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# Private Schools and Public Options Help Predict Which Families Use Vouchers

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Research suggests that violence and low academic performance in public schools play a big role in a family's decision to use state-funded vouchers to send their children to a private school. However, little research has considered the impact of nearby private and public school markets.

In the most detailed observational research to date, Center for Poverty Research Faculty Affiliate Cassandra Hart examines the largest voucher program in the country: Florida's Tax Credit Scholarship Program.

### **Key Findings**

- Participants in Florida's tuition voucher program disproportionately come from low-performing public schools with more disruptive environments.
- Participants disproportionately come from areas with more convenient and diverse private school options.
- Families are less likely to use vouchers for private schools when they have nearby public options, like open enrollment and charter schools.

School voucher programs have become increasingly widespread in recent years. Classic voucher programs exist in cities such as in Milwaukee and Cleveland, while "neovoucher" programs—which provide students with scholarships funded by tax creditable contributions—serve students in states such as Florida and Pennsylvania.

A healthy body of research has already examined the individual characteristics of families who use vouchers to send their children to safer, higher-performing private schools. Studies in Cleveland and Milwaukee have suggested that concern with academic achievement is of primary importance for parents. Others suggest that it is less to do with academics and more to do with parents' religious preferences or beliefs about cultural and racial mixes within schools.

This study expands the scope of research by examining the characteristics

of students' original public schools, as well as characteristics of both public and private school markets, to learn how they predict participation in the Florida Tax Credit Scholarship Program.

The study finds that participants are more likely than eligible non-participants to come from public schools with worse overall academic performance, higher rates of violent and non-violent disciplinary incidents, and out-of-school suspensions, as well as more negative school climates according to both teacher and principal ratings.

However, private school and public school markets matter too. Participants tend to have more convenient and varied private school options than eligible students who do not participate. Students are also less likely to participate when they have access to more public school options.

#### **About the Center**

Over the past 50 years, the U.S. has experienced a rising standard of living without reducing the fraction of the population that live in poverty. In response to this, the Center for Poverty Research at UC Davis is one of three federally designated National Poverty Centers whose mission is to facilitate nonpartisan academic research on poverty in the U.S., to disseminate this research, and to train the next generation of poverty scholars. Our research agenda spans four themed areas of focus:

- Labor Markets and Poverty
- Children and the Intergenerational Transmission of Poverty
- The Non-traditional Safety Net, focusing on health and education
- The Relationship Between Poverty and Immigration

The Center was founded in the fall of 2011 with core funding from the Office of the Assistant Secretary for Planning and Evaluation in the U.S. Department of Health and Human Services.

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#### Florida's Voucher Program and School Markets

Starting with microdata from the Florida Department of Education on the nearly 35,000 students who applied to Florida's tuition voucher program for the 2008-09 school year, this study focuses on eligible elementary schoolaged students who attended public schools immediately before applying. Hart compares this subset of 2,764 new "participants" against 555,271 eligible elementary schoolaged "non-participants."

Hart uses a number of different sources to examine the public school climate, including administrative data, Florida School Indicator Reports data on disciplinary incidents and suspension rates, and 2004 and 2005 surveys of principals and teachers collected by researchers at the University of Florida, the Urban Institute and Princeton University.

To gauge market competition between private and public school options, Hart compares the density of private and public markets faced by participant and non-participant homeschools.

#### Participants' Original Public Schools

Participants in Florida's tuition voucher program tend to come from schools with higher proportions of African American students and lower proportions of White or Hispanic students. Participants are more likely to be African American and less likely to be white or Hispanic.

Participants are also more likely to use free rather than reduced-price lunch, and are lower-achieving compared to their non-participant peers. Participants disproportionately come from low-performing public schools with significantly higher rates of violent and non-violent incidents and out-of-school suspensions.

While participants were significantly less likely to come from public schools where principals rated new teachers in their school as "excellent," in other ways public school teacher qualities are only loosely related to whether parents will use vouchers to enroll their children in private schools.

The share of teachers with advanced degrees is slightly smaller in participant schools. Between participant and non-participant public schools, teachers differ only slightly on what most would consider important factors like time spent with low-performing students.

#### **Private and Public Options**

The private school markets near participants are significantly more competitive than the markets near non-participants. Participants' public schools are nearly a mile closer to the nearest private school, with many more private schools of different types within a five-mile radius. The nearby private school market, however, does not entirely explain why some parents choose private options for their children.

| Students' public school market characteristics: by participation |                  |              |
|--|------------------|--------------|
|  | Non-participants | Participants |
| Open enrollment  |                  |              |
| Higher district open enrollment (>=5% of students) (fraction)    | 0.521            | 0.462 ***    |
| No open enrollment in district (fraction)                        | 0.173            | 0.344 ***    |
| Charter schools  |                  |              |
| Any charter within 5 miles (fraction)                            | 0.476            | 0.457        |
| Number of charters within 5 miles                                | 1.072            | 0.987        |
| Ratio charter:private schools within 5 miles                     | 0.117            | 0.081***     |
| Observations   | 555,271          | 2764         |

This table shows differences in nearby private and public school options between the schools of non-participants and participants in the Florida Tax Credit Program.

This study links fewer public options, such as open enrollment or charter schools, to the likelihood families will seek out private schools for their children. Open enrollment provides an opportunity for families to enroll their children in public schools outside of their assigned district school.

The Florida Department of Education's 2008-09 report on open enrollment showed that for the previous year, over 12 percent of students statewide used open enrollment options, with significant variation from district to district. Seventeen of Florida's 67 districts had fewer than five students in the entire district using open enrollment options, and that about a third of all participants in the vouchers program came from those 17 districts. That was about twice the share of non-participants attending school in those districts.

Comparing the proportion of charter schools to private schools in a five-mile radius of participant and non-participant public schools, this study finds significantly fewer charter schools per private school near participants suggesting that to have fewer public options relative to private ones may be a factor in families' decisions to participate in Florida's tuition vouchers program.

However, access to charters within five miles is not significantly related to voucher participation. Taken together, the results suggest that both private school and public school markets, as well as characteristics of students' own public schools, impact with participation in voucher programs.

#### **Meet the Researcher**

Cassandra Hart is Assistant Professor of Education Policy at the University of California, Davis. Her recent research focuses on the effects of school choice, including studies on the Florida Tax Credit Scholarship and the effects of means-tested school vouchers scholarships.