



**Statement of**  
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**before the**  
**Committee on Oversight and Government Reform**  
**United States House of Representatives**

**D.C. Opportunity Scholarship Program:**  
**Making the American Dream Possible**

**Thursday, May 14, 2015**

The views expressed are those of the author and should not be attributed to the Urban Institute, its trustees, or its funders.

Good morning, thank you for the opportunity to speak today.

My name is Megan Gallagher and I am a senior research associate at the Urban Institute. The nonprofit Urban Institute is dedicated to elevating the debate on social and economic policy research. We believe in the power of evidence to improve lives.

Today, I am here to provide an evidence-based perspective on the relative merits of the voucher program. I will focus my remarks on whether there is evidence to support this program.

This hearing is being held not far from Capitol Hill, in a school in a DC community. There are parents in this room who are making the most out of their resources to improve their children's opportunities. The DC Opportunity Scholarship Program (which I will refer to as OSP) represents one of the resources available to them. The OSP is an innovation in education reform that provides public funding for private school tuition.

### **Changes to DC's Education Landscape**

Back in 2004, when the OSP was first created, the educational landscape of DC was far different. Parents didn't have nearly as many options for different schools.

1. In 2004, there were 169 traditional public schools enrolling 58,326.
2. There were 55 charter schools enrolling 15,497 students.
3. About 6,500 DC children in grades K-8 were enrolled in private school.
4. About 10 percent of 4<sup>th</sup> grade DCPS students were at or above Proficient level in reading and math.

Since 2004, a number of changes have been underway:

1. School choices have expanded.
  - a. The share of charter schools has increased. There were 115 charter schools in 2013.
  - b. Open enrollment policies have further expanded the schooling options for DC children. Today, children can apply to attend almost any school in the city.
2. Public school enrollment has increased.
  - a. In 2014, the District had the largest student body in over 25 years—with over 80,000 students.
3. Private school enrollment has decreased. The number of DC students enrolled in private schools has declined since 2004

- a. In 2004, about 6,500 DC children in grades K-8 attended DC private schools; by 2012, that number had fallen to 2,600.

Together, those shifts represent a major change in the landscape.

4. But importantly, public schools have also gained ground on national tests. The proficiency rate has more than doubled since 2004. In 2013, about a quarter of 4<sup>th</sup> grade DCPS students were at or above Proficient level in reading and math (NAEP: 28 percent in math, 23 percent in reading)
  - a. And scale scores on the DC CAS, which was DC's own standardized test, consistently improved over the same time period.
  - b. We have also learned that these DCCAS improvements have not come exclusively from students from more affluent, higher-educated families. A recent analysis by EdCORE found that only 10 percent of the test score increase can be attributed to changing demographics. All subgroups, including Hispanic and black students and students from lower-income families (identified by their eligibility for subsidized meals) have experienced improvements.

### **Opportunity Scholarship Program**

There is still a great deal of work to do in DC to promote meaningful choice for every student. But it is not clear that OSP is the best strategy.

A 2010 evaluation of OSP—the same one that was cited by the previous witness—found that the evidence is mixed. It found improved parent satisfaction and graduation rates but no differences in test scores or student satisfaction.

1. Parent satisfaction and graduation differences:
  - a. Scholarship recipients were more likely to give their child's school a high grade than were control group parents (difference of 8 percentage points).
  - b. They were also more likely to report that their child graduated from high school than parents were parents in the control group (difference of 12 percentage points for those who were offered and 21 percentage points for those who actually used the scholarship).
2. Student satisfaction and test score differences:
  - a. Reading and math test scores were not different after four years,

- b. And neither was students' satisfaction with their schools.

In many ways, the design of the study is strong and it is able to address many of the questions that previous studies were not able to tackle regarding differences between scholarship recipients and non-recipients. But it doesn't address all of them.

1. Survey respondents sometimes want to provide the most socially desirable responses to survey questions. For example, parents might want to express appreciation for a program and convey their children's accomplishments. This is what we call a social desirability response bias. This occurs when a respondent answers a question in a way they think the interviewers want them to. I don't know if that was a problem for this study, but we don't know for sure.
2. The study has the ability to measure whether the student graduates at the end of their expected 12<sup>th</sup> grade year, but not whether they graduate after an additional year. In fact, the study stops tracking students at the end of their expected 12<sup>th</sup> grade year. The reason given is that the math and reading test (as measured by the Stanford Achievement Test-version 9, SAT-9) being used is not valid after 12<sup>th</sup> grade. But we should know more about how the vouchers affected outcomes like grade retention, five-year graduation rates, and college enrollment.

When OSP was reauthorized in 2011, a new evaluation was commissioned. A new study on OSP is underway to fill in knowledge gaps.

1. *"The law calls for examining other indicators of school success, including persistence, grade retention, high school graduation and, if possible, college enrollment."*
2. Reports will be released over the next three years (2015, 2016, 2017).
3. Hopefully the new research will use administrative data (rather than parent reports) for graduation rates and provide more information about how and why those rates are higher by looking at rates of advancing to the next grade and or repeating a grade among both samples by year, after the expected 12<sup>th</sup> grade year ends.

In his 2010 study of OSP, Patrick Wolf (U. Arkansas) and colleagues found that student mobility across schools is so high in DC that departures (or threats of departures) of voucher holders from schools are indistinguishable from other departures, and therefore unlikely to drive change. A review of the literature by Cecilia Elena Rouse (Princeton/NBER) and Lisa Barrow (Federal

Reserve Bank of Chicago) published in 2008 also found that there is no conclusive support that vouchers drive improvements in public schools.

In terms of sheer scope and scale in DC, students choosing to attend charter schools and other traditional public schools through open enrollment policies are likely to have more of an influence on school improvement than students choosing to attend private schools through OSP.

1. About 36,000 students were in charter schools in 2013. Many others have chosen to enroll in a DCPS school that is not their assigned school.
2. By contrast, there were approximately 1,500 enrollees in OSP.

Plus, a number of factors other than school choice may be contributing to public school improvement.

With DC's system-level changes, Wolf and colleagues acknowledged that detecting differences between recipients and non-recipients would be difficult. They wrote *"...establishing a strong causal link between student achievement outcomes and the implementation of the OSP is not possible. Many changes were underway in the DC public and private school systems between 2004 and 2009, the period of evaluation data collection and the main operations of the Program."*

- They cite new academic standards and assessments, a new Schools Chancellor in 2007, principal turnover, charter school expansions, and changing financial circumstances of some DC private schools.
- They wrote *"Any of these changes to the education landscape occurring simultaneously with the OSP could potentially alter student outcomes."*

### **Research from other cities on vouchers is no more convincing.**

The 2008 literature review found that if there are any benefits of vouchers on student achievement; they are small or not different from zero. *"...the best research to date finds relatively small achievement gains for students offered education vouchers, most of which are not statistically different from zero."*

### **Summary**

In summary, the evidence is limited on the benefits of OSP on student achievement. We don't know enough about how the vouchers affect outcomes like grade retention, graduation, and college enrollment. And while the DC school system continues to improve and offer expanded school choices, it isn't clear that OSP has benefitted the DC school system. Evidence may be forthcoming but it does not exist today.