

Education*Next*

Some Regulations Deter Private Schools from Participating in Voucher Programs

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Regulations of school voucher programs can be well-intended. Policymakers may hope to prevent “bad” schools from operating or may limit schools’ ability to be selective in their admissions procedures in the name of establishing equal access to private options. But do top-down regulations of school voucher programs come with any unintended consequences? Our just-released study suggests some do.

We used surveys to randomly assign different regulations commonly found in school choice programs to 4,825 private school leaders in the states of California and New York and asked them whether or not they would participate in a new private school choice program during the following school year. Here’s what we found.

Relative to no additional regulations, open-enrollment mandates – preventing private schools from having specific admissions policies – reduced the likelihood that private school leaders were certain to participate in a hypothetical choice program by 60 percent. State standardized testing requirements reduced the likelihood that private school leaders were certain to participate by 29 percent. However, we found no evidence to suggest that mandating private schools to accept the voucher as full payment or requiring them to administer a nationally norm-referenced test of their own choosing affected the willingness of private school leaders to participate.

These overall results largely mirror what we found in our previous experiment in Florida. Statistically significant overall effects can be found in the figures below.

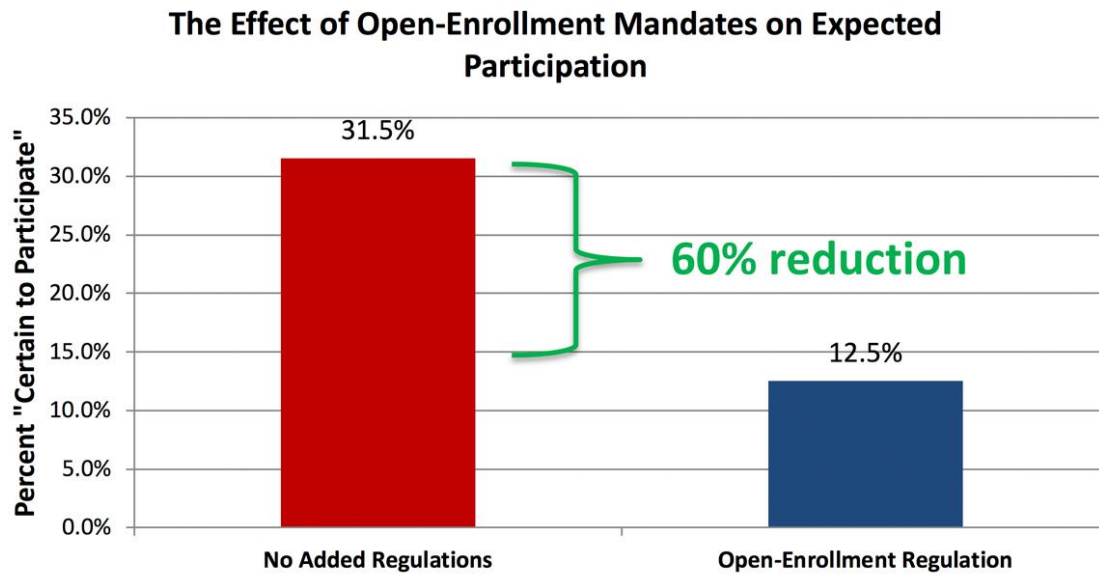


Figure 1: The Effect of Open-Enrollment Mandates on Expected Participation

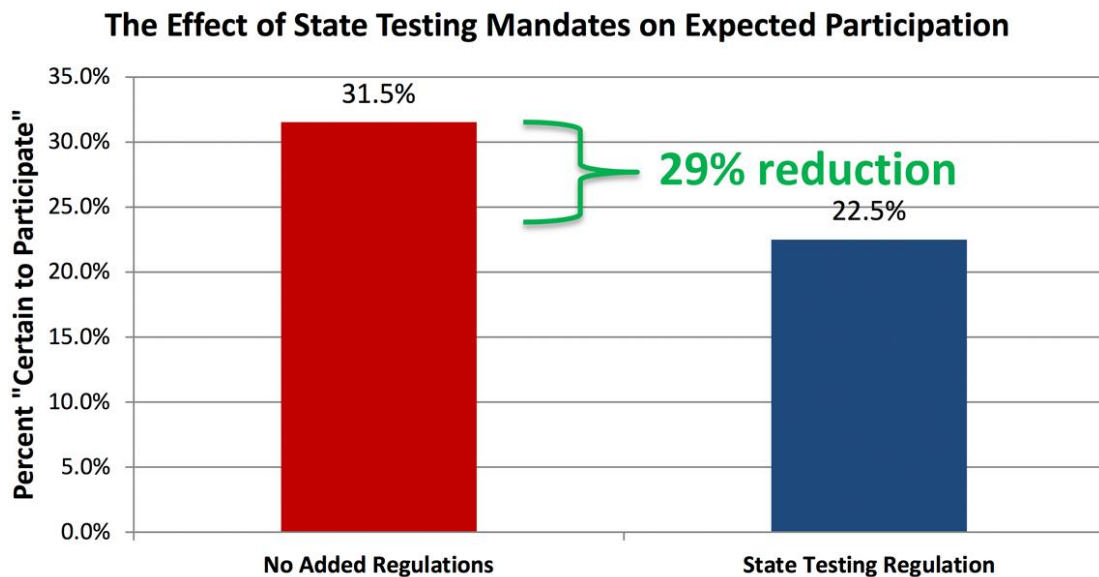


Figure 2: The Effect of State Testing Mandates on Expected Participation

Our overall results suggest additional government regulations, beyond those that all private schools face, largely reduce the number of options available to families. But it is possible that regulations were more likely to deter lower-quality private schools from participating in the programs. If so, regulations could have increased the quality level of the private schools participating in the hypothetical voucher programs, on average.

However, using four different measures of school quality – Google review scores, Great Schools review scores, tuition levels, and enrollment trends – we did not find any statistically significant evidence to suggest that any of the regulations improved the average quality of participating private schools by disproportionately deterring lower-quality schools from participating.

In fact, the only marginally significant result detected indicated that state standardized testing requirements were more likely to deter private schools with higher Google review scores. Specifically, one model found that a one-point (on a five-point rating scale) increase in Google review scores was associated with a 14.5 percentage point larger negative effect of the state testing mandate on anticipated program participation for higher quality schools compared to lower-quality ones. As we've hypothesized before, regulations could actually reduce the average quality levels of participating private schools. Lower-quality private schools may be more likely to participate in voucher programs, regardless of the additional regulations, because they are more likely to be in great need of financial resources and enrollment.

Our study is not without limitations. The survey response rate was only 8.24 percent, so we cannot be sure that the results are representative of all private schools in California and New York. In addition, because random assignment of regulations to private schools participating in actual voucher programs is not feasible, we had to rely on private school leaders' reported expectations to participate in hypothetical voucher programs.

Of course, public officials pushing for more voucher program regulations may only wish to help children get better educations. It might be possible for regulations to help achieve that admirable goal. But our study finds that voucher program regulations could have substantial negative effects on the amount of quality options available to the children that need them the most.

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