

Bill Analysis: Senate Bill 233

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Key Takeaways

- Senate Bill 233 is conservatively projected to cost an additional \$150 million upon full implementation
- This voucher would divert public funds from schools serving majority Black students and majority living in poverty
- State lawmakers concerned about Georgia's children should reject SB 233 and consider legislation like SB 284 or HB 668 which provide additional funding for students who need it most

Bill Summary

The Georgia Senate recently passed a bill that would funnel public state dollars to private schools. Senate Bill 233 would create a promise scholarship account (PSA), another name for a voucher, for families to pay for private school tuition or qualified education expenses with funds from the state government.¹ The bill would set aside \$6,000 per academic year into a “consumer-directed account.” A family’s acceptance of these funds would act as a refusal of federal protections for students with disabilities and state laws for an adequate public education, such as background checks for teachers.

Private schools that receive these funds would not have to be fully accredited, and teachers in these schools would not have to have a bachelor’s degree. Participating children’s guardians may also use the PSA for other qualified education expenses like private transportation or tutoring services. Contested expenses would be reviewed by a panel of parents whose children are receiving this PSA. The entire program would be run out of the Georgia Student Finance Commission.

Cost

SB 233 is subject to appropriation, which means the total dollar amount would be determined annually by the General Assembly. The bill has language to decide how to

fund the PSAs if there are more applicants than can be funded at the \$6,000 per year amount. This voucher allows the Georgia Student Finance Commission to use five percent of the funds to administer the program.

The version of SB 233 that passed out of the Senate included an amendment to limit this voucher to families enrolled in schools in the bottom 25 percent according to the College and Career Readiness Performance Index (CCRPI), the state's accountability measurement. Due to the pandemic, the Georgia Department of Education received a waiver from calculating summative CCRPI. Instead this analysis relies on a ranking of Georgia's schools using content mastery (a part of the CCRPI calculation which the state still publishes) that has shown to be tightly correlated with final score in prior years.²

The lowest-performing schools on this measure have a total Pre-K through 12th grade enrollment of over 330,000 students. Every student in those school zones would be eligible if they were enrolled in a Georgia public school for the first six weeks of the school year. Those entering pre-K, Kindergarten and first grade are eligible even if they have no intention of attending public school.

The table below shows potential costs depending on: 1) the projected number of students who would transfer away from public schools ("Switchers") and 2) the projected number of students who would receive the voucher having never attended a Georgia public school. The first category would represent a diversion of existing state funds from public schools while the latter represents new state funding.

SB 233 Potentially Diverts Hundreds of Millions Annually

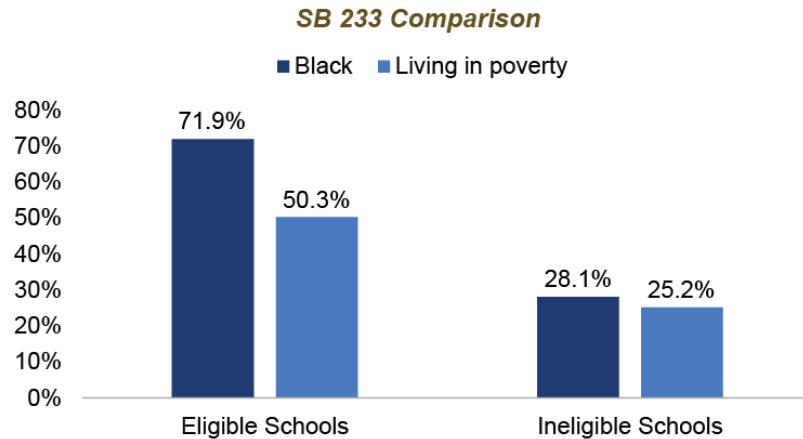
	Projected Switchers (Public to Private)	Diverted State Funds from Switchers	Projected Vouchers to Students Already in Private Schools	Additional State Funding	Total Voucher Amount
Year 1	6,684	\$40,104,000	4,623	\$27,738,000	\$67,842,000
Year 2	6,684	\$40,104,000	6,478	\$38,868,000	\$78,972,000
Year 3	6,684	\$40,104,000	8,358	\$50,148,000	\$90,252,000
Year 4	6,684	\$40,104,000	10,285	\$61,710,000	\$101,814,000
Year 5	6,684	\$40,104,000	12,282	\$73,692,000	\$113,796,000
Year 6	6,684	\$40,104,000	14,361	\$86,166,000	\$126,270,000
Year 7	6,684	\$40,104,000	16,474	\$98,844,000	\$138,948,000
Year 8	6,684	\$40,104,000	18,701	\$112,206,000	\$152,310,000
Year 9	6,684	\$40,104,000	20,693	\$124,158,000	\$164,262,000
Year 10	6,684	\$40,104,000	22,400	\$134,400,000	\$174,504,000
Year 11	6,684	\$40,104,000	23,810	\$142,860,000	\$182,964,000
Year 12	6,684	\$40,104,000	25,064	\$150,384,000	\$190,488,000

Note: “Projected Switchers” are calculated at two percent of current public school enrollment at eligible schools. “Projected Vouchers to Students Already in Private Schools” is an estimate of those who would enter pre-K, Kindergarten or 1st grade but are either already in private education or whose parents/guardians would have enrolled in private school regardless of the passage of SB 233. This estimate is based on research from New Hampshire, Wisconsin, Missouri and Arizona that shows 75 percent of universal voucher recipients are already in private or homeschooling. This number increases annually because as new students take the voucher the state has to continue paying for the education of those who took the voucher in prior years. More notes on the methodology are in the appendix.

Senate Bill 233 Targets Majority Black Schools and Those with Majority Students in Poverty

A review of the eligible schools based on the content mastery portion of CCRPI shows a group of students who the state has systematically divested from. Seventy-two percent of the students in these schools are Black, and over half (50.3 percent) are directly certified for free lunch (parents or guardians receive SNAP/TANF, and/or the students are homeless,

foster, migrant or unaccompanied).³ Comparatively, 28 percent of the students in the rest of the state’s public schools are Black, and 25 percent are living in poverty.⁴ The relationship between race and class is due to generations of white supremacist policies that has kept the state’s resources away from people of color. Schools educating today are offered no additional state money to address the needs created by poverty—Georgia is one of only six states without this funding.⁵ It is no surprise then that these students on average perform worse on state standardized tests.⁶ Georgia’s schools should not be punished for educating a group of students whose needs are ignored by the education funding formula.



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Policy Considerations

Georgia’s children have urgent needs and private school vouchers will only make it harder to meet them. At a cost of \$190.5 million annually--\$150.4 million of which would require dollars above current appropriations—the price is too high. The state cannot fund a separate, discriminatory system of private education while it has underfunded necessary grants for student transportation, teacher substitutes, and rural education.⁷ The high number of students in poverty in SB 233-eligible schools illustrates the need for more equitable state investment in public education, not a private school coupon that trades federal protections in exchange for the hopes of a good school nearby.

In fact, research shows that students who receive vouchers do measurably worse academically than similar students who remain in public schools.⁸ State lawmakers who

are concerned about the quality of education should reject policies like vouchers and instead invest in communities that have been hit the hardest by COVID-19. Legislation like Senate Bill 284 or House Bill 668, which provide additional funding for students living in poverty, would offer new opportunities for every school in Georgia instead of singling out just the families who could use a voucher.⁹

Appendix: Methodology

Using Georgia Department of Education enrollment data from the current year, the eligible schools' pre-K through 12th grade enrollment is 334,192. I used a conservative rate for the number of students who might take advantage of a voucher at 2 percent, equaling 6,684 students. Although this figure might change with enrollment patterns, I decided to keep it steady for the analysis because I was unsure if these schools' enrollment zones would lose or gain children. To calculate the number of students who would use the voucher having never gone to public school, I took the historical rate of students in private schools in Georgia at 10 percent from the U.S. Census.¹⁰

Every pre-K through first grade student in private schools that live in these attendance zones would be eligible for a voucher, but I took a figure lower to again err on the side of a conservative figure. Research out of New Hampshire, Wisconsin, Missouri and Arizona average that 75 percent of universal voucher recipients are already in private or homeschooling education.¹¹ I took this figure (75 percent) and multiplied it by the 10 percent figure above and projected that 7.5 percent of each grade level would use the voucher having never attended public school. This number will grow because the state must continue to fund these students as they matriculate through private school even as new classes would produce more students taking advantage of the voucher without ever having gone to public schools. The final student counts would bring the voucher participation ratio in line with other states.

End Notes

¹ Senate Bill 233. CSFA. <https://www.legis.ga.gov/legislation/64762>

² Georgia Department of Education. *College and career readiness performance index*. <https://www.gadoe.org/CCRPI/Pages/default.aspx>. Based on a GBPI analysis content mastery and final summative CCRPI score have an r^2 greater than 0.77

³ Based on a GBPI analysis of student enrollment (https://oraapp.doe.k12.ga.us/ows-bin/owa/fte_pack_enrollgrade.entry_form), content mastery

(<https://www.gadoe.org/CCRPI/Pages/default.aspx>), and direct certification and enrollment by grade level (<https://gosa.georgia.gov/dashboards-data-report-card/downloadable-data>).

⁴ Ibid.

⁵ Owens, S. (2023). *State of education funding (2023)*. Georgia Budget and Policy Institute. <https://gbpi.org/state-of-education-funding-2023-opportunity-is-knocking/>

⁶ Ibid.

⁷ Owens, S. (2022). *State of education funding (2022)*. Georgia Budget and Policy Institute. <https://gbpi.org/state-of-education-funding-2022/>

⁸ Figlio, D. & Karbownik, K. (2016). *Evaluation of Ohio's EdChoice Scholarship Program: Selection, competition, and performance effects*. Thomas B. Fordham Institute. <https://fordhaminstitute.org/ohio/research/evaluation-ohios-edchoice-scholarship-program-selection-competition-and-performance>; Abdulkadiroğlu, A., Pathak, P. A., & Walters, C. R. (2018). Free to choose: Can school choice reduce student achievement? *American Economic Journal: Applied Economics*. <https://www.aeaweb.org/articles?id=10.1257/app.20160634>; Boser, U., Benner, M. & Roth, E. (2018). *The highly negative impacts of vouchers*. Center for American Progress. <https://www.americanprogress.org/article/highly-negative-impacts-vouchers/>

⁹ Senate Bill 284. LC 49 1399. <https://www.legis.ga.gov/legislation/65031>; House Bill 668. LC 49 1413. <https://www.legis.ga.gov/legislation/65069>

¹⁰ United States Census. American Community Survey-School Enrollment. Retrieved March 14, 2023 from <https://data.census.gov/table?q=school+enrollment&q=0400000US13>

¹¹ Dewitt, E. (2022, March 28). Most education freedom account recipients not leaving public schools, department says. *New Hampshire Bulletin*. <https://newhampshirebulletin.com/briefs/most-education-freedom-account-recipients-not-leaving-public-schools-department-says/>; Mendez, E. (2014, May 20). 75% of state voucher program applicants already attend private school. *Milwaukee Journal Sentinel*. <https://archive.jsonline.com/news/education/75-of-state-voucher-program-applicants-already-attend-private-school-b99274333z1-259980701.html>; Bernhard, B & Suntrup, J. (2023, January 15). Missouri lawmakers look to expand tax-credit voucher program mostly serving religious schools. *St. Louis Post-Dispatch*. https://www.stltoday.com/news/local/education/missouri-lawmakers-look-to-expand-tax-credit-voucher-program-mostly-serving-religious-schools/article_ef0b7afb-6805-586b-a668-67b2d10ecd64.html; Greene, P. (2022, November 15). Arizona now has a universal voucher program. Who really benefits from it? *Forbes*. <https://www.forbes.com/sites/petergreene/2022/11/15/arizona-now-has-a-universal-school-voucher-program-who-really-benefits-from-it/?sh=6ae50a1d3dc5>