



REL Northwest Ask-A-REL Response

Research on the Impact of Vouchers and Charter Schools

March 2017

Question:

What does the research say regarding how school vouchers, charter schools, and federally funded scholarships impact students/public schools?

Response:

Following an established REL Northwest research protocol, we examined recent research on the impact of charter schools and school vouchers on both students and public schools. We selected research or reviews primarily from nonpartisan organizations and journals. The response is divided into two sections—one for vouchers and the other for charter schools.

The sources included ERIC and other federally funded databases and organizations, research institutions, academic research databases, and general Internet search engines (for details, please see the methods section at the end of this memo).

We have not evaluated the quality of the references and resources provided in this response, and we offer them only for your consideration. In addition, we conducted this search using the most common methods and sources—*it is not comprehensive, and other relevant references and resources may exist*. Finally, we provide only publicly available resources, unless there is a lack of such resources or a particular article is considered seminal in the topic area.

References

I. Vouchers

Chingos, M. M., & Peterson, P. E. (2013). The impact of school vouchers on college enrollment. *Education Next*, 13(3), 58–64. <https://eric.ed.gov/?q=EJ1027209>

From the abstract: “In 1996, Cardinal John J. O'Connor, archbishop of New York, proposed to Rudy Crew, chancellor of the New York City public school system, that the city's most troubled public-school students be sent to Catholic schools, where he would see that they were given an education. New York City's mayor at that time, Rudolph

Giuliani, a voucher supporter, attempted to secure public funds that would allow Catholic schools to fulfill the cardinal's offer. Voucher opponents condemned the idea on the grounds that it violated the no establishment of religion clause of the First Amendment. It was only several years later, in 2002, that the U.S. Supreme Court found vouchers constitutional. As the controversy raged in the late 1990s, a group of philanthropists created the New York School Choice Scholarships Foundation (SCSF), which offered three-year vouchers worth up to \$1,400 annually to as many as 1,000 low-income families with children who were either entering 1st grade or were public school students about to enter grades two through five. Due to excess demand, SCSF established a lottery for interested families. SCSF asked an independent research team to conduct an experimental evaluation of the impact of the intervention on student achievement and other outcomes, such as school climate and school quality, as reported by the students' parents or other guardians. In this paper, the authors extend the original evaluation of the SCSF program by estimating impacts of the offer of a voucher on college enrollment. The results provide the first experimental evidence of the effects of a voucher intervention on this outcome. The study is also notable for obtaining information on college enrollments for 99 percent of study participants, greatly reducing the potential for bias due to attrition from the evaluation. The authors find large positive impacts on college enrollment for African American students but not for Hispanic students. Impact data for the small group of students from other backgrounds were not able to produce reliable evidence.”

Cowen, J. M., Fleming, D. J., Witte, J. F., & Wolf, P. J. (2012). Going public: Who leaves a large, longstanding, and widely available urban voucher program? *American Educational Research Journal*, 49(2), 231–256. Retrieved from https://www.researchgate.net/publication/239769976_Going_Public

From the abstract: “This article contributes to research concerning the determinants of student mobility between public and private schools. The authors analyze a unique set of data collected as part of a new evaluation of Milwaukee’s citywide voucher program. The authors find several important patterns. Students who switch from the private to the public sector were performing lower than their peers on standardized tests in the prior year. African Americans were disproportionately more likely to leave the private sector, as were students in schools serving proportionally more voucher students. The authors argue that although these results indicate that a large voucher program may provide an educational home for some students, it may not provide a long-term solution to those who are among the most disadvantaged.”

Epple, D., Romano, R. E., & Urquiola, M. (2015). *School vouchers: A survey of the economics literature* (NBER Working Paper No. 21523). Cambridge, MA: National Bureau of Economic Research. Retrieved from [http://www.columbia.edu/~msu2101/Epple-Romano-Urquiola\(2015\).pdf](http://www.columbia.edu/~msu2101/Epple-Romano-Urquiola(2015).pdf)

From the abstract: “We review the theoretical, computational, and empirical research on school vouchers, with a focus on the latter. In this substantial body of work, many studies find insignificant effects of vouchers on educational outcomes; however, multiple

positive findings support continued exploration. Specifically, the empirical research on small scale programs does not suggest that awarding students a voucher is a systematically reliable way to improve educational outcomes. Nevertheless, in some settings, or for some subgroups or outcomes, vouchers can have a substantial positive effect on those who use them. Studies of large scale voucher programs find student sorting as a result of their implementation, although of varying magnitude. Evidence on both small scale and large scale programs suggests that competition induced by vouchers leads public schools to improve. Moreover, research is making progress on understanding how vouchers may be designed to limit adverse effects from sorting while preserving positive effects related to competition. Finally, our sense is that work originating in a single case (e.g., a given country) or in a single research approach (e.g., experimental designs) will not provide a full understanding of voucher effects; fairly wide ranging empirical and theoretical work will be necessary to make progress.”

Jabbar, H., Holme, J., Lemke, M. A., LeClair, A. V., Sanchez, J., & Torres, E. M. (2015). *Will school vouchers benefit low-income families? Assessing the evidence* (Draft ed.). Austin, TX: University of Texas at Austin, Texas Center for Education Policy. Retrieved from <https://www.edb.utexas.edu/tcep/resources/TCEP%20Graduate%20Seminar%20DRAFT%20Vouchers%20Memo.pdf>

From the introduction: “We find that the empirical research shows that the effects of school vouchers on student outcomes generally are small or insignificant, and do not have the ability to close the racial achievement gap or generate large gains in student outcomes. In addition, even voucher programs that target low-income families or those attending failing schools have serious access and attrition challenges, calling into question the equity claims of voucher proponents. We conclude that the research on voucher effectiveness shows mixed results—some studies show small positive effects on student achievement, and some show no effects. Overall these results do not align with the strong claims of voucher proponents. In addition, the take-up and attrition patterns of voucher recipients suggest that such policies might not benefit the most disadvantaged students.”

Mills, J. N., & Wolf, P. J. (2017). Vouchers in the Bayou: The effects of the Louisiana Scholarship Program on student achievement after two years. *Educational Evaluation and Policy Analysis*. Advance online publication. Retrieved from <http://journals.sagepub.com/doi/abs/10.3102/0162373717693108>

From the abstract: “The Louisiana Scholarship Program (LSP) offers publicly funded vouchers to students in low-performing schools with family income no greater than 250% of the poverty line, allowing them to enroll in participating private schools. Initially established in 2008 as a pilot program in New Orleans, the LSP was expanded statewide in 2012. This article examines the experimental effects of using an LSP scholarship to enroll in one’s first-choice private school on student achievement in the first 2 years following the program’s expansion. Our results indicate that the use of an LSP scholarship has negatively affected both English Language Arts (ELA) and mathematics

achievement. We observe less negative effect estimates in the second year of the program, with the impacts on ELA only on the margin of statistical significance.”

National Conference of State Legislatures. (2013). *Fiscal impact of vouchers and scholarship tax credits*. Retrieved from <http://www.ncsl.org/research/education/fiscal-impact-of-school-vouchers-and-scholarship-tax-credits.aspx>

From the introduction: “One argument made by policymakers who advocate for private school choice is that policies such as school vouchers and scholarship tax credits can save taxpayers money. School vouchers and scholarship tax credit programs provide tuition support for certain students who wish to transfer from the public school system into private schools. These programs frequently are designed so the amount of tuition support provided is less than the amount the state otherwise would pay for a student to attend public school, with the state recovering the difference. Policymakers can choose to reinvest the funds in state education funding, spend them on something else, or count them as budget savings. Although this approach seems straightforward, the challenge analysts face in estimating the fiscal impact of these programs lies in determining not only the amount the state otherwise would pay for a student to attend public school, but also the cost to the state of the program as a whole. This brief discusses the factors fiscal analysts and legislators will want to consider when estimating the fiscal impact of private school choice policies, including the fiscal impact of existing programs.”

Usher, A., & Kober, N. (2011). *Keeping informed about school vouchers: A review of major developments and research*. Washington, DC: Center on Education Policy. <https://eric.ed.gov/?id=ED522161>

From the abstract: “This report examines a decade's worth of research on school vouchers and concludes that vouchers have had no clear positive effect on student academic achievement, and mixed outcomes for students overall. Effects on graduation rates, parental satisfaction, public school achievement and cost to taxpayers are discussed. The report also notes that much of this research has been carried out or sponsored by pro-voucher organizations, signaling a particular need for scrutiny. In addition to this research review, the report describes voucher programs currently in existence, summarizes major court cases and referenda on vouchers from the past ten years, and reflects on changes in the voucher landscape. A list of voucher studies reviewed is appended.”

Winters, M. A., & Greene, J. P. (2011). Public school response to special education vouchers: The impact of Florida's McKay Scholarship Program on disability diagnosis and student achievement in public schools. *Educational Evaluation and Policy Analysis*, 33(2), 138–158. Retrieved from <http://epa.sagepub.com/content/33/2/138>

From the abstract: “The authors expand on research evaluating public school response to school choice policies by considering the particular influence of voucher programs for disabled students—a growing type of choice program that may have different implications for public school systems from those of more conventional choice programs.

The authors provide a theoretical framework to show that special education vouchers could influence both school quality and the likelihood that a school will choose to identify the marginal child as disabled. Using a rich panel data set from Florida, the authors find some evidence that competition from a voucher program for disabled students decreased the likelihood that a student was diagnosed as having a mild disability and was positively related to academic achievement in the public schools.”

Wolf, P. J. (2012). *The comprehensive longitudinal evaluation of the Milwaukee Parental Choice Program: Summary of final reports*. Fayetteville, AK: University of Arkansas, Department of Education Reform, School Choice Demonstration Project.
<https://eric.ed.gov/?id=ED530066>

From the summary: “This report contains a summary of the findings from the various topical reports that comprise the author's comprehensive longitudinal study. As a summary, it does not include extensive details regarding the study samples and scientific methodologies employed in those topical studies. The research revealed a pattern of school choice results that range from neutral (no significant differences between Choice and Milwaukee Public Schools) to positive (clear benefit to Choice).”

Wolf, P., Gutmann, B., Puma, M., Kisida, B., Rizzo, L., Eissa, N., & Carr, M. (2010). *Evaluation of the DC Opportunity Scholarship Program: Final report* (NCEE 2010-4018). Washington, DC: U.S. Department of Education, Institute of Education Sciences, National Center for Education Evaluation and Regional Assistance website.
<http://eric.ed.gov/?id=ED510452>

From the abstract: “Called the DC Opportunity Scholarship Program (OSP) since its inception, the federally funded program provided scholarships of up to \$7,500 for low income residents of the District of Columbia to send their children to participating private schools. Overall, low-income students who were awarded vouchers to attend private schools through the OSP were performing at similar levels in reading and math 4 to 5 years later as students who also applied to the OSP, but were not awarded scholarships. However, students awarded vouchers graduated at significantly higher rates than did their counterparts, according to parent reports. The OSP also had a positive impact on parents' satisfaction with their child's school and their perceptions of the school's safety, but students themselves rated school satisfaction and safety the same whether they received a voucher or not.”

II. Charter Schools

Berends, M. (2015). Sociology and school choice: What we know after two decades of charter schools. *Annual Review of Sociology*, 41(1), 159–180. Retrieved from
<http://www.annualreviews.org/doi/pdf/10.1146/annurev-soc-073014-112340>

From the abstract: “Charter schools have been on the educational reform landscape for over twenty years. In the last ten years, a number of rigorous studies have examined the effects of these schools on student achievement and educational attainment. Findings reveal mixed results where student achievement is concerned (i.e., some positive, some negative, some neutral) and positive results in terms of educational attainment (i.e., high

school graduation and college attendance). The article places this research within a framework that draws on both market and institutional theories, and concludes that additional research on the social organization of charter schools and traditional public schools is needed to better understand the conditions under which school choice is or is not effective.”

Bifulco, R., & Buerger, C. (2012). *The influence of finance and accountability policies on charter school locations* [Working paper]. Syracuse, NY: Syracuse University. Retrieved from <http://ncspe.tc.columbia.edu/working-papers/OP209.pdf>

From the abstract: “This paper examines the location of charter schools in New York State. We begin by identifying a set of location incentives created by charter school financing and accountability provisions, some of which are unique to New York and others of which are inherent to charter schools. Estimated Poisson and Tobit regression models reveal that the pattern of charter school locations across districts are highly consistent with incentives created by financing and accountability policies. Particularly, we find that charter schools are significantly more likely to locate in districts with high operating expenses per pupil, and thus, high charter school payments; low teacher costs; and low performance. Charter schools are also more likely to locate in districts with concentrations of college educated adults as well as high levels of diversity in educational attainment. Within districts, charter schools tend to locate near areas with concentrations of low-income and minority students, who otherwise might have constrained educational choices, which suggests that concerns about the costs of enabling low-income students to reach achievement standards do not discourage charter schools from locating near concentrations of disadvantaged students. This analysis will be of interest to state legislators and their staff, state education department officials and charter school authorizers.”

Bifulco, R., & Reback, R. (n.d.). *Fiscal impacts of charter schools: Lessons from New York*. Retrieved from <http://www.columbia.edu/~rr2165/pdfs/nycharterfiscal.pdf>

From the abstract: “Given the budgetary strain that school districts have been facing in recent years and the impetus to increase the number of charter schools, concerns about the fiscal impacts of charter schools are more salient than ever. However, very little research has addressed this issue. Using the city school districts of Albany and Buffalo in New York, this brief addresses this gap in the literature by demonstrating how fiscal impacts on local school districts can be estimated and offering a way to conceptualize fiscal impacts that is useful for framing charter school policy objectives. We find that charter schools have had negative fiscal impacts on these two school districts, and argue that there are two reasons for these impacts. First, operating two systems of public schools under separate governance arrangements can create excess costs. Second, charter school financing policies can distribute resources to or away from districts. We argue that charter schools policies should seek to minimize any avoidable excess costs created by charter schools and ensure that the burden of any unavoidable excess costs is equitably distributed across traditional public schools, charter schools, and the state. We offer concrete policy recommendations that may help to achieve these objectives.”

Chudowsky, N., & Ginsburg, A. (2012). *Who attends charter schools and how are those students doing? Exploratory analysis of NAEP data*. Washington, DC: National Assessment Governing Board. <https://eric.ed.gov/?q=ED539917>

From the abstract: “This report examines what the National Assessment of Educational Progress (NAEP) can tell us about charter school enrollment and student performance compared to that of regular public schools. The study uses NAEP reading and mathematics data from 2011 and the earlier years when charter school data first became available (2003 for grade 4; 2005 for grade 8). The study finds that while charter schools still account for a relatively small percentage of overall public school enrollment (about 3%), this percentage is growing rapidly, particularly in large cities. A sizable jump was found in charter school enrollment for the black student subgroup. In terms of achievement, there is a consistent pattern of higher average NAEP scores for regular public schools than for charters when we look at the nation as a whole. However, the closer we focus in on large cities, where most charter schools are located, the more the picture changes in favor of charter schools. In all large cities combined, student achievement is roughly even overall, but the black and Hispanic subgroups show higher scores in charter schools. When we examined four urban areas specifically (DC, Atlanta, Chicago, Milwaukee), students in charter schools significantly outperformed their peers in regular public schools in many of the subjects/grades analyzed. Charter school class sizes are smaller, and there is some evidence that charter school students receive more instructional time in some subjects. The report recommends making some changes to the NAEP Data Explorer interface and including data for research purposes in the Trial Urban District Assessment (TUDA) database that is representative of all charter schools located within each participating urban district.”

Gawlik, M. A. (2016). The U.S. charter school landscape: Extant literature, gaps in research, and implications for the U.S. educational system. *Global Education Review*, 3(2), 50–83. Retrieved from <http://ger.mercy.edu/index.php/ger/article/view/235/188>

From the abstract: “More than 20 years into the implementation of public charter schools, the U.S. experience can inform policymakers and others about how to achieve the best possible results through charter school policies. This paper describes the history and current state of the charter school movement, presents a conceptual model of the charter school system, and reviews the extant research on charter school outcomes. The paper concludes with a discussion of the implications of the findings, reviewed for policymakers and researchers, and a list of remaining research topics in the field of charter school research.”

Gleason, P., Clark, M., Tuttle, C. C., & Dwoyer, E. (2010). *The evaluation of charter school impact* (NCEE 2010-4029). Washington, DC: U.S. Department of Education, Institute of Education Sciences, National Center for Education Evaluation and Regional Assistance. <http://eric.ed.gov/?id=ED510573>

From the abstract: “Adding to the growing debate and evidence base on the effects of schools, this evaluation was conducted in 36 charter middle schools in 15 states. It compares the outcomes of 2,330 students who applied to these schools and were randomly assigned by lotteries to be admitted (lottery winners) or not admitted (lottery losers) to the schools. Both sets of students were tracked over two years and data on student achievement, academic progress, behavior, and attitudes were collected. The study is the first large-scale randomized trial of the effectiveness of charter schools in varied types of communities and states. Among the key findings were that, on average, charter middle schools that held lotteries were neither more nor less successful than traditional public schools in improving math or reading test scores, attendance, grade promotion, or student conduct within or outside of school. Being admitted to a study charter school did significantly improve both students' and parents' satisfaction with school. Charter middle schools' impact on student achievement varied significantly across schools. Charter middle schools in urban areas--as well as those serving higher proportions of low-income and low achieving students--were more effective (relative to their nearby traditional public schools) than were other charter schools in improving math test scores. Some operational features of charter middle schools were associated with less negative impacts on achievement. These features include smaller enrollments and the use of ability grouping in math or English classes. There was no significant relationship between achievement impacts and the charter schools' policy environment. Because the study could only include charter middle schools that held lotteries, the results do not necessarily apply to the full set of charter middle schools in the U.S.”

Organizations to Consult

National Center for the Study of Privatization in Education - <http://ncspe.tc.columbia.edu/>

From the website: “The National Center for the Study of Privatization in Education provides nonpartisan documentation and analysis of privatization in education. We conduct research, host conferences, and post working papers. Our topics range from preschool to tertiary education, both at home and abroad.”

National Conference of State Legislatures - <http://www.ncsl.org/>

School Choice and Charters - <http://www.ncsl.org/research/education/school-choice-and-charters.aspx>

School Vouchers - <http://www.ncsl.org/research/education/school-choice-vouchers.aspx>

Scholarship Tax Credits - <http://www.ncsl.org/research/education/school-choice-scholarship-tax-credits.aspx>

Keywords and Search Strings

The following keywords and search strings were used to search reference databases and other sources:

Vouchers

Charter Schools

Impact OR Effect OR Research OR Evaluation

Databases and Resources

We searched ERIC for relevant resources. ERIC is a free online library of more than 1.6 million citations of education research sponsored by the Institute of Education Sciences. Additionally, we searched Google Scholar and EBSCO databases (Academic Search Premier, Education Research Complete, and Professional Development Collection).

Reference Search and Selection Criteria

When we were searching and reviewing resources, we considered the following criteria:

Date of publications: This search and review included only references and resources published in the last 15 years (2002 to present).

Search priorities of reference sources: Search priority was given to study reports, briefs, and other documents that were published and/or reviewed by IES and other federal or federally funded organizations, as well as academic databases, including ERIC, EBSCO databases, and Google Scholar.

Methodology: The following methodological priorities/considerations were given in the review and selection of the references:

- Study types: randomized control trials, quasi experiments, surveys, descriptive data analyses, literature reviews, and policy briefs, generally in this order
- Target population and samples: representativeness of the target population, sample size, and whether participants volunteered or were randomly selected
- Study duration
- Limitations and generalizability of the findings and conclusions

This memorandum is one in a series of quick-turnaround responses to specific questions posed by educational stakeholders in the Northwest Region (Alaska, Idaho, Montana, Oregon, and Washington), which is served by the Regional Educational Laboratory Northwest at Education Northwest. This memorandum was prepared by REL Northwest under a contract with the U.S. Department of Education's Institute of Education Sciences (IES), Contract ED-IES-17-C-0009, administered by Education Northwest. Its content does not necessarily reflect the views or policies of IES or the U.S. Department of Education, nor does mention of trade names, commercial products, or organizations imply endorsement by the U.S. Government.