Thank you, Chair Lehner, Vice Chair Huffman, Ranking Member Sykes and Senate Education Committee members for giving me the opportunity today to provide testimony in support of Senate Bill 85.

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.

Fordham has long supported school choice in its many forms, including charter schools, open enrollment, magnet schools, homeschooling, and private school choice. We believe that it’s essential to empower all parents with meaningful, high quality educational options. 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—coming soon—open enrollment. We aren’t afraid to ask the tough questions even when we are supportive of a program or policy. 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 Senate Bill 85. It makes a number of changes that should significantly improve Ohio’s private school choice efforts.

**Move to income-based eligibility**

Senate Bill 85 would transition 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 upon 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 more likely 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 20 choice programs as means tested and only 8 as failing schools.[[1]](#footnote-1) Participation numbers around the country paint an even clearer picture, especially since Ohio’s EdChoice program serves more than 40 percent of the students nationwide using a failing schools model scholarship.

**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 based upon particular academic parameters is also inherently more complex and 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. That’s just the most recent example. A brief look at the student eligibility section for EdChoice ([3310.03 ORC](http://codes.ohio.gov/orc/3310.03v1)) shows that it’s anything but clear. The code contains a list of exception after exception as it attempts to navigate the district-driven student assignment process (students are only eligible if assigned to a low performing school) and the various permutations of the state report card.

Being complicated for bureaucrats is one thing, but it’s even more problematic for parents. Senate Bill 85’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.

Getting the scholarship is also made easier. SB 85 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 (and policy makers). Right now, only proficiency data is available which isn’t helpful if students enter a school already behind grade level. Growth data helps 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. Senate Bill 85 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.

Senate Bill 85 also creates a much talked about education savings account. This provision is far more limited than that seen in other states. Rather than placing a student’s entire per pupil allotment into a spending account, it involves only those dollars remaining at the end of the school year. This more conservative approach will greatly reduce the risk of misuse. More importantly, it could create some competition between private schools to keep tuition costs low as another mechanism to attract students rather than raising tuition to maximize taxpayer support. Given the nature of the other changes in SB 85, this change—while a good idea overall—is far less likely to have a major long-term impact.

\*\*\*

Finally, I’d like to address the research on the EdChoice Scholarship program released last July by Professor David Figlio of Northwestern University.[[2]](#footnote-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]](#footnote-3) In fact, fourteen of eighteen random assignment studies looking at the participant effects of students in private school choice programs have found some or all students benefit, two find no benefit or harm to student outcomes, and two find negative student outcomes. The research is even stronger in regards to competitive effects (in other words, what happened to student outcomes in public schools). In thirty-one of thirty-three studies (using a variety of empirical methods), public school student outcomes improved. One study each found no impact and a decline in student outcomes.

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 SB 85 calling for the calculation of value added data which will be helpful to 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, Senate Bill 85 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 simpler, easier to use system, serving students most in need, and funded in a more straightforward manner that would minimize its impact on communities around the state. For these reasons, we stand in support of Senate Bill 85.

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. [↑](#footnote-ref-1)
2. <https://edexcellence.net/publications/evaluation-of-ohio%E2%80%99s-edchoice-scholarship-program-selection-competition-and-performance> [↑](#footnote-ref-2)
3. <http://www.edchoice.org/wp-content/uploads/2016/05/A-Win-Win-Solution-The-Empirical-Evidence-on-School-Choice.pdf> [↑](#footnote-ref-3)