

The PRICE Act

Parental Rights In Children's Education



Information Guide

**Prepared for the Alabama Legislature
By Eagle Forum of Alabama**

BENEFITS OF THE PRICE ACT

1. Good for student safety

Parents who exercise school choice frequently list school safety as one of their primary reasons for doing so. School safety is a particular concern in communities where violence is common.

2. School choice increases parental satisfaction and involvement

Most parents who exercise school choice report that they are highly satisfied with their child's chosen school. In Arizona, for example, more than 70 percent of respondents with children who use the state's education savings account option were "very satisfied."

3. Education choice can give students an education tailored to their needs

Tools such as education savings accounts empower parents with the educational funds to tailor children's education to their exact needs.

4. School choice provides options for low-income families

Education choice [breaks the arbitrary link](#) between a child's housing and the school he or she can attend. This means the price of home a family can afford no longer determines their child's access to a quality education.

5. School choice leads to higher graduation rates

Students participating in school choice programs are significantly more likely to graduate from high school.

6. School choice saves taxpayer dollars

[School choice options](#) achieve all the benefits previously listed, at much lower cost to taxpaying Americans than the typical public-school model.

7. School choice puts competitive pressure on schools

Introducing school choice options increases the overall quality of local schools. 25 of 28 national studies find that private school choice competition leads to better outcomes in public schools.

8. School choice makes schools more accountable

School choice creates direct accountability to parents. It gives schools a strong incentive to meet the needs of their students since unsatisfied parents can take their children and education dollars elsewhere.

9. School choice makes education dollars go farther

Parents have a [greater incentive](#) to maximize their education dollars than traditional public-school officials.

10. School choice helps cultivate citizens

[Private schools](#) do a better job than traditional public schools at cultivating civic virtues in their students, such as civic participation and tolerance. They also tend to give more focus to character and moral formation, something parents value in schools, according to a recent EdChoice [study](#).



Research Shows Favorable Impact of Private School Choice

The case for school choice is overwhelming. Despite a handful of self-selected negative data points by some in the media, the vast majority of credible evidence shows that school choice programs improve academic outcomes for not only the program participants but also the students in public schools; save taxpayers money; and reduce racial segregation.

17 empirical [studies](#) examined **academic outcomes for students participating in private school choice** using random assignment, the “gold standard” of defensible social science:

- 11 found improved test scores for school choice participants
- 4 found no significant effect for school choice participants
- 2 found negative impact in the first year of study for school choice participants

21 [studies](#) examined school choice and how it impacts **academic outcomes in public schools:**

- 20 found that school choice improved public school academic outcomes
- 1 found no significant effect on academic outcomes from school choice

28 [studies](#) examined the **financial impact for the taxpayers and public schools:**

- 25 found that school choice programs save taxpayers money
- 3 found that school choice programs are revenue neutral
- None found that school choice programs have a negative fiscal impact

10 [studies](#) examined the impact of school choice on **racial segregation:**

- 9 found that school choice programs move students into less segregated schools
- 1 found that school choice programs have no net effect on racial segregation
- None found that school choice programs increase racial segregation

Top School Choice Research

Milwaukee Parental Choice Program (MPCP) | [Higher Graduation Rates](#): MPCP students had higher on-time graduation rates—76%—than students in Milwaukee Public Schools (MPS)—69%. MPCP students are more likely to enroll as well as persist in a 4-year college than MPS peers. | [Increased Academic Achievement](#): MPCP students have higher achievement growth in reading and similar growth in math over four years. | [Reduced Crime](#): MPCP students had decreased rates of subsequent criminal activity, especially among males.

Washington, D.C., Opportunity Scholarship Program (OSP) | [Higher Graduation Rates](#): OSP students graduated at a rate of 91%, a 21-point increase from those who didn't receive scholarships. OSP graduation rate is more than 30% higher than D.C. Public Schools. | [Increased Academic Achievement](#): OSP boosted reading scores by 3.7 months of learning over 3 years.

Florida Corporate Tax Credit Scholarship Program | [Increased Academic Achievement](#): Annual evaluations show scholarship recipients—mostly low income, minority students—perform just as well or better than students of all incomes and races nationally. | [Improved Public School Performance](#): Standardized test scores improved in public schools most likely to lose students to private schools.

New York City School Choice Scholarships Foundation Program | [Higher College Enrollment Rates](#): African American students who participated in the New York City program were 6% more likely to enroll in college and were 5% more likely to obtain a college degree. Additionally, the study found a 5% increase in college enrollment and a 3% increase for B.A. attainment for children of mothers born in the United States.

Fund Students NOT Systems

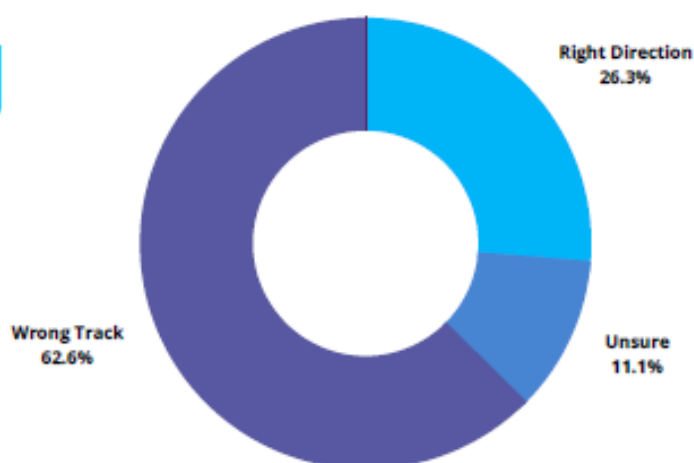
It's time to empower parents to choose how best to use their K-12 education dollars. We currently allow families to use tax dollars for pre-K and higher ed programs of their choice.



Parents think public schools are on the wrong track

Majority of parents (62%) believe local public schools are headed in the wrong direction

This sentiment cuts across party lines, school type, racial ethnicity and location. More than one-third of parents (36%) say that while they believe public schools are on the wrong track, they are satisfied with their own student's school.



By Political Party

63%	66%	55%
Republican	Independent	Democrat

By School Type

59%	68%
Public School	Other School

By Location

67%	56%
Urban	Suburban/Rural

By Racial Ethnicity

62%	59%	46%
White	Hispanic	African American

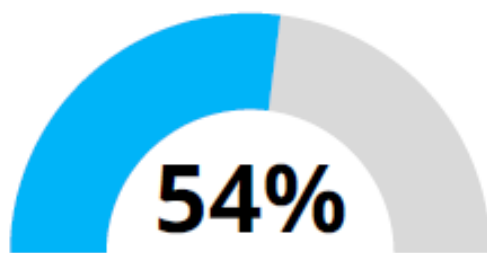
Strong support for parent choice

If you ask voters, parent choice in education is a no-brainer. This sentiment cut across party lines, ethnicities and location.

More than eight in ten voters support allowing parents to choose the best school



Parents are ready to take their support to the ballot box



more likely to vote for a candidate that supports education freedom

65% Republican

56% Independent

45% Democrat

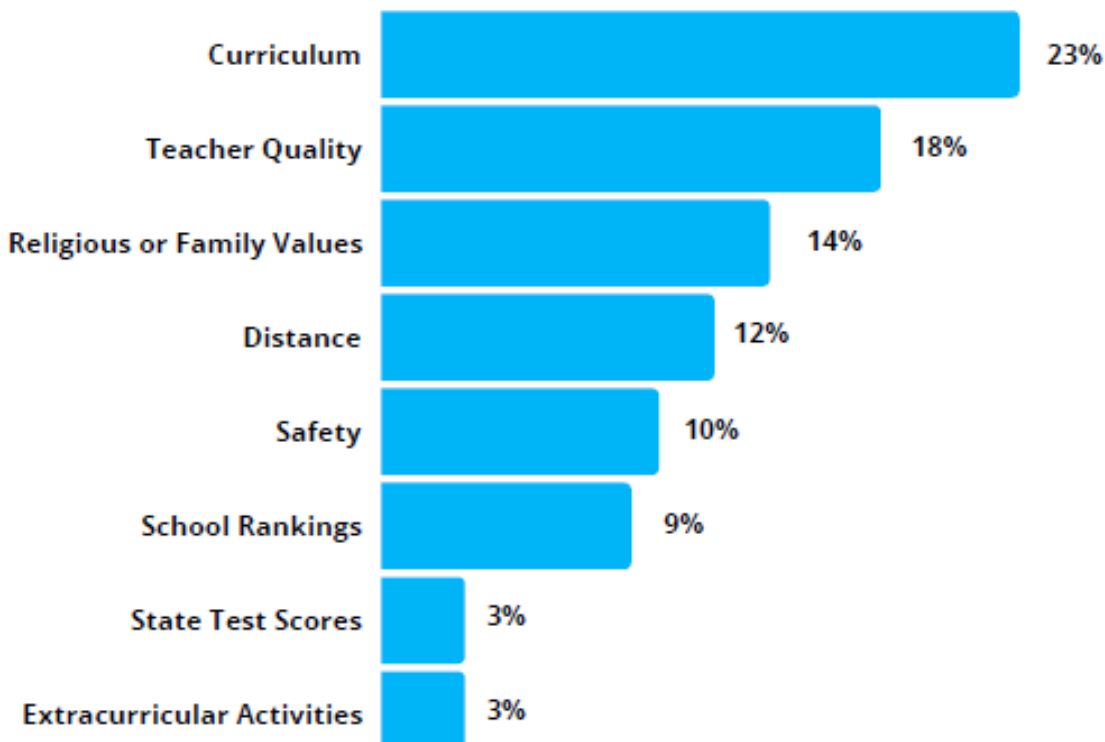
53% White

67% Hispanic

57% African American

What parents value most when choosing their child's school

Curriculum and teacher quality rank as most important for parents, with state test scores and extracurricular activities as least important.



Curriculum

✓ 28% Republican

✗ 20% Independent

Teacher Quality

✓ 27% Democrat

✗ 15% Republican

Religious/Family Values

✓ 25% Republican

✗ 0% Democrat

PRICE Has More Accountability and Transparency Than the Public School System

PRICE Accountability

Unlike our public system, accountability is built into PRICE. Every private school participating in PRICE must provide detailed information about their curriculum and education program to parents and students. This ensures parents know precisely what to expect from the school when they commit their Education Savings Account dollars. *See the box below.*

PRICE ACT REQUIRED INFORMATION FROM PRIVATE SCHOOLS (P. 22, LINES 588-596)

1. The mission statement, values, objectives, instructional programs, and organizational affiliations of the nonpublic school.
2. A comprehensive list of curricula by class and grade level.
3. Any student testing requirements, including state and national testing and mental health or personality surveys or evaluations, by class and grade level.

PRICE Allows the Free Market to be an Important Accountability Driver

Unlike public schools, when private schools underperform, they shut down. When public schools underperform, they receive more public dollars! Parents will use ESA dollars to support the schools that meet their children's needs. They are a better judge of what is working and how their money should be spent.

Financial Transparency

Every PRICE expenditure is documented in the online ESA app, where the Department of Revenue (DOR) must approve all vendors and expenses. The DOR can audit where every penny is spent in real time through the app. Nowhere does the public system have this level of financial transparency.

PRICE Will Not Cause Mass Exodus

- Historically, the percentage of students compared to eligible students who participate in various school choice programs has been low. This percentage is called the “take-up rate”.
- In a study they performed by The Reason Foundation, they found the following take-up rates on 27 private-education-choice programs in 19 states. It included 4 ESA programs, 13 voucher programs and 10 tax-credit scholarship programs.⁵

Education Savings Accounts Are Somewhat More Popular Than Other Programs (Table 3)

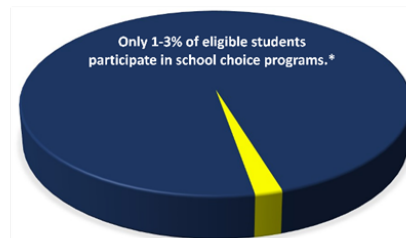
But after five years, the average take-up rate for all programs is less than 2 percent.

	Year 1	Year 2	Year 3	Year 4	Year 5
All programs	0.26%	0.68%	1.02%	1.40%	1.74%
ESA	0.29%	0.82%	1.34%	1.72%	2.16%
Tax Credit	0.18%	0.66%	0.75%	1.06%	1.32%
Voucher	0.33%	0.68%	1.23%	1.69%	2.11%

Note: The sample includes four education savings account programs, 13 voucher programs, and 10 tax-credit scholarship programs.

- Since the PRICE Act is an ESA program, the focus should be on those percentages highlighted in yellow. It should be noted that the ESA programs are for special-needs students only and that 3 out of the 4 programs are open to public school students only.
- West Virginia’s ESA program was launched in 2022 and was not included in the study above. Their program is only open kindergarten students or to public school students who have attended for at least 45 full-time instruction days of the school year in which they apply or been enrolled in public school for the entirety of the previous school year. Their first-year take-up rate was .67%.⁶
- Arizona universal ESA program was launched in 2022 as well. Their program is open to both public and nonpublic school students. Arizona’s take-up rate for public school students was 1.8% and for nonpublic school students was 28.9%.
- There are no current statistics for take-up rates for ESAs for nonpublic school students. Iowa, Arkansas and Florida have passed universal ESA legislation this year, but their rollout will not happen until the future.

National Historically Accurate Participation-Rate In School Choice Programs



Yet, this is enough to move the needle!

31 of 33 empirical studies find that choice improves academic outcomes at public schools.**
<https://www.education.org/tracking-the-exodus-claim-reality-take-up-rates-private-education-choice-programs/>

⁵ <https://www.educationnext.org/tackling-the-exodus-claim-reality-take-up-rates-private-education-choice-programs/>

⁶ <https://www.univstats.com/k-12/states/> ; <https://www.edchoice.org/school-choice/programs/hope-scholarship-program/>

FACTS ABOUT TESTING

FACT: Less Than Half of AL Students Are Proficient In All Subjects Tested!

Alabama's grade-level 2022 test scores

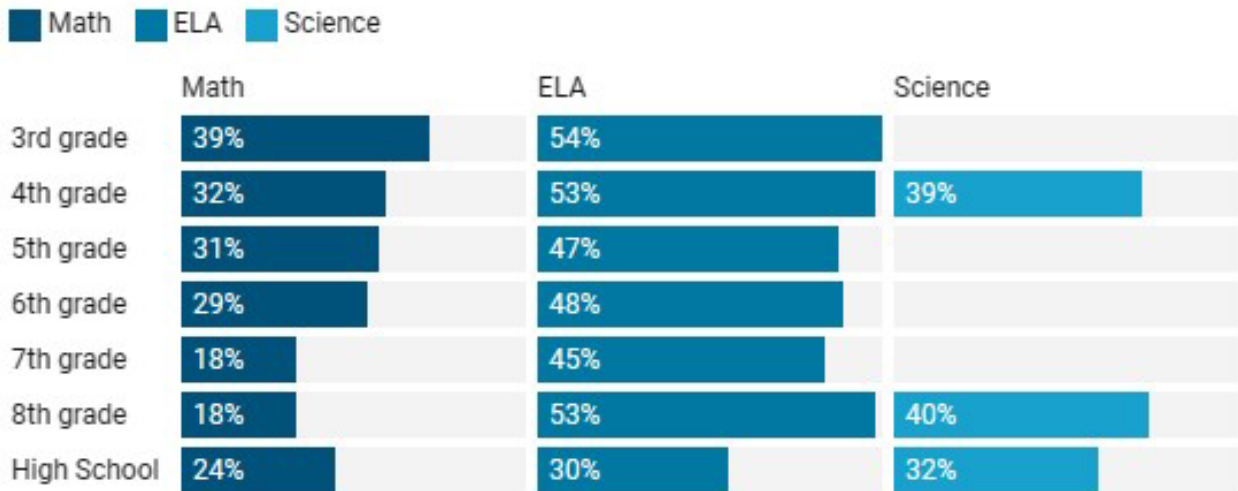
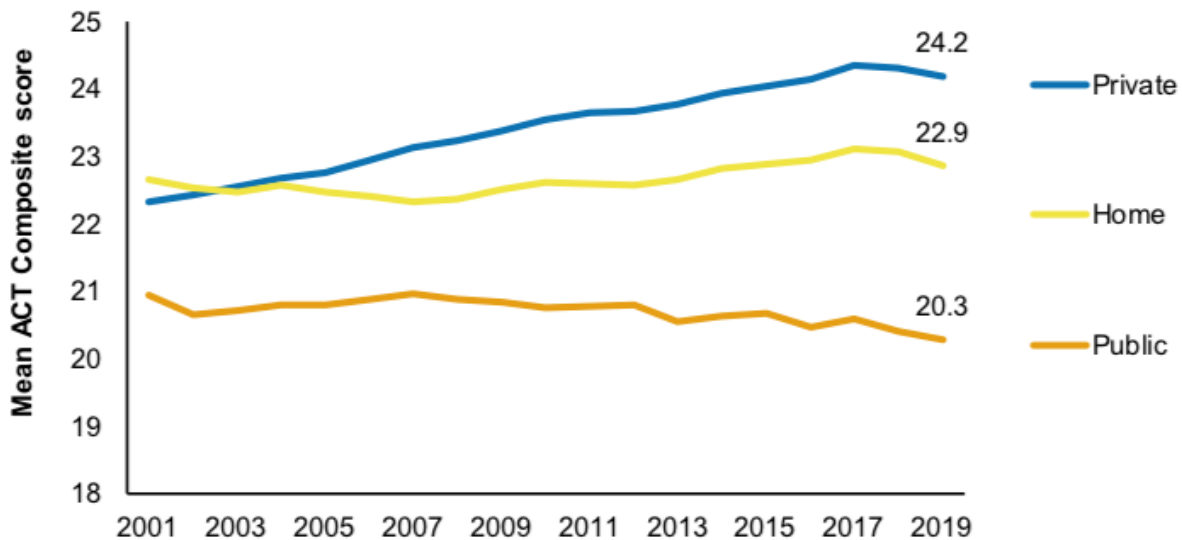


Chart: Trisha Powell Crain | Alabama Education Lab • Source: [Alabama State Department of Education](#)

FACT: According to ACT.org, Nationally, Students In Private Schools and Homeschools Perform Better On The ACT Than Their Public-School Counterparts



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¹ Act.org

FACT: Standardized Tests Are Not the BEST Indicator of Students' Success

NEA News states, "Educators have long known that standardized tests are an inaccurate and unfair measure of student progress." ² More so, it is a FACT that standardized tests ignore other measures of success, such as character development and other intrinsic qualities which influence a person's ethos.

FACT: Tests Are Not Accountability Parents Care About

The criteria parents cite in choosing a nonpublic school are student-teacher ratio, curriculum, college acceptance, safety, support for family values, results on testing, etc. In one survey, only 10% of parents "listed standardized test scores as one of their top five reasons why they chose a particular private school for their child."³

FACT: The PRICE Act Will Improve Public School Scores

33 empirical studies were conducted on how school choice programs affect academic outcomes in public schools. 31 found choice improves academic outcomes at public schools.⁴

Location	Author	Year	Results		
			Any Positive Effect	No Visible Effect	Any Negative Effect
Louisiana	Egalite	2016	X		
Louisiana	Egalite	2014	X		
Indiana	Egalite	2014	X		
Florida	Figlio & Hart	2014	X		
Florida	Bowen & Trivitt	2014			X
San Antonio	Gray et. al.	2014	X		
Florida	Rouse et. al.	2013	X		
Florida	Chakrabarti	2013	X		
Florida	Figlio & Hart	2011	X		
Florida	Winters & Greene	2011	X		
Ohio	Carr	2011	X		
Milwaukee	Mader	2010	X		
Milwaukee	Greene & Marsh	2009	X		
San Antonio	Merrifield & Gray	2009	X		
Ohio	Forster	2008	X		
Florida	Forster	2008	X		
Milwaukee	Chakrabarti	2008	X		
Florida	Chakrabarti	2008	X		
Milwaukee	Chakrabarti	2008	X		
Florida	Rouse et. al.	2007	X		
Milwaukee	Carnoy et. al.	2007	X		
San Antonio	Diamond	2007	X		
D.C.	Greene & Winters	2007		X	
Florida	Figlio & Rouse	2006	X		
Florida	West & Peterson	2006	X		
Florida	Greene & Winters	2004	X		
Florida	Chakrabarti	2004	X		
Milwaukee	Greene & Forster	2002	X		
San Antonio	Greene & Forster	2002	X		
Maine	Hammons	2002	X		
Vermont	Hammons	2002	X		
Milwaukee	Hoxby	2001	X		
Florida	Greene	2001	X		

Note: This table shows all empirical studies using all methods.

² NEA News, <https://www.nea.org/advocating-for-change/new-from-nea/standardized-testing-still-failing-students>

³ <https://jaypgreene.com/2017/05/08/do-parents-care-about-test-scores/>

⁴ : [A Win-Win Solution The Empirical Evidence on School Choice \(edchoice.org\)](http://A Win-Win Solution The Empirical Evidence on School Choice (edchoice.org))

Education Choice in Rural America

THE ISSUE

Every child deserves the right to attend a school that can best meet his or her individual learning needs. Where the child lives should not be a limiting factor, and no one school is the best fit for every child who just happens to live nearby. Education-choice policies have the potential to expand education options for students in rural areas.

BACKGROUND:

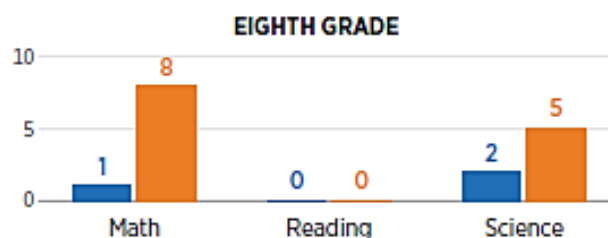
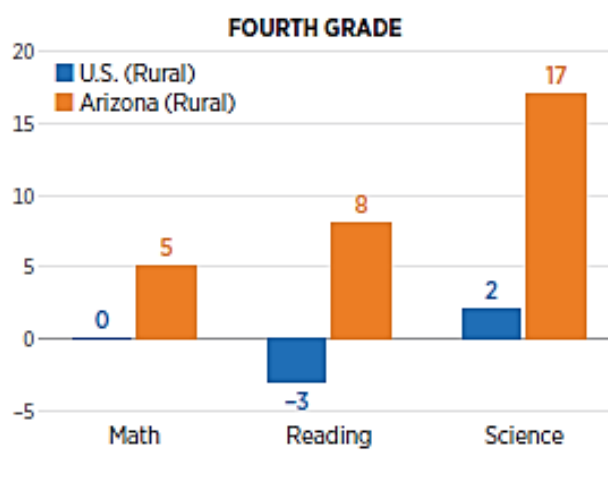
Rural areas have far more education options than commonly known—from private schools and charter schools to microschools and virtual learning.

- About seven in 10 rural families live within 10 miles of a private elementary school.
- While charter schools are scarcer in rural areas, they are more common in states with policies that foster the creation of charters in rural areas. In Arizona, more than eight in 10 students live in the same zip code as at least one charter school.
- High-quality virtual schools are available to anyone with a decent Internet connection. A 2021 survey by the Pew Research Center found that 72 percent of rural Americans report having a broadband Internet connection at home—up nine percentage points since 2016.

States with robust education-choice policies have seen a significant increase in education options in rural areas.

- Rural private school enrollment doubled in Florida over the past two decades and doubled in Arizona over the past eight years. Both states have robust education-choice policies, including K–12 education savings accounts (ESAs) and tax-credit scholarships.

NAEP Score Changes for Rural Students, 2007–2019



NOTE: Time frames: Math and reading: 2007–2019; science: 2009–2015. SOURCES: Heritage Foundation calculations and National Center for Education Statistics.

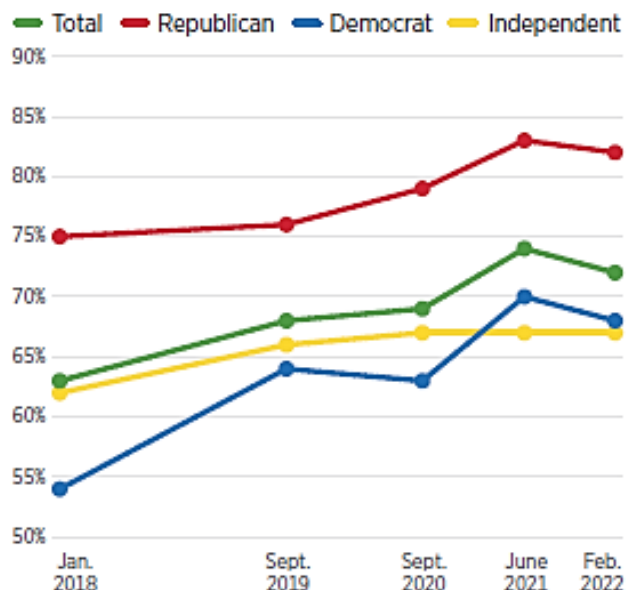
heritage.org

This paper, in its entirety, can be found at <http://report.heritage.org/fs240>

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Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

Public Support for Education Choice



	Jan. 2018	Sept. 2019	Sept. 2020	June 2021	Feb. 2022
Total	63%	68%	69%	74%	72%
Republican	75%	76%	79%	83%	82%
Democrat	54%	64%	63%	70%	68%
Independent	62%	66%	67%	67%	67%

SOURCE: Heritage Foundation research.

heritage.org

- Rural areas are seeing the rise of micro-schools, a re-imagining of the one-room schoolhouse. For example, the Prenda microschool network grew from a handful of children in Arizona in 2018 to 3,000+ students in 300+ microschools across six states in 2022.

Expanding education choice does not harm rural school districts. Indeed, the best evidence suggests that education-choice policies spur rural schools to improve.

- Arizona has the most robust education-choice policies in the nation—including

a K-12 ESA for all students—and its rural schools are [improving much more than the national average](#).

Education-choice policies, such as K-12 ESAs, are very popular, especially in rural areas.

- Public support for education choice is high. In a February 2022 [RealClearOpinion poll](#), 72 percent of respondents supported school-choice policies.
- Support for choice policies is strong in rural areas, too. In the March 2022 Texas Republican primary, 88 percent of voters agreed that “parents should have the right to select schools, whether public or private, for their children, and the funding should follow the student.” Some of the [highest levels of support](#) came from the most rural counties in Texas.
- Likewise, a survey conducted in January 2022 found that 70 percent of rural Oklahomans supported school choice, while only 25 percent opposed it.

THE SOLUTION:

K-12 ESAs allow parents to choose learning environments that align with their values and best meet their child’s individual learning needs. Nine states now offer ESAs and several more are working to enact ESAs to expand education opportunity for all.

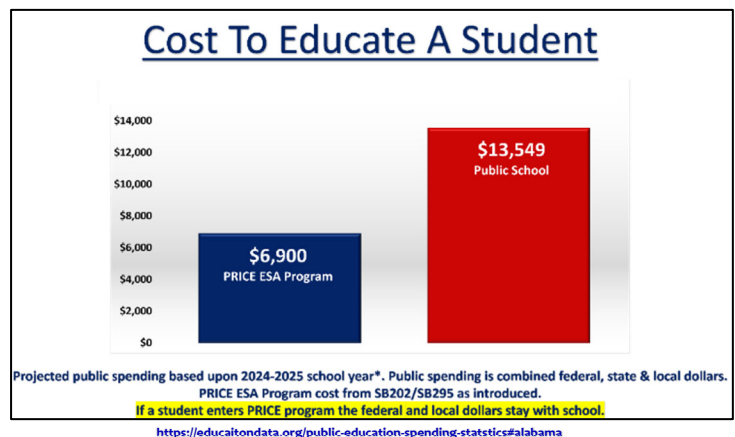
Policymakers should make it easier to open and operate charter schools, especially in rural areas, by reducing barriers to entry for charter operators, allowing multiple charter authorizers, granting longer charters, and reducing red tape.

For more information, see Heritage’s [“Rustic Renaissance: Education Choice in Rural America.”](#)

PRICE Act Fact Sheet: ESA Funding Source

- The PRICE Act, as introduced, provides for the funding of education savings accounts (ESAs) for eligible participating public and non-public K-12 students. The ESA program would be phased in over three years.
- Initial state ESA funding amounts would be up to \$6,900 per year, which would cover the costs of tuition and other instructional services. \$6,900 represents the projected FY 2024 per pupil share of the Education Trust Fund’s (ETF) Foundation Program appropriation.
- Starting in school year 2024-25, grades K, 3, 6, 9, and 12 are eligible to apply for ESA funds. In 2025-26, the same grades are newly eligible. Lastly, in 2026-27, all students are eligible. In addition, special populations of students are always eligible. Prior enrollment in public school is not required.
- The state’s ETF budget would finance the costs of the ESA programs. The ETF is primarily funded by income and sales tax revenues. Over the past five years the ETF has experienced:

- 54.3% revenue growth. Total revenue exceeded \$10.4 billion in FY 2022.
- 39.5% spending growth. Total spending exceeded \$8.95 billion last year.
- Sales tax revenues grew by 31.6% from 2018-2022.
- Net individual income tax receipts grew by 55.6% over the same period of time, reaching \$6.1 billion last year.
- Corporate income tax revenues have grown by 210% since 2018, reaching \$1.2 billion in FY2022.
- While ETF revenue growth is projected to slow from its historic levels, LSA projects continued 3.1% growth through next year. Total ETF revenues are projected to grow to \$10.9 billion in FY 2024.



- Total state Foundation Program funding is expected to reach \$4.3 billion in 2023, an increase of 14.3% since 2019.
- Per pupil state K-12 spending is approximately \$5,900 for the 2022-2023 school year, a 15.5% increase in the past five years.
- In addition to expected growth of the ETF, the budget currently has a \$2.8 billion revenue surplus, which lawmakers are in the process of determining how to appropriate. Much of the money in Governor Ivey's supplemental proposal would go towards a one-time tax rebate for Alabamians and capital projects and other needs at educational institutions. However, at least \$125 million of the Governor's proposal is earmarked towards non-educational purposes.
- A preliminary estimate of the PRICE Act by LSA projected that the ESA program would cost the ETF at least \$288 million in year one and \$576.1 million in year two. The estimate assumes that 5% of public-school students would leave their current school to attend a non-public school. It assumes that by year two 100% of the state's 61,000 non-public school students will elect to enroll in the ESA program.
- Based on evidence from other states that have implemented ESA programs, 5% is a high estimate. Data from EdChoice finds that the average combined public and nonpublic ESA take-up rate from other states in the first three years of a choice program are 0.29%, 0.82% and 1.34% respectively.
- Arizona universal ESA program was launched in 2022. Its take-up rate for public school students was 1.8% and for nonpublic students was 28.9% for the first year.
- Reason Foundation estimated approximately 2,880 public school students and 45,367 nonpublic students are projected to enroll in the ESA program by year three equating to a net cost of \$336.8 million per year to the state once fully implemented.
- Also of note is that there are approximately 61,000 private school students in Alabama, whose education is not currently financed by ETF dollars. Assuming the current per pupil spending rate of \$5,900, by not enrolling in public schools those students have saved the state over \$7 billion in the last 20 years.