

## Friday Freakout: Do Low-Income Kids Really Benefit from School Choice in South Carolina?

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In an article on South Carolina's education spending in *The Post and Courier* this week, Brian Hicks took a swipe at the state's tax-credit scholarship program for students with special needs:

*Some lawmakers have been trying to dismantle public schools for years. This often comes in the guise of "school choice" or vouchers, which allow people to get tax credits for sending their kids to private schools.*

*Doesn't do much good, however, when the voucher doesn't actually cover tuition. The poor kids get hosed once again — but the wealthy get a nice tax break.*

*And it's a circular argument, anyway. These people say we need school choice and vouchers because the public schools are failing. But the reason the schools are failing, in part, is because those folks won't fix them.*

Hicks makes three assertions here: one silly, one specious, and one serious. The silly assertion is that support for school choice is supposedly an attempt to "dismantle public schools." More than half of the states have a school choice program, yet all of them still have a functioning public school system.

Moreover, as detailed in a previous Friday Freakout, the nearly unanimous conclusion of almost two-dozen empirical studies is that increased competition resulting from the introduction of a school choice program improves the performance of public schools (one study found no discernable impact and none found harm). If lawmakers truly wanted to "dismantle" public schools, that's an odd way to go about it.

The specious argument contains two parts: district schools are failing because they need more funding, and support for school choice in South Carolina and elsewhere is tied to the failure of the district schools. The first part was also addressed in a previous Friday Freakout. While some amount of resources is clearly necessary to provide a quality education, there is no strong correlation between funding and quality.

In any case, the need for school choice is not dependent on the quality of the local district schools. Certainly when the assigned school is low-performing, there is a great impetus for more

choice, but even a high-performing school might not be the right fit for every child who happens to live nearby. Different children have different needs, and no single school can be all things to all children.

That said, Hicks' assertion that low-income students do not benefit is a serious claim. It's also an empirically testable claim. Fortunately, we have the data necessary to test it. During the 2014–15 school year, scholarship organizations in South Carolina issued 1,055 tax-credit scholarships, with an average of \$8,015 per scholarship, to students with special needs. The maximum scholarship is \$10,000. According to Private School Review, the statewide average tuition at the 449 private schools in South Carolina is less than \$7,250 (about \$9,500 at elementary schools and \$6,045 at high schools).

However, while the majority of South Carolina scholarship students attend private schools with a general student population, 36 percent of scholarship recipients attend one of ten “Support Level III” schools that cater exclusively to students with special needs. These schools tend to be more expensive than the average private school, though several offer financial aid.

For example, more than 10 percent of scholarship students attend Camperdown Academy, which charges \$17,000 in tuition for grades 1–2 and \$20,400 for grades 3–8 and offers \$4,000 in financial aid on average. A \$10,000 tax-credit scholarship may be enough for some low-income families to bridge the difference, but not for others. South Carolina should consider lifting the \$10,000 scholarship cap for low-income families and for students that have particularly expensive disabilities.

South Carolina's tax-credit scholarship program is a great leap forward for children with special needs. The program does not harm district schools, and with one small tweak, it can better serve low-income students with special needs.

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