

Research & Commentary: Family Education Relief Program Would Be A Great Start For Education Choice In Texas

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Program Would Be Open To Texas Children From Low-Income Households

Companion legislation introduced in the Texas Legislature would establish the Family Education Relief Program (FERP), an education savings account (ESA) program for low-income Lone Star State families.

With an ESA, state education funds allocated for a child are placed in a parent-controlled savings account. Parents then use a state-provided debit card to access the funds to pay for the resources chosen for their child's unique educational program. Under the proposed program, ESAs could be used to pay for tuition and fees at private and parochial schools, as well as textbooks and other instructional materials, tutoring services, education therapies.

Funding for each FERP scholarship would be set at 90 percent of the "state average maintenance and operations expenditures per student in average daily attendance for the preceding state fiscal year" and any leftover account funds from the year could be used by parents during the following year.

Children would be eligible for a FERP scholarship if they belong to a family whose household income is "at or below the income guidelines necessary to qualify for the national free or reduced-price lunch program."

The program would be partially funded through state appropriations as well as through donations from individuals and businesses in the state. Donators would receive a tax credit up to 50 percent of their state tax liability. The cap on donations would top out at \$200 million in Fiscal Year 2022, but could grow by 25 percent in each subsequent year if 90 percent of the total credits in the current year are utilized.

Copious empirical research on school choice programs such as ESAs 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 ESAs are more popular with parents than ever before. Polling done by EdChoice released in December 2020 found 81 percent support for ESAs among the general public and 86 percent among current school parents, the highest level of support the program has received in the organization's eight years of polling on the issue. This represents a 4-percentage point increase over 2019. These findings are mirrored in the American Federation for Children's seventh-annual National School Choice Poll, released in January 2021, which saw 78 percent support for ESA programs.

The school a child attends should not be determined solely by his or her ZIP code. However, this is currently the case for most children in Texas. The goal of public education in the Lone Star State 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 on education savings accounts and education choice.

The 123s of School Choice

<https://www.edchoice.org/wp-content/uploads/2019/04/123s-of-School-Choice.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.

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.

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 Effects of the Florida Tax Credit Scholarship Program on College Enrollment and Graduation: An Update

https://www.urban.org/sites/default/files/publication/99728/the_effects_of_the_florida_tax_credit_scholarship_program_on_college_enrollment_and_graduation_0.pdf

In this update to a 2017 Urban Institute study, authors Matthew Chingos, Tomas Monarrez, and Daniel Kuehn find students participating in the Florida Tax Credit Scholarship Program are 99 percent more likely to enroll in a four-year college, and 56 percent more likely to graduate, than their public school peers.

The Effects of Statewide Private School Choice on College Enrollment and Graduation: Evidence from the Florida Tax Credit Scholarship Program

<https://www.heartland.org/publications-resources/publications/the-effects-of-statewide-private-school-choice-on-college-enrollment-and-graduation-evidence-from-the-florida-tax-credit-scholarship-program>

This study from Urban Institute scholars Matthew Chingos and Daniel Kuehn shows Florida's Tax Credit Scholarship Program boosted college enrollment for participating students by 15 percent, with students enrolled in the program for four or more years seeing a 46 percent hike.

Fiscal Effects of School Vouchers: Examining the Savings and Costs of America's Private School Voucher Programs

<https://www.edchoice.org/wp-content/uploads/2018/09/Fiscal-Effects-of-School-Vouchers-by-Martin-Lueken.pdf>

In this EdChoice study, Director of Fiscal Policy and Analysis Martin F. Lueken examined the fiscal impact of voucher programs across America—from their inception through fiscal year 2015—to determine whether they generated costs or savings for state and local taxpayers. Lueken found these programs generated cumulative net savings to state and local budgets of \$3.2 billion. This represents a \$3,400 savings per voucher recipient.

Nothing in this *Research & Commentary* is intended to influence the passage of legislation, and it does not necessarily represent the views of The Heartland Institute. For further information on this subject, visit *School Reform News*, The Heartland Institute's [website](#), and *PolicyBot*, Heartland's free online research database.

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