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# Comprehensive yet Simple: Florida's Tapestry of School Choice Programs

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**M**ost states now offer some form of school choice—charter schools in most states, open enrollment in several, vouchers or tax credits for private school tuition in a few. Florida, however, is special. This is partly because some of its choice programs are unique, but it is mainly because Florida simultaneously offers multiple programs. Each program is relatively pure, in the sense of being designed around a particular, classic vision of school choice. As a result, each program provides a certain range of opportunities and operates within its own set of constraints. Nevertheless, the programs overlap so that every student in Florida is eligible for at least two programs and some students are eligible for several. In short, Florida offers a *tapestry* of school choice programs, and the success of the state's choice initiatives depends on this tapestry approach to coverage.

Florida choice programs are, in order of largest to smallest enrollment in 2005–06: charter schools (92,214 students), McKay Scholarships (16,812 students), Corporate Tax Credit Scholarships (14,084

students), virtual schools (1000 elementary and middle school students plus 52,000 half-course credits at the middle and high school level), and Opportunity Scholarships (740 students). We shall see that they include an array of providers: regular public schools, independent public schools, private schools and virtual (online) schools. Some programs are largely untargeted (charter schools, virtual schools); others are targeted to students based on disability (McKay), family income (Corporate Tax Credit), or their own school's deficiencies (Opportunity Scholarships, some virtual education courses). In addition, Florida's districts provide a number of opportunities for students to select special courses or environments within the public system: controlled open enrollment, magnet schools, Career Academies, and dual enrollment in high school and postsecondary school. We shall not discuss this latter array of programs, however. Rather, we maintain the classic distinction between choice programs that involve autonomous schools and could therefore create competition and programs that provide curricular variety but maintain the control structure. We focus on the former type of program.

Before describing the programs in a little detail, it is useful to consider the likely benefits and risks of a tapestry approach to school choice, as opposed to a single program designed to be comprehensive by itself. First, one of the key ideas behind school choice is that one size may not fit all: different students may benefit from different schools; different staff may work best in different educational settings. It is reasonable to extend this idea to choice itself: one choice program may not fit all students' needs. Second, multiple programs may appeal to a wider array of students, thereby insuring that *all* schools in the state face some competition for students. Since school choice is intended to provide schools with incentives to perform, universal coverage is desirable. Third, by simultaneously offering multiple programs, Florida allows each choice program to remain relatively pure, in the sense of having a clear logic and simple structure. Each program can be readily described and understood by participants. Also, each

program can have its own constituency that finds its logic persuasive and its structure appealing. Finally, the programs compete with and improve one another. If a student who enrolls in a charter school is disappointed, he may take a Corporate Tax Credit funded scholarship to a private school. Such movement may make the charter school curious about what the private school is doing to make itself preferred.

The most often discussed risk associated with school choice is self-segregation—that is, the hypothesis that school choice may allow, or even cause, students to segregate themselves into schools whose composition is problematic. Although some naive commentators speak about this risk as though it were well-defined, it is, in fact, very poorly understood. Not only does school choice have largely unpredictable effects on self-segregation but even the best, most recent research provides little evidence about which school compositions are problematic and which are beneficial.<sup>1</sup> Rather than theorize about self-segregation, it is best simply to investigate the effects of choice programs on observable indicators of school composition. For instance, if we were to find that a school choice program systemically drained all white students or all male students out of the regular public schools, we could conclude that it affected school composition substantially.

It is not clear whether we should expect Florida's tapestry approach to aggravate or relieve problems of self-selection. On the one hand, each program's participants will not be representative of Florida. For instance, the means-tested Corporate Tax Credit program neces-

1. Predicting the effect of a given school choice program on self-segregation requires us to solve a general equilibrium problem for which we lack numerous elements crucial to the solution. We do not, for instance, understand how students affect one another's learning. We do not know how much parents would be willing to pay for certain student peers as opposed to school inputs (teachers, facilities, and so on). Even if we knew all of the information necessary to solve the problem, we would likely find that there was no best solution. Instead, we would almost certainly find that some students were better off under one pattern of self-segregation and others were better off under another. Unless we can assign importance weights to the welfare of various students, we cannot choose among the viable solutions.

sarily excludes richer students. On the other hand, the combination of the programs may provide choice opportunities that appeal to a wider array of students than any one program could. If a wide array of students exercise choice and if those who exercise it are not peculiar relative to classmates in their regularly assigned public school, it is likely that choice reduces most forms of segregation relative to the status quo of geographically-based public school assignments. In this chapter, we explore the evidence on Florida's programs.

### **Florida's Choice Programs**

#### *Charter Schools in Florida*

Charter schools are public schools chartered by a government-approved body to educate children in return for a publicly funded fee. Ideally, a charter school law allows students to exercise substantial choice among schools while remaining in the public sector. Charter schools are intended to have substantial management and financial autonomy in return for facing greater consequences of failure. They will shrink or close if families do not select them and their authorizer can deny charter renewal if their outcomes are poor.

Although Florida's charter school law is not perfect, it is close enough to the ideal to have generated strong growth in the number of and enrollment in charter schools. Florida enacted its law in 1996, and its first five charter schools opened that fall. The number of charter schools has increased dramatically since then: 182 in the 2000–01 school year; 257 in the 2003–04 school year; and 334 in the 2005–06 school year. In 2005–06, over 92,000 students attended Florida charter schools.

Charter schools in Florida are open to all students living in the school's district, though they are allowed to target specific student populations. Targeted populations include, for example, students at risk of failing, students who are children of employees associated with

a workplace that houses a charter school, and students who meet basic artistic standards established by the school. Florida's charter schools tend to be quite popular: the majority of the state's charter schools were oversubscribed in the fall of 2005, causing them to hold lotteries in order to determine admission. Charter school students may decide to leave their school at any time and return to their regularly assigned public school. If a spot opens up at a charter school, it is offered to students who were lotteried-out in an order based on their lottery numbers.

A student may apply to Florida charter schools and simultaneously apply to other choice programs, such as the Corporate Tax Credit scholarship program. While a student cannot participate in two choice programs in the same year, he can enroll in a charter school one year and still be eligible to participate in another choice program in the following year. (Virtual schools are the exception to the rule. As described in detail later, a student can participate in virtual education while being simultaneously enrolled in another school.)

The process for opening a new charter school is quite decentralized. The interested entity—a group of parents or teachers, an individual, a non-profit entity—submits an application to the board of the local school district. The application must describe the proposed school's logistical and education features, including a financial plan, curricula, and reading strategies. The school board has 60 days to accept or reject the charter application. If an application is accepted, the district then becomes that school's "authorizer," the applicants become the school's governing board, and a contract is written that details each side's expected duties. A board that rejects an application must provide written reasons for the rejection. The applicant may then appeal the decision to the Charter School Appeals Commission, with the State Board of Education making the final decision. There is no cap on the number of charter schools in the state or within a district, and charter applications are evaluated on a rolling basis. Both of these

circumstances allow boards to focus on whether an applicant has a good plan, not whether one applicant should crowd out another.

Because Florida's residential communities are growing quickly in areas without dense current use, charter schools in Florida have an easier time finding appropriate facilities than charter schools do in most other states. While capital funding can be problematic for the first few years of operations, the situation eases once a school has been up and running for three years. At that point, the school is given an annual allocation of capital funds based on its projected enrollment.

With regard to funding for current operating expenses, charter schools and regular public schools are on a relatively even playing field. Both types of schools receive per-pupil funding based on the Florida Education Finance Program. Charter schools also receive a proportionate share of transportation funds and categorical program funds. Local school districts that authorize charter schools are required to provide them with services similar to those provided to regular public schools: contract management, special education administration, test administration, and access to student information systems. To cover the costs associated with these services, the district may charge its charter schools up to five percent of their per-pupil funding for the first 500 students, but no more.

Charter schools are accountable in four ways. Most importantly, they are accountable to families: a charter school that does not attract students will close. Second, they are accountable to their authorizers. An authorizer may deny charter renewal if a school has fiscal problems, is not attaining the achievement targets described in its charter, or has other significant difficulties. Charter schools must provide their authorizers with annual reports that include detailed information on achievement, finances, facilities, and staff. Third, charter schools are evaluated by the Adequate Yearly Progress standards applied to all public schools under the No Child Left Behind law. Finally, charter schools participate in the Florida A+ accountability program. Charter school students take the same tests as other public school students,

and charter schools are graded “A” through “F” using the same criteria that apply to regular public schools.<sup>2</sup> Beginning in July 2006, new Florida legislation increased oversight for charter schools that receive “D” or “F” grades or that have fiscal woes. They must meet more often with their authorizers, file and attain school improvement plans, and follow clearer fiscal procedures.

On the whole, Florida comes reasonably close to offering charter schools as they were meant to be: accessible to students, autonomous but accountable, subjected to reasonably equal financial treatment, and unconstrained on growth. Reflecting this view, The Center for Education Reform rates Florida's environment as generally propitious for charter schools. In particular, it gives the state high ratings for allowing schools to grow and to have fiscal autonomy, management autonomy, and relatively full funding.<sup>3</sup> The only dimension on which The Center for Education Reform gives Florida a low rating is providing applicants with multiple potential authorizers. That is, nearly all applicants have had their local school district, with which they are implicitly competing, as the sole potential authorizer.<sup>4</sup> Starting in July 2006, this situation of conflicted incentives was resolved by the creation of a statewide body that can authorize charter schools: the Florida Schools of Excellence Commission. Cities, universities, community colleges, and regional education authorities were also given the ability to co-sponsor charter schools—thereby reducing the scale of the conflicted incentives problem.

2. Charter schools do not receive grades if they are too small for evaluation to be statistically valid. This exemption mainly affects new, start-up charter schools. Public schools, including charter schools, that exclusively serve certain at-risk populations—such as high school drop-outs—are also not graded on the conventional scale, but they do receive accountability points.

3. Center for Education Reform. *Charter School Laws Across the States: Ranking and Scorecard*. Washington, DC: Center for Education Reform, 2005.

4. Universities could authorize charter schools in the form of “laboratory” schools with which their own education department worked.

*The McKay Scholarships*

While Florida's charter school law largely fits the classic idea for such programs, its John M. McKay Scholarships for Students with Disabilities program was unique worldwide when it was created. (Programs have grown up, in imitation, in Utah and Ohio.) The program is an innovative approach to the complex problem of enabling disabled students to exercise school choice. The McKay program gives each disabled student (that is, each student with an individual educational plan) the option to leave his assigned public school and either attend a different public school or receive a "voucher" equivalent to the amount of funding the state would have guaranteed to the student's regular public school.<sup>5</sup> The voucher can be used towards tuition at any private school in Florida—sectarian or nonsectarian, non-profit or for-profit—that has demonstrated its compliance with state laws governing private schools. If the voucher is greater than the school's tuition, the state retains the excess. A student who participates in the McKay program may at any time decide to give up his or her scholarship and return to his or her assigned public school.

There is no limit on the number of students who may use McKay Scholarships, and the program has grown rapidly from its tiny beginnings in a single Florida district in 1990. It is now not only by far the largest choice program for disabled students, it is one of the largest voucher programs (for any type of student) in the United States. In the 2005–06 school year, 16,812 students used a McKay Scholarship in 740 schools.

Florida dealt with the apparently daunting complexities of choice for disabled students by designing a refreshingly straightforward program. It has only a few key guidelines. Families of students who are eligible for McKay Scholarships must apply to their school of choice,

5. Students who receive educational services from the Department of Juvenile Justice cannot participate in the McKay program.



must request the scholarship by a certain date, and must comply with their chosen school's requirements on matters like family involvement. Students must maintain good attendance at the school with reasonable exceptions for illness or other hardships. Private schools are academically accountable to families, must have been in operation at least 3 years, must post a surety bond for the scholarship funds they receive, must submit to random site inspections, and must adhere to anti-discrimination and other regulations that apply to private schools in Florida. Private schools are not required to administer any particular assessment to McKay students but many of them test all their students with some standardized exam and report results to parents. In addition, McKay students may take the statewide exams administered to all public school students. Starting in July 2006, private schools must provide each McKay participant with an annual, written report on his or her progress.

The formula for calculating a student's maximum McKay scholarship starts with the base student allocation funding set by the Florida Education Finance Program and then takes into account the educational services that would have been provided at the assigned public school and the cost of providing them there. To determine a student's level of educational services, his or her school district completes a "matrix of services" that it would provide to implement the student's existing individual educational plan. The matrix ranks the intensity of services the student receives across five domains: curriculum and learning environment; social/emotional behavior; independent functioning; health care; and communication. Many elements in the matrix depend on service provision that can be logged and audited because they must be staffed. For instance, how many hours per week does the student engage in physical therapy sessions with a certified therapist? How many hours of instruction in Braille does the student receive each week? For such elements, the district has little incentive to distort a student's service profile because the district itself will need to comply with the individual educational plan *with the funds gener-*

*ated by its matrix completion* if the student should choose to remain in or return to the regular public schools.<sup>6</sup>

Inevitably, some elements in the matrix are less well-defined. On these, a family that is fairly certain that it wants to use the McKay program has an incentive to obtain external evaluations of the student's exceptional neediness. These increase the size of the voucher. The school districts that the families are facing have, however, the opposite incentive. For such elements, the matrix completion is likely to be the result of negotiation between families and schools.

At its heart, the McKay program is an offer of two alternatives. A family can remain in the public schools and use the individual educational plan as a contract for services that must be provided and that can be monitored. Alternatively, a family can forego the bureaucratic safeguards of the individual educational plan but take the funding associated with it and do their best for their child by exercising choice among public and private schools.

### *The Corporate Tax Credit Scholarships*

Florida's Corporate Tax Credit scholarship program encourages corporations to donate to an education fund that in turn provides scholarships for eligible low-income students to attend public schools outside their district or eligible private schools of their choice. While not unique (a few other states have similar programs), Florida's program is innovative and was one of the first to use "tax expenditures" to provide a school choice program targeted to low-income students. To be eligible, a student must qualify for free or reduced-price lunch (that

6. Because Florida districts are large and have a fairly predictable demand for services from disabled students, their "base" level of funding includes an allocation for less severe disabilities (matrix levels 251 through 253). They receive student-specific funds only for individuals with more severe disabilities (matrix levels 254 and 255). Private schools naturally do not have predictable demand from McKay Scholarship recipients so each student (matrix levels 251 through 255) has individual-specific funding that follows him or her.

is, must come from a family within 175 percent of the federal poverty line) and must also have attended public school during the previous year. (The attendance requirements are waived for students entering kindergarten or first grade. Starting in 2006, the attendance requirements are also waived for students who participated in another scholarship program, such as McKay, during the previous year.) A student who receives a scholarship is given priority the next year to receive another scholarship but is not guaranteed one. A student may return to his regularly assigned public school at any time.

The Corporate Tax Credit program has grown rapidly so that, by the 2005–06 school year, 14,084 students used a scholarship to attend 895 schools. This rapid growth likely owes something to the fact that, like Florida's other choice programs, the Corporate Tax Credit program is refreshingly straightforward for participants. Private schools can enroll scholarship recipients if they fulfill the requirements already described for the McKay program. Student participants apply to schools themselves and receive a scholarship that offsets up to \$3500 of tuition (\$3750 starting in 2006–07). Student participants have always been able to take the statewide tests required of public school students. Starting in 2006–07, they are required to take nationally norm-referenced exams.

Corporate donations are funneled through scholarship funding organizations, non-profit organizations that use 100 percent of the contributions to finance student scholarships. Corporations receive a dollar-for-dollar tax credit for their donation, up to 75 percent of their total corporate income tax liability. An individual corporation cannot, however, donate more than \$5 million to a single scholarship funding organization in one year. (Thus, the number of organizations—which is currently three—effectively limits the maximum contribution to \$15 million.) There are two other constraints on the size of the program: the total tax credit across all scholarships cannot exceed \$88 million in a single year (increased from \$50 million in 2004–05), and 5% of the total tax credit is reserved for small businesses.

Because the Corporate Tax Credit program is run by non-profit organizations rather than the state department of education, it is mainly advertised to families through the media (magazines, television) and through seminars (attended by 2500 people last year). The Florida Department of Education also conducts outreach and requires that districts notify students about their being eligible for the program.

About 99 percent of students who receive a Corporate Tax Credit-funded scholarship use it to attend a private school. The scholarship funding organizations, not families, determine the size of the scholarship, which is based on the private school's total cost of student attendance. At least 75 percent of the scholarship must be used to pay tuition; any remaining funds may be used to pay for books and transportation. If a private school's tuition exceeds the maximum scholarship, it may offer the student a separate scholarship or the child's parents must pay the difference. Private schools are not, however, allowed to charge scholarship recipients a different tuition than self-financing students pay.

In 2005–06, the average tuition of the private schools participating was \$4,341. Thus, the typical participating family received a modest scholarship from the private school, paid a modest amount of tuition itself, or both. The small number of students who use the scholarship to attend a public school outside their district receive up to \$500 to cover their costs of transportation.

Despite its unusual funding apparatus, the Corporate Tax Credit program is—essentially—a classic targeted voucher program. It is highly means-tested, which ensures that it is not a transfer to high-income families who could afford private schools in any case, but it is otherwise very flexible. It imposes few regulations on schools or students, but—in return for this freedom—participants receive considerably less public funding per student than do students in charter schools, which are subject to more public governance through their authorizers and the state and federal accountability systems.

*The Opportunity Scholarship Program*

Designers of school choice programs intend not only to give students opportunities to select their preferred school but also to give schools incentives to perform. The incentives to perform are often implicit: a public school may lose or gain enrollment, a charter school may shrink or be forced to close. Florida's Opportunity Scholarship Program made the incentives highly *explicit*. Under the program, students at failing public schools (schools graded "F" twice in four years) became eligible to attend a nearby public school or receive a scholarship to attend an eligible private school. State funds followed students from their regularly zoned school to their preferred public or private school. Private schools had to agree to accept the state funds as full tuition—in essence, any remaining tuition was subsidized by the private school itself. The chapter in this volume by Paul E. Peterson discusses the Opportunity Scholarship Program in detail.

*Virtual Education as a Form of School Choice*

Florida provides students with several opportunities to enroll in online schooling. Students can enroll in an individual course, in several courses, or in an entire curriculum. The state's primary vehicles for online education are the Florida Virtual School (grades six through twelve) and the new Virtual School Program (kindergarten through grade eight).<sup>7</sup> The latter program is, as of the 2005–06 school year, represented by two pilot schools: the Florida Virtual Academy and Florida Connections Academy. Virtual education has grown very rapidly in Florida from trivially small beginnings (77 students in 1996–97) to more than 33,000 students in 2005–06.

All Florida students—in public, private, or home schools—are eligible to take Florida Virtual School courses for school credit. Stu-

7. In addition, several Florida districts offer online courses through their own virtual school franchises with the Florida Virtual School.

dents may choose among more than 80 courses at present, and all courses are free. Students outside Florida, as well as adults both in-state and out-of-state, are able to take virtual classes through a partner program for a modest fee. Teachers of virtual classes must hold a valid Florida teaching certificate. Therefore, most teach or have taught in traditional (bricks-and-mortar) schools.

Virtual education expands school choice in two ways that are distinct from the opportunities created by other programs. First, it allows students who live in sparsely populated areas (which do not support multiple schools) or who have unusual circumstances (for instance, a circumstance that makes travel to an alternative school unappealing) to exercise school choice. Second, it allows students who are satisfied with part but not all of their current school to exercise choice for a fraction of their education. Florida clearly recognizes these distinct benefits because it gives enrollment priority to rural students, home-schooled students, and students whose own schools do not offer higher-level classes.<sup>8</sup> Also, although the virtual schools offer courses on core academic subjects, the schools' offerings are particularly rich in Advanced Placement and elective classes—such as web site design—that would be difficult for most schools to offer at efficient scale.

The virtual schools are funded by state dollars that follow the student. For instance, funding for students at a regular public high school is based on a six-period day, so a high school student who substitutes one of his six classes with an online class will have that portion of his per-pupil funding sent to the Florida Virtual School rather than his regularly assigned public school. Additional state funding is apportioned for virtual courses taken by students in addition to their standard six-period day and for students who are not enrolled in a public school. Based on enrollment figures from 2004–05, about 73

8. Priority is also given to students seeking out classes that will help them obtain a high school diploma one or more semesters early.

percent of virtual school students attend regular public schools, 20 percent are home-schooled, 6 percent attend private schools, and 1 percent attend charter schools. In the 2004–05 school year, the Florida Virtual School enrolled 21,453 students in 33,767 courses, yielding an average course load of only 1.6 courses per student. These statistics suggest that only a small share of the virtual school participants use the program to replace a traditional school. The vast majority use virtual education to exercise partial choice. In the words of the program's president, it largely “provide[s] students with additional opportunities—rather than . . . replicate[s] or replace[s] traditional schools and face-to-face instruction.” Commentators who worry that virtual education is a low quality, cheap substitute for regular (physical) schools may find these figures comforting.

#### **Who Makes Use of Florida's School Choice Programs?**

Florida's charter school program is the largest and least targeted of its choice programs. It appears to be a well-designed program that provides a propitious environment for charter school growth. If it is, we will find a charter school in any place where there are families that would like to have an alternative to the regular public schools. The only places where we would not expect to see viable charter schools are areas where all of the public schools are already high quality and responsive to family demands, areas where population is too sparse to support a school of minimum efficient scale, and areas where appropriate facilities are very difficult to obtain.

In fact, as shown by Figure 1 and Tables 1a through 1c, Florida's charter schools *are* fairly representative of the state's student population. Like the population, the charter schools are about half white, a quarter black, twenty percent Hispanic, and the remainder a mixture of races and ethnicities. Like the population, about 40 percent of charter school students are eligible for free or reduced-price lunch. Charter school students' prior achievement (in the regular public schools, be-

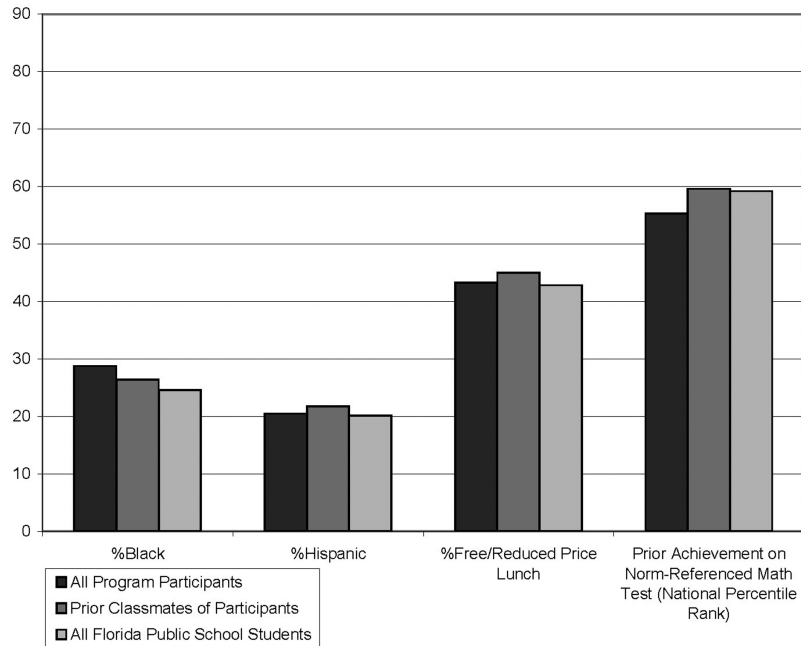


Figure 1. Charter School Students: Ethnicity, Poverty, and Prior Achievement of Participants, their Prior Classmates, and All Florida Public School Students

fore enrolling in the charter schools) is somewhat lower but not dramatically so: there is a four national percentile point difference in favor of the Florida student population. Charter schools show up just about everywhere: nine percent of Florida students reside in large cities; so do nine percent of Florida charter school students. More than 50 percent of Florida students live in areas classified as “urban fringe” (suburbs). The same is true of charter school students. The only areas where charter schools are significantly underrepresented are, as we expected, rural areas far from cities.<sup>9</sup>

Just as important, charter school students are not especially se-

9. Currently, 41 of Florida’s 67 districts contain charter schools.



Table 1a. Charter School Students  
 Gender, Ethnicity, Poverty, and Learning Needs of Participants,  
 their Prior Classmates in Regular Public Schools, and All Florida Public School Students

Program Participants	Year of Entry into Program										All Years Shown	All Years Shown	All Years Shown
	1997- 98	1998- 99	1999- 00	2000- 01	2001- 02	2002- 03	2003- 04	2004- 05	All Years Shown	All Years Shown			
%Female	39	44	47	47	47	48	49	50	48	47	48	47	48
%Black	41	37	30	29	30	30	26	28	29	26	25	26	25
%Hispanic	4	6	11	20	20	21	24	22	21	22	20	22	20
%Asian	1	1	1	2	1	1	1	1	1	1	2	2	2
%Native American	0	0	0	0	0	0	0	0	0	0	0	0	0
%White	54	55	56	48	47	46	45	45	47	48	52	48	52
%Mixed Race	1	1	1	1	2	2	2	3	2	2	2	2	2
%Free/Reduced Price Lunch	47	47	40	43	51	45	37	45	43	45	43	45	43
%Limited English Proficient	0	0	2	4	5	5	6	5	4	5	4	8	8
Approx. number of new participants	865	3308	8861	11112	16030	21275	25346	33932					

Note: The characteristics of participants in charter schools are recorded for the year prior to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

Table 1b. Charter School Students  
 Prior Achievement of Participants, their Prior Classmates in  
 Regular Public Schools, and All Florida Public School Students

	Year of Entry into Program					Prior Classmates of School Students
	2000-01	2001-02	2002-03	2003-04	2004-05	All Years Shown
<i>Program Participants</i>						All Years Shown
National Percentile Rank on Norm-Referenced Math Test	52	52	52	57	58	55
National Percentile Rank on Norm-Referenced Reading Test	46	47	47	51	51	49
Approx number of new participants who were tested	6626	9677	10913	12082	12907	60

Note: The prior achievement of participants in charter schools are recorded for the year prior to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

Table 1c. Charter School Students  
Residential Neighborhood of Participants, their Prior Classmates in  
Regular Public Schools, and All Florida Public School Students

Program Participants	Year of Entry into Program										Prior Classmates of School Students <sup>a</sup>	All Florida Public School Students
	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	All Years Shown	All Years Shown		
%Large city	14	22	13	12	10	8	8	6	9	9	9	9
%Midsize city	24	21	22	21	17	20	17	20	19	19	19	18
%Urban fringe of large city	3	19	37	30	31	36	37	31	33	33	33	35
%Urban fringe of midsize city	42	17	18	18	20	19	20	22	21	21	21	23
%Large or small town	0	1	0	3	2	3	2	2	2	2	2	3
%Rural, near city	14	20	10	16	18	12	16	17	16	16	16	9
%Rural, far from nearest city	3	1	2	1	1	1	1	1	1	1	1	3

Note: The characteristics of participants in charter schools are recorded for the year prior to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

<sup>a</sup> The residential neighborhood of prior classmates is the same as that of participants, by construction.

lected from among their classmates: they and their former classmates in the regular public schools are similarly likely to be black, Hispanic, low-income, and low scoring. Compared to their classmates, the charter school students score three to five national percentile rank points lower on norm-referenced tests. Nevertheless, the big picture is one of great similarity. It appears that Florida students of all types have a demand for charter schools. This is interesting, as it suggests that there are families anxious to exercise choice not only within many communities but also across communities. That is, there is no type of regular public school (suburban, high-income, nearly all white) that is so universally popular with families that charter schools do not grow up to compete with it when the environment allows them to grow quite freely.

A close examination of Tables 1a through 1c shows that, as charter schools have grown in Florida, they have become more and more representative of the overall student population. It appears that charter schools started with the less advantaged students—more likely to be black, poor, low-scoring, and residing in city centers—and gradually drew a wider array of students. This is a very interesting fact that suggests that a “mature” charter school program attracts participants from all backgrounds, while an infant program attracts only participants whose options in the regular public school system may be constrained by their ability to afford or find housing in largely white neighborhoods.

To be eligible for the McKay program, a student must be disabled and have an Individual Education Program. Thus, it is not surprising that Figure 2 and Table 2b show that McKay participants are much lower scoring than their prior classmates in the regular public schools and than the Florida student population. The average difference is about 25 percentile points, which is more than one grade equivalent. Another substantial difference between McKay participants and their classmates and Florida students is that almost 70 percent of McKay participants are male. This is also to be expected because males are

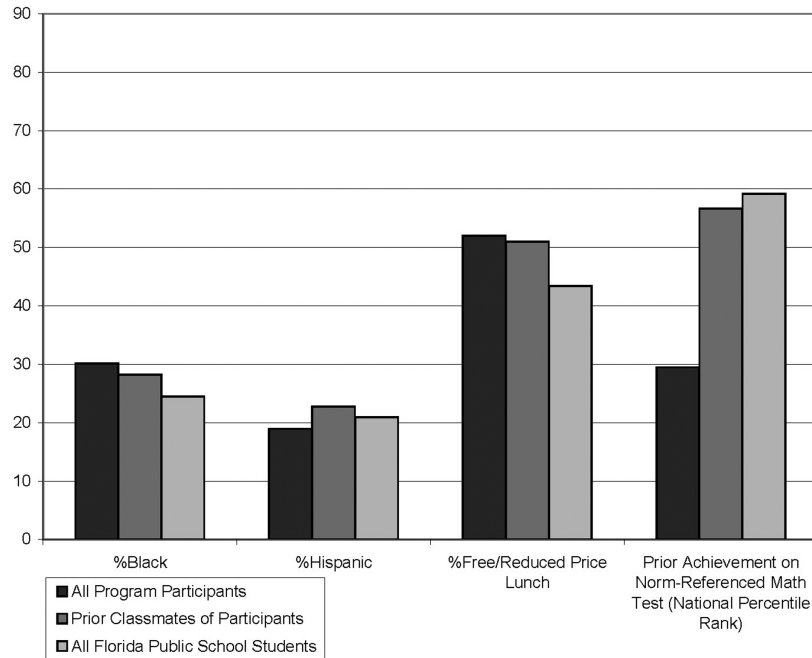


Figure 2. McKay Scholarship Program: Ethnicity, Poverty, and Prior Achievement of Participants, their Prior Classmates, and All Florida Public School Students

disproportionately likely to be disabled—not just in Florida but in every state.<sup>10</sup>

Limited English Proficient students are less likely to participate in McKay than their prior classmates or the typical Florida student. Again, this is probably because fewer private schools are large enough to offer the array of language services available in regular public schools.

On other dimensions, however, McKay participants are surprisingly similar to their prior classmates in the regular public schools

10. See National Center for Education Statistics, *Profiles of Students with Disabilities as Identified in NELS:88*, Statistical Analysis Report NCES 97-254, April 1997.

Table 2a. McKay Scholarship Program  
Gender, Ethnicity, Poverty, and Learning Needs of Participants,  
their Prior Classmates in Regular Public Schools, and All Florida Public School Students

Program Participants	Year of Entry into Program										All Florida Public School Students
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	All Years Shown	All Years Shown	All Years Shown	All Years Shown	
%Female	50	28	30	32	31	33	31	47	48		
%Black	0	39	30	30	30	30	30	28	24		
%Hispanic	0	30	20	17	19	18	19	23	21		
%Asian	0	0	0	1	1	1	1	2	2		
%Native American	0	0	0	0	0	0	0	0	0		
%White	100	31	49	51	48	49	49	45	51		
%Mixed Race	0	0	1	1	2	2	2	2	2		
%Free/Reduced Price Lunch	0	64	53	51	51	51	52	51	43		
%Limited English Proficient	0	7	5	5	6	4	5	8	8		
Approx. number of new participants	2	777	3225	4874	5559	5081					

Note: The characteristics of participants in the McKay Scholarship program are recorded for the year prior to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

Table 2b. McKay Scholarship Program  
 Prior Achievement of Participants, their Prior Classmates in  
 Regular Public Schools, and All Florida Public School Students

	Year of Entry into Program					Prior Class- mates of School Stu- dents
	2000- 01	2001- 02	2002- 03	2003- 04	2004- 05	All Years Shown
<i>Program Participants</i>						All Years Shown
National Percentile Rank on Norm-Referenced Math Test	18	25	28	31	32	29
National Percentile Rank on Norm-Referenced Reading Test	13	22	26	27	29	26
Approx number of new participants who were tested	316	1734	2846	3860	3588	57
						51
						53

Note: The prior achievement of participants in the McKay Scholarship program are recorded for the year *prior* to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

Table 2c. McKay Scholarship Program  
Residential Neighborhood of Participants, their Prior Classmates in  
Regular Public Schools, and All Florida Public School Students

Program Participants	Year of Entry into Program										All Years Shown	All Years Shown	All Florida Public School Stu- dents
	1999- 00	2000- 01	2001- 02	2002- 03	2003- 04	2004- 05	2004- 05	All Years Shown	All Years Shown	All Years Shown			
%Large city	0	29	24	15	16	16	17	17	17	17	17	17	9
%Midsize city	0	9	18	18	18	18	17	17	17	17	17	17	18
%Urban fringe of large city	0	51	34	36	38	38	36	37	37	36	37	37	35
%Urban fringe of midsize city	100	8	17	22	20	20	21	20	20	21	20	20	23
%Large or small town	0	0	1	1	1	1	1	1	1	1	1	1	3
%Rural, near city	0	3	6	7	6	6	7	6	6	7	6	6	9
%Rural, far from nearest city	0	1	1	1	2	2	1	1	1	1	1	1	3

Note: The characteristics of participants in the McKay Scholarship program are recorded for the year prior to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

<sup>a</sup> The residential neighborhood of prior classmates is the same as that of participants, by construction.



and similar to the Florida student population. Participants are slightly more likely to be black and poor than the average Florida student, but are similarly likely to be black and poor as their classmates. In other words, black and poor students are more likely to be disabled, but—within a given classroom—McKay does not draw out students based on their race or income. McKay students are equally likely to be white or Hispanic as the typical Florida student. The McKay program does not have dramatic trends in the composition of its participants, but it is worth noting that its trends suggest that it is gradually becoming more representative of Florida's population.

Overall, the evidence suggests that—apart from the obvious constraint that only disabled students are eligible—the McKay program is about equally accessible to students from all backgrounds. This is a testament to the program's straightforward design because a natural worry is that only affluent or sophisticated parents would be able to negotiate a scholarship program for disabled students, whose schooling is always complicated. Indeed, to the extent that the McKay participants differ from Florida's overall population, they are systemically *unlikely* to fit the stereotype of sophisticated suburbanites who know how to manage the disability system and who can afford to hire external evaluators for their child.

The Corporate Tax Credit program is means-tested, and we therefore expect to see that its participants are disproportionately likely to be low-income. This is the case, as shown in Figure 3 and Table 3a: about 76 percent of participants were eligible for free or reduced-price lunch when (formerly) in the regular public schools and they attended public schools where 62 percent of their classmates were low income. Indeed, the only reasons why 100 percent of Corporate Tax Credit participants were not eligible for free or reduced-price lunch when in the public schools is that family incomes change and some eligible students (especially secondary school students) do not apply to the federal lunch program. Because Hispanic, Limited English Proficient, and urban students are more likely to be poor, scholarship recipients

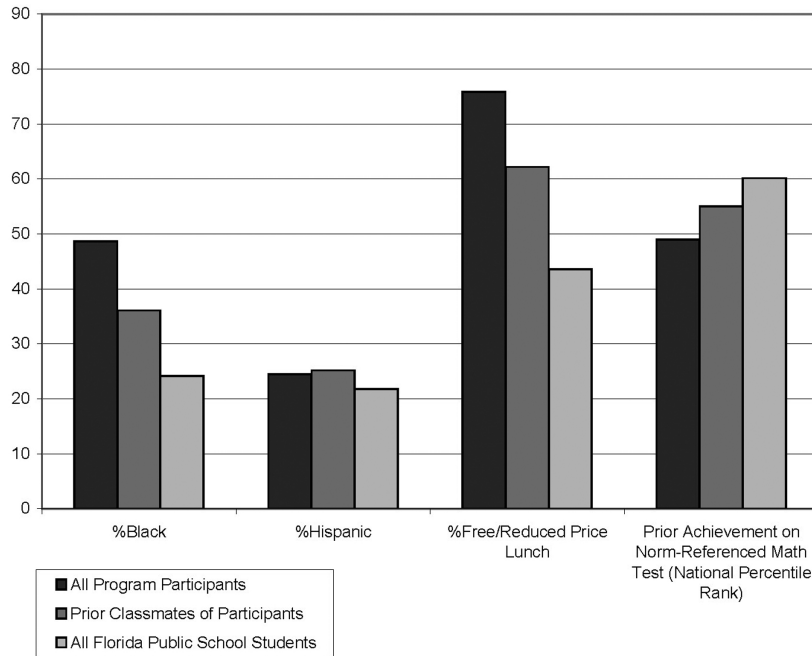


Figure 3. Corporate Tax Credit Scholarship Program: Ethnicity, Poverty, and Prior Achievement of Participants, their Prior Classmates, and All Florida Public School Students

are disproportionately drawn from these groups relative to the overall Florida student population. However, poverty—not these dimensions by themselves—accounts for the differences: the scholarship recipients look like their former classmates on these dimensions.

On the other hand, as shown in Figure 3, Corporate Tax Credit participants are disproportionately likely to be black and low scoring relative to their prior classmates. This fact can be interpreted in at least two ways. First, it may be that black and low scoring students are more likely to be poor and yet not participating in the federal lunch program. This would explain why they are more likely to use a scholarship: they are more likely to be eligible. Second, black and low scoring students may be disproportionately dissatisfied with their

Table 3a. Corporate Tax Credit Scholarship Program  
 Gender, Ethnicity, Poverty, and Learning Needs of Participants,  
 their Prior Classmates in Regular Public Schools, and All Florida Public School Students

Program Participants	Year of Entry into Program						All Years Shown	All Years Shown	All Florida Public School Students
	2001-02	2002-03	2003-04	2004-05	2005-06	All Years Shown			
%Female	51	52	50	49	53	51	48	48	
%Black	59	49	47	48	48	49	36	24	
%Hispanic	15	25	24	25	24	24	25	22	
%Asian	0	1	1	1	1	1	2	2	
%Native American	0	0	0	0	0	0	0	0	
%White	24	23	24	23	25	23	34	50	
%Mixed Race	2	2	3	3	3	2	3	2	
%Free/Reduced Price Lunch	70	79	64	78	74	76	62	44	
%Limited English Proficient	7	11	10	10	10	10	13	9	
Approx. number of new participants	264	6267	1989	4142	673				

Note: The characteristics of participants in the Corporate Tax Credit program are recorded for the year prior to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

Table 3b. Corporate Tax Credit Scholarship Program  
 Prior Achievement of Participants, their Prior Classmates in  
 Regular Public Schools, and All Florida Public School Students

	Year of Entry into Program						Prior Class- mates of School Stu- dents	All Years Shown	All Years Shown
	2001- 02	2002- 03	2003- 04	2004- 05	2005- 06	2006	All Years Shown	All Years Shown	
<i>Program Participants</i>									
National Percentile Rank on Norm-Referenced Math Test	49	47	48	51	48	49	55	60	
National Percentile Rank on Norm-Referenced Reading Test	42	44	43	46	46	45	49	53	
Approx number of new participants who were tested	56	2687	889	2319	684				

*Note:* The prior achievement of participants in the Corporate Tax Credit program are recorded for the year *prior* to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

Table 3c. Corporate Tax Credit Scholarship Program  
Residential Neighborhood of Participants,  
their Prior Classmates in Regular Public Schools, and All Florida Public School Students

Program Participants	Year of Entry into Program						All Years Shown	All Florida Public School Students
	2001-02	2002-03	2003-04	2004-05	2005-06	All Years Shown		
%Large city	18	20	22	19	13	20	20	9
%Midsize city	28	16	17	16	18	16	16	18
%Urban fringe of large city	20	31	26	26	37	29	29	35
%Urban fringe of midsize city	27	25	25	27	22	26	26	23
%Large or small town	1	2	2	2	1	2	2	2
%Rural, near city	3	5	7	6	6	6	6	10
%Rural, far from nearest city	3	2	2	2	3	2	2	3

Note: The characteristics of participants in the Corporate Tax Credit program are recorded for the year prior to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

<sup>a</sup> The residential neighborhood of prior classmates is the same as that of participants, by construction.

regular public school, relative to their classmates. Such dissatisfaction might exist if certain students feel that they suffer systemically from discrimination in the regular public schools or if regular public school curricula are systemically less appropriate than private school curricula for certain students.

In any case, the overall picture of the Corporate Tax Credit is that it is reaching its intended recipients: poor students. The evidence does not suggest that only more advantaged eligible students—for instance, high achieving, poor students—use the program. In fact, the evidence suggests that the program is widely accessible and, if anything, used disproportionately by less advantaged students within the pool of eligible students. This is an important result because one might worry that private schools would somehow “cherry pick” especially bright students out of the pool of applicants with Corporate Tax Credit scholarships. Such cherry-picking evidently does not occur or is overwhelmed by more the program’s disproportionate appeal to students who are struggling in school.

As noted in Paul Peterson’s chapter, the Opportunity Scholarship program has always been very small and limited to students from a small number of Florida schools. We must, therefore, not expect its participants to be representative of Florida’s overall student population. We can, however, check to see whether Opportunity Scholarship recipients are similar to their classmates or specially selected. (We interpret all Opportunity Scholarship statistics with caution because they are based on a small number of students.)

By looking at the figures for “prior classmates” in Figure 4 and Tables 4a through 4c, we can see that students eligible for Opportunity Scholarships are substantially more likely than the typical Florida student to be low scoring, black, Hispanic, poor, Limited English Proficient, and residing in the center of a large city. None of this is surprising: we are simply learning about which schools are more likely to get grades of “F” twice in four years. Opportunity Scholarship users are, however, quite similar to their former classmates except that they

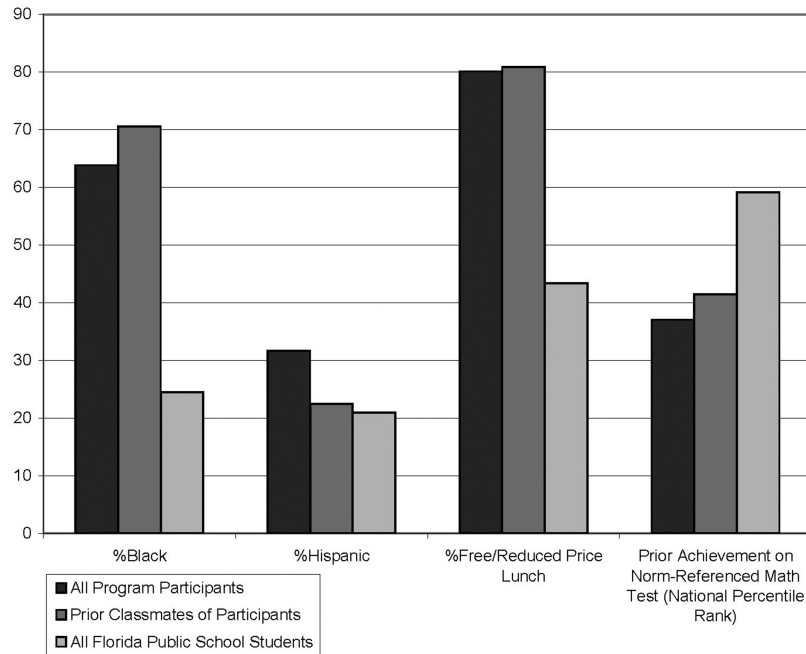


Figure 4. Opportunity Scholarship Program: Ethnicity, Poverty, and Prior Achievement of All Participants, their Prior Classmates, and All Florida Public School Students

are slightly lower scoring and slightly more likely to be Hispanic and Limited English Proficient.<sup>11</sup>

What have we learned about this small program? First, fears that only richer or high achieving students would figure out how to escape failing public schools were unwarranted. More importantly, we see that the main beneficiaries of the program—whom, as noted in Paul Peterson's chapter, are students who remained in regular public schools that improved—come from disadvantaged backgrounds, measured in a variety of ways.

11. Because of the small numbers of students involved, the differences mentioned are only statistically significant with 80 percent confidence.

Table 4a. Opportunity Scholarship Program  
 Gender, Ethnicity, Poverty, and Learning Needs of Participants,  
 their Prior Classmates in Regular Public Schools, and All Florida Public School Students

Program Participants	Year of Entry into Program							All Florida Public School Stu- dents	
	1999- 00	2000- 01	2001- 02	2002- 03	2003- 04	2004- 05	All Years Shown		All Years Shown
%Female	50	14	67	48	58	55	52	54	48
%Black	96	0	0	67	38	73	64	71	24
%Hispanic	0	14	33	29	58	23	32	22	21
%Asian	0	0	0	1	0	0	0	0	2
%Native American	2	0	0	0	0	0	0	0	0
%White	2	86	67	3	4	3	4	7	51
%Mixed Race	0	0	0	1	0	0	0	0	2
%Free/Reduced Price Lunch	90	43	67	84	74	78	80	81	43
%Limited English Proficient	0	0	0	21	20	8	16	10	8
Approx. number of new participants	56	7	3	467	216	288			

Note: The characteristics of participants in the Opportunity Scholarship program are recorded for the year prior to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.



Table 4b. Opportunity Scholarship Program  
 Prior Achievement of Participants, their Prior Classmates in  
 Regular Public Schools, and All Florida Public School Students

	Year of Entry into Program										All Years Shown	All Years Shown	All Years Shown
	1999- 00	2000- 01	2001- 02	2002- 03	2003- 04	2004- 05	2005	2006	2007	2008			
<i>Program Participants</i>													
National Percentile Rank on Norm-Referenced Math Test	N/A	25	50	37	35	39					37	41	59
National Percentile Rank on Norm-Referenced Reading Test	N/A	31	63	31	29	32					31	34	53
Approx number of new participants who were tested	N/A	3	3	200	183	239							

*Note:* The prior achievement of participants in the Opportunity Scholarship program are recorded for the year *prior* to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

Table 4c. Opportunity Scholarship Program  
Residential Neighborhood of Participants, their Prior Classmates in  
Regular Public Schools, and All Florida Public School Students

Program Participants	Year of Entry into Program										All Florida Public School Students
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	All Years Shown	All Years Shown	All Years Shown	All Years Shown	
%Large city	0	0	0	32	68	72	50	50	50	9	
%Midsize city	74	29	0	4	5	1	7	7	7	18	
%Urban fringe of large city	0	0	0	51	19	23	33	33	33	35	
%Urban fringe of midsize city	26	57	33	12	3	3	9	9	9	23	
%Large or small town	0	0	0	0	1	0	1	1	1	3	
%Rural, near city	0	14	0	0	2	0	1	1	1	9	
%Rural, far from nearest city	0	0	67	0	1	0	0	0	0	3	

Note: The characteristics of participants in the Opportunity Scholarship program are recorded for the year prior to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

<sup>a</sup> The residential neighborhood of prior classmates is the same as that of participants, by construction.

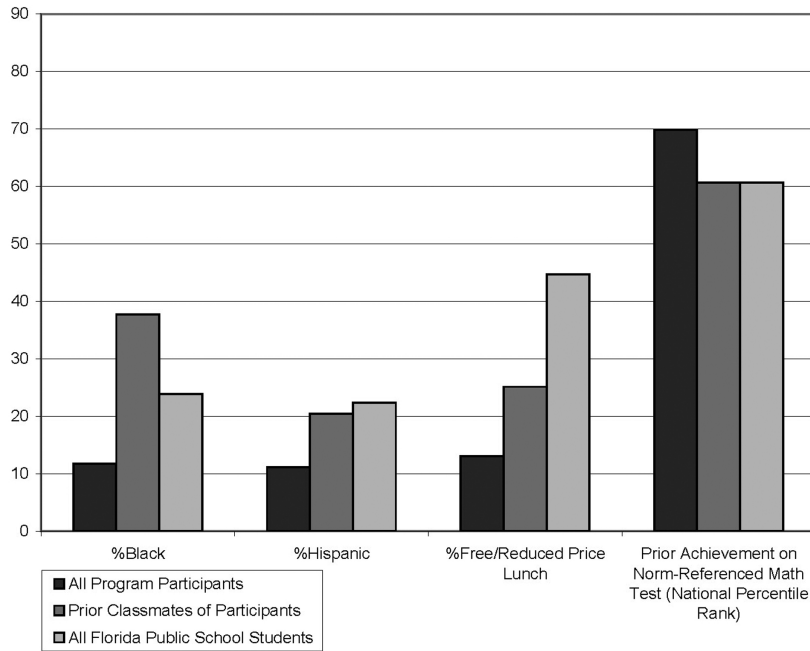


Figure 5. Virtual Schools Program: Ethnicity, Poverty, and Prior Achievement of Participants, their Prior Classmates, and All Florida Public School Students

Finally, let us examine participants in Florida's virtual schools. It is important to note that the numbers shown in Figure 5 and Tables 5a through 5c are for students whose *primary* enrollment in the public system is in a virtual school. In other words, these are students who attend only a virtual school, who attend a virtual school in addition to home schooling, or who attend a virtual school in addition to private schooling. A student who is, for instance, primarily enrolled in a regular public high school but who takes two online science courses is not included in the numbers.

The most striking thing about virtual school students is that they are substantially higher achieving than both the typical Florida student and than their prior classmates in the regular public schools. They

Table 5a. Virtual Schools Program  
 Gender, Ethnicity, Poverty, and Learning Needs of Participants,  
 their Prior Classmates in Regular Public Schools, and All Florida Public School Students

Program Participants	Year of Entry into Program			All Years Shown	Prior Classmates of Participants	All Florida Public School Students
	2003-04	2004-05	All Years Shown			
%Female	56	58	57	46	48	
%Black	12	12	12	38	24	
%Hispanic	9	15	11	20	22	
%Asian	7	7	7	5	2	
%Native American	0	1	1	0	0	
%White	70	64	68	34	49	
%Mixed Race	2	2	2	3	2	
%Free/Reduced Price Lunch	12	14	13	25	45	
%Limited English Proficient	1	1	1	8	8	
Approx. number of new participants	2031	1586				

Note: The characteristics of participants in the Virtual Schools program are recorded for the year prior to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

Table 5b. Virtual Schools Program  
 Prior Achievement of Participants, their Prior Classmates in  
 Regular Public Schools, and All Florida Public School Students

	Year of Entry into Program		All Years Shown	Prior Class- mates of Partici- pants	All Years Shown	All Florida Public School Students
	2003- 04	2004- 05				
<i>Program Participants</i>						
National Percentile Rank on Norm-Referenced Math Test	71	63	70	61	61	61
National Percentile Rank on Norm-Referenced Reading Test	69	67	69	45	45	54
Approx number of new participants who were tested	178	30	208			

*Note:* The prior achievement of participants in the Virtual Schools program are recorded for the year *prior* to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

Table 5c. Virtual Schools Program  
Residential Neighborhood of Participants, their Prior Classmates in  
Regular Public Schools, and All Florida Public School Students

Program Participants	Year of Entry into Program			Prior Class- mates of Participants <sup>a</sup>	All Florida Public School Students
	2003- 04	2004- 05	All Years Shown		
%Large city	8	7	8	8	9
%Midsize city	22	20	21	21	17
%Urban fringe of large city	32	34	33	33	34
%Urban fringe of midsize city	19	21	20	20	23
%Large or small town	3	2	3	3	3
%Rural, near city	13	13	13	13	10
%Rural, far from nearest city	3	2	2	2	3

Note: The characteristics of participants in the Virtual Schools program are recorded for the year *prior* to the advent of participation, as this is the last year the students attended the regular Florida public schools with their prior classmates. The source of the statistics shown is authors' calculations based on student level data from Florida's K-20 Education Data Warehouse.

<sup>a</sup> The residential neighborhood of prior classmates is the same as that of participants, by construction.

score about seventeen percentile rank points higher in math and about eighteen percentile rank points higher in reading. These are impressive achievement differences and suggest that the virtual schools are, as intended, disproportionately serving students who are under-challenged by the typical school's curriculum. Virtual school students are also disproportionately likely to be white, Asian, non-poor, and proficient in English. Compared to the typical Florida student, virtual school students are more likely to be rural (though not far from a city).

In short, the virtual schools make up the sole Florida choice program that is disproportionately taken up by students who appear to be advantaged based on their achievement and socio-demographics. This is somewhat ironic because, of all the choice programs, the virtual education program is cheapest per student and is most likely to trigger fears about inexpensive, inadequate education being substituted for high quality, rigorous education. It may be that evidence supporting these fears will eventually materialize: much of the growth in virtual education is recent and the group of participants continues to expand rapidly. However, at least for now, it appears that students who self-select into virtual education are unlikely to be hoodwinked: they have sufficient resources and ability to look for and locate other educational opportunities, should virtual education prove inadequate.

### **The Choice Tapestry**

Recall the likely benefits of a multi-program approach to school choice: the ability to reach students with a wide array of learning interests and needs, coverage of more regular public schools as defined by geography or socio-demographic characteristics, simplicity of the individual programs, and competition among the programs. Also recall the risk of self-segregation. How does Florida's tapestry of programs match up?

It is evident that Florida's programs are accessible to their in-

tended targets. Apart from disproportionate participation based on eligibility, four of the programs are representative of Florida students or used somewhat more by students who are minorities, poor, and low-scoring. The only program that disproportionately draws high achieving and advantaged students is virtual education, and this too is intentional because under-challenged students are among its explicit targets. To the extent that the programs' compositions are trending over time, they are trending towards being more representative of the Florida student population.

Reflecting on these facts, we think that the tapestry approach may be important. Although there are multiple programs to understand, Florida has been able to keep each of its programs straightforward from the participants' point of view. This simplicity is confirmed empirically: program take-up is representative of the intended targets and there is no indication that only elite families can maneuver their way through the system.

Moreover, although individual programs are targeted, the targeting of some programs offsets that of others. Students whose choices are most constrained by traditional, geographically based assignment (low-income students, low-achieving students, minorities, the disabled, and rural students) are targeted by at least one and up to three programs. Furthermore, Florida's largest choice program—charter schools—is highly representative of the state's student population. All of this suggests that nearly every student in Florida has experienced an increase in his or her schooling options and that nearly every Florida school faces at least some competition for students.

It is hard to know whether competition among the programs is keeping them efficient, but it is interesting that they are able to survive in parallel. This suggests that there is either excess demand for all choice programs or that Florida has managed to set some of the trade-offs right. For instance, charter schools have not, despite being far more generously funded, eliminated all demand for Corporate Tax Credit funded scholarships or persuaded all private schools to recon-



stitute themselves as charter schools. This suggests that some families prefer to get less public funding in return for sending their children to private schools which are less regulated than charter schools are.

What about the risks of self-segregation? Census data and college admissions testing data indicate that Florida's private schools are disproportionately non-minority, non-poor, and high achieving.<sup>12</sup> Thus, every choice program that moves minority, poor, and low achieving students out of regular public schools and into private schools is *de-segregating* both the public and private school sectors. In other words, while not every participant in the McKay, Corporate Tax Credit, and Opportunity Scholarship program caused desegregation to occur when he or she moved, the aggregate effect of all the public-to-private moves was almost certainly desegregation along the lines of race, income, and achievement. An in-depth analysis of segregation among charter schools is beyond the scope of this chapter, but the fact that charter schools do not draw disproportionately from a given pool of classmates tells us that they are not causing the regular public schools to become more segregated. That is, we can at least say that the average student who stays in his regularly assigned public school is not experiencing increased racial or income segregation because a charter school opens in his area. While some students who decide to attend a charter school are undoubtedly experiencing a more segregated environment, they are *choosing* to do so. Even if we have a poor understanding of the effects of segregation, it seems safe to conclude that wholly voluntary segregation is more beneficial (less problematic) than involuntary *de facto* segregation. On the whole, there is little or no support for concerns about school choice in Florida generating segregation. The opposite effect is more evident.

The only group that makes disproportionately little use of Florida's choice programs is the Limited English Proficient. Many of these

12. Authors' calculations based on the Integrated Public Use Micro Sample of the 2000 Census of Population and on student level records from the 1999 and 2004 College Board tests.

students are young, owing to the fact that most students move out of such status by the end of primary school. School choice for the Limited English Proficient may be an issue that warrants further examination in Florida, but it will require care. Limited English Proficiency is not a semi-permanent disadvantage like a disability or low family income: it is an initial state out of which students should transition. It may be desirable to have students gain some English proficiency before attempting to exercise a choice other than their regularly assigned public school. Otherwise, they are likely to have their choices circumscribed by their need to find a school with a critical mass of other Limited English students.

#### **Is School Choice in Florida also School Improvement?**

Has Florida's tapestry of school choice programs improved education generally in the state? This question is very difficult to answer as a general matter because each of the programs, with the exception of the Opportunity Scholarships, is available under uniform conditions across the state. Thus, the variation across geography that we see in the growth of the programs is not driven by policy but largely by differences in demand. If some area has no charter schools, it is likely to be because the regular public schools are so satisfactory that there is little demand for alternatives. Variation across time is equally problematic: Florida has simultaneously enacted a variety of school improvement policies: the A+ accountability plan, an early emphasis on reading, alternative pathways into teaching, incentives for teachers, greater student access to college preparatory courses and examinations, and so on. One cannot easily partial out the gains in Florida student achievement that are attributable to its school choice programs. (As shown in Peterson's chapter in this book, the Opportunity Scholarships are something of an exception to this rule. This is because the Scholarships are specific to some schools.)

Under these circumstances, logic is helpful. Is there a logically

plausible scenario under which Florida's schools would be better off without its school choice programs?

First, consider "incumbent" students who would attend Florida's private schools even without school choice. It is difficult to build a scenario under which they would be better off without the school choice programs. This is simply because each private school participates voluntarily in the programs if it participates at all. Therefore, any private school that participates must believe that its incumbent students benefit in some way from its decision to participate. Perhaps the school gets a steadier stream of revenue. Perhaps it attains minimum efficient scale. Perhaps it enrolls a student body that it considers to be more desirable because it is more diverse or otherwise appealing.

Second, consider students who would attend their regularly assigned public school in the absence of the school choice programs, but who attend a private school using a Corporate Tax Credit Scholarship, McKay Scholarship, or Opportunity Scholarship. Again, it is hard to construct a scenario in which the scholarships make them worse off. This is simply because they could return—at any time—to their regular public school. It is, of course, possible that parents are more satisfied with the private school despite the fact that they would be less satisfied if they were more knowledgeable. For instance, it could be that parents are hoodwinked by private school staff who convince them that their children are learning more when they are in fact learning less. This seems unlikely, but it is something that researchers will be able to check when Corporate Tax Credit recipients begin taking nationally norm-referenced exams in 2006–07.

One could try to construct a scenario in which the scholarship programs have made the regular public schools so much worse that the initial default (the regular public schools) effectively disappears with the advent of choice. This is very unlikely for reasons described below.

Similarly, because students can return from charter schools to their regular public school anytime they like, it is hard to construct a sce-

nario in which they are worse off—unless they are being hoodwinked. This is an issue for further research, especially research based on comparing the achievement of lotteried-in students (who attend charter schools) to lotteried-out students (who continue attending regular public schools for a purely random reason). Nevertheless, most research of this type on charter schools is focused on whether the charter school students are performing significantly *better*, not whether they are actually performing worse while believing themselves to be performing at least as well.

It should be evident that the crucial question is whether students who remain in regular public schools are made better or worse off by Florida's array of school choice programs. We should be particularly concerned about a student who was "trapped" in his regular public school because he was ineligible for all choice programs and whose regular public school was drained of resources while not being commensurately drained of resource-intensive duties. Realistically, the trapped student would need to be a non-disabled student in a non-Opportunity Scholarship school that was being drained of students and resources by—most likely—local charter schools. The student himself would have applied to the charter schools (thereby following the peers and resources) but have been lotteried-out. Recalling that charter schools attract representative or slightly disadvantaged students, the crucial element for making this whole scenario work is that more disadvantaged students are *less* costly to educate. Similarly, if disabled students normally cost less to educate than the funds associated with them and thereby implicitly subsidize the student, he could be made worse off by the advent of the McKay program. In short, most scenarios under which Florida's tapestry of school choice programs could have made education worse depend on the idea that schools are over-compensated for educating disadvantaged or disabled students. This is logically possible but reverses much common wisdom. Indeed, it should make us wonder why Florida districts ever authorize charter schools that target at-risk students.

### **Concluding Thoughts**

Florida's array of choice programs may have been the result of great far-sightedness: policymakers carefully setting up an network of overlapping choice programs, each of which had strengths that offset the weaknesses of others. It seems more likely, however, that Florida simply introduced each choice program that had internal coherence and a practical structure. This, combined with letting the programs grow fairly freely, appears to have given the state an usually high degree of school choice without sacrificing educational quality or aggravating segregation and inequalities among students.