

*******PRESS RELEASE*******

**SCHOOL VOUCHERS OFFER HOPE TO POOR FAMILIES, \$3
BILLION IN 'TAX RELIEF FOR THE WELL-OFF'**

While school vouchers promise urban families a way to escape mediocre public schools, California's Proposition 38 would provide a \$3 billion bonus to affluent parents whose children already attend private school, according to a study released today by scholars at UC Berkeley and Stanford University.

Voters will decide the fate of Prop. 38, authored by Silicon Valley entrepreneur Tim Draper, on November 7. If approved, any California parent could obtain a voucher worth at least \$4,000, then move their child from a public to a private or religious school.

The researchers dissected the many provisions of Prop. 38 and forecast its downstream implications for taxpayers, children, and schools. They conclude that no one really knows how many families would actually use the new vouchers, covering less than two-thirds the yearly cost of educating a child, and achievement effects could be small, given the limited efficacy of small-scale voucher experiments underway in a half-dozen cities around the nation.

"The devil with small voucher programs has always been in the details -- how they are designed and what kinds of families they best serve," according to Luis Huerta a coauthor of the new report. "And Prop. 38 is bedeviled with many unknowns."

One thing is certain, however. The payout in taxpayer dollars -- totaling between \$2.6 and \$3.3 billion -- would go mainly to affluent families who see children already attend private schools as Prop. 38 is fully implemented. "This does not expand choice to more families," said Huerta. "It's essentially tax relief for the well-off."

How Many New Families Could Squeeze into Private Schools?

Prop. 38 supporters argue that the state would save money, as additional parents collect \$4,000 vouchers and migrate to private schools. For these children, the state would no longer pay for their schooling in the public system. But the Berkeley-Stanford team found that private schools would have to more than double their enrollments before the state would break even financially.

Just 10 percent of all students now attend private schools, nearly 650,000 youngsters statewide. This number would have to climb to over 1.5 million classroom seats before the state would save more money than it was paying out to families who used private schools before Prop. 38 was approved. Private schools currently report 32,000 open seats statewide, according to the California Catholic Conference, based in Los Angeles.

The share of children from affluent families who attend private school is three times higher than the slice of youngsters from low-income households who can afford such schools, according to the National Center for Educational Statistics.

"It's not clear how private schools could expand their teaching staffs by 150 percent and finance massive classroom construction -- paid for by a voucher amount that covers only half to two-thirds the real cost of instructing one child," said Bruce Fuller, a Berkeley professor who helped write the new report.

Do Vouchers Boost Student Achievement?

The Berkeley-Stanford team also analyzed the past decade of research on the promise of city-level voucher experiments, especially as kids from low-income families move into smaller private and parochial schools. Publicly funded vouchers operate in Cleveland, Milwaukee, and until recently in Florida.

The new study concludes that small-scale voucher programs do significantly boost math achievement of black students at the elementary-school level. This may fuel the already rising popularity of vouchers among ethnic minority parents, seen in recent polls.

"But the eager parents who apply for vouchers are not representative of the wider, more diverse range of families that characterize inner cities," said Huerta. "Would private schools really open their doors to a large number of diverse kids, including those with learning disabilities and behavioral problems?"

Recent voucher studies have found no added benefit for Latino and white children who move to private schools. Vouchers have failed to boost reading scores. And the positive effects for black students in math have leveled-off after an initial climb in the first year, according to the new report.

"The dilemma is that many parents, depressed over sending their children off to mediocre schools each morning, want to dramatically shake-up the system," summarized Prof. Fuller. "But Prop. 38, given its high price tag and unknown impact on children, is like joining a high-stakes poker game in which you can only look at half your cards."

This analysis was conducted by researchers at Policy Analysis for California Education (PACE). Work on the enclosed policy brief was supported by the Hewlett Foundation, based in Menlo Park, California. PACE is co-directed by Prof. Bruce Fuller (UC Berkeley), Dr. Jerry Hayward (Sacramento), and Prof. Michael Kirst (Stanford).