

Policy Brief

Wisconsin Institute for Law & Liberty



March 1, 2016

Vol. 2 No 2

Busting Four *MORE* Myths About School Choice

*Dr. Will Flanders – Education Research Director
CJ Szafir – Vice President of Policy*

Introduction

As the Wisconsin legislative session comes to a close, it is time for [another edition](#) of WILL school choice “myth busting.” During the session, there has been no shortage of education topics in the news – from voucher funding to the U.S. Justice Department’s investigation of the Milwaukee school choice program. Unfortunately, more often than not, this has resulted in a distortion and twisting of the truth. As a result, some myth busting is required. Here are four recently touted myths and why they are wrong:

Myth #1: The Wisconsin Parental Choice Program costs public schools money.

“Private schools will be paid for our 41 students who attend their schools. If we don’t levy the funds, our aid payment would still be reduced and we would have to make other cuts.”

– Wendy Brockert, Fond du Lac School District Business Manager.¹

Such comments were typical this year, as districts around Wisconsin used the excuse of students leaving for the voucher program to raise property taxes. **Yet, rather than costing districts money, many districts actually profited from voucher students.** For example, Fond du Lac Public Schools netted \$65,545 - after accounting for the revenue lost for students moving to the Wisconsin Parental Choice Program.²

¹ “School Districts, taxpayers feeling financial pain from paying for private school voucher students.” Wisconsin Education Association Council. December 3, 2015. <http://region2.weac.org/2015/12/03/school-districts-taxpayers-feeling-financial-pain-from-paying-for-private-school-voucher-students/>

² Legislative Fiscal Bureau Memo to Representative Thiesfeldt. January 28, 2015. <http://www.maciverinstitute.com/201601291507-1.pdf>

How did this happen? Under existing law³, public school districts – outside of Milwaukee – were allowed to levy property taxes for any child who leaves their school for the Wisconsin Parental Choice Program, the statewide voucher program. For the children that leave, the school districts receive a reduction in state aid for the cost of the voucher. In return, the state allows the district to increase tax levies up to the total loss in state equalization aid for the student.

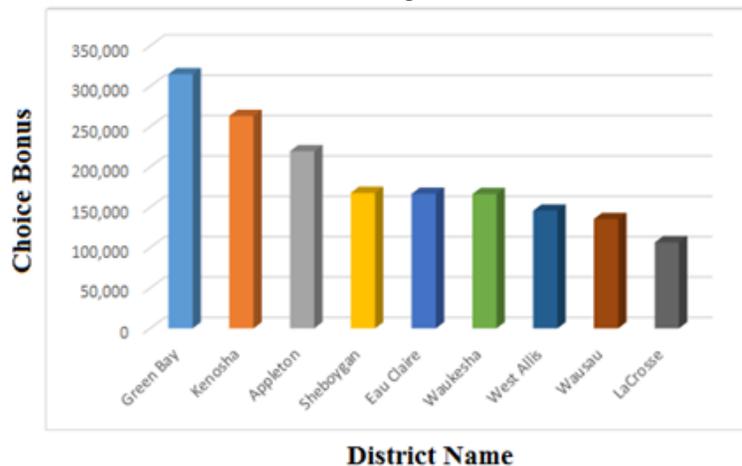
But, there exists a major problem with the law, as predicted last year in a [WILL report](#). School districts can receive a “**school choice bonus**” when children leave their school with a voucher. This is because, for most school districts, the cost of a voucher – \$7,200 for K-8 and \$7,856 for high school – is much less than the loss of state aid per student – approximately \$9,200. Therefore, **school districts can pocket the difference. Children who leave their schools actually result in more to spend on those who remain.**

Not surprisingly, for the ‘15-‘16 school year, many school districts did just that. A memo from the non-partisan Legislative Fiscal Bureau noted that 115 districts across the state received a “school choice bonus,” resulting in those districts levying \$3.7 million more in property taxes than the cost of vouchers.⁴ Put another way, **taxpayers paid \$3.7 million to school districts for children that no longer attend public schools** due to the Wisconsin Parental Choice Program.

Unfortunately, these facts were either misunderstood or distorted by local media, superintendents, and some state lawmakers. District officials went on the offensive, accusing children with vouchers of raising property taxes. Shawano Public School District Business Manager [Louise Fischer, complained](#), “*We could’ve saved (the taxpayers) a lot of money, and now it’s not going to happen,*” even as her district levied \$44,000 more in property taxes than the cost of vouchers.

The Racine Journal Times discussed the enormous “[cost of vouchers](#)” - while Racine Unified School District levied property taxes by more than \$1.4 million greater than the cost of the vouchers. This resulted in an 8% increase in an

School Choice Bonus by District in Wisconsin



³ See page 3 for why this is soon to be changed.

⁴ The Legislative Fiscal Bureau calculated this number by taking the total cost to districts of vouchers, \$16.1 million, and subtracting it from the total value of revenue limit adjustments enacted by school districts, \$19.8 million. (19.8-16.1=3.7)

individual's property taxes.⁵ The chart above details the other public school districts who pocketed more than \$100,000 from children leaving their schools for the voucher program. The “bonus” for each district is calculated by subtracting the reduction in aid resulting from payment to a private school through a voucher from the amount of additional tax levied through the revenue limit exemption.

As the session ends, Republican state lawmakers are trying to eliminate this “school choice bonus.” An amendment to [SB 615](#) prohibits districts from levying property taxes beyond the amount that they paid in vouchers. The bill passed the Assembly and will be voted on in the Senate in early March.

Some legislators and the media are portraying this bill as a major hardship for Wisconsin public schools. For example, State Representative Sony Pope claimed that a vote for the amendment was a vote “*against your home districts.*”⁶ Democrat Assembly Leader Peter Barca claimed that the bill would “*gut millions more from WI public schools.*”⁷

In reality, **the bill prevents school districts from levying property taxes for children that they do not educate.** They can only recoup the cost of the voucher. More money for fewer students was a good deal for school districts, but not for taxpayers. The districts protested too much and may now lose their bonus.

Myth #2: Private schools illegally discriminate against special needs children

“In Wisconsin, advocates for people with disabilities, including the ACLU and Disability Rights Wisconsin, have raised concerns that Wisconsin's school choice program, either tacitly or explicitly, allows voucher schools to discriminate against students with disabilities in their admission policies.”

–U.S. Congressman Mark Pocan, July 25, 2015⁸

Although these “concerns” were “raised,” they turned out to be baseless. A federal complaint by the ACLU and Disability Rights Wisconsin resulted in a United States Department of Justice investigation into whether the Milwaukee Parental Choice Program discriminates against children with disabilities and violates federal disability law. In December 2015, after a four year investigation, the U.S. DOJ – no fan of school choice– closed their investigation. **The Justice**

⁵ Knapp, Aaron. June 13, 2015. “Unified Tax Levy and Rate Expected to Rise.” *Racine Journal Times*. . http://journaltimes.com/news/local/unified-tax-levy-and-rate-expected-to-increase/article_f7b53e0a-9fed-5a3a-a189-cc4a0cb804b6.html

⁶ Defour, Matthew, Molly Beck and Mark Sommerhauser. February 19, 2016. “Assembly passes bill that costs districts with students who head to private school vouchers.” *Wisconsin State Journal*. http://host.madison.com/wsj/news/local/govt-and-politics/assembly-passes-bill-that-costs-districts-with-students-who-head/article_bfd36d8e-fe05-5cfa-94f2-cf56b6ea335a.html

⁷ Peter Barca, Twitter, Feb. 18, 2016.

https://twitter.com/PeterWBarca/status/70055549054599168?ref_src=twsrc%5Etfw

⁸Pocan, Mark. July 25, 2015. “Pocan Op-Ed: Stop the Privatization of Public Education.” *Milwaukee Journal Sentinel*. <https://pocan.house.gov/media-center/in-the-news/stop-the-privatization-of-public-education>

Department found no evidence of discrimination by any private schools or the Milwaukee Parental Choice Program.

Furthermore, the state Department of Public Instruction (DPI) – like the DOJ, ideologically against student vouchers – has not received any discrimination complaints from parents against private schools. In October 2014, the DPI, on behalf of the DOJ's orders, created an online [complaint process](#) to allow parents to file complaints against private schools for discrimination. As of January 2016, according to our open records requests, there have been no complaints filed. Prior to the complaint process, in August 2011, the DPI told the DOJ that they have not received “*any state complaints related to the participation of children with disabilities in the MPCP.*”⁹

Opponents of school choice continue to believe that discrimination must exist because private schools educate so few children with disabilities. But, this relies on an erroneous statistic produced by the DPI, which suggested that only 1.6% of students participating in the voucher program had disabilities. Scholars have called that into question. DPI arrived at 1.6% by looking at the number of students who received special accommodations for testing.¹⁰ However, **because many special needs students do not receive a testing accommodation – or take the tests in question, DPI's methodology severely underestimates the number of special-needs students in the choice program.**

Professor Patrick Wolf at the University of Arkansas used a far more accurate methodology to estimate the number of disabled children in Milwaukee private schools. In a comprehensive five-year investigation, he concluded that between 7 and 14% of students in the Milwaukee Parental Choice Program were disabled.¹¹ This is far closer to the 13.8% of students reported to have a disability in Wisconsin public schools, [according to DPI](#).

Even if Milwaukee Public Schools educates more children with disabilities than private schools in the choice program, that does not mean discrimination is occurring. In short, because federal IDEA law covers public schools, public schools can fund a child's Individualized Education Plan (IEP). In contrast, private schools receive the voucher amount - \$7,214 - to educate all children, both with disabilities and without.¹² This funding disparity gives public schools a stark advantage in attracting parents to choose their schools.

⁹ Responses of State Superintendent Tony Evers and the Wisconsin Department of Public Instruction to U.S. DOJ Civil Rights Division Letter of August 17, 2011.

¹⁰ Wolf, Patrick. May 16, 2013. “School Choice and Students with Disabilities in Milwaukee.” *Education Next*. <http://educationnext.org/school-choice-and-students-with-disabilities-in-milwaukee/>

¹¹ “Milwaukee School Voucher Program has more Students with Disabilities than Previously Reported.” February 27, 2012. *Education Next*. <http://educationnext.org/milwaukee-school-voucher-program-has-more-students-with-disabilities-than-previously-reported>

¹² Starting next year, private schools are eligible for a Special Needs Scholarship of up to \$12,000 for children with disabilities. The program has enormous limitations, i.e. the child must have been rejected from the Open Enrollment Program, and the \$12,000 is not enough to educate children with more severe disabilities.

Myth #3: School choice is extremely unpopular.

“....expanding school vouchers is extremely unpopular with the people of Wisconsin.”
–Ruth Coniff, Editor at *The Progressive*¹³

Many public opinion polls – in Wisconsin and across the country – debunk this talking point. Consider:

- In 2014, a Wisconsin poll conducted by NMB Research, showed that 63% of Wisconsinites favor “giving parents the right to use tax dollars associated with the education of their children to send their children to the public or private school of their choice.”
- In 2015, a Wisconsin poll conducted by Professor William Howell found that the margin of support for vouchers was 8%.
- In 2015, a national poll conducted by the American Federation for Children found that 69% of respondents favored the concept of school choice after being provided with an objective definition.¹⁴

More public opinion surveys can be found in Table A at the end of this brief.¹⁵

To be sure, two Marquette Law School (MULS) polls show both plurality support and majority opposition for vouchers. In October 2014, the MULS poll showed that 48% support vouchers, while 44% oppose. Just six months later, in April 2015, MULS released a poll that showed voucher expansion was opposed by 54% of Wisconsinites and supported by only 37%.

What explains the difference? It is possible that the poll showing opposition is an outlier. This happens in statistics and public opinion polling. Alternatively, the wording of the question could matter. The consensus in the school choice academic community is that when questions are asked fairly, high levels of support are found among poll respondents.¹⁶

The April 2015 Marquette Law poll showing opposition to voucher expansion asked: “*Do you support or oppose eliminating the current statewide limit on the number of students using publicly funded vouchers to attend private schools?*” Such complex questions are generally frowned upon in survey research, as it is difficult for respondents to follow that ‘supporting elimination’ is actually an indication of support for voucher expansion.¹⁷ In contrast, for the poll

¹³ Coniff, Ruth. May 21, 2015. “Watching Wisconsin Destroy Public Schools.” *The Progressive*. <http://progressive.org/news/2015/05/188145/watching-wisconsin-destroy-public-schools>

¹⁴ Beck Research memo to interested parties. January 22, 2015. http://www.federationforchildren.org/wp-content/uploads/2015/01/1_22_15-Polling-Memo-and-Questions_final.pdf.

¹⁵ Table is replicated from *Diminishing Returns: Leuken, Marty, Rick Ensenberg and CJ Szafir*. April 2, 2015. “Diminishing Returns in K12 Education: Has Wisconsin hit a wall where an additional dollar in education spending will not bring improvements in student outcomes?” *Wisconsin Institute for Law & Liberty*.

¹⁶ Terry M. Moe 2002. “Dodging the Questions,” *Education Next* 2: 77-81

¹⁷ A well-known example of this was when a double-negative question was used to show that nearly a third of Americans denied the Holocaust had happened. Smith, Tom W. 1995. “The Holocaust Denial Controversy.” *The Public Opinion Quarterly* 59 (2):269-295

in October that showed support, Marquette Law School asked: “*Do you support or oppose expanding tuition vouchers for private schools to schools statewide?*” Less complex question wording has generally found that vouchers enjoy majority-support, and even higher support among the poor parents who are most likely to need them.¹⁸

More important than poll numbers is the demand for vouchers. The “people of Wisconsin,” it turns out, seem to want an alternative to public schools. The number of schools desiring to participate in the statewide voucher program will increase by 67% for the 2016-2017 school year,¹⁹ suggesting that schools sense a demand from parents. Moreover, high demand for private schools in Milwaukee has led to over 2,400 kids being wait-listed for seats.²⁰

In any event, to say that vouchers are “extremely unpopular” is simply untrue.

Myth #4: Studies show that school choice is a failure.

“*Study after study shows that voucher schools fail our children.*”
–State Senator Chris Larson, September 17th, 2015²¹

Quite the opposite actually. Since the late 1990s, there have been a total of 13 academic studies on school choice that have utilized random assignment to vouchers, i.e. the so-called “gold standard” in research. The use of random assignment is generally considered to be the best in scientific research because it gives us the greatest ability to examine causal effects. **Of the gold standard studies, 11 (84.6%) found that vouchers have a positive impact on student achievement, 1 (7.6%) found no impact, which means vouchers are just a cheaper alternative to public schools²², and 1 (7.6%) found a negative result.²³**

[A report by WILL last year](#), using DPI data, showed how Milwaukee private Catholic and Lutheran schools with voucher students outperformed their public school counterparts at MPS,

¹⁸ Hunt, Thomas and James Carper. 2012. *The Praeger Handbook of Faith-based Schools in the United States, K-12*. Santa Barbara: Praeger Publishing.

¹⁹ Gunn, Steve. February 9, 2016. “67% increase in schools participating in WI voucher program.” *EAG News*. <http://eagnews.org/67-increase-in-schools-participating-in-wi-voucher-program/>

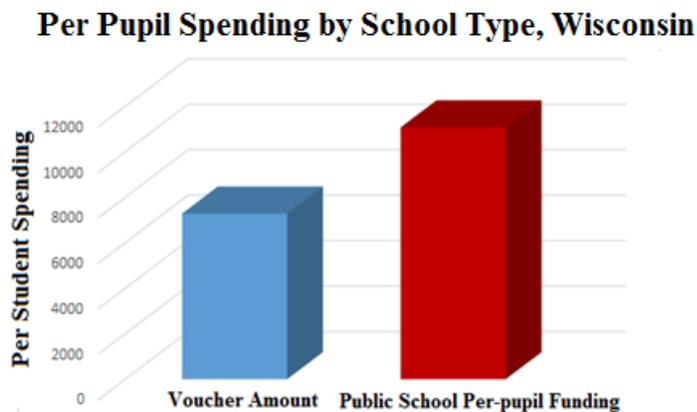
²⁰ Kittle, M.D. September 14, 2014. “Poll finds strong support for School Choice in Wisconsin’s swing districts.” *Wisconsin Watchdog* <http://watchdog.org/170158/school-choice-poll-wisconsin/>.

²¹ Larson, Chris. September 17, 2015. Statement on State of Education Address. <http://legis.wisconsin.gov/senate/07/larson/press-releases/2015/statement-from-senator-larson-on-the-state-of-education/>

²² Friedman Foundation School Choice Facts. http://www.edchoice.org/school_choice_faqs/does-school-choice-have-a-positive-academic-impact-on-participating-students/

²³ Atila Abdulkadiroglu, Parag A. Pathak, Christopher R. Walters. “School Vouchers and Student Achievement: First-Year Evidence from the Louisiana Scholarship Program.” *Working Paper*. Policy analysts and academics have identified a number of concerns with the study showing a negative finding. Because the study was conducted in Louisiana, it is difficult to extrapolate the results to a different state, which may have different laws. Some have criticized Louisiana, for instance, for having harsh regulations that discourage the best private schools from participating in the program. <http://educationnext.org/the-folly-of-overregulating-school-choice/> Moreover, the schools in Louisiana that used random assignment to the voucher program differed in significant ways from those that didn’t, making the external validity of the findings questionable.

among demographic groups at the highest risk for failure—schools with at least 80% African American and impoverished students.



This is all the more remarkable when one considers the large, unfair funding disparities between vouchers and public schools. The chart on the left highlights this spending disparity between an elementary-school students. Under the most recent state budget, voucher students in grades K-8 receive a voucher of \$7,218 and those in high school receive \$7,860. According to the most recent data

available from the Census Bureau, per-student spending in Wisconsin for the 2013 school year was \$11,071²⁴ and is even higher at Milwaukee Public Schools.²⁵

Conclusion

As our second president, John Adams, once proclaimed: *“Facts are stubborn things; and whatever may be our wishes, our inclinations, or the dictates of our passion, they cannot alter the state of facts and evidence.”*

Providing a high-quality education is one of the most important responsibilities of government. It is, therefore, essential for Wisconsin that our lawmakers, their constituents, and the media form their opinions based upon facts, rather than talking points.

²⁴ “Public Education Finances 2013: Economic Reimbursable Surveys Division Report.” *United States Census Bureau*. <https://www.census.gov/content/dam/Census/library/publications/2015/econ/g13-aspef.pdf>

²⁵ “Cost and Fiscal Effect.” *School Choice Wisconsin*. <http://www.schoolchoicewi.org/index.php/research/issues/cost-fiscal-effect/>

Appendix: Previous Polls

Table A : Statewide and national polls on school choice

Poll	sample	% support	% oppose	margin of support
Wisconsin polls				
Howell (2015)*				
providing government subsidies for private tuition for all children	600 WI residents	47%	40%	8%
providing government subsidies for private tuition for children with special needs		62%	27%	35%
NMB Research (2014)**				
give parents the right to use tax dollars to send their children to public or private school of their choice	500 likely voters from swing	63%	n/a	n/a
expanding statewide PCP to allow any working class WI parent to access to public dollars for choosing public or private schools	legislative districts	60%	n/a	n/a
eliminating the cap on vouchers in statewide PCP		56%	n/a	n/a
WPRI (2012)				
formation of charter schools	605 Milwaukee City residents	48%	30%	17%
National polls				
Beck Research, LLC (2015)				
support the concept of school choice		69%	27%	42%
specific school choice proposals				
vouchers	1,800 likely November	63%	34%	29%
tax credits	2016 voters	70%	26%	44%
ESA		66%	29%	37%
special needs scholarships		83%	14%	68%
charter schools		76%	20%	56%
DiPerna (2014)***				
school vouchers				
all respondents		63%	33%	30%
urban		63%	35%	28%
suburban		61%	34%	27%
small town		66%	31%	35%
rural	1,007	64%	32%	32%
vouchers should be available regardless of incomes or special needs	American adults	65%	31%	34%
charter schools				
all respondents		61%	26%	35%
urban		66%	26%	40%
suburban		55%	30%	25%
small town		66%	24%	42%
rural		62%	26%	36%

* poll was commissioned by the Wisconsin Policy Research Institute and conducted by William G. Howell, Harris School of Public Policy, University of Chicago

** poll was commissioned by the American Federation for Children

*** poll was commissioned by the Friedman Foundation for Educational Choice and conducted by Braun Research, Inc.