



AN ANALYSIS OF COLORADO'S SCHOOL VOUCHER PROPOSALS

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## INTRODUCTION

Three school voucher bills have been introduced in the current Colorado legislative session: the Colorado Education Scholarship Program (SB 099), the Colorado Education Scholarship Pilot Program (SB 077), and the Colorado Opportunity Contract Pilot Program (HB 1160).<sup>1</sup> This Occasional Paper provides an analysis of these bills. It begins with a general discussion of school vouchers.

## OVERVIEW OF SCHOOL VOUCHERS

School voucher plans fall into two broad categories: *universal* (available to all students) and *means-tested* (targeted at low-income students). The primary rationale for universal vouchers is that overall student performance will be improved through market competition. The primary rationale for means-tested vouchers is that the performance of low-income students, in particular, will be improved by providing such students with the opportunity to opt out of poorly performing public schools in favor of private schools. So far, all voucher programs that have been implemented in the U.S. (e.g., in Milwaukee, Cleveland, and Florida)

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<sup>1</sup> Though none actually uses the term “voucher” each program provides parents with a check that they then sign over to private schools. They redirect state revenues from public to private schools pursuant to a mechanism generally ascribed the term “voucher.” In addition, the legislature is considering two “tuition tax credit” bills – SB-1 and HB-1137, which would create policies analogous to vouchers. EPIC’s policy analysis of HB-1137 is available at <http://education.colorado.edu/epic/EPIC%20Documents/TaxCreditColoradoWelner.pdf>.

have been means-tested.<sup>2</sup> The Colorado bills are means-tested as well, and each adopts improving the academic performance of low-income children as its fundamental rationale.

Despite much enthusiasm and optimism about the promise of means-tested voucher programs, research has not established that they improve student achievement. The program that has been in place longest and that is the most heavily studied by far is Milwaukee’s. A five-year evaluation commissioned by the Wisconsin legislature found no consistent evidence that the Milwaukee voucher program improved achievement for participating students.<sup>3</sup> A comprehensive review of research on the effects of voucher programs on the achievement of participating students conducted by the RAND<sup>4</sup> corporation found only sparse and equivocal evidence that voucher programs improve achievement. A similar review of research by the U.S. General Accounting Office (2001)<sup>5</sup> reached the same conclusion.

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<sup>2</sup> Privately funded plans in New York City, Washington DC, and Dayton, Ohio are also means-tested.

<sup>3</sup> Witte, J. F., (2000). *The Market Approach to Education: An Analysis of America's First Voucher Program*. Princeton, NJ: Princeton University Press.

<sup>4</sup> Gill, B., et al. (2001). *Rhetoric Versus Reality: What We Know and What We Need to Know About Vouchers and Charter Schools*. Santa Monica, CA: Rand.

<sup>5</sup> U.S. General Accounting Office (2001). *School vouchers: Publicly funded programs in Cleveland and Milwaukee*. Author. Available online at <http://www.gao.gov/new.items/d01914.pdf>.

Any comprehensive and balanced examination of voucher programs must include not only their effects on participating students, but also their effects on students remaining in the public school system. Enlightened education policy must produce an overall improvement in educational opportunities. A policy that benefits some but is detrimental to others may be unwise and counterproductive. Research has not yet shown how voucher programs affect the academic achievement of the large majority of students who remain in conventional public schools.<sup>6</sup> Yet, on the basis of the larger body of evidence on school choice—including evidence from the U.S. on charter schools and open enrollment, and evidence from the comprehensive school choice program in New Zealand—it is likely that large scale, unregulated voucher programs would damage public schools financially and exacerbate segregation by income and race.<sup>7</sup>

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<sup>6</sup> The only attempts to show a positive link come up short. See Hoxby, C. (2001, September). How school choice affects the achievement of public school students. Paper prepared for Koret Task Force Meeting on K-12 Education, Hoover, Institution, Stanford, CA. See also Greene, J. (2001). An evaluation of the Florida A+ accountability and choice program. The Manhattan Institute. These studies are discussed in the Rand analysis by Gill et al. (2001).

<sup>7</sup> The New Zealand choice system is analyzed in Fiske, E. B. & Ladd, H. F. (2000). *When Schools Compete: A Cautionary Tale*. Brookings Institution Press.

Because means-tested vouchers are regulated with respect to income, they are not likely to substantially exacerbate income segregation. (It is also unlikely that they would exacerbate racial segregation, although this is less clear.) However, other potential problems confront means-tested vouchers, associated with the size of the voucher program and the size of the voucher itself.

Setting the dollar amount of the voucher presents one problem. The larger the amount, the more opportunity it affords low-income parents to choose from among private schools and the less it requires them to contribute from their own financial resources. But, assuming that public school districts must pay for the vouchers out of their allotted funds (as in the Colorado bills), the larger the amount of the voucher, the more that public school districts are hurt financially.

The overall size of the voucher program (i.e., how many students participate) determines the overall impact of setting the voucher dollar amount. Depending on the voucher dollar amount, the program size threshold at which school districts would begin to feel financial pain can be surprisingly low. School districts cannot easily or quickly adjust their fixed costs when students leave classrooms and take a sizeable portion of their Per Pupil Operating Revenue (PPOR) with them, particularly districts with stable or declining enrollments. A study of the

financial impact of Colorado charter schools (which are funded using a per pupil mechanism comparable to the programs proposed in HB 1160, SB 99, and SB 77) found that the six school districts studied had from \$72.00 (with 3.0% enrolled in charter schools) to \$405.00 (with 13.6% enrolled in charter schools) less to spend on each non-charter student.<sup>8</sup>

Colorado's charter schools provide a lesson regarding the tendency of school choice programs to expand and to become more expensive. In Colorado's initial charter school law, the number of charter schools was capped at 50, they were funded at minimum of 80% of PPOR, and they were charged to serve low-income ("at risk") students. The Colorado legislature subsequently removed the cap and increased the funding to 95% of PPOR; the 5% balance remains with the host school district to cover centralized costs. This expansion and higher funding occurred despite a lack of evidence that Colorado charter schools have achieved their objectives, including serving low-income students (indeed, charters enroll fewer low-income students than other Colorado public schools).

#### THE COLORADO BILLS

The three Colorado voucher bills share certain features but also differ in import-

ant ways. Below they are compared and evaluated in terms of seven categories: student participation, private school participation, school district participation, per pupil voucher dollar amount, cap on the number of students participating, accountability for student achievement, and evaluation/reporting requirements. (See Table 1 for a side-by-side comparison of the general features.)

#### Student Participation

*Description.* SB 099 and SB 077 have both low-income and low-academic-performance requirements for students to qualify for vouchers, and SB 077 adds the third requirement that qualifying students must have attended a school rated "unsatisfactory" on its School Accountability Report.

HB 1160 is more complicated. It has low-income and low academic performance requirements at grade levels 4-12, unless the voucher applicant was not previously legally required to take Colorado's state assessments. At the K-3 level, the low-income requirement is maintained, but there is no requirement pertaining to student performance. Instead, the voucher applicant must either have three or more risk factors, as defined by the Colorado Preschool Program, or live in attendance area of a school rated "low" or "unsatisfactory" on its school accountability report.

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<sup>8</sup> Augenblick & Myers (2002). *The Cost Impact of Charter School Authorizing in Colorado for Selected Colorado School Districts.*

Table 1: Comparison of Colorado School Voucher Bills  
For the 2003 Legislative Session

	HB 1160	SB 077	SB 099
<b>Student Participation</b>	<p>1. Eligible for free or reduced lunch</p> <p style="text-align: center;">AND</p> <p>2a. Grades 4-12: performed at unsatisfactory<sup>9</sup> level in at least one area in most recent administration of state assessments, OR was not legally required to take state assessments</p> <p>2b. Grades K-3: lacks learning readiness, OR lives within the attendance boundaries of a school rated “low” or “unsatisfactory” on its state School Accountability Report</p>	<p>1. Eligible for free or reduced lunch</p> <p style="text-align: center;">AND</p> <p>2. Has attended a public school receiving an “unsatisfactory” rating on its School Accountability Report</p> <p style="text-align: center;">AND</p> <p>3. Received “unsatisfactory” rating on most recent math or reading CSAP</p>	<p>1. Income less than 150% of poverty level</p> <p style="text-align: center;">AND</p> <p>2. Received “unsatisfactory” rating on math or reading CSAP</p>
<b>Private School Participation</b>	<p>1. Comply with anti-discrimination and health and safety provisions</p> <p>2. Permit public school districts to administer statewide assessments to voucher students</p>	<p>1. Comply with anti-discrimination provisions and reporting requirements</p> <p>2. Administer statewide assessments to voucher students</p> <p>3. Cannot charge more than 10% additional tuition, which parents can satisfy with in-kind contributions or services</p> <p>4. Single sex schools expressly permitted</p>	<p>1. Comply with anti-discrimination provisions</p> <p>2. Permit public school districts to administer statewide assessments to voucher students</p>
<b>School District Participation</b>	<p>1. Mandated for districts in which at least 8 schools received “low” or “unsatisfactory” ratings on School Accountability Reports (applies only to twelve school districts)</p> <p>2. Voluntary, upon approval of a district school board</p>	State School Board selects three metropolitan districts	<p>1. Two or more schools with “low” or “unsatisfactory” ratings on School Accountability Reports</p> <p>2. District voter approval</p>
<b>Voucher Dollar Amount</b>	The lesser of (a) 75% of a district’s per pupil operating revenue for grades K-8, 85% for grades 9-12, and 37.5% for K; or (b) the private school’s actual cost per child	The lesser of (a) 100% of per pupil operating revenue, (b) \$5,200, or (c) the actual tuition charges of the private school	<p>1. The lesser of (a) \$4,200 or (b) private school’s operating and debt service cost per child</p> <p>2. Transportation stipend for each voucher student, up to \$500</p>

<sup>9</sup> The original legislation’s eligibility provision extended to students scoring unsatisfactory or *partially proficient*. This broad eligibility was reduced, limited to just students scoring unsatisfactory, on the House floor; however, the partially proficient category may be added back into the legislation in the Senate.

Table 1 (cont'd): Comparison of Colorado School Voucher Bills for the 2003 Legislative Session

	HB 1160	SB 077	SB 099
Cap on Number of Voucher Students	1% of district enrollment in 2004-05 (the first year); increases in increments to 6% in 2007-08 and remains 6% thereafter	None (but limited to three districts)	None
Voucher Student Testing	Voucher students required to take statewide assessments	Voucher students required to take statewide assessments	Voucher students required to take statewide assessments
Program Evaluation/Reporting Requirements	<ol style="list-style-type: none"> <li>1. Participating districts complete evaluation of student achievement and costs and submit to legislature in 2008</li> <li>2. State auditor conducts academic and performance audits in 2008</li> </ol>	None	<ol style="list-style-type: none"> <li>1. Annual district reports to CDE of whether voucher students meet federal guidelines for progress</li> <li>2. Summary report by CDE to legislature in 2008</li> </ol>

*Comment.* HB 1160 is the only bill among the three that permits an immediate transfer of public money to private schools without requiring voucher students either to have previously attended public schools or to have a history of low academic performance. In the case of K-3 students, low-income families whose neighborhood school is rated “low” or “unsatisfactory” may begin kindergarten in a private school and receive the voucher from the very beginning of their educational career. Alternatively, they may switch from a public to a private school at any time up until 4<sup>th</sup> grade, regardless of how well they might be

performing academically in public school. In the case of grades 4-12, low-income students already in private schools would be immediately eligible for vouchers.

This broad inclusion of private school 4<sup>th</sup> through 12<sup>th</sup> grade students may not have been an intent of the bill’s authors. However, it appears to be the only reasonable way to read the bill’s plain language. The key language is in section 22-56-104(2)(b)(I). According to this provision, a child “who resides within a school district” may participate if he or she is “entering or enrolled in one of grades four through twelve” and (A)

scored poorly “in at least one academic area on the most recent statewide assessment” or (B) scored poorly on the ACT, or (C) “was not required to take a statewide assessment pursuant to law.” This final category clearly includes all (or almost all) children who are being homeschooled or who are enrolled in a private school. Moreover, throughout the bill, the “resides within a school district” language is used in lieu of any more restrictive language, such as “is enrolled in a school district” or “resides within a school district and is enrolled in a public school.” By its plain language, the bill’s eligibility provisions encompass most if not all low-income private school students in grades 4-12.

Additional eligibility questions surround younger children. HB 1160 sets forth specific eligibility guidelines for families with K-3 students. In contrast, SB 77 and SB 99 fail to address this issue directly. Pursuant to the express terms of these latter two bills, eligibility is tied to previous unsatisfactory performance on CSAPs, which K-3 students simply do not take. So SB 77 and SB 99 effectively exclude K-3 students from eligibility. On the other hand, HB 1160’s broad eligibility terms for K-3 students could undermine the rationale of helping low-income students who are also low performing. Many eligible students may not be low performing.

As noted above, HB 1160 also provides a huge windfall for low-income parents of 4-12 students already enrolled in private schools. These students are eligible because they were not legally required to have previously taken Colorado assessments. The bill provides families of high school students with a voucher worth 85% of the PPOR of the district in which they reside (approximately \$5,270 for Denver residents). These parents will put this amount toward tuition they had previously been paying without taxpayer assistance.

In summary, HB 1160 adds three kinds of low-income students to those traditionally drawing on public K-12 funds: 4-12 students already attending private schools (and therefore not required to have previously taken Colorado assessments); K-3 students already attending private schools who live within the boundaries of a neighborhood school rated “low” or “unsatisfactory;” and students entering kindergarten who live within the boundaries of a neighborhood school rated “low” or “unsatisfactory” and who would attend private schools whether vouchers were available or not. HB 1160 stipulates that districts will receive their full PPOR for each voucher student. As a consequence, funding for these students will require the state to increase participating districts’ budgets commensurate with the number of students in the three categories above that fall within participating districts’ boundaries. The

districts will then be obligated to pass along 75%-85% of this amount to the private schools attended by these students. This costly aspect of HB 1160 has thus far been overlooked in the official Fiscal Note.

The range of the new costs to the state can be roughly estimated with the aid of a few assumptions. Consider the Denver Public Schools (DPS), with a student enrollment of approximately 68,000 and a PPOR of approximately \$6,200. Assume first that the 1% cap (or 680) for the first year of the program is reached. Also assume that between 20% (or 136) and 50% (or 340) of these students fall into the three categories of newly funded students described above. The result would be an increase in the state obligation of from \$843,000 to \$2,108,000. As the cap moves from 1% to 6% in succeeding years, the range increases up to the range of \$5,060,000 to \$12,648,000 per year (or more, given PPOR increases). And this is for DPS only. The other participating districts (approximately 10 of which would be mandated to participate) would multiply the new state obligation many fold; \$100,000,000 seems quite possible.

#### Private School Participation

*Description.* None of the three bills excludes religious private schools from those that may participate, and it seems clear that each intends to include them. In the case of SB 99 and HB 1160, in particular, each explicitly claims to be in

compliance with *Zelman v. Simmons-Harris*,<sup>10</sup> the 2002 Supreme Court decision that upheld the constitutionality of the Cleveland voucher program, which included private religious schools.

The three bills contain similar anti-discrimination requirements regarding student admissions. Each excludes discrimination on the basis of race and disability, for example, and none excludes discrimination based on sexual orientation or English language status. One notable difference in the bills concerns discrimination on the basis of a child's religion. Whereas SB 99 and HB 1160 include religion among the characteristics with respect to which participating private schools may not discriminate in admissions, SB 77 does not. None of the bills provides non-discrimination requirements concerning the hiring and firing of teachers or administrators, and none stipulates job qualifications.

SB 77 restricts the amount that participating private schools may charge over and above the voucher to 10%, and it stipulates that parents must be allowed to supply the extra 10% with in-kind contributions or services. SB 99 and HB 1160 are silent on the question of whether participating private schools may charge tuition over and above the voucher amount. In the absence of any restriction,

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<sup>10</sup> 122 S.Ct. 2460 (2002).



the private schools can set tuition levels wherever they wish.

*Comment.* Each of the bills, but especially HB 1160, provides a potential financial boon for private schools. First, the vouchers will permit participating schools to shift to the state's taxpayers and to public school districts all or a significant portion of whatever subsidies they provide to low-income students. Second, pursuant to basic supply and demand principles, the increased demand for private schools created by the vouchers is likely to drive tuition increases. Most of the benefits will likely go to religious schools because they make up a relatively high proportion of private schools in Colorado. (For example, over 2/3s (43 of 63, or 68%) of the private schools in Denver County are religiously based.<sup>11</sup>)

In the school districts that are subject to these bills, one can expect that a substantial number of the participating private schools will discriminate in admissions against students whose first language is not English and who are still developing English fluency. These second-language learner students make up a large percentage of low-income students in DPS. They are more costly to educate,

since they require extra resources, yet none of the three bills provide additional funding. From an economic perspective, it is therefore reasonable for these schools to discriminate in admissions on the basis of a student's status as an English language learner. However, given that the state has an obligation to these students, and given that the private schools would be receiving the benefits of taxpayer dollars, any such discrimination would be highly problematic from a public policy perspective.

Private religious schools pose special problems, and the *Zelman* decision should not be taken as a green light to ignore long-standing concerns about providing public subsidies to private religious schools. The recent EPIC policy analysis of Colorado's tuition tax credit legislation includes a discussion of the state constitution's religion clauses, Article IX, section 7, and Article V, section 34. The first clause prohibits the state from, among other things, making "any appropriation ... from any public fund or moneys whatever ... in aid of any church or sectarian society, or for any sectarian purpose, or to help support or sustain any school ... controlled by any church or sectarian denomination whatsoever." While noting that this provision has been interpreted narrowly by the state supreme court, we concluded that the constitution's religion clauses "will likely prevent

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<sup>11</sup> Source of data is Colorado Department of Education Nonpublic Schools Fall 2001. Available at: <http://www.cde.state.co.us/cdereval/download/pdf/Fall%202001%20PM/2001NPSDirectory.pdf>

Colorado from successfully implementing a k-12 voucher policy.”<sup>12</sup>

Setting aside these legal issues, policy concerns remain. For instance, giving students and their parents the option to exit low performing public schools through vouchers fails to address the larger policy need to improve the schools. Are vouchers being offered as the only way for these families to improve their educational situation? If so, how does the policy address the educational concerns of the families still being served by those public schools? Further, is there a legitimate governmental interest in pressuring low-income students and their parents into turning to private religious schools as the only realistic option for improved educational opportunities? Available schools’ curricula and practices may conflict with voucher students’ religious beliefs, forcing a difficult choice between religious beliefs and the desire for a higher-quality education. Moreover, gay and lesbian youth are especially vulnerable to being refused admission, or to being treated poorly once admitted.

#### School District Participation

*Description.* The bills differ considerably on school district participation. SB 99 makes participation contingent on the approval of a majority of voters in a school district. The only restriction is that

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<sup>12</sup> Welner, K. (2003). *An examination of Colorado’s tuition tax credit proposal*. Boulder, CO: EPIC.

the district must have two or more schools with “low” or “unsatisfactory” ratings. SB 77 directs the State Board of Education to select three metropolitan districts, whose participation would be required. HB 1160 would require participation by districts with at least eight schools with “low” or “unsatisfactory” ratings.<sup>13</sup> Twelve such districts appear to fit into this category: Adams 12 (Northglenn/Thornton), Adams 14 (Commerce City), Adams 50 (Westminster), Aurora, Brighton 27J, Colorado Springs Dist 11, Denver, Greeley Dist 6, Harrison Dist 2, Jefferson County, Mesa Valley, Pueblo 60. Other districts would be able participate voluntarily, upon approval of their school boards.

*Comment.* Ordinarily the legislature does not have direct access to the public’s view on educational policy, but this is not true in the case of school vouchers. Colorado voters defeated vouchers in 1992 (by a vote of 67% to 33%) and tuition tax credits, a close cousin of vouchers, in 1998 (by a vote of 60% to 40%). Colorado also has a long history of local control of its schools. Only SB 99 seems to have taken the possibility of voter dissent into consideration in formulating the process by which school districts would participate; HB 1160 and SB 77 mandate participation in voucher

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<sup>13</sup> There is some question as to this categorization. Depending on how a “school” is defined, Brighton and Mesa Valley may be omitted, and Boulder Valley may be included.

programs without consulting constituents in the affected school districts.

HB 1160 (and, to a lesser extent SB 99) is designed to apply primarily to larger school districts. Because the designated school districts must have at least eight lower-scoring schools, the larger the district, the more likely it will fall into this category. The obvious alternative that was passed over by the bill's authors was to designate those districts with a certain *percentage* of schools that are lower-scoring.

#### Voucher Dollar Amount

*Description.* The voucher dollar amounts for the three bills are similar to one another. Using Denver Public Schools for the purposes of illustration (PPOR equals approximately \$6,200) and assuming that participating private schools would require the maximum allowable tuition, the voucher amount for HB 1160 would be \$4,650 for elementary/middle and \$5,270 for high school; the amount for SB 99 would be \$5,200 for all grades; and the amount for SB 77 would be \$4,700 for all grades (a figure that includes a transportation expense of \$500).

*Comment.* When a school district that is not suffering from overcrowding loses a student's PPOR, it can experience a financial hardship. These bills all make some effort, with varying degrees of success, to account for this by leaving some of the PPOR with the home school

district. Denver Public Schools, because it has a relatively high PPOR, would probably be able to manage under the requirements of any of these bills without financial harm to its schools. (Though caps on the number of vouchers available, to be discussed below, are relevant to this question as regards DPS.) This is not the case in other districts with lower PPORs (e.g., Northglenn, Brighton, and Jefferson County). SB 99 especially could cause financial hardships, as the \$5,200 approaches 95% of a district's PPOR.<sup>14</sup> By contrast, the SB 77 maximum of \$4,700 probably provides sufficient cushion, as does the PPOR percentage basis in HB 1160.

#### Caps on Number of Participating Students

*Description.* HB 1160 caps the number of voucher students at 1% of district enrollment the first year (2004-05), 2% the second year, 4% the third year, 6% the fourth year and thereafter. SB 77 limits the program to three districts but has no cap on the number of voucher students within them. SB 99 sets forth no caps whatsoever.

*Comment.* The caps in place in HB 1160, in conjunction with the percentages of the PPOR it shifts from the district to private schools, probably render it no worse than neutral with respect to district finances. (As discussed earlier, the financial impact of HB 1160 at the state level may be less

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<sup>14</sup> See Augenblick & Myers (2002).

rosy.) By contrast, SB 99 could lead to financial harm in districts for which \$5,200 approaches or exceeds 95% of their PPOR, as indicated above. SB 99, as well as SB 77, could lead to financial harm to districts where the number of voucher students increases relatively rapidly.

### Voucher Student Testing

*Description.* All three bills require that participating voucher students take the state assessments (presumably all of the CSAPs, plus the ACT). This may be justified on the grounds that private schools must be accountable for their use of public funds and, related to this, in order to facilitate meaningful comparisons of performance with public schools.

*Comment.* There are several difficulties associated with the voucher student testing requirements. First, HB 1160 and SB 99 require school districts to administer the tests but provide them with no extra resources to take on this additional task. Second, in most (if not all) participating private schools only voucher students will be taking the CSAPs. The validity of CSAP data is seriously compromised under these conditions, both because of the relatively small number of students who are likely to be taking the CSAPs in a given private school and because private schools are not required to teach the Colorado Model Content Standards. Meaningful performance comparisons will be very difficult to

achieve with this sort of partial assessment.

Further, there exists an inconsistency between the policy exemplified in each bill and state educational policy. Whereas current state policy mandates the Colorado Model Content Standards for all of the state's public school students, each of these voucher proposals encourages many of the state's lowest-income and poorest-performing students to opt out the Colorado standards-based accountability system in favor of the various curricula in place in various private schools. That is, even if the students receiving vouchers are required to take the CSAP exams, the accountability system depends on alignment with the Model Content Standards, and this is unlikely to be the case in the state's private schools.

State policy in Colorado has unambiguously tied the expenditure of educational funds to the CSAP accountability system. No doubt, this is why the three bills require voucher students to take the CSAP. But it is unclear how any of the bills links the testing to any form of accountability. The test itself is merely an exercise for the students if the results are not subsequently used. It appears that the only use possibly contemplated is in SB 99 and HB 1160: as data for program evaluations. No school-level or student-level accountability use whatsoever is contemplated in any of the bills.

### Program Evaluation/Reporting Requirements

*Description.* All three of these bills purport to set forth “pilot” programs, with SB 77 and HB 1160 expressly titled as such. A basic premise of a pilot program is that it will be closely evaluated and will yield data that will be useful in a later decision about whether to invest in a full-scale program. In this regard, HB 1160 requires participating districts to complete their own evaluations of the performance of voucher students and costs of the program, which they are to submit to the legislature in January 2008 (during the fourth year of the program). HB 1160 also requires the state auditor to conduct academic and performance audits, also to be submitted to the legislature in January 2008. SB 99 requires participating districts to submit annual reports to the Colorado Department of Education (CDE) that determine whether voucher students meet federal guidelines for progress. The CDE is instructed to prepare a summary report to be submitted to the legislature in 2008. SB 77 makes no provision for evaluation or reporting program results.

*Comment.* Public accountability is imperative for private schools receiving public funds, and each of the bills has serious shortcomings in this area. Simply put, they are not structured as useful pilot programs, meaning that they will yield little in the way of useful information for the future legislatures called upon to decide whether to continue the programs.

SB 77 has no evaluation or reporting requirements. HB 1160 and SB 99 do require participating districts to conduct their own evaluations, but they fail to provide the districts with any resources for evaluation activity (and HB 1160 mandates participation). Furthermore, what the evaluations should include is left entirely unspecified. HB 1160 and SB 99 are completely non-committal on what the standards of success are for their respective voucher programs and on what the policy response should be if these programs fail to achieve their stated goal of closing the achievement gap for low-income students.

To create effective pilot programs, evaluation mechanisms should be expressly set forth and funded in the bills. These mechanisms should be integrated into the programs and should be carefully designed to yield answers to the questions that future legislators will likely be seeking when asked to make the programs permanent.

The public accountability provided in these bills is lax, at best. There seem to be no consequences whatsoever for poor performance on the part of the programs overall, or on the part of individual private schools participating in them. This stands in sharp contrast to the standards for public school performance set down in No Child Left Behind at the federal level, and in Colorado’s own SB 186. Each of these

policies specifies the standards that public schools must meet in order to avoid various sanctions, including being reconstituted. None of the bills offers a justification for holding publicly subsidized private schools to lesser standards.

#### CONCLUSION

The voucher programs proposed in HB 1160, SB 77, and SB 99 are unlikely to attain their goal of increasing the achievement of low-income students. Investigations of similar voucher programs around the country provide no evidence to suggest that the Colorado proposals will improve student achievement.

Each of the programs described in these bills is woefully lacking in standards of accountability for participating private schools, and none requires an evaluation sufficiently detailed or rigorous to make the pilot experience useful. Further, the existing federal and Colorado laws hold public schools to a much higher standard than any of these programs would hold publicly subsidized private schools.

Finally, none of the bills adequately addresses the likely financial consequences of their programs, whether the consequences are for school districts or for the state. In the case of HB 1160, the extra costs to the state could be substantial.