school choice. This year, she embraced it.

"My record speaks for itself. We have doubled [the Educational Improvement Tax Credit program] during my time as governor. I support it and I think it is a good idea."<sup>1</sup>

– Governor Ed Rendell, Pennsylvania

"Yes, I was an opponent of vouchers. I was an opponent because I thought they were taking away from public schools .... The way I see it now, they are not taking away."<sup>2</sup>

– Former U.S. Congresswoman Carrie Meek (D-Florida)

"I look forward to ... a fruitful dialogue that promotes more balanced education policies for our party, raises awareness for our nation's public charter schools, and reaffirms my support for tax credits for middle-class families."<sup>3</sup>

– U.S. Congressman Jim Clyburn, House Majority Whip (D-South Carolina)

# School Choice Yearbook 2007

"The tuition money must follow the pupils, so that schools that fail will wither away and, unless politicians or old line bureaucrats get involved, have to shut down.... I'm convinced that all parents—rich and poor—benefit when they get to make their own choices rather than be subjected to a monopoly provider."<sup>4</sup>

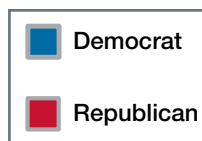
—Walter Isaacson, President of the Aspen Institute and chairman of the board of Teach for America, former managing editor of TIME

"I support implementation of school vouchers for Philadelphia students, including the ability to move to a Catholic school.... To me the issue with school vouchers is not a church-state issue. It's a social justice issue. Every child—here in Philadelphia and across the country—should have the right to a safe, quality education, regardless of his socio-economic status. It's an idea whose time has come in Philly."<sup>5</sup>

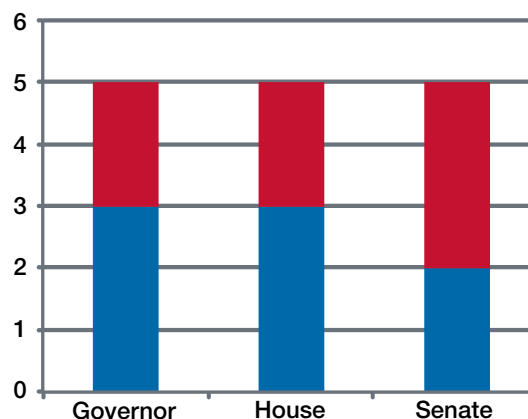
—John Dougherty, Business Manager IBEW Local 98, Chairman of Redevelopment Authority of Philadelphia

## Bipartisan support and school choice victories

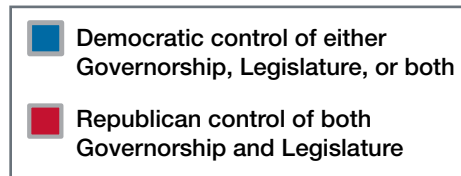
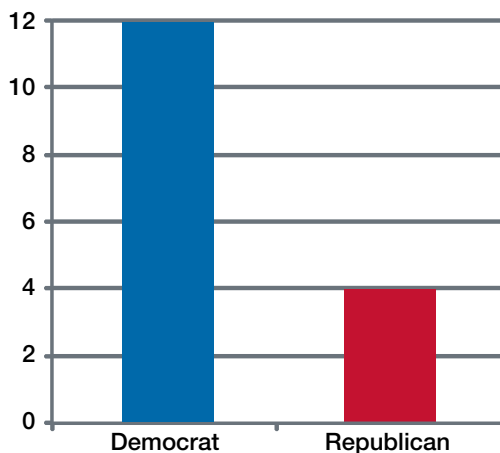
Three-quarters of school choice victories in 2006 and 2007 were won in states where Democrats controlled *either* the Governorship, Legislature, or both. Only four states had Republicans controlling *both* the Governorship and Legislature.



## Party Control in 2007 School Choice Victories



## Bipartisan Support and School Choice Victories (2006-2007)



## Four Democratic Governors signed school choice bills in 2006 and/or 2007.



PA – Governor  
Ed Rendell



IA – Governor  
Chet Culver



WI – Governor  
James Doyle, Jr.



AZ – Governor  
Janet Napolitano

1. Ed Rendell, Pennsylvania Catholic Conference, 2006 General Election, Candidate Interviews, [www.pacatholic.org/election2006/rendell2006.html](http://www.pacatholic.org/election2006/rendell2006.html).
2. Ron Matus, "Carrie Meek: Vouchers a Good Option," *The Gradebook*, *St. Petersburg Times*, August 9, 2007.
3. Letter from U.S. Congressman Clyburn posted on Democrats for Education Reform website, [www.dfer.org](http://www.dfer.org), November 15, 2007.
4. Walter Isaacson, "The Greatest Education Lab," *TIME*, September 6, 2007.
5. John Dougherty, "Let's have vouchers — and include parochial schools," *Philadelphia Daily News*, September 7, 2007.



## Public Support for Private School Choice



**Scientific polls conducted nationally in 2007 demonstrate that the majority of Americans believe that children are not getting the quality education they deserve from public schools.**

- Sixty-four percent of Americans are dissatisfied with the quality of public education in America, and more than half think that American public schools are below average or among the worst when compared to schools in Europe.<sup>1</sup>
- When grading their local public schools, 56 percent of people give grades of C, D, or F. Notably, 73 percent of African-Americans and 61 percent of Hispanics give these low grades to their local public schools. More than three-quarters of Americans give these low grades to public schools nationally.<sup>2</sup>
- Sixty-one percent of Americans think that private schools in their area are usually better than public schools nationally. Two out of three people believe that private schools give students an advantage in life.<sup>3</sup>

**More than half of Americans support vouchers or tax credit programs.**

- The majority of Americans—53 percent—support giving parents vouchers to pay for private school tuition for their children.<sup>4</sup>
- Also, the majority of Americans—53 percent—believe that low-income families who send their children to private schools should be provided with tax credits.<sup>5</sup>
- By a margin of two to one, Americans support allowing students in failing schools to transfer to private schools. Even 51 percent of public school employees support giving these students private school choice, compared to 29 percent who oppose it.<sup>6</sup>

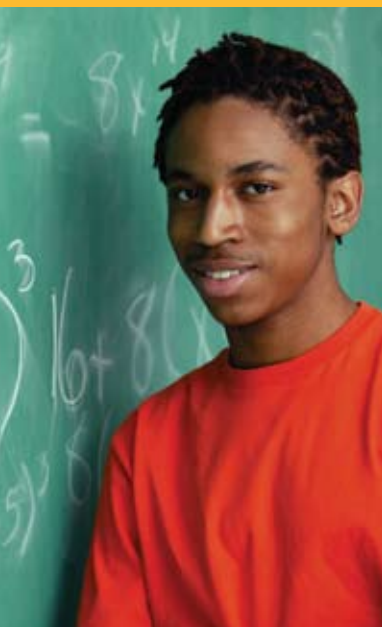
# School Choice Yearbook 2007

## **Support for school choice is strongest among African-Americans and Hispanics.**

- The majority of African-Americans—68 percent—and Hispanics—61 percent—support vouchers for low-income children to attend private schools. African-Americans and Hispanics support allowing all students in failing schools to transfer to private schools by a margin of 3 to 1.<sup>7</sup>
- African-Americans and Hispanics are also strong supporters of tax credits for low-income parents who send their children to private schools, with 67 percent and 60 percent, respectively, supporting such a measure.<sup>8</sup>
- When it comes to voting, 65 percent of Hispanics are more likely to vote for a candidate who supports school choice, compared to only 19 percent who say that they are less likely to vote for that candidate.<sup>9</sup>
- Education is among the top three voting issues for 82 percent of Latino voters, with the highest percentage (43 percent) of poll respondents rating school choice as their top educational priority.<sup>10</sup>
- Seventy-five percent of the Hispanic parents say that they would be interested in using their own tax dollars to send their children to a private school—or to a public school in a different district.<sup>11</sup>
- Eighty-three percent of Hispanic voters agree that school choice programs give students from low-income families a chance to attend better schools than their parents could otherwise afford.<sup>12</sup>

## **State by state, polling reveals public support for recently enacted school choice programs and specific proposed school choice legislation.**

- In Arizona, 76 percent of the state's residents support the voucher program for special needs students, while 64 percent support the voucher program for foster children.<sup>13</sup>
- In Indiana, 79 percent of the state's residents support a proposed corporate scholarship tax credit program, and 81 percent support a proposed individual scholarship tax credit program.<sup>14</sup>
- In Louisiana, voters favor the creation of a New Orleans voucher program by a 58 percent to 33 percent margin.<sup>15</sup>
- In Missouri, residents favor a scholarship tax credit program by a 67 percent to 27 percent margin.<sup>16</sup>



**In several states, the public supports a statewide voucher or tax credit program.**

- In Arizona, 56 percent of the state's residents said they would support giving a voucher to all students.<sup>17</sup>
- In Texas, 56 percent of the state's residents support a statewide universal school choice program.<sup>18</sup>
- In Illinois, 51 percent of likely voters support a statewide voucher program and 54 percent favor a statewide corporate scholarship tax credit program.<sup>19</sup>



1. *The Economist/YouGov Poll 5<sup>th</sup>-6<sup>th</sup> November 2007*, *Economist.com*.
2. William G. Howell, Martin R. West and Paul Peterson, "What Americans Think about Their Schools: The 2007 Education Next-PEPG Survey," *Education Next* (Fall 2007), p 12-26.
3. *The Economist/YouGov Poll 5<sup>th</sup>-6<sup>th</sup> November 2007*, *Economist.com*.
4. *Ibid.*
5. William G. Howell, Martin R. West and Paul Peterson, "What Americans Think about Their Schools: The 2007 Education Next-PEPG Survey," *Education Next* (Fall 2007), p 12-26.
6. *Ibid.*
7. *Ibid.*
8. *Ibid.*
9. Alliance for School Choice/Hispanic Council for Reform and Educational Options (Hispanic CREO) Poll, May 2007, [AllianceForSchoolChoice.org](http://AllianceForSchoolChoice.org).
10. *Ibid.*
11. *Ibid.*
12. *Ibid.*
13. Private poll of 503 adult residents conducted December 12-14, 2006.
14. Private poll of 600 registered voters conducted January 22-30, 2007.
15. Private poll of 600 likely voters conducted January 16-17, 2007.
16. Private poll of 600 voters conducted November 20 — December 8, 2006.
17. Private poll of 503 adult residents conducted December 12-14, 2006.
18. Summary of polls of voters conducted by a Republican firm (Baselice and Associates) and a Democrat firm (The Montgomery Group) in 2006-07.
19. Friedman Foundation Poll, conducted by Strategic Vision, November 9-11, 2007, December 2007.



School  
Choice  
Yearbook  
2007



# School Choice Programs in the United States

*Descriptions and Updates of Private School Choice  
Programs Operating in the 2007-08 School Year*

School  
Choice  
Yearbook  
2007

Arizona	<b>Individual School Tuition Organization Tax Credit</b> _____	38
	<b>Corporate School Tuition Organization Tax Credit</b> _____	39
	<b>Scholarship for Pupils with Disabilities</b> _____	40
	<b>Displaced Pupils Choice Grant Program</b> _____	41
Florida	<b>John M. McKay Scholarship for Students with Disabilities</b> _	42
	<b>Corporate Tax Credit Scholarship Program</b> _____	43
Georgia	<b>Special Needs Scholarship Program</b> _____	44
Iowa	<b>Individual School Tuition Organization Tax Credit</b> _____	45
Ohio	<b>Cleveland Scholarship and Tutoring Program</b> _____	46
	<b>Autism Scholarship Program</b> _____	47
	<b>Educational Choice Scholarship Program</b> _____	48
Pennsylvania	<b>Educational Improvement Tax Credit</b> _____	49
Rhode Island	<b>Corporate Scholarship Tax Credit Program</b> _____	50
Utah	<b>Carson Smith Special Needs Scholarship</b> _____	51
Wisconsin	<b>Milwaukee Parental Choice Program</b> _____	52
Washington, D.C.	<b>Opportunity Scholarship Program</b> _____	53



# School Choice Yearbook 2007

The average scholarship amount in 2006-07 was 20 percent greater than in 2005-06 and has more than doubled since the 1998-99 school year.

## Arizona

### Individual School Tuition Organization Tax Credit

#### Program Overview

Arizona's Individual School Tuition Organization Tax Credit provides scholarships for a wide range of children to attend the school of their parents' choice. The program allows taxpayers to take a personal income tax credit for donations to School Tuition Organizations (STOs).

**Student Eligibility:** Most STOs give to students solely based on financial need, while others benefit students in a specific location or private school system.

**STO Requirements:** STOs are required to use 90 percent of the contributions for educational scholarships for students to attend a private school. All STOs must provide scholarships to more than one school. These organizations are then required to report data annually on the contributions they accepted, the grants they awarded, and the schools that participated in the program.

**School Eligibility:** Eligible schools are any private school in Arizona that meets state requirements for nondiscrimination policies.

**Scholarship Cap:** None

**Program Cap:** No statewide cap on tax credits. The cap on credits per donor is \$500 for individual donors and \$1,000 for married persons filing jointly.

**Year Enacted:** The Individual STO Tax Credit was created by Arizona House of Representatives Bill 2074 in 1997.

#### Data Update\*

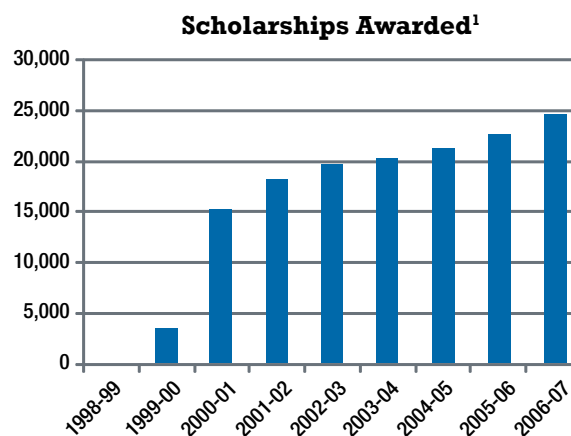
**Scholarships Awarded:** 24,678 (2006-07)

**Average Scholarship:** \$1,643 (2006-07)

**Schools Participating:** 357 (2006-07)

**STOs Operating:** 56 (2006-07)

**Total Donations:** \$51,014,815 (2006)



\* Data source: Arizona Department of Revenue, Office of Economic Research and Analysis, "Individual Income Tax Credit for Donations to Private School Tuition Organizations: Reporting for 2006," 4/02/2007. State data for 2007-08 not available at time of publication.

1. Students may receive a scholarship from more than one STO.

## Arizona

### Corporate School Tuition Organization Tax Credit

#### Program Overview

The Arizona Corporate School Tuition Organization Tax Credit provides scholarships to children to attend the school that best meets their needs. Corporations receive dollar-for-dollar tax credits on a first-come, first-serve basis for contributions to School Tuition Organizations (STOs).

**Student Eligibility:** The student's family income must not exceed 185 percent of the income limit required to qualify for the federal free or reduced-price lunch program (\$70,676 for a family of four in 2007). The student must have attended a public school the previous year or be entering kindergarten.

**STO Requirements:** Ninety percent of contributions must be used for scholarships.

**School Eligibility:** Participating private schools must meet Arizona requirements for nondiscrimination policies and teacher background checks. The schools must also administer and make available to the public the combined average test scores of its students on a nationally norm-referenced standardized achievement test.

**Scholarship Cap:** Scholarships are capped at \$4,300 for students in grades K-8 and \$5,600 for those in grades 9-12. These limits increase by \$100 each year.

**Program Cap:** The program is capped at \$12 million in tax credits for fiscal year 2008, with the cap increasing by 20 percent each year.

**Year Enacted:** The Corporate School Tuition Organization Tax Credit was created by Arizona State Senate Bill 1499 in 2006.

#### Data Update\*

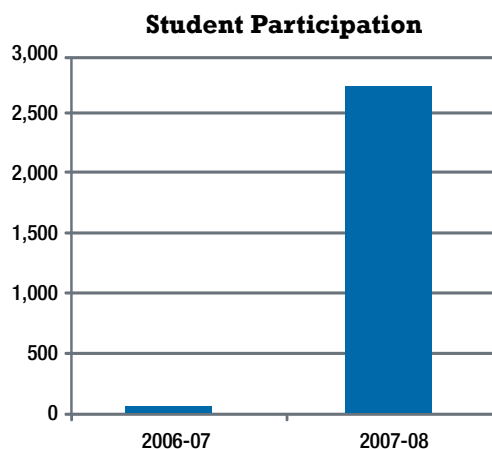
**Students Participating:** 2,750 (2007-08)

**Average Scholarship:** \$1,411 (2006-07)

**Schools Participating:** NA

**STOs Operating:** 17 (2007-08)

**Total Donations:** \$7,263,300 (2006)



\* Data sources: Student participation and STO data for 2007-08 is based on Alliance for School Choice correspondence with STOs; other data from Arizona Department of Revenue, Office of Economic Research & Analysis, "Corporate Income Tax Credit for Contributions to School Tuition Organizations: Reporting for 2006," 08/07/2007. State Data for 2007-08 not available at time of publication. NA indicates data not available.

School Tuition Organizations are not required to spend revenues in the same year in which they are collected.

# School Choice Yearbook 2007

Individualized Education Programs are written statements for providing special education services to a child with a disability. They include the child's present learning levels, measurable annual goals and benchmarks for evaluating progress towards those goals, requirements for the student's high school graduation, and the specific special education services needed to ensure a quality education for the child.

## Arizona

### Scholarship for Pupils with Disabilities

#### Program Overview

Children with special needs specifically benefit from Arizona's Scholarship for Pupils with Disabilities.

**Student Eligibility:** Students with special needs who have attended a public school the previous year and have been issued an Individualized Education Program (IEP) are eligible.

**School Eligibility:** Parents may apply for and use these grants to send their children to another public school or to pay tuition at any private school in Arizona that meets the state's requirements for nondiscrimination policies.

**Scholarship Cap:** The amount of the grant is for whichever is less: either (1) the cost of the chosen school's tuition and fees or actual per pupil cost, whichever is greater, or (2) the amount prescribed for the particular student under his or her IEP. While there is no enrollment cap, scholarships are provided on a first-come, first-serve basis and capped at \$2.5 million.

**Program Funding:** The program is allocated at \$2.5 million for the 2007-08 school year.

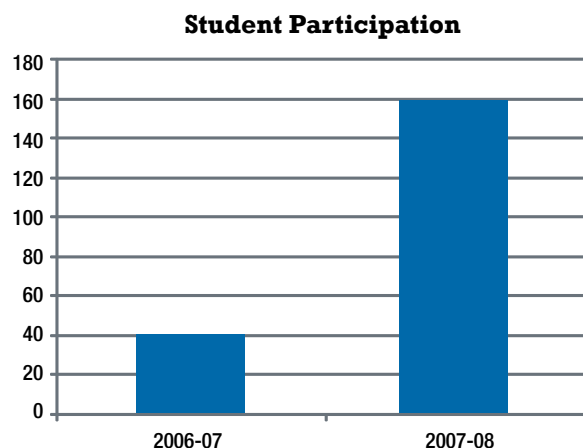
**Year Enacted:** The Scholarship for Pupils with Disabilities was created by Arizona House of Representatives Bill 2676 in 2006.

#### Data Update\*

**Students Participating:** 158 (2007-08)

**Average Scholarship:** \$9,478 (2007-08)

**Schools Participating:** 52 (2007-08)



\* Data source: Arizona Department of Education, phone conversations, 10/02/2007, 1/07/2008.

## Arizona

### Displaced Pupils Choice Grant Program

#### Program Overview

Arizona's Displaced Pupils Choice Grant Program provides scholarships to children who have at any time been in foster care to attend the private school that best meets their needs.

**Student Eligibility:** The grants are available on a first-come, first-serve basis to students who have been in the foster care system at any time before high school graduation. Children in foster care who already attend private schools are also eligible for the grant.

**School Eligibility:** Eligible schools are any private school in Arizona that meets state requirements for nondiscrimination policies and has registered with the Arizona Department of Education as a grant school.

**Scholarship Cap:** The program is currently capped at 500 scholarships a year, with a maximum scholarship amount of \$5,000 or the selected school's tuition (whichever is less).

**Program Funding:** A total of \$2.5 million is allocated for the 2007-08 school year.

**Year Enacted:** The Displaced Pupils Choice Grant Program was created by Arizona Senate Bill 1164 in 2006.

#### Data Update\*

**Students Participating:** 148 (2007-08)

**Average Scholarship:** \$4,251 (2007-08)

**Schools Participating:** 39 (2007-08)

## School Choice Yearbook 2007

The Displaced Pupils Choice Grant Program is the only publicly funded private school choice program in the nation targeted to children in foster care.

\* Data source: Arizona Department of Education, email correspondence, 01/07/2008.

# School Choice Yearbook 2007

The McKay Scholarship program is the nation's largest and oldest publicly funded private school choice program targeting students with special needs.

The number of students benefiting from McKay has more than doubled over the last five years.

## Florida

### John M. McKay Scholarship for Students with Disabilities

#### Program Overview

Florida's McKay Scholarship program provides scholarships for students with disabilities to attend the school that best fits their educational needs.

**Student Eligibility:** To qualify for the scholarship, students must have an Individualized Education Program and have been enrolled in a Florida public school in the previous year. Children of active United States Military personnel transferring into the state do not need to meet the prior year public school attendance requirement.

**School Eligibility:** Students may use the scholarships at any public or participating private school of their parents' choice. Private school must be approved by the state department of education and must submit annual sworn compliance reports attesting to compliance with all local and state laws and codes pertaining to private schools including health inspections, fire code inspection, radon testing, and proper licensure. Additionally, all school personal that have direct contact with scholarship students must complete a federal level two background check every five years. Schools in operation for less than three years must obtain a surety bond in the amount of the total value of the scholarships that the school receives under this program.

**Scholarship Cap:** The amount of the scholarship is determined by the amount the student would have received in the public school to which they are assigned or the amount of the selected private school's tuition and fees (whichever is less).

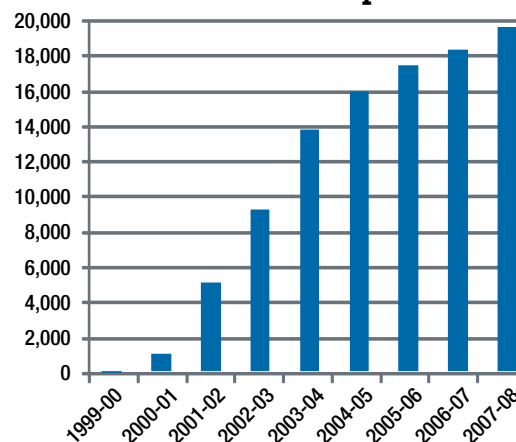
**Program Funding:** There is no program allocation. A total of \$119.1 million in scholarships was awarded during the 2006-07 school year.\* Using the 2006-07 average scholarship amount and the number of students participating in 2007-08, it can be estimated that more than \$140 million will be spent in the 2007-08 school year.

**Year Enacted:** The McKay Scholarship program was established in 1999 (Florida Statute XVI, Chapter 229).

#### Data Update\*

**Students Participating:** 19,439 (2007-08)  
**Average Scholarship:** \$7,206 (2006-07)  
**Schools Participating:** 836 (2007-08)

Student Participation



\* Data source: Florida Department of Education, John M. McKay Scholarship Program, February Quarterly Report, 2008; Florida Department of Education, Choice Facts, John M. McKay Scholarships for Students with Disabilities Program, January 2008.



## Florida

### Corporate Tax Credit Scholarship Program

#### Program overview

Florida's Corporate Tax Credit Scholarship Program, popularly known as Step Up for Students Scholarships, provides scholarships to low-income children to attend a private school or assist with transportation costs to another public school. Corporations receive a dollar-for-dollar tax credit up to 75 percent of their state income tax liability for donations made to Scholarship Funding Organizations (SFOs).

**Student Eligibility:** To be eligible for the scholarship, students must qualify for the federal free or reduced-price lunch program (\$38,203 for a family of four in 2007).

**SFO Requirements:** One-hundred percent of contributions must be used for scholarships.

**School Eligibility:** Students may use the scholarships at any participating private school of their parents' choice. The private school must be approved by the state Department of Education and must submit annual sworn compliance reports attesting to compliance with all local and state laws and codes pertaining to private schools, including: health inspections, fire code inspection, radon testing, and proper licensure. Additionally, all school personnel that have direct contact with scholarship students must complete a federal level two background check every five years. All scholarship students must take an approved, nationally recognized norm-referenced test or the state public school assessment test. Schools in operation less than three years must obtain a surety bond in the amount of the total value of the scholarships that the school receives under this program.

**Scholarship Cap:** Scholarships for use in private schools may not exceed \$3,750 per student, or \$500 for a scholarship awarded to a student enrolled in a Florida public school outside of their assigned district.

**Program Cap:** The annual cap on total corporate tax credits is \$88 million.

**Year Enacted:** The Corporate Tax Credit Scholarship Program was established in 2001 (Florida Statute XIV, Chapter 220.187).

#### Data Update\*

**Students Participating:** 19,416 (2007-08)

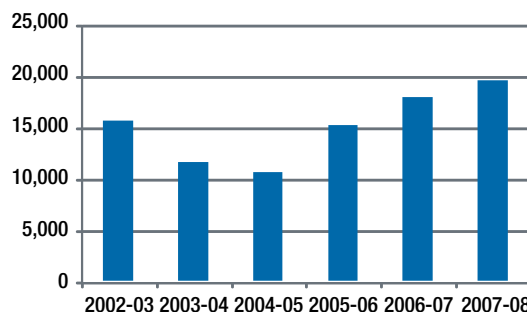
**Average Scholarship:** \$3,328 (2006-07)

**Schools Participating:** 948 (2007-08)

**SFOs Operating:** 3 (2007-08)

**Total Donations:** \$88 million (2007)

Student Participation



\* Data sources: Florida Department of Education, Choice Facts, Corporate Tax Credit Scholarship Program, January 2008; Total donations data received from the Florida School Choice Fund, email correspondence, 1/25/2008. It should be noted that the Florida School Choice Fund reports 20,144 scholarship recipients as of 1/25/2008.

## School Choice Yearbook 2007

A recent report by the Collins Center for Public Policy found the Corporate Tax Credit Scholarship Program has resulted in the state saving nearly \$140 million in public school revenues between 2002 and 2004.

(Collins Center for Public Policy, "The Florida Corporate Income Tax Credit Scholarship Program: Updated Fiscal Analysis," February 2007)

# School Choice Yearbook 2007

The Georgia Special Needs Scholarship Program is the newest publicly funded private school choice program in the country, and the fifth that directly benefits students with disabilities.

## Georgia

### Georgia Special Needs Scholarship Program

#### Program Overview

Georgia's Special Needs Scholarship Program provides children with disabilities the opportunity to attend the school that best fits their educational needs.

**Student Eligibility:** To qualify for the scholarship, students must have an Individualized Education Program and have been enrolled in a Georgia public school in the previous year.

**School Eligibility:** Students may use the scholarships at the public or participating private school of their parents' choice. Participating private schools must demonstrate financial viability and meet state non-discrimination and safety requirements.

**Scholarship Cap:** The amount of the scholarship is determined by the amount the student would have received from the state in the public school to which they are assigned or the amount of the selected private school's tuition and fees (whichever is less).

**Program Funding:** More than \$5.6 million is allocated for the 2007-08 school year.

**Year Enacted:** The Georgia General Assembly and Governor Sonny Perdue created the Special Needs Scholarship in 2007 under Senate Bill 10.

#### Data Update\*

**Students Participating:** 899 (2007-08)

**Average Scholarship:** \$6,273 (2007-08)

**Schools Participating:** 117 (2007-08)

\* Data source: Georgia Department of Education, 2007-2008. Georgia Special Needs Scholarships (GSNS) Summary Information, 11/05/2007.

### Iowa

#### Individual School Tuition Organization Tax Credit

##### Program Overview

The Individual School Tuition Organization Tax Credit program allows taxpayers to receive a personal income tax credit of 65 percent for donations to School Tuition Organizations (STOs), which use the money to provide grants for students to attend the school of their parents' choice.<sup>1</sup>

**Student Eligibility:** To be eligible to receive a scholarship from STOs under the program, students must be Iowa residents and members of a household whose income does not exceed 300 percent of the federal poverty guideline (\$61,950 for a family of four in 2007).

**STO Requirements:** STOs must represent more than one school, and ninety percent of the contributions must be used for scholarships.

**School Eligibility:** Private schools must be accredited to participate.

**Scholarship Cap:** The amount of the scholarship is left up to the individual STOs.

**Program Cap:** The program is capped at \$7.5 million tax credits starting in 2008.

**Year Enacted:** The Individual STO Tax Credit was created by Iowa Senate File 2409 in 2006.

##### Data Update\*

**Students Participating:** 7,527 (2007-08)

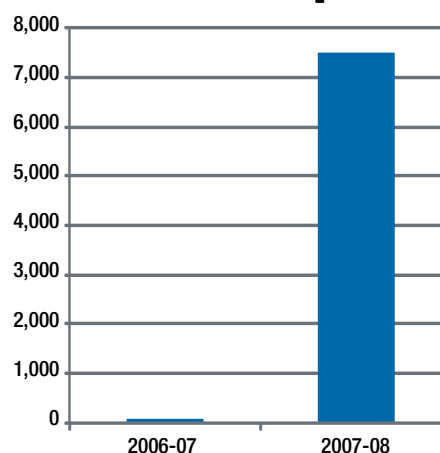
**Average Scholarship:** \$528 (2007-08)

**Schools Participating:** 159 (2007-08)

**STOs Operating:** 9 (2007-08)

**Total Donations:** \$7,498,273 (2007)

Student Participation



In 2007, the Iowa's Democratic governor (Gov. Chet Culver) and the Democratic Legislature expanded the program by 50 percent, from \$5 million to \$7.5 million, with strong bipartisan support.

1. In effect, the tax credit is higher than 65 percent because Iowa lets taxpayers deduct their federal taxes from their state taxes.

\* Data source: Iowa Department of Revenue, phone conversation, 1/31/08.

# School Choice Yearbook 2007

The Constitutional validity of vouchers: The Cleveland Scholarship and Tutoring Program was challenged in the United States Supreme Court in 2002. The case, *Zelman v. Simmons-Harris*, considered the permissibility of school vouchers in relation to the establishment clause of the First Amendment due to the fact that the school vouchers could be used in religious schools. In a resounding victory for children across the country, the Court upheld the Cleveland program and removed the Constitutional barriers to future programs.

## Ohio

### Cleveland Scholarship and Tutoring Program

#### Program Overview

The Cleveland Scholarship and Tutoring Program is the nation's second oldest modern school choice program, providing grants to schoolchildren living in the Cleveland Municipal School District to attend the registered private or out of district public school of their parents' choice.

**Student Eligibility:** Students must be in grades K-8 when first applying for the program. Students from low-income families living below 200 percent of the federal poverty guideline (\$41,300 for a family of four in 2007) are given priority when applying for the scholarship, which is distributed through a lottery. Students accepted into the program do not need to reapply for future years and may continue in the program through high school.

**School Eligibility:** In order to be registered with the state to participate, the school must meet state minimum standards for chartered non-public schools, must not discriminate on the basis of race, religion or ethnicity, must enroll at least 10 students per class or 25 total in the school, must not charge students more than the difference between actual tuition and the amount of the scholarship, and must not provide false information, foster unlawful behavior, or teach hatred.

**Scholarship Cap:** For low-income students, the scholarship will cover 90 percent of the selected school's tuition. For all other students, the scholarship covers 75 percent of tuition. The scholarship amount cannot exceed \$3,450. Parents and the selected schools must make arrangements to cover the remainder of tuition costs.

**Program Funding:** \$17.4 million was spent in the 2006-07 school year.\*

**Year Enacted:** The Ohio General Assembly and Governor George Voinovich included the CSTP in the 1995 state budget.

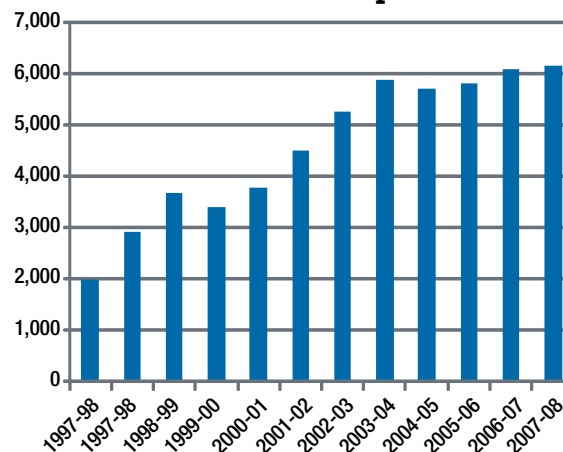
#### Data Update\*

**Students Participating:** 6,182 (2007-08)

**Average Scholarship:** \$2,830 (2006-07)

**Schools Participating:** 45 (2007-08)

Student Participation



\* Data source: Ohio Department of Education, Cleveland Scholarship and Tutoring Program Office, phone conversation, 01/07/2008.

## Ohio

### Autism Scholarship Program

#### Program Overview

Ohio's Autism Scholarship Program provides students with autism with scholarships to use for school tuition or other educational services.

**Student Eligibility:** To qualify, students must be identified as autistic through their assigned school district and be assigned an Individualized Education Program.

**School Eligibility:** Students may use the scholarship for a public school outside their assigned district or a registered private educational provider. Private providers must be located in Ohio, demonstrate fiscal soundness, and have properly credentialed staff member(s) to oversee the administration of services on the child's IEP.

**Scholarship Cap:** Scholarships are capped at \$20,000.

**Program Funding:** There is no program appropriation. \$15 million was requested by program office for 2007-08 school year.\*

**Year Enacted:** The Autism Scholarship Program was created through the state's operating budget, Ohio House Bill 95, in 2003.

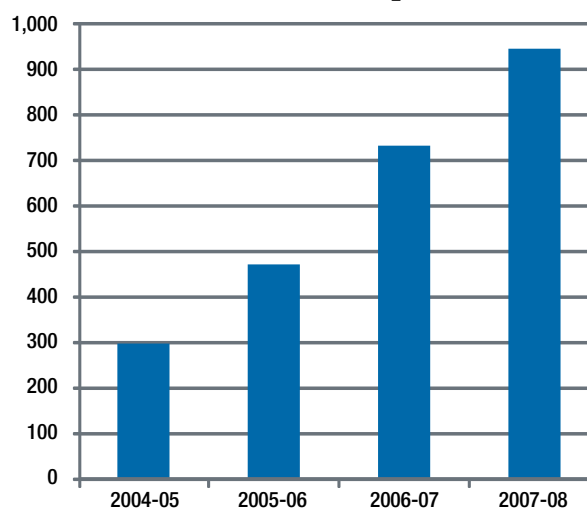
#### Data Update\*

**Students Participating:** 950 (2007-08)

**Average Scholarship:** \$17,500 (2006-07)

**Schools Participating:** 189 (2007-08)

Student Participation



\* Data source: Ohio Department of Education, phone conversation, 01/07/2008, 01/22/2008. The student participation data for 2007-08 is a state estimate.

The Ohio Autism Scholarship Program is the only publicly funded private school choice program in the nation directly targeted to students with autism.



# School Choice Yearbook 2007

The EdChoice Scholarship Program is the only publicly funded private school choice program in the nation targeted to children in failing schools.

## Ohio

### Educational Choice Scholarship Program

#### Program Overview

The Educational Choice (EdChoice) Scholarship Program provides scholarships for children in failing schools to attend the private school of their parents' choice.

**Student Eligibility:** To be eligible, a student must be attending a public school that is classified by the state to be in Academic Watch or Academic Emergency—the lowest of the state's school ratings categories—for two years of a three-year period. A student entering Kindergarten who is assigned to one of these schools is also eligible.

**School Eligibility:** Private schools must already be chartered (registered) by the Ohio Department of Education.

**Scholarship Cap:** The program provides for up to 14,000 scholarships, with priority given to returning applicants and low-income applicants. The maximum scholarship amount is currently \$4,375 for grades K-8 and \$5,150 for grades 9-12 or the actual tuition charged, whichever amount is lower.

**Program Funding:** There is no appropriation. More than \$10.3 million was spent in the 2006-07 school year.\*

**Year Enacted:** The EdChoice Scholarship Program was created through the state's operational budget, Ohio House Bill 66, in 2005.

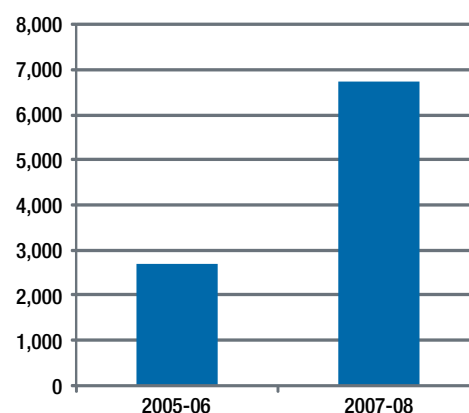
#### Data Update\*

**Students Participating:** 6,764 (2007-08)

**Average Scholarship:** NA; maximum award is \$4,375 for grades K-8 and \$5,150 for grades 9-12

**Schools Participating:** 319 (2007-08)

Student Participation



\* Data source: Ohio Department of Education, EdChoice office, phone conversations, 10/31/2007, 1/14/2008. NA indicates data not available.

## Pennsylvania

### Educational Improvement Tax Credit

#### Program Overview

Pennsylvania's Educational Improvement Tax Credit program enables eligible children to attend the public or private school of their parents' choice, as well as provides support for programs in local public schools through Educational Improvement Organizations. Corporations receive a 75 percent tax credit for a one-year donation and a 90 percent tax credit for a two-year donation to Scholarship Organizations (SOs) or Educational Improvement Organizations (EIOs).

**Student Eligibility:** To be eligible for a scholarship, the student must be a member of a household with annual income of \$50,000 or less (an extra \$10,000 is allowed for each additional dependent in the household).

**School Eligibility:** Schools must meet state non-discrimination requirements.

**SO Requirements:** Scholarship Organizations must use 80 percent of contributions for scholarships for students to attend the public or private school of their parents' choice.

**Scholarship Cap:** The amount of individual scholarships is left up to the SOs but cannot exceed the cost of tuition and fees.

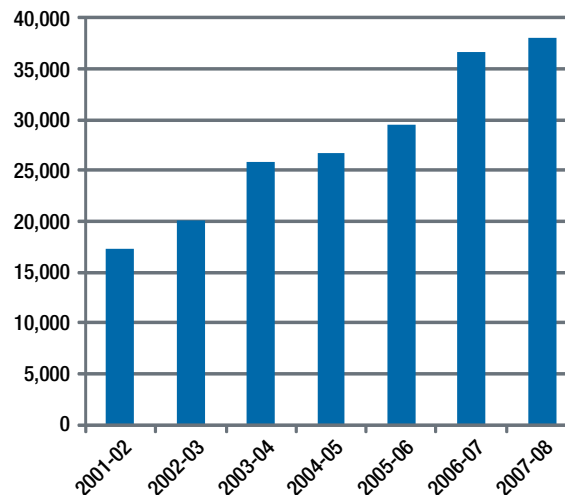
**Program Cap:** With an annual limit of \$200,000 per corporation, the current statewide cap on tax credits is \$44.7 million for donations to scholarship organizations. The total statewide cap on the EITC program is \$75 million, which includes \$22.3 million for innovative educational improvement programs at public schools and \$8 million for a pre-kindergarten scholarship program.

**Year Enacted:** The Pennsylvania House of Representatives passed House Bill 966 in 2001.

#### Data Update\*

**Students Participating:** 38,046 (2007-08)  
**Average Scholarship:** \$1,022 (2007-08)  
**Schools Participating:** NA  
**Total SOs Operating:** 209 (2007-08)  
**Total Donations:** \$41,809,947 (2007-08)

Student Participation



\* Data source: Pennsylvania Department of Community and Economic Development, email correspondence, 01/07/2008, 01/15/2008. NA indicates data not available.

## School Choice Yearbook 2007

The number of scholarships in the Educational Improvement Tax Credit program have more than doubled since it began in 2001-02 school year.

In 2007, for the first time in our nation's history, a Democratic governor (Gov. Ed Rendell) proposed an increase in a scholarship tax credit program in his own budget.

# School Choice Yearbook 2007

Rhode Island's  
Corporate  
Scholarship  
Tax Credit  
Program is one  
of four corporate  
scholarship tax  
credit programs  
operating in the  
United States today.

## Rhode Island

### Corporate Scholarship Tax Credit Program

#### Program Overview

Rhode Island's Corporate Scholarship Tax Credit program provides corporations tax credits on a first-come, first-serve basis for donations to Scholarship Granting Organizations (SGOs) that provide scholarships for low-income students to attend the private school of their parents' choice. Corporations donating for one year will receive a 75 percent tax credit, while those committing to two consecutive years will receive a 90 percent tax credit.

**Student Eligibility:** Students must reside in a household with an annual income of not more than 250 percent of the federal poverty guideline (\$51,625 for a family of four in 2007).

**SGO Requirements:** SGOs must use 90 percent of contributions to fund scholarships.

**School Eligibility:** To accept students through the program, private schools must meet state requirements for certification.

**Scholarship Cap:** The amount of funding per scholarship is left up to the SGO.

**Program Cap:** There is an annual statewide cap of \$1 million in tax credits and a cap of \$100,000 per corporation.

**Year Enacted:** The Corporate Scholarship Tax Credit Program was established by Rhode Island Article 24 in 2006.

#### Data Update\*

**Students Participating:** 278 (2007-08)

**Average Scholarship:** \$3,757 (2007-08)

**SGOs Operating:** 4 (2007-08)

**Schools Participating:** 30 (2007-08)

**Total Donations:** \$1,113,111 (2007)

\* Data source: Rhode Island Department of Revenue, Division of Taxation, 2007 Year End Summary for Scholarships Issued by SGO, February 2008.

### Utah

#### Carson Smith Special Needs Scholarship

##### Program Overview

The Carson Smith Special Needs Scholarship provides tuition assistance to enable Utah students with special needs to attend the school that is best for them.

**Student Eligibility:** To be eligible, students must be identified as disabled, be learning under an Individualized Education Program, and be accepted to an eligible private school that will best meet their educational needs. Or, a student may be currently attending an eligible private school and be determined by an assessment team to qualify for special education services if in a public school. Scholarships are awarded for three years and may be renewed.

**School Eligibility:** Schools must have a physical location where students attend classes, have adequate working capital to maintain operations for the first full year, comply with anti-discrimination provisions, and meet local health and safety laws and codes. Eligible schools must also disclose to parents the special education services to be provided and the cost of those services, administer an annual assessment of each scholarship student's academic progress, and make the results of this assessment available to the parents and the assessment team. Additionally, teachers of scholarship students must have at least a baccalaureate degree, three years of teaching experience, or special skills that qualify them to teach the subjects taught or the students taught. Schools must inform parents of the credentials of the teachers.

**Scholarship Cap:** Scholarship amounts are based on the weighted pupil unit (WPU), the state's unit of public school funding. Students who receive more than three hours of special education services each day may receive up to 2.5 times the WPU, which in 2007-08 amounts to \$6,285 for tuition assistance. Students who receive less than three hours of special education services may receive up to 1.5 times the WPU, which in 2007-08 amounts to scholarships up to \$3,771.

**Program Funding:** The state has allocated \$2.4 million for Carson Smith Scholarships for the 2007-08 school year.

**Year Enacted:** The Carson Smith Special Needs Scholarship was created by Utah House of Representatives Bill 249 in 2005.

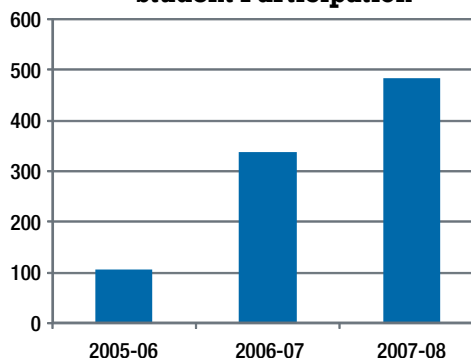
##### Data Update\*

**Students Participating:** 484 (2007-08)

**Average Scholarship:** \$4,600 (2007-08)

**Schools Participating:** 39 (2007-08)

Student Participation



\* Data source: Utah Department of Education, phone conversations, 01/04/2008, 1/08/2008, 01/09/2008.

The Carson Smith Special Needs Scholarship has more than quadrupled the number of participating students since it was created three years ago.

# School Choice Yearbook 2007

Originally, only one percent of Milwaukee Public School (MPS) students could attend private non-religious schools through the program. In 1995, the legislature expanded the MPCP to include religious private schools and increased the cap to seven percent of MPS students. Through the same legislation, the next year, the enrollment cap was increased to 15 percent of MPS students, or about 15,000 students. By 2005, the enrollment cap had been reached. The “Lift the Cap” campaign by School Choice Wisconsin and its allies succeeded later that year when the cap was increased to its current amount of 22,500 students.

The expansion of school choice in Milwaukee has contributed to community renewal by spurring \$126.6 million in spending on new school and school improvement construction—with the majority, \$86.3 million, supporting private schools participating in the Milwaukee Parental Choice Program.

(School Choice Wisconsin, “School Choice and Community Renewal,” July 2007)

## Wisconsin

### Milwaukee Parental Choice Program

#### Program Overview

The Milwaukee Parental Choice Program (MPCP) is the nation’s longest running modern publicly funded private school choice program, providing scholarships for low-income children to attend the school that best meets their educational needs.

**Student Eligibility:** To be eligible for the MPCP, students must reside in a household where the family income is at or below 175 percent of the federal poverty guideline (\$36,138 for a family of four in 2007). Participants or siblings of program participants may remain in the program if the family’s income rises up to 220 percent of the federal poverty guideline (\$45,430 for a family of four in 2007).

**School Eligibility:** To be eligible for the program, schools must meet nondiscrimination policies, admit students on a random basis, allow students to opt-out of religious programming, meet state private school requirements regarding instruction hours, administer a nationally normed standardized test in reading, math and science in grades 4, 8 and 10 as part of a longitudinal study, and be accredited within three years of participation in the MPCP.

**Scholarship Cap:** The maximum scholarship amount is \$6,501 and the total number of students is capped at 22,500 students.

**Program Funding:** MPCP is estimated by the state to cost \$120.3 million in 2007-08.\*

**Year Enacted:** The MPCP was created in 1990 by the Wisconsin State Legislature through Act 336.

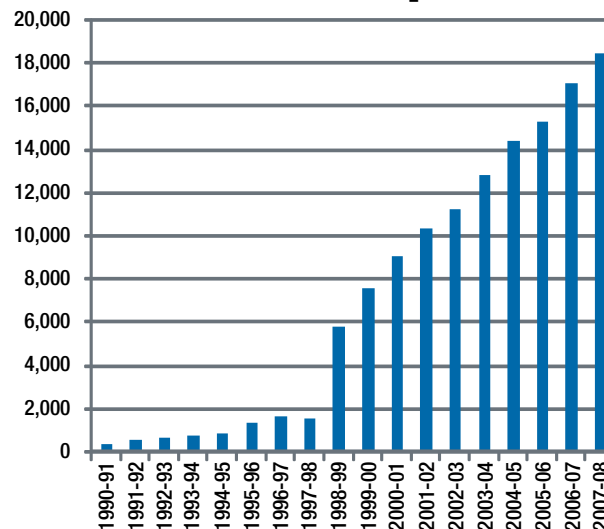
#### Data Update\*

**Students Participating:** 18,550

**Average Scholarship:** NA;  
maximum award is \$6,501

**Schools Participating:** 122  
(2007-08)

Student Participation



\* Data source: Wisconsin Department of Education, MPCP Facts and Figures for 2007-2008, November 2007; MPCP Membership and Payment History, in Total, 1990-2007, November 2007. NA indicates data not available.



## School Choice Yearbook 2007

### Washington, D.C.

#### Opportunity Scholarship Program

##### Program Overview

The first federally funded school choice initiative, the Washington, D.C. Opportunity Scholarship Program, provides low-income students with scholarships to attend the school that best meets their educational needs.

**Student Eligibility:** To be eligible, students must reside in the District of Columbia and have a household income at or below 185 percent of the federal poverty guideline (\$38,203 for a family of four in 2007). Priority is given to low-income students who attend schools deemed in need of improvement, corrective action, or restructuring under the No Child Left Behind Act. Low-income applicants in public schools not identified as low performing are then considered, followed by students already attending private schools. If there are more eligible applicants than available scholarships or slots in participating private schools, scholarships are awarded by lottery.

**School Eligibility:** Any private school in the District of Columbia can participate. Participating schools must agree to report to individual parents each year on their child's academic progress and any incidences of violence in the school. Schools are able to apply their standard admission process.

**Scholarship Cap:** Individual scholarships to cover tuition, fees, and transportation are capped at \$7,500 and are renewable for up to five years.

**Program Funding:** A total of \$12.5 million dollars is allocated for the 2007-08 school year to fund Opportunity Scholarships, which are distributed through the Washington Scholarship Fund (WSF). The WSF must use 97 percent of the allocated funds to provide scholarships.

**Year Enacted:** The D.C. School Choice Incentive Act of 2003 was passed by Congress and signed into law by President George W. Bush in 2004.

##### Data Update\*

**Students Participating:** 1,903 (2007-08)

**Average Scholarship:** \$6,986 (2006-07)

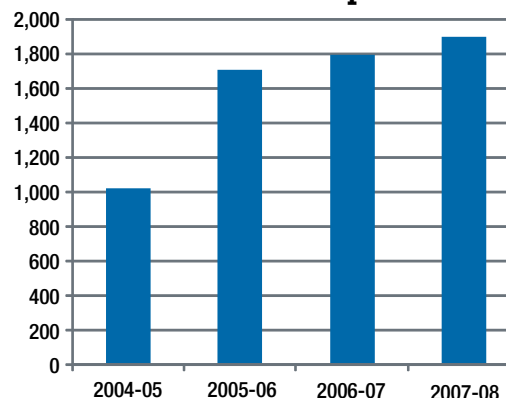
**Schools Participating:** 60 (2007-08)

The average income of families at the time of application is \$16,700.

Seventy percent of all eligible applicants in the past three years have come from schools that have failed to make Adequate Yearly Progress under No Child Left Behind.

Demand for the program is high, with four applications for every slot available.

Student Participation



Legislation passed in December 2006 raised the household income eligibility renewal limit for students who enrolled in the D.C. Opportunity Scholarship Program's first two years—the students who populate the federally mandated evaluation of the program—from 200 percent of the federal poverty guideline to 300 percent of the federal poverty guideline (\$61,950 for a family of four in 2007). Without this change three hundred children would have lost their scholarships due in most instances to one-time very small increases in income. The average income of DC OSP families after the increase in cap was \$22,000 per year—still well below 200 percent of poverty. It is not applicable to new scholarship recipients.

Georgetown University's third report on the Washington, DC, Opportunity Scholarship Program reveals that the low-income families whose children participate in the program are becoming better consumers of education. Parents are satisfied and report that their children have greater self-esteem and are more engaged in their school work.

(Thomas Stewart, et al., "Satisfied, Optimistic, Yet Concerned: Parent Voices on the Third Year of the DC Opportunity Scholarship Program," Georgetown University Public Policy Institute, School Choice Demonstration Project, December 2007).

\* Data source: Washington Scholarship Fund, press release 9/26/2007, email correspondence 01/09/2008, 01/22/2008.

School  
Choice  
Yearbook  
2007



# Creating a School Choice Bill in Your State

## Model Legislation Available from the Alliance for School Choice

Lawmakers interested in drafting legislation to support school choice should review model legislation on the Alliance for School Choice Web site, [www.AllianceForSchoolChoice.org](http://www.AllianceForSchoolChoice.org). Each bill is approved by the American Legislative Exchange Council (ALEC) and supported by the Alliance for School Choice, the Milton and Rose D. Friedman Foundation, and the Institute for Justice.

### **Parental Choice Scholarship Program Act**

This bill creates a scholarship program for children from low- and middle-income families to attend the public or private elementary or secondary school of their parents' choice.

### **Great Schools Tax Credit Program Act**

This bill authorizes a tax credit for individual and corporate contributions to organizations that provide educational scholarships to eligible students so they can attend qualified public and private schools of their parents' choice.

### **The Special Needs Scholarship Program Act**

This bill provides students with special needs the option to attend the public or private school of their parents' choice.

### **Autism Scholarship Act**

This bill provides students with autism the option to attend the public or private school of their parents' choice.

### **The Foster Child Scholarship Program Act**

This bill provides children who have been placed in foster care the option to attend a public or private school of their guardians' choice.

### **The Smart Start Scholarship Program**

This bill creates a scholarship program that helps children from low- and middle-income families attend the public or private 4-year-old preschool program or 5-year-old kindergarten program of their parents' choice.

### **Military Family Scholarship Program Act**

This bill creates a scholarship program to provide G.I. Junior scholarships for all children of veterans and active military personnel to attend the elementary or secondary school of their parents' choice.

# About Alliance for School Choice and Advocates for School Choice

## **The Alliance for School Choice**

is the nation's largest organization promoting school vouchers and scholarship tax

credit programs. Together with a growing

community of national and local allies, the

Alliance supports the design, implementation,

promotion, and expansion of well-designed school choice programs. In addition,

the Alliance works nationally to advance the school choice movement by publicizing

research, educating the public about school choice, training local leaders, marketing

effective education reform initiatives, and developing broader public support.

The Alliance for School Choice is a nonprofit, non-partisan educational organizations under section 501(c)(3) of the IRS code.

More information is available on our Web site: [www.AllianceForSchoolChoice.org](http://www.AllianceForSchoolChoice.org)

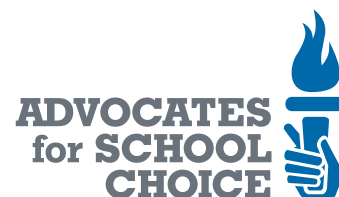


## **Advocates for School Choice** is an

advocacy organization, focused exclusively

on generating support for and securing

passage of specific school choice legislation.



Throughout the year, Advocates for School

choice carefully assesses the legislative prospects in each state, determines

what resources are necessary to enact school legislation, and deploys resources

as necessary. In supporting the legislative efforts of individual state programs,

Advocates is able to make new school choice programs a reality while concurrently

protecting existing programs from regulatory threats, lawsuits, hostile legislators and governors, and attacks from outside groups.

Advocates shares offices, staff, and organizational infrastructure with the Alliance for School Choice, which it reimburses for proportional salaries and expenses.

Advocates for School Choice is a 501(c)(4) advocacy organization.



# Contact Information

## Alliance for School Choice Advocates for School Choice

1660 L Street, NW  
Suite 1000  
Washington, D.C. 20036

(202) 280-1990

[info@allianceforschoolchoice.org](mailto:info@allianceforschoolchoice.org)

### Media Inquiries

Andrew Campanella  
Director of Communications  
(202) 280-1985  
[acampanella@allianceforschoolchoice.org](mailto:acampanella@allianceforschoolchoice.org)

### Research Inquiries

Geoffrey Goodman  
Research Manager and Senior Writer  
(202) 280-1988  
[ggoodman@allianceforschoolchoice.org](mailto:ggoodman@allianceforschoolchoice.org)

If you are interested in advancing school choice, you are encouraged to contact a member of the Alliance/Advocates for School Choice's State Team.

### ○ Scott Jensen

National Consultant for State Projects  
(414) 588-7050  
[scottjensen@wi.rr.com](mailto:scottjensen@wi.rr.com)

### ● Anna Varghese Marcucio

Director of State Projects  
(202) 280-1973  
[vargmarc@yahoo.com](mailto:vargmarc@yahoo.com)

### ● Zack Dawes

Consultant for State Projects  
(512) 343-0220  
[zdceo@aol.com](mailto:zdceo@aol.com)

### ● John Schilling

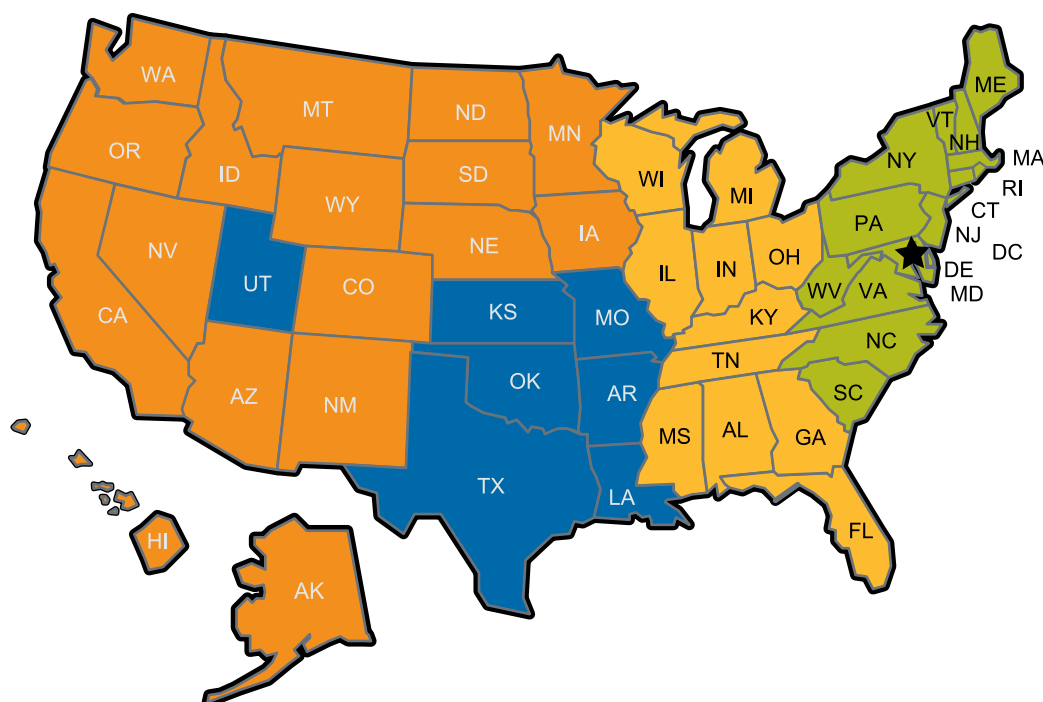
Chief of Staff & Director of National Projects  
(202) 280-1974  
[jschilling@allianceforschoolchoice.org](mailto:jschilling@allianceforschoolchoice.org)

### ● Lori Drummer

Director of State Projects  
(202) 280-1975  
[ldrummer@allianceforschoolchoice.org](mailto:ldrummer@allianceforschoolchoice.org)

### ● Robert A. Teegarden

Director of State Projects  
(623) 594-7592  
[rateegarden@allianceforschoolchoice.org](mailto:rateegarden@allianceforschoolchoice.org)





## National School Choice Organizations

Alliance for School Choice: [www.allianceforschoolchoice.org](http://www.allianceforschoolchoice.org)

American Legislative Exchange Council: [www.alec.org](http://www.alec.org)

Black Alliance for Educational Options (BAEO): [www.baeo.org](http://www.baeo.org)

Center for Education Reform: [www.edreform.com](http://www.edreform.com)

Council for American Private Education (CAPE): [www.capenet.org](http://www.capenet.org)

Milton & Rose Friedman Foundation: [www.friedmanfoundation.org](http://www.friedmanfoundation.org)

Hispanic Council for Reform & Educational Options: [www.hcreo.org](http://www.hcreo.org)

Institute for Justice: [www.ij.org/schoolchoice](http://www.ij.org/schoolchoice)

State Policy Network: [www.spn.org](http://www.spn.org)

# Notes

School  
Choice  
Yearbook  
2007

Notes