



## **Research and Commentary: ESA Program to Get New Jersey Children Back Into Classrooms a No-Brainer**

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Legislation in the New Jersey Senate would establish an education savings account (ESA) program for students whose school districts require face masks or do not offer in-person instruction.

The ESAs could be used to cover tuition and fees for eligible children at private and parochial schools, textbooks, curriculum, and supplemental materials, transportation costs, and tutoring services. Funds could also be used to cover the fees required to take national standardized achievement tests, such as the SAT, ACT, and AP examinations. Leftover ESA funds would roll over and could be used for the following school year.

The funds deposited into the ESA would be “an amount equal to the weighted base per pupil amount attributable to the child and the school district in which the child resides, as calculated pursuant to the ‘School Funding Reform Act of 2008.’”

Copious empirical research on school choice programs such as ESAs makes clear these programs offer families improved access to high-quality schools that meet their children’s unique needs and circumstances, improving academic performance and delivering quality education at a lower cost than traditional public schools.

Additionally, education choice benefits public school students and taxpayers by increasing competition, decreasing segregation, and improving civic values and practices. Research shows students at private schools are less likely than their public school peers to experience problems such as alcohol abuse, bullying, drug use, fighting, gang activity, racial tension, theft, vandalism, and weapon-based threats. There is also a strong causal link suggesting private school choice programs improve the mental health of participating students.

Further, an ESA program would benefit the Garden State fiscally by saving the state money and non-fiscally by accruing to New Jersey children the benefits that generally come with education choice programs. A [2020 fiscal analysis](#) by EdChoice found if New Jersey enacted an ESA program at 90 percent of its full funding level (roughly \$6,500), with just a 1 percent participation rate (roughly 13,300 students), combined annual savings for local districts and the state government would equal more than \$97 million. At a 10 percent participation rate (roughly 130,000 students), the program would generate \$957 million in annual savings—\$7,833 per pupil.

Similarly, the analysis found an ESA funded to \$10,000 would still realize savings of \$51 million annually with 1 percent participation, and \$500 million annually with 10 percent participation. Per-pupil savings under this scenario would be \$3,833 per year.

“The fiscal impact on the state is the difference between the cost of the ESA and the state’s cost to fund the child’s education in the public school system,” the analysis notes. “Many school choice policies tie awards to a state’s portion of education funding. School districts typically keep revenue from local property taxes and some federal revenue. As awards are usually less than the state’s total per-student cost to educate students in public schools, choice programs usually generate savings for the state and school districts, and a byproduct of these programs is that the amount of resources for each student who remains in a district school increases.”

Multiple recent studies also highlight the educational and mental health need for children to receive in-person instruction. A [November 2021 working paper](#) from the National Bureau of Economic Research found learning loss during the COVID-19 pandemic was far greater in school districts that went fully remote compared to those that remained open.

A [collaborative working paper](#) released in May 2022 from researchers at the Center for Education Policy Research at Harvard University, the National Center for Analysis of Longitudinal Data in Education Research at the American Institutes for Research, and NWEA—looking at testing data from over 2 million students from 10,000 different schools in 49 states and the District of Columbia—found remote learning was a “primary driver” in “widening gaps in achievement by race and school poverty.” Meanwhile, an [April 2022 study](#) from the Centers for Disease Control and Prevention found remote learning had a significant negative effect on children’s mental health.

It is likely the combination of these dismal results and the political brinksmanship perpetrated by teachers unions throughout COVID-19—in direct conflict with students’ best interests—that have made education choice programs more popular with parents than ever. Polling by EdChoice released in September 2021 found [78 percent support](#) of the general public and 84 percent of parents with a child currently in school support ESAs. These findings are mirrored in the American Federation for Children’s eighth-annual [National School Choice Poll](#), released in March 2022, which found 77 percent support for ESA programs.

It also should be noted a [March 2022 POLITICO-Harvard poll](#) found 46 percent of parents believe masks mandates at their child’s school harmed children’s social learning and

interactions, 40 percent believe it has hurt their general schooling experience, 39 percent believe it has hurt their emotional and mental health, and 33 percent believe it has hurt their education.

The goal of public education in New Jersey today and in the years to come should be to allow all parents to choose which schools their children attend, require every school to compete for every student who walks through its doors, and make sure every child has the opportunity to attend a quality school. Establishing this ESA program would be an effective step towards meeting that goal. There has not been a time when providing these opportunities has been more urgent and more needed than right now.

The following documents provide more information about education savings accounts and education choice.

### **Fiscal Analysis of an Education Savings Account Program in New Jersey**

<https://www.edchoice.org/wp-content/uploads/2020/11/NJ-Fiscal-Brief-1.pdf>

This EdChoice brief discusses the potential fiscal effects of education savings accounts for K-12 in New Jersey on the state and local taxpayers and finds a program could save between \$97 million and \$957, depending on the size of the ESA award and the number of students making use of the scholarships.

### **The 123s of School Choice (2020 Edition)**

<https://www.edchoice.org/wp-content/uploads/2020/04/123s-of-School-Choice-2020-4.pdf>

This report from EdChoice is an in-depth review of the available research on private school choice programs in America. Areas of study include: private school choice program participant test scores, program participant attainment, parent satisfaction, public school students' test scores, civic values and practices, racial/ethnic integration and fiscal effects.

### **A Win-Win Solution: The Empirical Evidence on School Choice (Fourth Edition)**

<http://www.edchoice.org/wp-content/uploads/2016/05/A-Win-Win-Solution-The-Empirical-Evidence-on-School-Choice.pdf>

This paper by EdChoice details how a vast body of research shows educational choice programs improve academic outcomes for students and schools, saves taxpayers money, reduces segregation in schools, and improves students' civic values. This edition brings together a total of 100 empirical studies examining these essential questions in one comprehensive report.

### **Fiscal Effects of School Choice**

<https://www.edchoice.org/wp-content/uploads/2021/11/Fiscal-Effects-of-School-Choice-Condensed.pdf>

This EdChoice analysis of 40 private educational choice programs in 19 states plus D.C. summarizes the facts and evidence on the fiscal effects of educational choice programs across the United States and finds they have provided up to \$28.3 billion in net fiscal savings to state and local taxpayers through Fiscal Year 2018. The programs in the analysis include three education savings accounts programs (ESAs), 19 school voucher programs, and 18 tax-credit scholarship programs.

### **The Public Benefit of Private Schooling: Test Scores Rise When There Is More of It**

<https://object.cato.org/sites/cato.org/files/pubs/pdf/pa830.pdf>

This *Policy Analysis* from the Cato Institute examines the effect increased access to private schooling has had on international student test scores in 52 countries. The Cato researchers found that a 1 percentage point increase in the share of private school enrollment would lead to moderate increases in students' math, reading, and science achievement.

### **The Effects of School Choice on Mental Health**

[https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3272550](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3272550)

This study from Corey DeAngelis at the Cato Institute and Angela K. Dills of Western Carolina University empirically examines the relationship between school choice and mental health. It finds that states adopting broad-based voucher programs and charter schools witness declines in adolescent suicides and suggests that private schooling reduces the number of times individuals are seen for mental health issues.

### **Child Safety Accounts: Protecting Our Children through Parental Freedom**

<https://www.heartland.org/template-assets/documents/publications/CSAccountsPB.pdf>

In this *Heartland Policy Brief*, Vicki Alger, senior fellow at the Independent Women's Forum and research fellow at the Independent Institute, and Heartland Policy Analyst Tim Benson detail the prevalence of bullying, harassment, and assault taking place in America's public schools and the difficulties for parents in having their child moved from a school that is unsafe for them. Alger and Benson propose a Child Safety Account program, which would allow parents to immediately have their child moved to a safe school – private, parochial, or public – as soon as parents feel the public school their child is currently attending is too dangerous to their child's physical or emotional health.