

Education Choice Myths and Facts

Why Empowering Parents is Good for Taxpayers and School Districts

SCHOOL CHOICE SAVES MONEY WHILE SAVING KIDS

- School choice reforms are **significantly less costly than average per-pupil spending at public schools**, which is over \$21,200.¹ In contrast, the average Educational Improvement Tax Credit (EITC) and Opportunity Scholarship Tax Credit (OSTC) scholarships are respectively about **\$2,500** and **\$2,600**,² and Education Opportunity Accounts (EOAs) would be **about \$7,000** per student.³
- Studies confirm that K–12 school choice programs save taxpayer dollars.
 - A [2021 EdChoice study](#) examined 40 private school choice programs across 19 states and found the programs **saved a cumulative \$12.4 billion to \$28.3 billion**. That is, on average, \$1.80 to \$2.85 for every dollar spent on the programs.⁴
 - An [analysis](#) by Dr. Martin Lueken of EdChoice concluded a \$100 million EITC increase would save state and local taxpayers a combined \$264 million.⁵
- School choice creates long-term fiscal and societal benefits. An [economic impact analysis](#) by Dr. Corey DeAngelis concluded that EITC and OSTC expansion in Pennsylvania would result in greater lifetime earnings for kids. A \$100 million increase in tax credit scholarships would result in \$3 billion in economic benefits from higher lifetime earnings and additional benefits to the commonwealth in terms of tax revenue and reductions in criminal activity.⁶

EDUCATIONAL CHOICE BENEFITS PUBLIC SCHOOLS

- School choice doesn't force any student to leave their public schools. If students are happy with the educational opportunities at their public schools, they can stay. School choice is for students that need an alternative. Studies show that competition from school choice alternatives helps kids who attend public schools.
- A [2022 study of Ohio's school choice program](#) found **no negative impact on school district per-student expenditures**. While receiving less state funding for school choice participants, school districts retain local per-student funding—even for students they no longer pay to educate.⁷
- Another [EdChoice report, published in 2022](#), found that 25 out of 28 studies concluded that school choice programs improve the academic outcomes of public school students, while 68 of 73 studies found positive fiscal benefits for school districts and taxpayers.⁸
- A recent study by the [University of Arkansas](#) found that, by exerting competitive pressure on public schools, school choice programs improve National Assessment of Educational Progress (NAEP), or "Nation's Report Card," test scores across the board.⁹

- School choice leaves public schools with more funding and resources per pupil. For example, if a student leaves the district with a proposed Lifeline Scholarship only the average state funding per pupil of \$7,157 follows them; federal and local education funding remains in the district.
 - In Philadelphia, that translates into \$15,200 remaining with the local school district for a child they no longer educate.
- Other school choice programs, like the EITC and OSTC, receive their funding through private donations and do not take any money from public schools.

EDUCATIONAL CHOICE BENEFITS ALL PENNSYLVANIA

- Students in every county receive tax credit scholarships. EITC and OSTC are popular programs that provide educational opportunity to almost 63,000 kids in every county across Pennsylvania.¹⁰
- Every county in Pennsylvania is home to at least one of the almost 3,000 private schools.¹¹ School choice programs like the EITC and OSTC need to be expanded and EOAs offered to K–12 students, so that all families—especially low-income—have access to these educational opportunities.
- No school, even a good school, can provide every need for every child. Kids across Pennsylvania need educational options.

PARENTS WANT EDUCATIONAL CHOICE

- An overwhelming majority of parents want school choice. A [March 2023](#) poll found that 77 percent of Pennsylvania voters support expanding the commonwealth’s tax credit scholarship program. The same poll also found that 67 percent of Pennsylvania voters support giving families EOAs to use for their children’s educational expenses.¹²
- While 75 percent of Pennsylvania students are educated in public district schools, parents report only 21 percent would choose that option if money was no concern.¹³
- A 2022 survey of Philadelphia parents only 7 percent rated public district schools excellent, compared to 28 percent of private schools.¹⁴
- In 2020–21 alone, the state denied over 76,000 student scholarships due to arbitrary caps on education tax credits, demand consistently outpaces the supply of these scholarships that make education choice for low to middle-income families possible.¹⁵
- Pandemic school challenges only highlighted what parents have always known about education—one size does not fit all. Parents are desperate for educational alternatives when public schools don’t meet their child’s individual health or educational needs.

EDUCATIONAL CHOICE DELIVERS REAL ACCOUNTABILITY

- Private schools are held accountable by the parents and students that they serve. If parents are not satisfied with a private school, they can transfer their child to another. Ultimately, parents—not bureaucrats—know which schools best serve the needs of their children.
- School choice programs have built-in mechanisms for accountability such as auditing requirements and penalties for fraud or misuse. Many private schools are also accredited and must meet the rigorous standards imposed by the accrediting institution.

- EOA legislation incorporates protection against fraud and abuse. For instance, an audit provision is typical, with violations resulting in a loss of eligibility or referral to law enforcement. However, rates of fraud in other states are miniscule. In Arizona, a 2020 Auditor General [report](#) found that of 168,020 approved transactions, there was only one transaction totaling \$30 that should not have received approval.¹⁶

1 Pennsylvania Department of Education, Annual Financial Reports (AFR) Data: Summary-Level, Revenue Data for School Districts 2021–22, <https://www.education.pa.gov/Teachers%20-%20Administrators/School%20Finances/Finances/AFR%20Data%20Summary/Pages/AFR-Data-Summary-Level.aspx>.

2 EdChoice, “Pennsylvania: Educational Improvement Tax Credit Program,” February 27, 2023 [update], <https://www.edchoice.org/school-choice/programs/pennsylvania-educational-improvement-tax-credit-program/>; EdChoice, “Pennsylvania: Opportunity Scholarship Tax Credit Program,” February 27, 2023 [update], <https://www.edchoice.org/school-choice/programs/pennsylvania-opportunity-scholarship-tax-credit-program/>.

3 Commonwealth Foundation, “Education Opportunity Accounts in Practice,” May 18, 2023, <https://www.commonwealthfoundation.org/research/education-opportunity-account/>.

4 Martin Lueken, “Fiscal Effects of School Choice: Analyzing the Costs and Savings of Private School Choice Programs in America,” EdChoice, November 11, 2021, <https://www.edchoice.org/research-library/?report=fiscal-effects-of-school-choice#report>.

5 Martin Lueken, “Fiscal Impact Statement, Pennsylvania 2020 Budget Session: Subject HB 800,” EdChoice, March 25, 2020, https://www.commonwealthfoundation.org/docLib/20200520_PAHB800FiscalNote_FY2021.pdf.

6 Corey DeAngelis, “Unleashing Educational Opportunity: The Untapped Potential of Expanded Tax Credit Scholarships in Pennsylvania,” Commonwealth Foundation, August 13, 2020, https://www.commonwealthfoundation.org/docLib/20200813_UnleashingEducationalOpportunityDeAngelis08_13_2020reduced.pdf.

7 Stephane Lavertu and John J. Gregg, “The Ohio Ed Choice Program’s Impact on School District Enrollments, Finances, and Academics,” Fordham Institute, December 14, 2022, https://fordhaminstitute.org/ohio/research/ohio-edchoice-programs-impact-school-district-enrollments-finances-and-academics?utm_source=pocket_saves.

8 EdChoice, “123’s of Education Choice,” April 19, 2022, <https://www.edchoice.org/research-library/?report=the-123s-of-school-choice-2/>.

9 Patrick Wolf et al., “Education Freedom and Student Achievement: Is More School Choice Associated with Higher State-Level Performance on the NAEP?” University of Arkansas, Department of Education Reform, March 2021, <https://cpb-us-e1.wpmucdn.com/wordpressua.uark.edu/dist/9/544/files/2018/10/education-freedom-and-naep-scores.pdf>.

10 Pennsylvania Department of Community & Economic Development, Right to Know Law Request, “Tax Credit Scholarships Awarded (2020-21).”

11 Pennsylvania Department of Education, Educational Name & Addresses, Private and Nonpublic Entities, accessed June 1, 2023, <http://www.edna.pa.gov/Screens/wfSearchEntity.aspx>.

12 Commonwealth Foundation, “Common Ground in the Commonwealth Poll (March 2023),” April 6, 2023, <https://www.commonwealthfoundation.org/research/common-ground-commonwealth-poll/>.

13 Commonwealth Foundation, “Common Ground.”

14 Embold Research, “Elevate 215 Philadelphia Poll,” Fall 2022, <https://elevate215.org/app/uploads/2023/03/Elevate-215-Philadelphia-Parents-Survey-Toplines.docx.pdf>.

15 Commonwealth Foundation, “Pa. Tax Credit Scholarships,” December 19, 2022, <https://www.commonwealthfoundation.org/research/pa-tax-credit-scholarships/>.

16 Lindsey A. Perry, “Arizona Department of Education Empowerment Scholarship Accounts Program Special Audit,” Arizona Auditor General, Report 20-103, April 2020, https://www.azauditor.gov/sites/default/files/20-103_Report_0.pdf.