June 13, 2017

To: Senate Committee on Education
   Chair, Senator Arnie Roblan
   Vice-Chair, Senator Dennis Linthicum

Re: SB 437-1 – establishes education savings accounts for use by parents of qualified children to pay for certain educational expenses incurred from participating entities – Oppose

Thank you for inviting the League of Women Voters of Oregon to testify in this “informational hearing” to discuss SB 437-1. The LWV of the US has a strong position in support of public education and opposes school vouchers. The LWV of the US is a member of the National Coalition for Public Education, which also opposes school vouchers. Voucher programs divert desperately needed resources away from the public school system to fund the education of a few voucher students. In addition, voucher programs have proven ineffective, lack accountability to taxpayers, deprive students of rights provided to public school students, and threaten religious liberty.

The National Conference of State Legislatures summarizes similar legislation in a 2016 brief, The Next Generation of School Vouchers: Education Savings Accounts, which has these excerpts:

- States define which students are eligible for the grant. Arizona offers them to an array of different students, including those with disabilities, students in foster care and students living in the attendance zone of a low-performing school. Florida limits ESAs to students with disabilities, while Nevada’s 2015 legislation makes them available to all public school students—estimated at 90 percent of all students in the state.
- Proponents argue, by giving parents such choices, traditional public schools will be forced to compete for students and the funding tied to them. These competitive forces will force schools to raise their academic quality, thus improving the education system as a whole. However, research on school competition has yet to reveal a strong effect on student achievement except when schools are in close proximity to one another.
- Opponents of ESAs worry that there is not enough accountability to ensure that participating children are receiving a high-quality education and that funds are being used appropriately. Choosing a low-quality education provider can have long-term negative effects on a child’s educational development.
- Many also believe ESAs improperly funnel public dollars to religious schools. Others contend that public funds are being shifted away from struggling neighborhood schools and instead given to private schools that are held less accountable than their public counterparts.

Center for Media and Democracy notes:

- Proponents have additionally sought to move away from the term "vouchers" and towards "education savings accounts," even though the impact is ultimately the same: to shift taxpayer funds from public schools to private or religious institutions. Versions of the Education Savings Account Act were introduced in seven states—Iowa, Illinois, Nevada, Oklahoma, Tennessee, Texas, and Virginia—in 2015.
- The bill subtracts funds directly from state school aid and deposits these funds into savings accounts for low-income students that can be used to pay private school expenses.
When first proposed for Milwaukee in 1990, vouchers were pitched as social mobility tickets, a means of offering the city's low-income students of color access to private education. The initial voucher program, which was restricted to students from families earning less than 175 percent of the federal poverty level, gained support from some African-American leaders and was supported by State Representative Polly Williams, a Milwaukee Democrat, along with then-Governor Tommy Thompson.

Yet, privatization proponents—many funded by the Milwaukee-based Bradley Foundation—soon sought to expand vouchers beyond the limited scope of the early program.

According to the model legislation on Education Savings Accounts, “The Education Savings Account Act allows parents to use the funds that would have been allocated to their child at their resident school district for an education program of the parents’ choosing.”

The Education Commission of the States, a trusted source for comprehensive knowledge and unbiased resources on education policy issues, contrasts Education Savings Accounts: Key provisions and state variations on page five of a report. Generally, ESAs provide public funds for educational purposes but only for eligible students. ESAs are individual accounts funded by the state that allow parents or guardians to purchase a broader array of educational choices, including tutoring, online courses or private school. A significant distinction between ESAs and most other private school choice options is the flexibility in how participants can use public funds. ESA policies provide parents or guardians with a menu of permitted education-related expenses, including private school tuition, textbooks, additional therapies, private tutoring, college/career readiness assessments and other items and services.

OLIS filed testimony from Cascade Policy Institute “Oregon’s free market public policy research organization” says the intent of this bill is to “allow parents to spend a portion of the per-student state funding for their child on the schools or education services that are best for them as individuals. Options could include private or home schools, tutors, online courses, and therapy. Funds not used by the student in a given year could be rolled over for future years, even into college.”

SB 437 states, “The following persons may submit an application to become a participating entity if the person is: a private school; an eligible post-secondary institution of education; a program of online education that is not operated by a public school; a tutor or tutoring facility that is accredited by a state, regional or national accrediting organization; a private teacher; or a parent who is or will be teaching a qualified child in the child’s home. According to the -1 amendment weighted transfers shall be made “for a qualified child with a disability, as defined in ORS 343.035, $6,000; for a qualified child with a household income that is less than 185 percent of the federal poverty level, $6,000; or for a qualified child not described in subparagraph (A) or (B) of this paragraph, $4,500.” For each biennium, the amounts shall be adjusted by the same percentage by which the amount appropriated to the State School Fund for the biennium is increased or decreased compared with the preceding biennium”

Clearly SB 437-1 is a newer rendition of school vouchers. The League has a strong position in support of public education and opposes school vouchers. Thus, we oppose the concepts contained in this bill, and we shall do so in future legislative sessions.

Thank you for the opportunity to discuss this legislation.

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