

# Ideas in Action

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## A Positive Proposal For Parental Choice

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The debate continues on how to reform our state educational system in order to provide quality education for every student. One of the reforms on a national level that has been gaining ground rapidly is a concept which allows student educational tax dollars to travel with the student to a school, public or private, chosen by the parent. The most common term used for this concept is *voucher*. The term voucher has been and continues to be vilified by special interest groups with the most to lose -- teacher unions. By allowing parents the opportunity to remove their child from a non-functional public school and take a portion of the dollars with them to a private school, there is a reduction in power for teacher unions. If at the same time some of the dollars are left with the public school when a student chooses a private school, public schools can increase their per-student funding.

My proposal for educational reform, known as the *Public Education Enhancement Program* (PEEP) is fiscally sound. It will not destroy the public school financial system. It will, however, break up the educational financial monopoly which presently exists.

Every student that attends a public school generates state revenue. Depending on the services provided, a cost factor or weight is added. This added cost factor is

called a weighted full time equivalent, or WFTE. When a student leaves the public school system, the WFTE for that student is eliminated -- removed totally from the budget. When a student moves from a private school into the public school system a WFTE is added to the budget. There have been more than 60,000 new students added to the public school roles for the 1996-1997 school year. The average WFTE for fiscal year 1996-1997 is \$3,527.

In my school choice program (PEEP), a student may elect to move to a non-public school setting. The WFTE attached to a student choosing a private school gets divided three ways. First, 50% follows the student to the chosen private school. Second, 10% goes to the public school district that the student chose not to attend. Third, the remaining 40% is deposited into a special trust fund established for the school district.

During the first year of the program, only students enrolled in a public school will be eligible to choose a private school and participate in the program. Any other methodology would not be fiscally sound and would place a financial strain on the state's education budget. It is very important to understand that this program is funded strictly by the savings it generates in the education budget.

In order to ensure an orderly transition to a true parental choice system, PEEP will be available to only 5% of the public school district student population per year. Furthermore, the program will be started initially as a pilot program in four selected counties, and the Legislature must review the progress of the program prior to expanding it to other counties.

During the first year, the dollars that have been deposited in the special school district trust fund will be increased by obtaining private corporation and foundation dollars. Starting in the second year, students already enrolled in private schools may participate in the program by applying to the special school district trust fund. For each private school student selected to receive a voucher, the local school district will receive 10% of the WFTE for the selected student. As more and more students participate in the program, the local public school districts financial picture will be enhanced. It is important to understand that as more students in the public schools move to a private school setting each year, the special district trust fund deposits will increase also, eventually eliminating the need to obtain private dollars.

This enhanced level of funding received from the special school district trust fund will allow the district to improve upon the educational services provided. This could include smaller class sizes, more textbooks, additional teacher aides, and increased teacher salaries to name a few. By having to compete for each student, all schools, public and private, will become more responsive to the needs and desires of the parent. Contrasted with the present system of automatic student assignment that is void of a need to be responsive, the parental choice model will be a major contributing factor to the reform of K-12 education. This reform took place years ago in the Florida University System, widely recognized as one of the finest university systems in the nation, with the Florida Resident Access Grant. Recognizing this, the Legislature recently increased the

level of funding for this "University Voucher" to \$1,800 per applicant. There is ample evidence showing that parents that choose a school which their child will attend are more involved in the education of their child. The evidence also shows that students who have involved parents perform better in school.

The funding received by students participating in the program will help offset, but in most instances not completely pay for, tuition at a private school. Because of this, a student whose family is eligible for the Federal Free and Reduced Lunch Program will receive enhanced benefits. The aim is to allow some real choice for financially disadvantaged families. By providing additional funding for families that are financially disadvantaged, the opportunity to select a private school with a tuition rate within the voucher amount is enhanced. This will also provide an incentive for those private schools with higher tuition rates to develop a financial-aid package to assist financially disadvantaged students.

Additional funding is also provided for handicapped students based on the nature of the handicap and the *weight* that is assigned by the Legislature each year.

Home schooled students will be able to receive reimbursement for some of the school expenses incurred. This reimbursement is paid upon proof of expenses paid and is limited to \$500 per home schooled student. The parents of a home schooled student will not receive any additional funding from this program. However, the public school district receives the equivalent of 10 % WFTE for each home schooled student participating in the program!

The Public Education Enhancement Program (PEEP) will enhance the financial bottom line of participating public school districts, which in turn will allow the district to allocate more funds for teacher salaries and instructional technology. The program will reduce the

pressure on the Public Education Capital Outlay (PECO) dollars. Also, the program will allow special education students to have an additional option of schools to choose from. Disruptive students could be removed by the courts and placed in schools operated by private non-profit and for-profit corporations.

In an irony that defies description, we attempt to prepare our children for the most intense global competition in modern history in a public education system devoid of competition. Complete school choice is the right policy. Competition for students will create better schools. Increased parental involvement and participation in selecting the school for their children will have a positive and wholesome effect -- on ALL schools -- and our school children will benefit the most!

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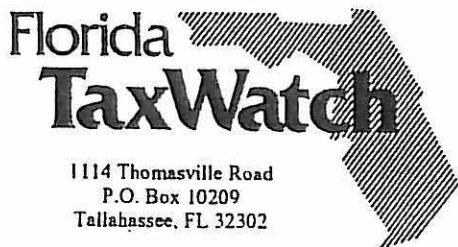
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# About Florida TaxWatch

Florida TaxWatch is the only statewide organization entirely devoted to protecting and promoting the political and economic freedoms of Floridians as well as the economic prosperity of our state. Since its inception in 1979, Florida TaxWatch has become widely recognized as the watchdog of citizens' hard-earned tax dollars. In recent years, news stories about Florida TaxWatch have run in all Florida newspapers, *The Wall Street Journal*, *The New York Times* and *The Washington Post*. In addition, Florida TaxWatch has been featured on the prestigious *MacNeil/Lehrer Newshour* and several times in *The Wall Street Journal*.

Florida TaxWatch is a private, non-profit, non-partisan research institute supported entirely by voluntary, tax-deductible membership contributions and philanthropic foundation grants. Membership is open to any organization or individual interested in helping to make Florida competitive, healthy and economically prosperous by supporting a credible research effort that promotes constructive taxpayer improvements. Florida TaxWatch is supported by all types of taxpayers -- homeowners, small businesses, corporations, professional firms, labor unions, associations, individuals and philanthropic foundations -- representing a wide spectrum of Florida's citizens.

Florida TaxWatch's empirically sound research products recommend productivity enhancements and explain statewide impact of economic and tax and spend policies and practices. Without lobbying, Florida TaxWatch has worked diligently and effectively to build government efficiency and promote responsible, cost-effective improvements that add value and benefit taxpayers. This diligence has yielded impressive results: through the years, three-fourths of TaxWatch's cost-saving recommendations have been implemented, saving taxpayers over \$5 billion. That translates to approximately \$875 in added value for every Florida family.



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