

November 2019

Tuition Scholarships for Harrisburg

Speaker Mike Turzai (R-Allegheny) wants to give parents the ability to escape Harrisburg schools without a permission slip from local officials. His legislation, HB 1800, offers tuition scholarships for students in certain district schools under receivership. Currently the only school that meets this designation is Harrisburg where 6,500 kids are trapped in a district with dismal test scores, persistent violence, and shocking fiscal mismanagement.

What is a tuition scholarship?

A scholarship program, or dollars a public-school student can use for private school tuition or tuition for another public school.

Why is this program necessary?

Harrisburg resident Thalia McClenton was fearful for her child's safety but can't afford private school. Thanks to the Education Improvement Tax Credit, Thalia was able to send her sons, Joshua and Christian, to Harrisburg Catholic Elementary School.

"Without the help my kids would not be able to go to Harrisburg Catholic. My son would have been eaten alive at Rowland Academy."

Thalia's concerns are not surprising given Harrisburg school district's difficult history. After years of dismal academic outcomes and incompetent management, the Harrisburg school district was put under state oversight in 2012. Before that the district was under mayoral control from 2000-2010. After nearly 20 years of intervention, nothing has changed. Only 16% of high schoolers are reading at grade level and 11% of 3rd through 8th graders are proficient in math.

In June, Harrisburg was again placed under state control for its poor performance and financial mismanagement. And in September, the FBI confirmed they are investigating the school district.

Charter schools are an alternative for some, but the state-appointed receiver—following Gov. Wolf's lead—has made it clear she doesn't have much faith in the ability of Harrisburg parents to make a good choice for their children and is fighting to keep public charter schools from opening.

Tax credit scholarships have helped Harrisburg children, like Thalia McClenton's sons, but thousands of kids across Pennsylvania are waitlisted every year. Tuition scholarships are needed to allow *all* Harrisburg kids the chance at an education that meets their needs.

Can other schools qualify for tuition scholarships?

According to HB 1800, only school districts of the second class in receivership and located in a county of the third class and in the city of the third class would be eligible. In the future, this could include 13 other districts such as Erie, Allentown, Reading, and York *if* they entered receivership.

How much is the tuition scholarship?

The scholarships would be funded with half of the per-student state subsidy to the district plus an additional match from new state funding. For Harrisburg, that amounts to \$7,972 per student; half of the state subsidy plus a matching \$3,986 from state funds.

What is the financial impact to the district?

The district would keep the other half of the state subsidy—\$4,100 in Harrisburg's case—without having to educate the child. Harrisburg school district spends a staggering \$22,500 per student, or \$450,000 for a classroom of 20. This is twice the national average. Clearly the problems in the district schools do not stem from a lack of funding.

FISCAL IMPACT OF HB 1800

Participation Rate	Kids Choosing Scholarships	Kids Choosing HBG SD	HBG SD Per-Pupil Revenue	Maximum Cost to State	
0%	0	7,737	\$20,124	\$0	
5%	387	7,350	\$20,974	\$1,542,582	
10%	774	6,963	\$21,918	\$3,085,164	
15%	1,161	6,576	\$22,973	\$4,627,746	
25%	1,934	5,803	\$25,503	\$7,708,924	
50%	3,869	3,868	\$36,263	\$15,419,841	

Source: CF calculation based on PA Department of Education data

What is the financial impact to the state?

We can't predict how many kids would seek a scholarship. If you make an incredibly high assumption that **50% of Harrisburg's** students would participate in the program, the additional state contribution would be at most around \$13 million. This is in line with the additional amounts we have provided to struggling districts like Erie (\$14 million) or Chester Upland (\$12 million) in recent years.

Where will scholarship recipients go to school?

Tuition scholarships can be used at the public or private school of their choice. Any private or public school wishing to participate must apply and follow a process created by the receiver. Neighborhood private schools include:

- Bishop McDevitt High School
- Covenant Christian Academy
- Follow Me Christian Child Care Center
- Hansel & Gretel Early Learning Center
- Harrisburg Catholic Elementary School
- Harrisburg Christian School
- Hillside Seventh-Day Adventist School
- Joshua Learning Center
- Little Learners' Child Development Center

- Logos Academy Harrisburg
- Londonderry School
- New Story School
- Rabbi David L Silver Yeshiva Academy
- Samuel School
- St Catherine Laboure School
- St Margaret Mary School
- St. Stephen's Episcopal School
- The Nativity School Of Harrisburg

What if the tuition at these schools is less than \$8,000? Will this program inflate tuition?

No. If the established tuition at a private or neighboring district school is less than \$8,200 the tuition scholarship will be reduced to equal the normal tuition and fees.

Will tuition scholarships help children learn?

Yes. Similar programs, such as the Milwaukee Parental Choice Program—the first modern school choice program—are extremely popular and have produced tremendous academic and non-academic outcomes. For instance, Milwaukee students in the choice program outperform their peers on the ACT. In fact, EdChoice compiled more than 140 empirical studies of school choice programs from across the 50 states. The report reveals overwhelmingly positive results across all categories.¹

- 11 of 16 studies indicate that the longer students utilize school choice programs, the larger the increase in test scores.
- 4 of 6 studies show a higher graduation rate and university enrollment for students who either used scholarships or won a charter lottery to attend a private school of their choice
- 26 of 26 studies show parents have high satisfaction with schools they get to choose.

The benefits of school choice programs extend to the greater community as well:

- 6 of 7 studies indicate that school choice programs promote some of the most effectively integrated schools, with high levels of racial and ethnic diversity.
- 24 of 26 studies state that charters place pressure on local public schools to do better. When an accessible charter school is present, public school test scores rise.
- 45 of 50 studies show that public schools experience a net savings when students decide to attend local private schools.

¹ EdChoice - The 123s of School Choice: https://www.edchoice.org/research/the-123s-of-school-choice/

Overall Effects Counts for Studies of Private School Choice Programs

Outcome	Number of Studies	Any Positive Effect	No Visible Effect	Any Negative Effect
Program Participant Test Scores	16	11	3	3
Educational Attainment	6	4	2	0
Parent Satisfaction	26	26	0	0
Public School Students' Test Scores	26	24	1	1
Civic Values and Practices	11	6	5	0
Racial/Ethnic Integration*	7	6	1	0
Fiscal Effects	50	45	4	1

^{*}One study employed multiple measures of racial integration and concluded that the effects of the program was overall neutral. We included this study in the "No Visible Effect" column.

Is it Constitutional?

Yes. *Zelman vs Simmons-Harris* determined the Cleveland program was legal as the funding followed students based on parental choice. The <u>Institute for Justice</u>, which represented the parents in Zelman, has reviewed the language in HB 1800 for constitution issues.

Why take such a dramatic step? Shouldn't we give the new receiver a chance to change things in Harrisburg?

Current Harrisburg students are the children of students the district was failing in 2000. Failing to prepare a second generation for the challenges of life in our capital city is unacceptable.

Harrisburg parents have been waiting for *years* for schools to improve. Without this program there is no accountability for failing districts, and we will further cripple these communities. Gov. Wolf says every child should receive a quality education no matter their zip code. This plan would turn that platitude into reality for the kids trapped in Harrisburg schools *today* and failing schools in the future.