



New Study Calls Into Question More Regulation of School Choice

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Calls for more regulation of Wisconsin's school choice programs have been getting louder. Making the claims that performance isn't consistent enough, generally on standardized tests, they argue that government—or some outside entity—needs greater control of school entry and school exit in the state. However, a new study by Corey DeAngelis of the Cato Institute adds to the growing body of evidence that such arguments are wrongheaded. Rather than under-regulation, problems in the Milwaukee Parental Choice Program (MPCP) likely result from *too many* regulations being forced on private schools.

By many measures, the MPCP is already one of the most regulated school choice programs in the country. MPCP schools are forced to take the voucher amount as the full cost of tuition, which eliminates the feature of a functional market whereby service quality and demand sets prices. Schools are subject to a number of accounting hoops and accreditation requirements that school leaders will often tell you are difficult to understand and keep up with. Schools are also required to hire certified teachers with certain educational requirements, which may make it difficult to fill positions, or may necessitate the hiring of someone less objectively qualified for a particular job. WILL and School Choice Wisconsin's study of accountability in the MPCP and other state programs last year highlights even further the difficulty of the regulatory environment faced by schools that want to participate.

DeAngelis examines the impact of such regulations across two school choice programs—the MPCP in Milwaukee and Ohio's Educational Choice Scholarship Program. In both cases, he finds that proxies for school quality (tuition and school rankings on the website Great Schools) are negatively related to the likelihood of schools to participate in the voucher program. Specifically in the MPCP, a \$1,000 increase in tuition is related to a 3 percent decline in probability that a school participates. By the other measure, a one point increase in a school's score on Great Schools is related to a 14.8 percent decline in the likelihood of participation. This is consistent with previous work that DeAngelis has coauthored, which showed that lower levels of regulation in school choice in Indiana result in higher levels of school participation than more regulated programs in Washington, DC and Louisiana.

This is not to say that high quality schools do not participate in the MPCP. Indeed, schools like St Marcus and St Thomas More High School rank among the best schools in the state when fair comparisons are made. But what it does suggest is that further improvement to the sector is less likely to result from further regulation than from lessening the burden on schools, and putting more information into the hands of parents. Until we have given the school choice marketplace in Milwaukee a true opportunity to thrive under the vision of Milton Friedman, we should not continue our inexorable march in the opposite direction by letting the heavy hand of government or some other well-meaning big brother limit the choices available to Milwaukee families.