



## **Lawmakers Again Push Plan for Third Private School Voucher Program**

**Bill Analysis:** [Senate Bill 601](#) (LC 49 0911)

### **SB 601 Overview**

Georgia lawmakers are again considering a bill to create the state's third private school voucher program, named the Georgia Educational Freedom Act. If approved by the General Assembly, [SB 601](#) would use state funds to establish a new form of vouchers called education savings accounts (ESAs). ESA voucher funds—\$6,000 for each voucher student every year—could be used for tuition at private schools and other education expenses. Sen. Butch Miller (R-Gainesville) authored the legislation.

The ESA voucher program outlined in SB 601 is a program that offers few academic accountability safeguards for students and undermines public schools. The proposed voucher plan:

- Copies voucher programs that resulted in student learning losses in other states.
- Triggers loss of special needs students' rights to federally required services.
- Has inadequate quality and transparency measures to safeguard public funds.
- Lacks an accountability mechanism to remove or intervene with private schools or educational providers that do not serve students effectively.

Georgia spends more than \$136 million each year on the state's two existing voucher programs, which have not been evaluated, despite operating for more than a decade. There are better investments lawmakers can make to support students instead of adding a third voucher program, including funding school counselors for all students, pupil transportation, substitute teachers, and extra resources for low-income students.

### **SB 601: A Closer Look**

There are multiple factors that make SB 601 a poor use of state resources, including its impact on students, inadequate safeguards for program quality, and redirection of public funds to private schools and providers. (See Appendix A for detailed information about the ESA voucher program's structure.)

#### *Voucher Programs Show Student Learning Loss*

Recent evaluations of private school voucher programs in Washington D.C., Louisiana, Ohio and Indiana show declines in student learning in math and, in Ohio, reading as well. Earlier studies showed private school vouchers had, at best, an uneven impact on student learning. There is little reason to expect a different outcome in Georgia.<sup>1</sup>

#### *Special Education Students Lose Guarantee of Services*

Under SB 601, students with an Individualized Education Program (IEP) or Section 504 plan, who have a disability or condition that requires extra assistance in school, would lose the right to receive these extra services as provided by federal law. Parents may not discover this until after they have enrolled their children, as SB 601 does not require participating private schools to inform prospective voucher students and their parents if they do not provide services outlined in IEPs or 504 Plans.

#### *Voucher Plan has Inadequate Quality Safeguards and Gives Parents Little Information*

The ESA voucher plan outlined in SB 601 falls short of quality and transparency standards lawmakers have set for public schools, including standards for educators. The most important in-school component of student learning is a skilled teacher. SB 601 does not require teachers at participating private schools to have a bachelor's degree or a teaching certificate.

Parents' ability to compare prospective private schools with their children's public school is hampered by the lack of comparable data. The easiest solution is requiring voucher students to take Georgia Milestones, but SB 601 does not do so. The lack of comparable data would also impede lawmakers' ability to assess the program's costs and benefits and set clear benchmarks for removing private schools or other service providers that perform poorly, an accountability measure the bill lacks.

Other accountability measures in HB 60 are also insufficient. A review committee, which makes determinations about allowable expenses and considers appeals from private schools and providers denied approval to participate, is made up of eight parents of participating students appointed. No instructional experts from the public education sector are included as members of the committee.

*Proposed ESA Voucher Program Would Send Public Funds to Private Schools*

If approved by lawmakers, SB 601 would direct public funds to private schools. Implementation of the voucher program would depend on the amount lawmakers appropriate for it. With a \$6,000 price tag for each participating student, the cost could climb quickly.

| <b>Participating Students</b> | <b>Estimated State Cost</b> |
|-------------------------------|-----------------------------|
| 8,704                         | \$ 52,224,360               |
| 17,408                        | \$ 104,448,720              |
| 26,112                        | \$ 156,673,080              |
| 34,816                        | \$ 208,897,440              |
| 43,520                        | \$ 261,121,800              |

*The estimated cost assumes the number of participating students in year one is 0.05 percent of the number of FTE students enrolled in Georgia's public schools in October 2021. Each subsequent year assumes an increase of 0.05 percent up to 2.5 percent of the October 2021 count.*

Sending these dollars to private schools and other providers would curtail the state's ability to make other critical investments in Georgia's students, including:

- Funding school counselors for special education and gifted students, which the state currently does not do.
- Restoring the state's share of student transportation funding to 50 percent, the portion it previously covered
- Boosting funding for substitute teachers, which lawmakers have not updated since 1985
- Adding resources for low-income students, who do not currently receive additional state funds to meet the extra needs these students often bring to the classroom

## Appendix A: Structure of SB 601 ESA Voucher Program

Students would be eligible for an ESA voucher under SB 601 if they have a parent who currently resides in Georgia and attend a public school for six weeks in the school year preceding the one in which they apply for an ESA voucher account.

Participating students could continue receiving an ESA voucher until they graduate from high school, turn 20, or, for special education students, turn 21. Students with an IEP or a Section 504 plan would be required to waive their rights to services under federal law.

Funding for the ESA voucher program would be set by the amount lawmakers appropriate for it. Each participating student would receive \$6,000, which would be deposited into accounts set up for each student. The funds could be used for one or more of the following:

- Tuition, required fees and textbooks at participating private schools
- Tuition, required fees and textbooks at a community college or postsecondary institution
- Tutoring services provided by an educator certified by the Georgia Professional Standards Commission
- Purchase of a curriculum and supplemental materials
- Tuition and fees for a nonpublic online learning program or course
- Services from a physician or licensed therapist including occupational, behavioral, physical or speech-language
- Fees for the management of account funds
- Computer or other technological devices for students' educational needs
- Up to \$500 annually for transportation to a private school or service provider<sup>2</sup>

Up to 50 percent of unused funds would rollover to subsequent years. If any funds remain after a student graduates from high school, the funds could be used at a postsecondary institution in Georgia.

The Georgia Student Finance Commission (GSFC) would operate the program, which it could engage a nonprofit organization to undertake. GSFC's tasks would include setting standards for participating private schools and service providers. It would also institute a system for paying private schools and service providers, a task it could retain a private management to perform. Up to three percent of the funds diverted to private schools could be used to cover the cost of these administrative functions.

A committee of eight parents whose children receive an ESA voucher would be established to review expenditures to determine if they meet program qualifications. Committee members would be appointed by the GSFC executive director and would serve one-year terms. They could be re-appointed for an unlimited number of terms. This committee would also review appeal requests from private schools and service providers denied approval by GSFC to participate in the program.

Participating students would take a national norm-reference test identified by the commission or Georgia Milestones annually. Data on student grade level, gender, family income level and race would be collected as well as high school graduation outcomes. The commission would publish an annual report, which would include

- Number and demographics of participating students and number of schools
- Student performance on assessments
- Parent satisfaction
- Percentage of funds used for each type of qualified expense
- Fiscal impact

The Department of Audits and Accounts would conduct an audit of the program every year.

---

<sup>1</sup> See: Dynarski, M., & Nichols, A. (2017, July 13). More findings about school vouchers and test scores, and they are still negative. *Evidence Speaks Reports*, 2(18). Brookings Institute. Retrieved from [https://www.brookings.edu/wp-content/uploads/2017/07/ccf\\_20170713\\_mdynarski\\_evidence\\_speaks1.pdf](https://www.brookings.edu/wp-content/uploads/2017/07/ccf_20170713_mdynarski_evidence_speaks1.pdf);  
Figlio, D. & Karbownik, K. (2016). *Evaluation of Ohio's EdChoice Scholarship Program: Selection, Competition and Performance Effects*. Thomas B. Fordham Institute. Retrieved from [https://edex.s3-us-west-2.amazonaws.com/publication/pdfs/FORDHAM%20Ed%20Choice%20Evaluation%20Report\\_online%20edition.pdf](https://edex.s3-us-west-2.amazonaws.com/publication/pdfs/FORDHAM%20Ed%20Choice%20Evaluation%20Report_online%20edition.pdf); Waddington, R.J., & Berends, M. (2018). Impact of the Indiana Choice Scholarship Program: Achievement effects for students in upper elementary and middle school. *Journal of Policy Analysis and Management*, 37(4), 783-808.; Wolfe, P. J., Mills, J. N., Sude, Y., Erickson, H. H., & Lee, M. M. (2019). How has the Louisiana Scholarship Program Affected Students? A. Comprehensive Summary of Effects after Four Years. Fayetteville: University of Arkansas, Department of Education Reform. Retrieved from <http://www.uaedreform.org/wp-content/uploads/LSP4-Policy-Brief-SCDP.pdf>

<sup>2</sup> Transportation expenditures would be capped at \$500 per year.