



Written Testimony to the Senate Finance Committee
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Submission from:
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INTERIM CHARGE:

School Enrollment Trends: Study post-pandemic student enrollment trends and examine the possible causes behind the shift in student enrollment, including the rise in homeschooling, micro-schools, and other parental choice options. Make recommendations to ensure parents and educators have the tools and resources needed to respond to the projected enrollment changes and ensure that every child has the best educational options available to learn.

Thank you for this opportunity to provide written testimony regarding parental school choice options. In the Senate Education Committee Interim Hearing in September 2024, Commissioner Morath discussed the numerous learning options currently available to parents to best ensure their child receives the education of their choice. See the chart below.

Current Learning Options for 6.2 Million Texas K-12 Students
TEA Texas Education Agency

Table with 3 columns: Learning Option, Students Participating, and Additional Details. Rows include Intra-District Transfers, Inter-District Transfers, Public Charter Schools, Virtual and Hybrid Schools, Private Schools, and Homeschool.



Most of these options are funded through taxpayer dollars. Texas Classroom Teachers Association supports further development of quality public school options, especially through intra-district and inter-district transfers. We also support high performing public charter schools based on test scores, key statistics, and ratings. These publicly funded options are accountable to students, parents and taxpayers across the state through academic accountability measurements and financial management integrity ratings, and in the case of traditional public schools, through elected school boards as well.

Education Savings Accounts

TCTA remains opposed to publicly funded vouchers for private schools in any form, including education savings accounts. Creating a third education system in the state alongside traditional public schools and charter schools has the potential to significantly burden the state's existing underfunded school finance system and would require yet another costly bureaucratic expansion to manage. Aside from the issue of whether school vouchers directly or indirectly divert funding from public schools to private education, the state's funding formulas allocate based on student attendance. Some school districts may absorb some of the cuts with layoffs and reduced spending on textbooks and supplies. However, there are fixed costs such as utilities, school buses, and building maintenance that can lead to funding shortfalls.

According to the Legislative Budget Board's analysis of SB 8 from the 88th Legislature, the proposed program would cost approximately \$1.5 billion by year five of implementation. The cost growth of an ESA program is unsustainable, and funds should be invested to strengthen the existing public school system that has successfully served Texas students for generations and is held accountable to taxpayers.

Any government program should come with oversight to ensure taxpayer dollars are appropriately spent. Previously proposed voucher programs would offer only minimal requirements for private schools that enroll voucher students, and many reputable private schools stated that any required testing to participate in the program would be a non-starter. With the potential for patchwork adoption of a potential voucher program, effective oversight would itself become costlier and add to an already expensive price tag.

States that have implemented ESAs and voucher programs have seen substantial state budget problems following the adoption of the programs. In 2022, the state of Arizona, at the time of passage, estimated the price tag of the Empowerment Scholarship Account System at \$65 million. The following year the price of the program ballooned to \$332 million and this year is anticipated to cost \$429 million. This program is the main driver for the state's \$1.4 billion budget shortfall.¹ In 2022, Texas had approximately five times the number of students that Arizona did². Other examples of ESA programs expanded exponentially:

- Florida broadened eligibility requirements to make its existing ESA program available to all students (rather than only students with disabilities or those from low-income families), with an estimated cost of \$4 billion in the first year of implementation; and
- Iowa created an ESA that will expand to include all students by the 2025-2026 school year and cost over \$340 million per year. To scale up programs such as these would be devastating to the Texas budget.

¹ <https://www.propublica.org/article/arizona-school-vouchers-budget-meltdown>

² 5.4 million students in Texas vs. 1.1 million (<https://schools.texastribune.org/states/tx/> and <https://azreportcards.azed.gov/state-reports>)



For evidence that these programs tend to grow well outside initial estimates, Texas need not look any further than its own public education reforms. Texas's previous forays into alternatives to traditional public schools - charter schools and, more recently, districts of innovation - both continue to yield middling to negative results, yet they proliferate. Charter schools were meant to encourage more innovation into public schooling and district of innovation plans were designed to allow school districts that same flexibility; both have for the most part simply allowed schools to exempt themselves from dozens of subsections of the Texas Education Code for convenience, not innovations. Despite these persistent shortcomings, charter operators continue to receive approval in Texas, and soon, almost *all* school districts in Texas will be Districts of Innovation³ despite the lack of demonstrable improvement on student outcomes.

And the financial effects of vouchers would be felt most notably in rural districts where there are few private school alternatives, and the loss of state public school funding could not be made up by the local tax base.

Additionally, school vouchers or ESAs have shown to primarily benefit wealthier students and families. Arizona, Missouri, New Hampshire, and Wisconsin are some examples that have reported that most families who benefitted were already covering the costs of private schools and homeschooling prior to the voucher becoming available.⁴

Furthermore, evidence has been clear that vouchers and ESAs do not improve student outcomes. There are several examples in states such as Ohio, Louisiana, and Indiana where peer-reviewed research has concluded that students who used vouchers to go to private schools performed worse on standardized tests when compared to their public-school counterparts.⁵ Perhaps this is one of the reasons that voucher proponents have been reticent to include an academic accountability component in the Texas legislation.

Education in Texas is at a critical junction; with no increase in the basic allotment since 2019, a widespread teacher shortage, and COVID learning loss, Texas educators have more on their plate than ever before. Gambling on an expensive voucher program when existing schools are struggling is a choice that stands to gain little but risk much.

We continue to urge you to reject any future voucher legislation and focus on strengthening our existing public schools. Providing increased funding for schools, raising teacher salaries, and improving working conditions will ensure that Texas students receive the best education possible from high-quality, experienced, and certified teachers at schools that are the pride of their communities.

³ Per the Texas Education Agency, at least 972 of the approximately 1026 districts are currently districts of innovation.

⁴ [Most applying for Arizona vouchers already go to private schools \(tucson.com\)](http://tucson.com); [Missouri lawmakers look to expand tax-credit voucher program mostly serving religious schools \(stltoday.com\)](http://stltoday.com); [Most education freedom account recipients not leaving public schools, department says • New Hampshire Bulletin](http://newhampshirebulletin.com); and [75% of state voucher program applicants already attend private school \(jsonline.com\)](http://jsonline.com)

⁵ <https://fordhaminstitute.org/ohio/research/evaluation-ohios-edchoice-scholarship-program-selection-competition-and-performance>; https://www.nber.org/system/files/working_papers/w21839/revisions/w21839.rev1.pdf; and <https://onlinelibrary.wiley.com/doi/abs/10.1002/pam.22086>