Fostering Opportunity and Improving Achievement: The Benefits of a Foster-Care Scholarship Program in California

A Policy Brief by
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and Evelyn B. Stacey

Foreword by Jeb Bush
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Foreword by Jeb Bush

A quality education can change a life. It can break the cruel cycle of poverty and end generations of dependence on government. It opens the door to opportunity and provides the skills for success after school. An engaging and challenging education is the proven path to prosperity and a life-long love of learning.

Florida has made great strides to improve the quality of education. A decade ago, the Sunshine State ranked at the bottom nationally. Nearly one-third of third graders couldn’t read on grade level, and close to half of fourth graders were functionally illiterate. Too many students were dropping out of school, while those who stayed weren’t gaining the knowledge to succeed after graduation.

So much has changed since then. Today, Florida’s elementary and middle school students are reading above the national average. Math proficiency is on the rise. More students are taking and passing rigorous courses that prepare them for college. The graduation rate has jumped by double digits, and fewer students are dropping out.

Our success was built on a foundation of core principles. Starting with the A+ Plan in 1999 and continuing today, our reforms combine high expectations, standardized measurement, a clear and achievable system of accountability, rewards and consequences for performance, effective teaching in the classroom, and more choices to customize education to each student.

While these programs have been at the center of a longstanding, partisan-waged war on parental choice in education, I’m heartened to find growing support for choice from across the political spectrum. Increasingly, both Republicans and Democrats agree that competition drives performance in education, and government alone cannot meet the unique needs of every single child.

That is certainly the case in Florida. Recently the Florida Legislature, with overwhelming bipartisan support, expanded its successful, cost-saving corporate tax-credit scholarship program with a record investment. The Legislature also approved an expansion of the John M. McKay Scholarship Program for Students with Disabilities without a single no vote in either chamber.

Parental choice was one of the tools that dramatically improved student achievement and spurred the turnaround in Florida. When poor students, students with disabilities, students in chronically failing schools, and students in foster care are afforded the choice for a customized education to fit their unique needs, we have the opportunity to dramatically shrink the achievement gap and foster an environment in which all students have the opportunity to flourish.

Jeb Bush
Jeb Bush is a former governor of Florida
Executive Summary

May is National Foster Care month, intended to raise awareness about the hundreds of thousands of children and youth in the foster-care system. Approximately one-sixth of the country’s foster-care population is in California. At any given time there are about 73,000 children and youth in the state’s foster-care system, three-quarters of whom are of school age. The foster-care youth population is widely considered among the most at-risk. Adults formerly in the foster-care system are more likely to have few job skills, be homeless, rely on social health and welfare services, be incarcerated, and have drug or alcohol dependencies.

California has introduced a number of important initiatives in recent years and has affirmed that the best interest of the child must determine his or her educational placement. But a recent statewide California Education Summit concluded that the state does not oversee educational outcomes for these children. Loving homes for foster children improve their chances for success in school and life, but budgetary pressures may be dampening prospective adoptions.

The supply of foster-family homes has declined an average of 30 percent in the past decade. Meanwhile, placements in such homes have declined from about 17 percent to 9 percent in the past 10 years. A leading concern among prospective adoptive parents is being unable to provide a quality education for their children and having no say in their children’s future. Adopting a Florida-style scholarship program for students in foster care could help.

Allowing parents of at-risk students, including students in foster care, to use scholarships to send their children to private schools has improved the educational outcomes of participating Florida students as well as public-school performance overall. Official government analyses find that the state and public school districts have saved money. And, in just over a decade, Florida has turned a fourth-grade reading deficit on the National Assessment of Educational Progress (NAEP) of five points or more among the most disadvantaged student populations, compared to California and the country, into gains equivalent to three full grade levels.

Under the current system it would require an estimated $75 million to $145 million in additional spending for California to achieve similar gains among vulnerable student populations. A California Foster-Care Scholarship Program could achieve comparable results without the additional cost. In fact, the Legislative Analyst’s Office found that a Florida-style scholarship program for students in foster care would have no negative impact to state and public-school budgets and would likely generate savings for both. Such a program could also encourage adoptions by empowering foster and adoptive
parents when it comes to their children’s education, as well as improve school stability and the provision of specialized education services for foster-care students within current appropriation levels. Adopting a Florida-style foster-care scholarship program in California is an academically and fiscally responsible education reform.
May is National Foster Care month, intended to raise awareness about the hundreds of thousands of children and youth in foster care.¹ Nationwide almost 800,000 youth receive foster-care services each year, and at any given time approximately 500,000 children are in the system.² More than two-thirds (69 percent) of the country’s 463,000 foster-care children are of elementary and secondary school age, more than 317,000.³

Foster care is intended as a temporary safety net, but 123,000 children nationwide are waiting to be adopted. On average, children stay in the foster-care system for more than 27 months. Fully 23 percent of foster youth remain in the system 12 to 24 months. Another 12 percent stay in foster care for three to four years, while another 12 percent remain for five years or more.⁴ Meanwhile, about 29,516 foster-care youth, or one in 10, are emancipated from the system when they turn 18 or older (referred to as “aging out”) without a permanent, loving home.⁵ The ranks of these “aged out” youth have also swelled nearly 65 percent from 1999 to 2008.⁶

In spite of improvements in federal legislation over the past 15 years, evidence indicates the likelihood of adoption of foster-care children and youth has not increased, with only 38 percent to 40 percent of waiting foster-care children being adopted annually since 2002, approximately 51,000 to 53,000 children.⁷

The foster-care youth population is widely considered among the most at-risk. Adults formerly in the system are more likely to have few job skills, be homeless, rely on social, health, and welfare services, be incarcerated, and have drug or alcohol dependencies.⁸ There is broad consensus that a good education is critical for a successful life once youth leave the foster-care system.⁹ Yet “the educational needs of youth in foster care are too often ignored or undervalued by educators, child welfare professionals, and the courts,” according to experts from Casey Family Programs.¹⁰ Available foster-care youth statistics are sobering:

- Between 30 percent and 96 percent perform below grade level in reading and math.¹¹
- Foster-care students score 15 to 20 percentile points below the general student population on statewide achievement tests.¹²
- Between 26 percent and 40 percent repeat one or more grades.¹³
One-fifth is engaged in school, compared to 39 percent of the general student population.¹⁴

More than one-quarter (27 percent) have behavioral and emotional problems, compared to 7 percent of the general student population.¹⁵

As many as 52 percent are placed in special education, compared to about 10 to 12 percent of the general student population.¹⁶

Nearly one-third suffers from an active substance disorder.¹⁷

Almost one-quarter is on medication for a psychological condition.¹⁸

Students in foster care are twice as likely to be suspended and four times as likely to be expelled.¹⁹

Half of foster-care students drop out of high school compared to 16 percent of the general student population.²⁰

The effects of poor academic preparation of students in the foster-care system have long-term consequences.²¹ Even after exiting the system, between 37 percent and 80 percent of former foster-care youth do not complete high school.²² Up to four years after leaving foster care, half of these young people do not earn a high-school diploma or GED; less than 10 percent enter college, even though about 70 percent of former foster-care youth want a college education.²³

Nationwide, 60 percent of the general student population attends some college and 25 percent earn a bachelor’s degree. In contrast, only 10 to 30 percent of former foster-care youth attend some college, and just 1 to 5 percent earn a bachelor’s degree.²⁴ The limited education foster-care youth receive translates into 90 percent of them earning $10,000 less annually than the general population.²⁵ In fact, within two to four years after leaving the foster-care system, only about half of former foster youth are employed, almost half have been arrested, and nearly one-fourth experience homelessness.²⁶

“Time and again, experts in many fields note that success in education is one of the most important indicators of success later in life,” according to the National Council on Disability. “Therefore, meeting the educational needs of this vulnerable population should be deemed a top priority by the teachers, caseworkers, foster parents, dependency court judges, and mental health professionals who interact with these youth.”²⁷ Yet a recent analysis by the National Conference of State Legislatures concluded, “In the absence of significant policy and practice improvements, children in foster care will continue to have poor educational experiences, lack the opportunities they need to succeed academically, and be deprived of the resources that they deserve to reach their full potential.”²⁸
How California Compares

As of September 2008, approximately one-sixth of the country’s foster-care population was in California. At any given time there are about 73,000 foster youth in California, roughly three-quarters of whom are school age. California children and youth remain in the system an average of nearly 31 months. Before being adopted, foster-care children in California waited an average of more than three years. More than 2,300 California children and foster youth, about 11 percent, had been in the system for five years or more. At 12 percent, California also has one of the country’s highest percentages of foster-care youth who age out of the system, 5,188 in 2007. The educational outcomes for California’s foster-care population are not encouraging:

- 75 percent of foster students in California function below their grade level.
- 83 percent are held back by grade three.
- Between 33 percent and 50 percent of foster-care students require special education services.
- Almost half (46 percent) become high-school dropouts, compared with 16 percent of non-foster youth.
- Less than 10 percent enroll in college.

Compared to the general population of youth from low-income families, at age 24 former foster-care youth are less likely to be employed regularly or at all. Average monthly earnings for former foster-care youth in California are $690 compared to $1,535 for youth nationally.
Expanding Educational Options for Students in Foster Care

California has introduced a number of important foster-care related initiatives in recent years and has affirmed that the best interest of the child must determine his or her educational placement. Yet the consensus of a recent statewide California Education Summit was that the state does not oversee educational outcomes for these children. “Education goals and outcomes need to be integrated into the care of foster youth at every stage of the youths’ development,” concluded summit participants. Arizona and Florida offer important models for accomplishing this goal and they have inspired consideration of similar legislation in a number of states, including Maryland, Tennessee, Texas, and Georgia.

Arizona: Lexie’s Law.
In 2006 Arizona became the first state to enact a K-12 voucher program for students currently or formerly in the foster-care system and for students with special needs when then-Governor Janet Napolitano signed into law the Displaced Pupils Choice Grant Program. Under the program, the value of special needs students’ vouchers equaled the state base support level their public schools would have received, approximately $8,238 in 2008. The amount varied depending on the severity of a student’s disability, and could not exceed the actual tuition and fees paid to participating private schools. The maximum scholarship amount for foster-care students was $5,000 that year, and scholarships averaged $4,140. In 2008, 140 students participated in the program.

In response to a legal challenge, in May 2009 the Arizona program was converted into a $5 million expansion of the state’s existing corporate tax-credit scholarship program and renamed Lexie’s Law after a seven-year-old scholarship recipient with special needs. Under a corporate tax-credit scholarship program, businesses may claim credits against their state income-tax liability for charitable donations to non-profit scholarship-granting organizations. “I am incredibly grateful that the legislature and governor moved so quickly to save the scholarships my daughter and hundreds of other children rely on,” said Lexie’s mother. “Attending a school that meets her needs has changed Lexie’s life, and I am honored that the legislature named this program after my beautiful little girl.” On April 28, 2010, new legislation was adopted to extend the contributions deadline from December 31 to three and a half months after the end of the tax year, typically April 15.

Florida offers an even more expansive model for ensuring the needs of at-risk students are met with educational choice programs for public school students who have special needs, live in poverty, attend failing schools, or—most recently—are or have been in the foster-care system.
Florida: John M. McKay Scholarship Program for Students with Disabilities.

Florida enacted the John M. McKay Scholarship Program for Students with Disabilities as a one-county pilot program in 1999 and expanded it statewide the following year. Under the program, McKay vouchers are worth the same amount public schools would have spent on each participating child, and they may not exceed the cost of private school tuition and fees. The value of students’ vouchers varies depending on the severity of their disabilities, averaging $6,519 in 2009. Unlike the Arizona Supreme Court, the Florida Supreme Court did not rule the state’s special needs student voucher program unconstitutional. Today, more than 20,000 special-needs students are using McKay vouchers to attend nearly 900 participating private schools. On April 30, 2010, the Florida Legislature advanced bipartisan legislation expanding eligibility for students in the McKay Scholarship Program to disabled preschoolers entering kindergarten and students who have been enrolled in a public school in any of the past five years instead of the just the prior year under current law.

Research has found that parents of participating McKay Scholarship students were far more satisfied with their children’s chosen schools compared to their previously assigned schools—93 percent compared to 33 percent. Fully 86 percent of McKay parents report their special-needs children receive all the services required under federal law from their children’s chosen schools compared to just 30 percent of special-needs parents with children in assigned public schools. McKay parents also report their special-needs children are victimized dramatically less, have smaller classes, and demonstrate far fewer behavioral problems.

These are especially encouraging findings since more than a quarter of parents who adopt children from the foster-care system nationwide (26 percent) report they do not receive necessary services for their children. In a recent report to Congress, 42 percent of adoptive parents surveyed reported needing tutoring services for their children, but nearly two-thirds of them (65 percent) never received them. Another 53 percent of adoptive parents reported needing educational assessments for their children, while 18 percent of them never received those services.

Florida: Tax-Credit Scholarship Program.

The Florida Tax-Credit Scholarship Program offers another model for expanding educational opportunities for foster-care students. The program was enacted in 2001 to provide an income-tax credit for corporations that contribute money to nonprofit scholarship-funding organizations (SFOs) that award scholarships to students whose annual family income qualifies them for free or reduced-price school lunches under the National School Lunch Act. The number of students participating in the program increased more than 11,000 students in recent years, from nearly 16,000 students in the 2002-03 school year to 27,000 students in the 2009-10 school year. Scholarships average $3,950, and the number of participating private schools rose from 942 to 1,017 over this period. Successive expansions of the program in recent years have fostered this growth.
In 2008, total allowable annual credits were increased by $30 million to $118 million, which translates into an estimated 6,000 additional scholarships. As part of that expansion, program eligibility was expanded to students currently placed, or who during the previous fiscal year had been placed, in foster care. This expansion was achieved with overwhelming bipartisan support during difficult economic times, which flies in the face of conventional wisdom about the politics of school reform. Only one Democrat voted for Florida’s tax-credit scholarship program in 2001. Things changed dramatically in 2008 when Florida’s projected deficit represented 8.2 percent of the state general fund budget—nearly identical to California’s projected 8.3 percent general fund deficit at the time. The program expansion received support from one-third of the Democratic caucus. Unanimous support for the expansion came from the Hispanic caucus, and more than half of Florida’s black caucus also supported enlarging the program. Such support is not surprising since close to two-thirds of all scholarships are awarded to African-American and Hispanic students. In 2009, the program was expanded again to provide credits against the insurance premium tax for contributions to eligible nonprofit scholarship-funding organizations.

On April 22, 2010, legislation was adopted that increased the tax-credit cap to $140 million in fiscal year 2010-11 and 25 percent annually thereafter as long as prior-year contributions reached at least 90 percent of the previous year’s tax-credit cap. It also would expand revenue sources eligible for tax-credit contributions, including severance taxes on oil and gas production; self-accrued sales tax liabilities of direct pay permit holders; and alcoholic beverage taxes. The maximum scholarship amount of $3,950 would also be replaced with a variable amount worth 60 percent of the unweighted full-time equivalent student funding amount in fiscal year 2010-11, increasing four percentage points annually until reaching the maximum of 80 percent of the unweighted full-time equivalent student funding. The official bill analysis concluded, “Net anticipated savings are expected to increase in each of the first four years under the legislation.” Because the scholarship amounts are less than Florida public school per-pupil funding, the net annual savings are projected to range from $2.7 million to $7.2 million.

**Florida: Opportunity Scholarship Program.**

As originally implemented, the program offered students who attended or who were assigned to attend failing public schools the option to choose higher performing public schools or use vouchers to attend participating private schools. A failing public school has received two “F” grades within a four-year period under the state’s accountability system. On January 5, 2006, the Florida Supreme Court issued a ruling declaring the private-school option of the Opportunity Scholarship Program unconstitutional. Students assigned to failing public schools are no longer offered the opportunity to transfer and enroll in private schools. The option to attend a higher performing public school remains in effect. Currently, 1,280 students are attending better public schools through the program, 89 percent of whom are African-American and Hispanic students. Students attending private schools using Opportunity vouchers were made eligible to receive Florida Tax-Credit Scholarships so they would not have to return to their previous failing public schools.
Research has shown that not only do participating students improve in terms of academic performance, but low-performing Florida public schools improved as well. In fact, the greater risk those schools faced of losing students to other public and private schools, the more dramatic their turnarounds, making annual gains in state test scores of more than nine and 10 points in reading and math, respectively. Competition for students, not the fear of being stigmatized as a failing school, was shown to be responsible for those gains."
Florida Reforms Achieving Results at a Fraction of the Cost

Educational opportunity scholarship programs, including the ones described in the previous section, all generate fiscal savings for states. This has been so empirically whether scholarships come in the form of a direct government appropriation as with vouchers or through private, tax-deductible donations to nonprofit, scholarship-granting organizations, so that scholarship funds never reach government coffers. Because the tuition and fees at most private schools participating in educational opportunity scholarship programs are less than the state funding that would have been spent to educate those same children in public schools, these programs save resources at the state level.

Additionally, when public-school students use scholarships to transfer to private schools, their previous public schools keep a portion of funds that would have been allocated for those students to distribute across a smaller student population. Thus, scholarship programs help raise public schools’ per-pupil funding, reduce class sizes, and ease overcrowding, minimizing costly construction and debt expenses. One analysis found that existing educational opportunity scholarship programs have saved close to a half billion dollars combined, including a savings of $422 million for local public school districts and another $22 million for state budgets since the first scholarship program was enacted in 1990.

Florida has some of the longest-standing and largest educational opportunity programs that apply to vulnerable student populations such as children and youth in the foster-care system. Students in foster care typically have special educational needs, perform worse than students from disadvantaged socio-economic backgrounds, and are at great risk of dropping out.

Across sub-groups, Florida’s students are closing achievement gaps and out-performing students from the general population in many states. The U.S. Department of Education does not provide National Assessment of Educational Progress (NAEP) results for students in foster care; however, it is possible to examine achievement results of student sub-groups that likely include foster-care students or at least share similar characteristics with them. Researchers focus on fourth-grade reading achievement because if students have not learned to read properly by this time, it is likely they will fall further and further behind, putting them at a disadvantage for future academic success.
at greater risk of dropping out of school later on. For this reason, this analysis looks at fourth-grade NAEP reading achievement gains over the past decade for various student sub-groups nationwide, in Florida, and in California. This section summarizes those gains, which are detailed in the appendix.

Fourth-grade reading proficiency is an especially critical benchmark for California students in foster care since 83 percent of them are held back by grade three, and 75 percent of these students do not perform at grade level.

Across student sub-groups, Florida fourth-graders made dramatic achievement gains from 1998 to 2009 on the NAEP reading assessment, exceeding gains made by fourth-graders nationwide and in California over the same period. Those student achievement gains are all the more impressive since Florida student sub-groups scored five scale-score points or more below their national peers in 1998.

**Table 1.** Fourth-Grade NAEP Reading Achievement Gains, 1998 and 2009

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<td>181</td>
<td>200</td>
<td>192</td>
<td>209</td>
<td>12 12 28</td>
</tr>
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</table>

Source: Authors’ table based on data from the U.S. Department of Education.
Note: The average NAEP fourth-grade reading scale-score for California students in special education was not available for 1998. The 1998 score of 166 presented for California is for 2002.

To put those gains into perspective, 10 NAEP scale-score points is roughly equivalent to one grade level of learning. Across student sub-groups, Florida fourth-graders realized reading gains of approximately three grade levels—worth of learning, compared to about one grade level for fourth-graders nationwide and in California. Back in 1998, only low-income Hispanic fourth-graders in Florida scored above the national average among their peers in reading. All other student sub-groups performed approximately half a grade level behind their peers nationwide. Today, Florida fourth-graders across student sub-groups perform an average of 13 NAEP reading scale-score points higher than their national peers—more than one grade level ahead. Florida fourth-graders now outperform their California peers across sub-groups by an average of 23 NAEP reading scale-score points—more than two grade levels ahead.

It is commonly assumed that there is a linear correlation between spending more money on public schools and improved student achievement; however, Florida’s results show that improving education options yields significant improvement gains at a fraction of the expense. From the 1998-99 school year through the 2006-07 school year, California increased per-pupil spending by more than $1,800 in real terms, from $7,500 to $9,300. Per-pupil spending over that same period nationally and in Florida
increased about $1,400 in real terms, from $8,700 to more than $10,000 nationally compared to an increase from $7,500 to $8,900 in Florida.\(^{70}\)

Using inflation-adjusted average per-pupil expenditures provided by the U.S. Department of Education, it is possible to calculate how much a single NAEP scale-score point costs on average nationally, in California, and in Florida.\(^{71}\) With those figures, it is possible to compare what it would cost for California and the nation in general to achieve similar achievement gains across student sub-groups in fourth-grade reading today.

It is well documented that students participating in scholarship programs—especially those who used to attend low-performing schools—improve academically. Students using scholarships to attend private schools raise reading and math scores an average of four percentile points annually.\(^{72}\) Inner-city high-school students using scholarships at neighborhood private schools have graduation rates up to 78 percent higher than even selective public schools.\(^{73}\) Low-income students who attend private schools are up to four times as likely to earn a college degree by their mid-20s as their public-school peers.\(^{74}\)

Less well known is the fact that students who do not participate in scholarship programs benefit from them as well. A wide body of economic literature finds that when traditional district public schools—even poorly performing ones—compete for students and their education dollars, as they must in states with parental choice programs, their productivity improves in terms of higher student achievement and better use of educational resources.\(^{75}\) In fact, more than 200 scientific analyses spanning nearly three decades show beneficial effects of competition on public schools “across all outcomes,” according to researchers from Teachers College, Columbia University, including higher academic test scores, better graduation rates, improved efficiency, higher teacher salaries, and smaller class sizes.\(^{76}\) The NAEP performance of Florida’s fourth-grade students seems to substantiate these findings.

While socioeconomically disadvantaged students have more educational challenges that understandably may make them more expensive to educate, including extra tutoring, after-school programs, and counseling services, the NAEP fourth-grade reading results presented above are for students not enrolled in specialized programs. Therefore, public-school spending per NAEP scale-score point for low-income and minority students is calculated using 2010 inflation-adjusted average per-pupil expenditure amounts for the United States, California, and Florida.

Special education students, however, are about twice as expensive to educate as students from the general population on average, varying by the severity of their disabilities.\(^{77}\) California public-school spending can be as much as two and a half times the spending for students not requiring specialized services.\(^{78}\) Therefore, the per-pupil expenditure per NAEP scale-score point for California students in special education programs is calculated at two and a half times the 2010 inflation-adjusted average per-pupil expenditure amount and twice the 2010 inflation-adjusted average per-pupil expenditure amounts for special education students nationally and in Florida. The results are presented in Table 2.
Table 2.
Per-Pupil Expenditures per Fourth-Grade NAEP Reading Scale-Score Point, 2010 Estimate

<table>
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<th>Student Sub-Groups</th>
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<tr>
<td>Low-Income African-American</td>
<td>$53</td>
<td>$51</td>
<td>$45</td>
</tr>
</tbody>
</table>

Source: Authors’ table based on per-pupil spending data from the U.S. Department of Education.

Notes:
1. ED 2007-08 per-pupil spending figures are inflation-adjusted by authors to reflect 2010 dollar amounts.
2. ED per-pupil spending figures used exclude capital construction and interest on school debt expenditures.

California and Florida have similar student demographics. Still, Florida fourth-graders from some of the most at-risk student populations are outperforming their peers in California and across the country at a fraction of the expense, indicating Florida’s public schooling system is more productive and delivering a higher return on investment in terms of dollars spent and student achievement than the average public school in California and across the county.

Although this analysis focuses on students in foster care who share many of the risk factors of the sub-groups examined in this section, it is worth noting that Florida fourth-graders in every regular education sub-group but one outperform all California fourth-graders from the general student population, who achieved an average scale score of 210 in NAEP reading in 2009. Low-income, African-American Florida fourth-graders are the exception, but just a single NAEP scale-score point now separates them from California’s overall fourth-grade NAEP reading score—which at 210 puts California in 48th place nationally compared to Florida’s ninth-place ranking in overall fourth-grade NAEP reading performance with a score of 226.

Such performance indicates the systemic improvement possible when states pursue parental choice policies promoting equal educational opportunity for all students—including members of vulnerable populations such as students in the foster-care system.

California can no longer afford to pursue a strategy of ever-increasing spending to the exclusion of reforms that leverage parental choice in education

Unlike Florida, California has yet to embrace widespread parental choice at the elementary and secondary school levels as part of a comprehensive reform strategy. Instead, California has largely followed a pattern of spending increases that in isolation have not produced results. Given the current economy, California can no longer afford to pursue a strategy of ever-increasing spending to the exclusion of reforms that leverage parental choice in education, which introduce powerful pressure for public schools to perform.

Table 3 presents estimates of the additional per-pupil expenditures it would take under California’s current public schooling system to match U.S. and Florida fourth-grade NAEP reading levels. Just
to reach the current national fourth-grade sub-group peer NAEP reading averages, California per-pupil expenditures would have to increase an average of $380. California would also have to spend an additional $2,700 per pupil to match the reading achievement of U.S. fourth-graders who are in special education.

Those estimated increases are significantly higher if California is to match Florida fourth-grade NAEP reading levels. To reach the performance levels of regular education Florida fourth-graders, per-pupil expenditures in California would have to increase an average of $1,021. California would also have to spend nearly $4,900 more per pupil to match the reading achievement of Florida fourth-graders who are in special education.

**Table 3.**

<table>
<thead>
<tr>
<th>To Reach Achievement Level of:</th>
<th>U.S</th>
<th>FL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Education</td>
<td>$2,722</td>
<td>$4,872</td>
</tr>
<tr>
<td>Low-Income</td>
<td>$497</td>
<td>$1,044</td>
</tr>
<tr>
<td>Hispanic</td>
<td>$398</td>
<td>$1,342</td>
</tr>
<tr>
<td>African-American</td>
<td>$195</td>
<td>$536</td>
</tr>
<tr>
<td>Low-Income Hispanic</td>
<td>$406</td>
<td>$1,319</td>
</tr>
<tr>
<td>Low-Income African-American</td>
<td>$406</td>
<td>$863</td>
</tr>
</tbody>
</table>

Source: Authors’ table based on achievement and per-pupil spending data from the U.S. Department of Education.

Notes:
1. ED 2007-08 per-pupil spending figures are inflation-adjusted by authors to reflect 2010 dollar amounts.
2. ED per-pupil spending figures exclude capital construction and interest on school debt expenditures.

Those spending estimates would likely be higher for at-risk students in middle and high school, since the effects of poor academic achievement are cumulative and would likely require more intensive and expensive interventions in the later grades. Yet, applying the NAEP fourth-grade cost estimates above to California’s entire foster-care student population adds some perspective to the cost of the state’s failure to embrace parental choice as part of a comprehensive reform strategy.

Assuming 42 percent of California foster-care students require special education services, the average of the estimated 33 to 50 percent reported by the Legislative Analyst’s Office, the cost estimate assumes nearly 32,000 foster-care students would be in regular education, while almost 23,000 would be in special education. Based on the fourth-grade NAEP expenditure estimates, to bring California foster students in regular and special education to U.S. average performance levels would require an additional $74.7 million. It would take an additional $144.5 million to bring those students to Florida’s average performance levels.

Given that three-quarters of California foster students perform below grade level, and more than four out of five are held back by third grade, improving education outcomes for these children and youth is an urgent public-policy concern at a time when California can least afford additional resources for the status quo.
Estimates presented in this section likely understate how much it would actually cost to improve given the comparative inefficiency of the state’s public schooling system—a fact acknowledged by leading education experts. In one of the most comprehensive analyses to date of the California public-schooling system, researchers from Stanford University concluded:

Past experience and the research we review here indicate with some certainty what will not work if our goal is to make dramatic improvements in student learning. It is clear, for example, that solely directing more money into the current system will not dramatically improve student achievement and will meet neither expectations nor needs. What matters most are the ways in which the available resources and any new resources are used. . . . California’s education system is not making the most efficient use of its current resources. . . . To be clear, meaningful reform to meet student outcome goals may well require substantial new investments. . . . But financial investments will only significantly benefit students if they are accompanied by extensive and systemic reforms. Without accompanying policy reforms, the substantial gains in student outcomes that Californians need are unlikely to accrue. To the point, there is no evidence to support the idea that simply introducing yet more new programs will produce the desired achievement gains. California already has far over 100 well-intentioned categorical programs, and there is no reason to think that adding one or two more will make much difference, no matter how carefully targeted or lavishly funded. The marginal impact of any new program will be small. Quite simply, the finance and governance system is broken and requires fundamental reform not tinkering around the edges (original emphasis).80

Previous research has shown that simply giving parents more freedom to choose their children’s schools, including using scholarships to attend private schools, produces the same NAEP math gains as raising states’ median household income approximately $8,095.81 That amount would represent about a 13 percent increase in California’s current median household income.82

Additional expenditures alone will not improve the achievement of vulnerable student populations, including foster-care students. California cannot afford the status quo that keeps students from attending schools that meet their diverse educational needs. Florida’s example shows that increasing educational opportunity for all students improves academic outcomes of students who participate in scholarship programs as well as the public schooling system overall—and at a fraction of the expense.
A Foster-Care Scholarship Program is Educationally and Fiscally Responsible Reform

The result of two distinct fiscal analyses by Florida’s Collins Center for Public Policy concluded that Florida’s tax-credit scholarship program for students who are from low-income families, are or have been in the foster-care system, or who were previously assigned to failing public schools did not “drain” public school funding, as critics allege. On the contrary, state general fund revenue for K-12 public education increased by $2.1 billion from fiscal years 2002 to 2004. K-12 per-pupil state and local revenues increased from $6,751 in fiscal year 2002 to more than $7,782 in fiscal year 2004, an average annual increase of about 7.6 percent.

Overall, Florida accrued nearly $140 million in public-school revenue since 2002 by saving the difference between the value of the $3,500 tax-credit scholarship and the value of K-12 per-pupil state and local revenue.83 “In reviewing education revenues during 2002, 2003 and 2004, we saw no evidence that the corporate tax credit scholarship program had a negative impact on public school funding,” concluded Collins Center Executive Vice President Mark Pritchett.84

In December 2008 the Florida Legislature’s Office of Program Policy Analysis and Government Accountability reached a similar conclusion and even recommended expanding the program:

The corporate income tax-credit scholarship program produces a net savings to the state. We estimate that in Fiscal Year 2007-08, taxpayers saved $1.49 in state education funding for every dollar loss in corporate income tax revenue due to credits for scholarship contributions. Expanding the cap on tax credits would produce additional savings if there is sufficient demand for the scholarships.85

Unfortunately, the official California legislative analysis of a similar program introduced in 2009 was not as thorough and suggested that such a program would be constitutionally suspect.86 As explained previously, scholarships paid for with tax-deductible donations are funded privately, not by government. Even if a foster-care scholarship were funded through government appropriations, examples of such programs abound at the K-12 and postsecondary levels in California.

The federal Individuals with Disabilities Education Act (IDEA) guarantees that all students with special needs will receive the services they require. When traditional public schools cannot provide those services, they use public funds to send students to private schools. Approximately 42,000 California schoolchildren
with special needs are being educated in private or home settings at public expense under IDEA. More than 168,000 California undergraduates are using Pell Grants to attend private postsecondary institutions. Nearly 8,400 undergraduates are using Cal Grants worth up to $9,700 a year to attend private colleges and universities. California also has a number of programs for foster-care students that allow them to use public funds for private education if they choose.

California also has a number of programs for foster-care students that allow them to use public funds for private education if they choose.

The California Chafee Grant for Foster Youth awards up to $5,000 annually for training or college courses at public, private, or independent schools in or out of state. Under this program current and former foster-care youth can also use their vouchers to help pay for child care, transportation, and rent while they are in school.

California has 365 nonsectarian nonpublic schools (NPS), which are specialized private schools providing services to public-school students with disabilities. “The tuition of a student in an NPS is paid by the public LEA [local education agency] that places the student in the NPS based on the student’s individual needs. Unlike other private schools, each NPS is certified by the CDE [California Department of Education].

Another 102 private sectarian schools, which are not eligible under law to receive public funds from local school districts, offer special education services. California also has more than 2,800 additional private schools that do not report offering formal special educational services; however, it is likely that many of those schools do serve children with special educational needs or learning differences, or would be willing to do so, given the historical growth rate of private-school participation in scholarship programs serving students with special needs.

The Legislative Analyst’s Office recently reviewed a proposal to enact a foster-care scholarship program in California. Of all the various state funding sources for foster youth education in California, practically every one counts toward Proposition 98, the state’s minimum education funding guarantee. This funding source includes public school districts’ per-pupil general-purpose allocations, the largest share, and additional funding for meals, instructional materials, counseling, summer school, and after-school programs. Separately, the state funds Foster Youth Programs, which provide supplemental services such as tutoring.

The proposed Foster Child Opportunity Scholarship Act would enable foster youth to use scholarships worth the amount of charter schools’ per-pupil Proposition 98 funding or the cost of education at participating private schools, whichever is less. Depending on grade level, that works out to approximately $6,000 to $7,000. Participating private schools would have to administer the state’s standardized tests to foster-youth scholarship recipients. The Legislative Analyst’s Office concluded the program would have no impact on total state education funding, and would reduce costs slightly at the local school level.
Because foster children are more likely to have special needs, it is important that any K-12 foster-care scholarship value reflect special education costs. Allowing foster children’s federal IDEA funding, as well as any state per-pupil categorical special-education funding, to follow children to their schools of choice would better ensure that their educational needs are met. Doing so would also have a negligible impact on state education funding as well as on local schools, which would no longer have the expense of educating them.

Students in Florida’s successful McKay Scholarship Program receive vouchers worth the amount public schools would have spent on them, though they may not exceed private schools’ tuition and fees. The cost of educating individual students with special needs ranged from $5,005 to $20,651 during the 2008-09 school year, and the average scholarship amount was $7,240.\(^97\)

Recent analyses have documented that each additional dollar in funding for programs to support foster youth transitioning out of the system yields $2.40 in return.\(^98\) Implementing a K-12 foster-care scholarship program would complement those efforts without requiring additional resources. If such a program resulted in achievement gains comparable to Florida’s McKay Scholarship Program, foster-care students would require fewer academic interventions, repeat fewer grades, and be less reliant on publicly-funded programs later in life.

Such a program could also translate into fewer institutional placements, which can cost up to approximately $80,000 annually per foster child depending on homes’ classifications.\(^99\) This would help conserve limited resources for children who need such intensive services. A recent analysis also found that every adoption out of foster care saves state and federal governments $143,000 in child welfare and social service costs.\(^100\)
Conclusion: Expanding Options and Overcoming Barriers to Better Educational Outcomes

There is broad consensus that finding permanent, loving homes for foster-care children improves their chances for success in school and life, but budgetary pressures may be dampening prospective adoptions. Children and youth in the system also face instability compounded by the negative effects of frequent school changes as well as special educational needs that often go unmet. A California Foster Care Scholarship Program could help minimize those barriers, a particularly pressing policy concern for California. The supply of foster-family homes has declined an average of 30 percent in the past decade. Meanwhile, placements have declined from about 17 percent to 9 percent in the past 10 years.

Encourage Adoption by Ensuring Access to a Quality Education. More than three-quarters of potential adoptive parents (77 percent) express concern about being unable to provide for a child’s education. Many experts also note that young people adopted before the age of 16 may risk losing their education and training benefits. Former foster parents in Maryland shared similar concerns during a recent focus-group study and recommended vouchers for foster-care children to address the lack of high-quality schooling options. Research also indicates that the most vulnerable students, including those in the foster-care system, are disproportionally represented in failing schools. Making matters worse, California is one of 14 states that would need to raise its current payment rates for foster care by 51 percent to 75 percent in at least one age group to cover the real monthly costs of caring for children. Specifically, monthly payments for foster-care children age two to 16 would have to increase from their current range of $425-$597 to $685-$861 plus travel and childcare expenses. According to a recent University of California, Berkeley, School of Social Welfare survey of current and former foster parents, a lack of financial support was a leading factor for the decline in available foster families in Alameda County. “No say in the child’s future” was another explanation offered by 46 percent of foster parents who planned to retire, according to a recent U.S. Department of Health and Human Services survey.

Allowing parents to use scholarships worth an amount equal to what their foster or adoptive children’s assigned public schools receive at other public or private schools would help relieve a leading concern about the overall affordability of fostering and adoption—particularly during times of budget shortfalls when increasing monthly state stipends is not possible and the supply of foster families is dwindling. This is an important policy consideration since families who adopt foster-care children
typically have lower household incomes. In fact, almost half (46 percent) of children in foster care are adopted into households with incomes around two times the poverty threshold.\textsuperscript{111}

**Minimize Instability to Improve Student Learning.** “[E]veryone must realize that today’s foster-care system is abusing hordes of children by offering them childhoods devoid of stability and permanence,” explains University of California, Irvine, economics professor Richard McKenzie, who grew up in a North Carolina orphanage. “It does this by routinely shuffling children from one placement to the next. Children in foster care are commonly routed through a dozen or more placements before they ‘graduate’ from the system at age 18 with few life skills.”\textsuperscript{112} Placement instability creates school instability. As it is, the mobility rates of California’s general student population are already higher than the rest of the country. A third of California students in grades one through 12 changed schools three or more times compared to 26 percent of students on average in other states.\textsuperscript{113} The mobility rates for foster children are even higher. More than one-third of foster students switch schools up to five or more times throughout their K-12 years.\textsuperscript{114} Other studies have found that while in out-of-home care, foster children average one to two home placements annually.\textsuperscript{115}

Research suggests it can take four to six months for students to recover academically after changing schools.\textsuperscript{116} One study of Chicago students who changed schools four or more times found they lost about one year of educational growth by sixth grade. Another study of California high-school students discovered that changing schools only once meant students were less than half as likely to graduate as students who did not change schools, even after controlling for other related variables.\textsuperscript{117} The number of placements has also been associated with foster children having at least one serious delay in academic skill.\textsuperscript{118}

A Foster-Care Student Scholarship Program would help ensure that students can remain at or transfer to schools that meet their educational needs—regardless of where their families can afford to live.

A Foster-Care Student Scholarship Program would help ensure that students can remain at or transfer to schools that meet their educational needs—regardless of where their families can afford to live.

**Improved Delivery of Needed Special-Education Services.** As noted previously, between 10 and 12 percent of the general student population has special needs. In contrast, up to 52 percent of foster-care students are placed in special education nationally, and between 33 percent and 50 percent of foster-care students in California.\textsuperscript{119} Yet researchers have identified chronic problems with the delivery of special-education services to students in the foster-care system. Programs, including IDEA, which are intended to help these students, too often operate independently of one another.\textsuperscript{120} Accessing special-
education services is challenging enough for students whose parents advocate on their behalf.121
Students in foster care rarely have such an advocate.122 According to the Disability Rights Education
and Defense Fund (DREDF), “Nearly half of all foster children require—and have a right to
receive—special-education and related services to succeed in school. However, most of these young
people lack advocates or caregivers who are knowledgeable about their rights or can help them
receive an appropriate education and plan for their transition to adult life, post-secondary education,
and employment.”123

Consequently, foster-care students in special education are poorly served. Casey Family Program
experts concluded that “the literature and anecdotal data from the field suggest that the stories of
foster children in special education are, all too often, stories of unserved or underserved children, lost
records, minimal interagency communication, and confusion over the roles of birth parents, foster
parents, and social workers.”124 Research suggests that perverse financial incentives and bureaucratic
breakdowns often prevent foster children who need special-education services from receiving them.
Meanwhile there is also strong evidence that these factors contribute to the misidentification of
foster-care students as having learning disabilities who may not require such special-education
services at all.125

On this front, foster-care students are especially vulnerable. A team of researchers led by G. Reid
Lyon, the former chief of the Child Development and Behavior Branch within the National
Institute of Child Health and Human Development (NICHD) at the National Institutes of Health
(NIH), found that up to 70 percent of children identified as having learning disabilities actually
have not received proper reading instruction in the early grades. Proper reading instruction, not
placement in special education, is what they require.126 Other research has found that approximately
62 percent of the recent enrollment growth in special education nationwide can be attributed to
perverse financial incentives to place children in special education, costing more than $2.3 billion
annually.127

Until recently, school districts in California had strong financial incentives to place foster-care
students identified as needing special educational services in more expensive group homes. In
spite of recent legislation to remove those incentives, the state still reimburses group homes at
disproportionately higher rates than parents of foster children with less severe disabilities. According
to the National Council on Disability, the state pays a group home in California serving moderate
to high needs children $5,613 per month, compared to $700 a month for therapeutic foster parents.
Unable to afford the services their foster-children need, parents often have no choice but to place
them in expensive group homes, even though research has shown children suffer academically in
such settings.128
Adopting a Florida-style foster-care scholarship program is academically and fiscally responsible education reform for California. Providing parents of foster children with educational scholarships worth what the state would pay district schools or institutions to educate them, similar to what Florida does under its McKay Scholarship Program, could help mitigate such perverse financial incentives by leveling the playing field between parents and educational institutions. Such a program has the added benefit of introducing powerful incentives to provide children with the services they need or risk losing them and their education dollars. As Florida shows, letting parents choose the schools they believe are best for their children better ensures they receive the services they need.

Another benefit is that a scholarship program for foster students would help alleviate the fears potential foster and adoptive parents may have about providing for their children’s education. This is an especially important consideration for foster children with special needs, many of whom are never adopted and remain in institutions. Armed with foster-care educational scholarships, parents could seek out the educational and tutoring services their children need, increasing the likelihood that more of these children would find loving, permanent homes.
APPENDIX:
Fourth-Grade NAEP Reading Performance—Comparing Student Sub-Group Gains in the United States, California, and Florida, 1998—2009
Figure 1.
Fourth-Grade NAEP Reading: Students in Special Education, 1998—2009

Source: Authors' figure based on data from the U.S. Department of Education.
Note: The average NAEP fourth-grade reading scale-score for California students in special education was not available for 1998.

Figure 2.
Fourth-Grade NAEP Reading: Low-Income Students, 1998—2009

Source: Authors' figure based on data from the U.S. Department of Education.
Note: “Low-Income” students are those whose family income qualifies them for free or reduced-price school lunches under the National School Lunch Act.
Figure 3.
Fourth-Grade NAEP Reading: Hispanic Students, 1998—2009

Figure 4.
Fourth-Grade NAEP Reading: African-American Students, 1998—2009

Source: Authors' figure based on data from the U.S. Department of Education.
Figure 5.
Fourth-Grade NAEP Reading: Low-Income Hispanic Students, 1998—2009

Source: Authors' figure based on data from the U.S. Department of Education.
Note: “Low-Income” students are those whose family income qualifies them for free or reduced-price school lunches under the National School Lunch Act.

Figure 6.
Fourth-Grade NAEP Reading: Low-Income African-American Students, 1998—2009

Source: Authors' figure based on data from the U.S. Department of Education.
Note: “Low-Income” students are those whose family income qualifies them for free or reduced-price school lunches under the National School Lunch Act.
Endnotes


6 Ibid.


9 See quotation by Phyllis Levine, Educational attainment and outcomes for children and youth served by the foster care system, an unpublished report by Casey Family Programs, 1999. Cited in Casey Family Programs, It’s My Life, p. 44.


Emerson and Lovitt, “The Educational Plight of Foster Children in Schools and What Can Be Done about It,” pp. 199-203; and Sommer et al., California Connected by 25, p. 6.

Ibid.


Sommer et al., California Connected by 25, p. 6; and Courtney et al., Executive Summary: Midwest Evaluation of the Adult Functioning of Former Foster Youth.

Ibid.

Ibid.


22 Emerson and Lovitt, “The Educational Plight of Foster Children in Schools and What Can Be Done about It,” pp. 199-203.

23 “2007 California Foster Youth Education Summit: Recommendations to Improve Foster Youth Educational Success in California,” *The California Foster Youth Education Task Force et al.*, p. 3; cf. “2007 California Foster Youth Education Summit Backgrounder.”


25 Sommer et al., *California Connected by 25*, pp. 6-7.

26 Sommer et al., *California Connected by 25*, p. 6. See also Cook et al., *A National Evaluation of Title IV-E Foster Care Independent Living Programs for Youth*.

27 National Council on Disability, *Youth with Disabilities in the Foster Care System*, p. 12.


32 Ibid.

33 Ibid.
McCoy-Roth et al., “Number of Youth Aging out of Foster Care Continues to Rise; Increasing 64 percent since 1999,” p. 1.

“2007 California Foster Youth Education Summit: Recommendations to Improve Foster Youth Educational Success in California,” California Foster Youth Education Task Force et al., p. 25; cf. “2007 California Foster Youth Education Summit Backgrounder.”

Ibid.


“2007 California Foster Youth Education Summit: Recommendations to Improve Foster Youth Educational Success in California,” California Foster Youth Education Task Force et al., p. 25; cf. “2007 California Foster Youth Education Summit Backgrounder.”

Ibid.


“Ibid.


Florida House of Representatives, "CS/HB 1505: Education Programs for Children with Disabilities,


64 On January 5, 2006, the Florida Supreme Court issued a ruling declaring the private-school option of the Opportunity Scholarship Program, which awarded vouchers to public-school students in failing schools, unconstitutional in *Holmes v. Bush*. See Florida Department of Education, Opportunity Scholarship Program.


Ibid.


72, no. 2, Summer 2002, pp. 279-341. See Table 1 for a summary of the effects of increased competition on outcomes measures.


California's median household income was $61,017 in 2008, or $61,677 in 2010 inflation-adjusted dollars, and there were a reported 11,502,870 households in California in 2000. See the U.S. Census Bureau, http://quickfacts.census.gov/qfd/states/06000.html.


Vicki E. Murray, testimony before the California State Assembly, Committee on Revenue and Taxation, April 20, 2009, Room 126, on AB 279, Great Schools Tax Credit Act; cf. April 19, 2009, letter from Andrew Coulson presented by Murray to the Committee, stating in part, “The official Bill Analysis of AB 279 suffers errors of fact and omission, misrepresents the findings of a paper published by my organization, and will mislead legislators unless these problems are corrected.”

Annual Report to Congress on the Implementation of the Individuals with Disabilities Education Act (IDEA): 27th Annual Report to Congress Office of Special Education Programs, September 2007, vol. II, tables 2.1 and 2.2. http://www.ed.gov/about/reports/annual/osep/index.html. There are 26,528 California children ages three to five being educated at home, in residential settings, or early childhood settings: 1,003 students educated at home; 25,500 students in an early childhood setting; and 25 at a residential setting. This figure may underestimate the actual number of children in private educational settings because private settings are not distinguished for this age group, which includes 61,950 children in all. Only categories expressly defined as including private settings are included; however, all settings are broadly defined to include private options;
cf. p. B-11 (p. 441) for educational environment descriptions. There are 15,432 California students with disabilities ages 6 to 21 currently being educated in private educational settings at public expense under IDEA: 8,573 at separate, private facilities; and 6,859 at private residential facilities.


The California Student Aid Commission California Chafee Grant for Foster Youth Web site, [https://www.chafee.csac.ca.gov/default.aspx](https://www.chafee.csac.ca.gov/default.aspx).


See, for example, National Council on Disability, Youth with Disabilities in the Foster Care System, pp. 34-35 and 44.

Reed and Karpilow, Understanding the Child Welfare System in California, p. 43.


Lips, “Foster Care Children Need Better Educational Opportunities.”


Reed and Karpilow, Understanding the Child Welfare System in California, p. 43.

Vandivere et al., Adoption USA, pp. 6 and 9; cf. National Survey of Adoptive Parents Project Page. See also A Report to Congress on Barriers and Success Factors in Adoptions from Foster Care, HHS, pp. 83, 86-87.


Casey Family Programs National Working Group on Foster Care and Education, “Fact Sheet: Educational Outcomes for Children and Youth in Foster Care and Out-of-Home Care,” p. 2; and Casey Family Programs, Improving Educational Continuity and School Stability for Children in Out-of-Home

Casey Family Programs, *Improving Educational Continuity and School Stability*, p. 22.

Both the Chicago and California studies are cited in Casey Family Programs National Working Group on Foster Care and Education, “Fact Sheet: Educational Outcomes for Children and Youth in Foster Care and Out-of-Home Care,” p. 2.


For additional resources and fact sheets, see Disability Rights Education and Defense Fund, Clearinghouse on Foster Youth and Transition Web site, http://www.dredf.org/programs/clearinghouse/.


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Vicki E. Murray is Education Studies Associate Director and Senior Policy Fellow at the Pacific Research Institute for Public Policy (PRI). Dr. Murray’s research focuses on education reform measures to improve academic accountability at all levels, promote a competitive education climate, and increase parents’ control over their children’s education.

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Prior to her career in education policy, Dr. Murray taught college-level courses in American politics, English composition and rhetoric, and early British literature. She has lectured at universities nationwide, including the U.S. Military Academy, West Point, and has presented her academic research at annual meetings of the American Political Science Association and its regional affiliates. Dr. Murray received her Ph.D. in politics from the Institute of Philosophic Studies at the University of Dallas, where she was an Earhart Foundation Fellow.

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PRI shows how the entrepreneurial spirit—the engine of economic growth and opportunity—is stifled by onerous taxes, regulations, and lawsuits. It advances policy reforms that promote a robust economy, consumer choice, and innovation.

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PRI demonstrates why a single-payer Canadian model would be detrimental to the health care of all Americans. It proposes market-based reforms that would improve affordability, access, quality, and consumer choice.

Technology Studies
PRI advances policies to defend individual liberty, foster high-tech growth and innovation, and limit regulation.

Environmental Studies
PRI reveals the dramatic and long-term trend toward a cleaner, healthier environment. It also examines and promotes the essential ingredients for abundant resources and environmental quality: property rights, markets, local action, and private initiative.