

**RUSH!**

Number

10/24/97 499

## HELP SCHOLARSHIPS: NEW HOPE FOR AMERICA'S INNER-CITY STUDENTS AND SCHOOLS

Nina H. Shokraii  
Education Policy Analyst

Members of Congress soon will have the opportunity to improve the future for poor children across the United States when they consider Helping Empower Low-Income Parents (HELP) Scholarships. Introduced by Representatives James Talent (R-MO), J. C. Watts (R-OK), Floyd Flake (D-NY), and Frank Riggs (R-CA), this legislation would provide states tools and funding to offer low-income, inner-city parents the opportunity to educate their children in safe and academically challenging schools of their personal choice.

The "HELP Scholarships" program would permit states to use existing Innovation in Education block grants under Title VI of the Elementary and Secondary Education Act to implement or enhance existing school choice programs through scholarships for inner-city students. The funding would go to school choice programs that benefit those families with incomes at or below 185 percent of the poverty level. The value of each scholarship would be set at *no more* than the per-pupil public school expenditure in that locality and *no less* than 60 percent of the per-pupil expenditure or the cost of private tuition, whichever is less. These scholarships would be redeemable at any private, public, or religious school of the parents' choice. In this legislation, Congress has an opportunity to encourage states to adopt additional educational opportunities for the poorest children in the country.

**Help for Communities and Parents.** The HELP Scholarships bill would allow the states flexibility in utilizing Title VI funding for implementing statewide, city-wide, or district-wide school choice programs. Title VI dollars (\$310 million for fiscal year 1997) reach the states with few mandates attached, and the communities are given wide latitude in determining the ways in which to use them. The states and localities that implement a HELP-style choice program in turn would empower low-income families by giving them the opportunity to select their children's school. Studies consistently demonstrate that engaging parents in their children's education has been the strongest factor in raising academic achievement. HELP Scholarships would facilitate this important link between low-income parents and their children's education.

**Help for Low-Income Students.** Two well-known school choice initiatives provide insight into the ways in which school choice benefits inner-city children. The Milwaukee plan gives vouchers to low-income children to attend a public or private non-religious school of their choice, and the Cleveland plan gives vouchers to poor children to attend a private or religious school of choice. Recent studies of these school

choice programs offer concrete evidence that choice helps the urban poor. Studies by Paul Peterson of the John F. Kennedy School of Government at Harvard University and Jay Greene of the Center for Public Policy at the University of Houston found that the Milwaukee and Cleveland school choice programs benefit minority inner-city students the most. The Milwaukee study shows that, after just three years in operation, the gap between the test scores of white students and those of African-American and Hispanic students narrowed by 33 percent to 50 percent. (In a similar study, Cecilia Rouse from Princeton University found identical results with students' math test scores.)

Peterson and Greene found that school choice in Cleveland raised the scores of the students tested at the end of the first year and was very popular with parents. In fact, two-thirds of the parents whose children received vouchers to attend private or parochial school were "very satisfied" with the academic quality of the school they chose; only 30 percent of the parents who were unable to use a voucher expressed satisfaction with their children's schools. Parents in the choice program were twice as likely to be happy with other aspects of the schools they chose, such as discipline, class size, and teachers.

Studies of the existing 33 private scholarship programs throughout the country point to similar results in academic improvement.

**Help for Public Schools.** Using HELP Scholarships to implement a choice program would not pull money away from public schools. In fact, use of these scholarships would help relieve overcrowding in public school classrooms and leave funds behind in the public schools for the remaining students. Milwaukee, with the first school choice program in the country, already sees positive effects on its public schools from its school choice program. John Gardner, an at-large member of the Milwaukee Public Schools Board of Directors, noted recently that the "Milwaukee Public Schools' (MPS) internal reforms required the sustained challenge and competition of the Milwaukee Parental Choice Program. The [Parental Choice] program...puts effective pressure on MPS to expand, accelerate, and improve reforms long deliberated and too-long postponed."

Using choice to relieve overcrowding is an option that has been implemented in Houston, Texas, at district expense. When the city's voters rejected a \$390 million bond measure in May 1996 to build 15 new schools and renovate 84 existing ones, Superintendent Rod Paige turned to the private sector for help. Paige offered to place students from an estimated 65 overcrowded schools in area private schools at district expense instead of busing them to distant public schools. Soon thereafter, the Houston school trustees voted unanimously on a plan to give parents in the Houston Independent School District expanded educational choices.

Economist Caroline M. Hoxby of Harvard University studied the effectiveness of school choice programs and found that competition from private schools increased academic achievement in both public and private schools. And greater private school competitiveness not only raised the academic quality of public schools, but also high school graduation rates and future wages of public school students. Hoxby also found that public schools reacted to this competition by increasing their teachers' salaries. Both public and private school children increased the amount of time in school by about two years while improving their math and reading test scores by about 10 percent. In addition, Hoxby found a 14 percent increase in wages for both public and private school students.

**Improving Educational Opportunity.** Establishing HELP Scholarships would enable states to use federal funds to increase educational opportunities for inner-city poor children while protecting funding for public schools. Thanks to HELP Scholarships, Members of Congress who care about preserving local and state control of education as well as improving the dismal academic record of inner-city students can promote a policy that addresses both problems. This legislation is a step in the right direction. A program that offers incentives to states and localities to empower poor parents directly so they can choose the best educational setting for their children would be superior to one that merely allows the states and localities the *option* to help those parents. Unless states and localities first implement school choice programs, this bill will not help thousands of poor children trapped in failing public schools. But it has the potential to assist those states that create or already have school choice programs in place.