



Research & Commentary: Budget increase for Pennsylvania's Education Choice Programs Could Lead to Billions in Benefits

Tim Benson

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A new report from the American Federation for Children and the Commonwealth Foundation finds an expansion of Pennsylvania's two tax-credit scholarship (TCS) programs could result in billions in higher lifetime earnings and economic output from citizens of the commonwealth, as well as hundreds of millions in savings to state and municipal governments.

In *The Untapped Potential of Expanded Tax Credit Scholarships*, the authors find an increase of the budget cap for the Opportunity Scholarship Tax Credit Program and the Educational Improvement Tax Credit Program to just \$95 million—just 0.3 percent of the state's overall public school spending—for the 2021–22 school year, enacted along with a 25 percent budget escalator for future years, would allow over 229,000 Pennsylvania children to be making use of these programs by the 2025–26 school year. Those 229,000 children would represent roughly 13 percent of the state's current K-12 population.

Further, doing so would lead to \$7.4 billion from higher lifetime earnings associated with increases in academic achievement, \$2.3 billion in increased economic output and reductions in social costs associated with additional high school graduates, and a \$260 million in savings to state and municipal governments due to reduced crime.

Copious other empirical research on school choice programs such as the Opportunity Scholarship Tax Credit Program and the Educational Improvement Tax Credit Program finds they offer families improved access to high-quality schools that meet their children's unique needs and circumstances, and that these programs improve academic performance and attainment and deliver a quality education at lower cost than traditional public schools. Additionally, these

programs benefit public school students and taxpayers by increasing competition, decreasing segregation, and improving civic values and practices.

Research also 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.

It is probably for these reasons, and also because teacher unions have repeatedly played politics with school closings during the COVID-19 pandemic in direct conflict with students' best interests, that TCS programs are more popular with parents than ever before. Polling done by EdChoice released in December 2020 found 74 percent support for tax-credit scholarship programs among the general public and 78 percent among current school parents. These findings are mirrored in the American Federation for Children's seventh-annual National School Choice Poll, released in January 2021, which saw 67 percent support for tax-credit scholarship programs.

"The state of Pennsylvania is at an education tipping point," the report concludes. "Policymakers could lift the arbitrary cap on tax credit scholarships so that the tens of thousands of students waiting in line can have access to better educational options. The cap would need to be lifted by about \$100 million to allow private contributions to cover funding for the 42,918 denied scholarships from the 2018-19 school year."

The goal of public education in Pennsylvania 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. There has not been a time when providing these opportunities has been more urgent and more needed than right now. Legislators should recognize that and allow families as many options as possible to get their children the education they need and deserve.

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

The 123s of School Choice (2021 Edition)

<https://www.edchoice.org/wp-content/uploads/2021/04/2021-123s-SlideShare-1.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.

The Fiscal Effects of Private K–12 Education Choice Programs in the United States

<https://www.edchoice.org/wp-content/uploads/2021/03/The-Fiscal-Effects-of-Private-K-12-Education-Choice-Program-in-the-United-States-1.pdf>

From an analysis of 40 private educational choice programs in 19 states plus D.C., this EdChoice working paper summarizes the facts and evidence on the fiscal effects of educational choice programs across the United States. The programs in the analysis include three education savings accounts programs (ESAs), 19 school voucher programs, and 18 tax-credit scholarship programs.

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

<https://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.

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.

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

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.