



Thank you, Chair Brenner, Vice Chair Slaby, Ranking Member Fedor, and members of the House Education and Career Readiness Committee for giving me the opportunity today to provide testimony today in support of House Bill 200.

My name is Chad Aldis, and I am the Vice President for Ohio Policy and Advocacy at the Thomas B. Fordham Institute. The Fordham Institute is an education-focused nonprofit that conducts research, analysis, and policy advocacy with offices in Columbus, Dayton, and Washington, D.C.

We've long believed that every parent should have access to a good school that meets his or her child's educational needs. While supportive of school choice, we've been a critical friend at times. Our advocacy work to improve Ohio's charter sector is a good example of that. We've also funded research to study the effectiveness of charter schools, vouchers, and—in a study released earlier today—open enrollment. We aren't afraid to ask the tough questions even when we are supportive of a program or policy and don't know what the research will say. At the end of the day, we care most about what works for Ohio students.

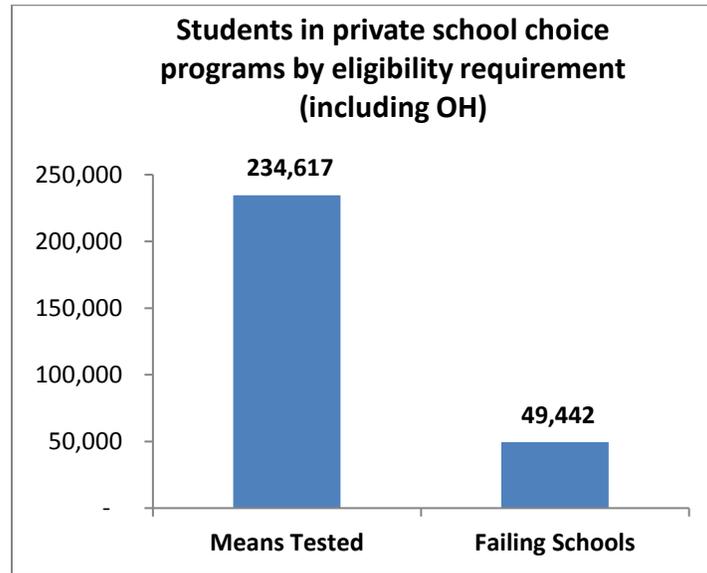
With this background in mind, I'm pleased to say that Fordham strongly supports House Bill 200. It makes a number of changes that should significantly improve Ohio's private school choice efforts.

Move to income-based eligibility

House Bill 200 transitions away from a system where student eligibility is based upon the school rating of a student's assigned public school (often referred to a failing schools model) and toward a system based on a student's family income. This is a positive shift and one that is long overdue. Reams of data tell us that low-income students, regardless of their assigned school building, continue to face the biggest education challenges. Moreover, they are also the students most constrained when their assigned school isn't a good fit, and they aren't making academic progress. Students of means are better able to move to another school zone, pay private school tuition, or afford transportation to open enroll in a nearby district.

Ohio's use of public school performance to determine voucher eligibility is actually something of an outlier nationally. The American Federation for Children's annual yearbook categorizes twenty choice programs as means tested and only eight as failing schools.¹ Participation numbers around the country paint an even clearer picture. There are more than 230,000 students enrolled in a means-tested program and less than 50,000 in a failing schools model. Noteworthy, more than 40 percent of the students nationwide using a failing schools model scholarship are enrolled in Ohio's EdChoice program.

¹ Some programs are designated as both failing schools and means tested. For our purposes, each of these programs is considered a failing schools model.



Simplification

Moving to an income-based program and consolidating the EdChoice, EdChoice income-based, and Cleveland scholarships into a single Opportunity Scholarship would greatly simplify the current structure. Before moving to Ohio nine years ago, I was the scholarship (voucher) director at the Florida Department of Education. From experience, I can say that having multiple scholarship programs each with their own eligibility qualifications, enrollment windows, operational guidelines, and private school participation requirements presents significant administrative challenges. Ohio's five separate programs likely makes providing effective oversight and technical assistance more difficult than it needs to be.

A program basing eligibility upon academic performance is also inherently more complex and even subject to gaming. Take the current situation: Ohio has 260 schools whose students are currently deemed eligible for EdChoice. If you looked at the academic requirements alone and ignored the safe harbor provisions in place, more than 800 schools would be on the list. Moreover, the student eligibility section for EdChoice ([3310.03 ORC](#)) shows clearly how complicated it gets. The section contains provision after provision trying to navigate the district-driven student assignment process (students are only eligible if assigned to a low-performing school) and the various iterations of the state report card.

Being complicated for bureaucrats is one thing, but it's especially problematic for parents. House Bill 200's move to income-based eligibility is more intuitive, and parents will quickly be able to determine if they are eligible. It also allows greater stability for families as a student can move and retain his or her scholarship as long as income guidelines are still met. Right now, an EdChoice recipient risks losing the scholarship if he or she moves.

Also assisting parents, this legislation makes getting the scholarship easier. The bill expands the application window and permits students to apply directly to the Ohio Department of Education for a certificate of voucher eligibility that they can then take to participating private schools. This will make it

easier for parents to shop around and find the best fit for their children. Speaking of shopping around, the requirement for the state to begin calculating value added data for the voucher program will also be beneficial to parents. Right now, only proficiency data are available, which isn't helpful if students enter a school already behind grade level. Growth data will help show whether student learning expectations are being met or exceeded and will be incredibly valuable.

Funding

Ohio's current system of funding private school choice programs is complex and utilizes a variety of mechanisms that vary by program. House Bill 200 creates a uniform funding mechanism that directly funds scholarships. This is a huge improvement, especially for the original EdChoice Scholarship. In EdChoice, a district reports voucher recipients as attending its schools, draws down additional state dollars, and then redirects state dollars to private schools. The funding structure creates an antagonistic relationship between school districts and private schools and often will misrepresent a school district's need by changing its student count. Directly funding scholarship recipients has the long-term potential of not only being fairer but also reducing tensions between public and private schools.

Finally, I'd like to address the research on the EdChoice Scholarship program released last July by Professor David Figlio of Northwestern University.² Fordham is extremely proud to have funded this independent research which is the most rigorous review of the EdChoice Scholarship to date. The report's findings were mixed giving both voucher supporters and voucher critics something to point to in policy arguments. Students using a voucher to attend a private school tended to perform worse on state assessments than similar students not using a voucher. However, public schools facing competition as a result of vouchers tended to perform better.

It's difficult, even as the funder of this study, to draw any strong conclusions from it. This was important work, but the rigorous empirical techniques employed by Dr. Figlio meant that we were largely studying schools and students near the EdChoice eligibility cutoff. In other words, this looked at student and school outcomes among the highest performing EdChoice eligible schools (those schools very close to the "C", "D" dividing line). That means that we don't have a good indication of the competitive or participant effects associated with the lowest performing EdChoice eligible schools.

Fortunately, there has been significant research done nationwide on the issue.³ In fact, fourteen of nineteen random assignment (gold standard) studies looking at the participant effects of students in private school choice programs have found some or all students benefit, two find neither benefit nor harm to student outcomes, and three find negative student outcomes. The research is even stronger in

² <https://edexcellence.net/publications/evaluation-of-ohio%E2%80%99s-edchoice-scholarship-program-selection-competition-and-performance>

³ <http://www.edchoice.org/wp-content/uploads/2016/05/A-Win-Win-Solution-The-Empirical-Evidence-on-School-Choice.pdf>

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regards to competitive effects. Competitive effects studies examine what happens to student outcomes in public schools when facing voucher competition. In thirty-one of thirty-three studies (using a variety of empirical methods), public school student outcomes improved. One study found no impact on student outcomes and another found a decline.

While the national evidence that vouchers have a positive impact is extraordinarily strong, we should continue to study how well Ohio's program is performing. We therefore support the provision in HB 200 calling for the calculation of value added data which will be helpful to both parents and policy makers in the years ahead. There might also be merit, as some states have done, to provide in law for a regular empirical study of competitive effects, participant effects, and post-secondary student outcomes.

In conclusion, House Bill 200 makes a number of important changes that will strengthen the state's private school choices. If this legislation were to be adopted, Ohio would have a simpler, easier to use system that serves students most in need and is funded in a fairer, more straightforward manner. For these reasons, we stand in support of House Bill 200.