

**September 5 IndyStar article--Unraveling fiscal impact of school choice program on education in Indiana—identifies negative consequences that are reflected in Ohio.**

The IndyStar [article](#) reports voucher situations and repercussions in Indiana that mirror those in Ohio. Vouchers in Ohio, like in Indiana, shortchange public schools in state funds and drive-up property tax.

Indiana's voucher scheme favors affluent families as is true in Ohio. Indiana private schools discriminate just like those in Ohio.

Indiana and Ohio public schools are accountable to the public; private schools are not.

It is interesting, according to the article, that the chair of the Indiana Senate appropriations committee publicly complained about how a minority high school student was disciplined. The private school essentially gave the Senator a non-response, even though the school is receiving \$4.3 million in tax revenue.

**Voucher dilemma: Unraveling fiscal impact of school choice program on education in Indiana**

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As the chair of the powerful Indiana Senate Appropriations Committee, State [Sen. Ryan Mishler](#) is used to getting answers from public schools that [depend on the legislature for their funding](#).

But when he felt that a minority student at a private high school in his district was wrongly disciplined, he wrote an [open letter](#) posted on the Internet in 2023 to complain. While the letter did not name the school, it was Marian High School, where his son attended. About 90 percent of students at Marian receive state money through the School Choice voucher program — for a total of \$4.3 million.

“This is the most disgusting situation I have encountered in my 20 years in the Senate,” Mishler, R-Mishawaka, wrote. “I am appalled that this behavior continues to happen repeatedly.”

After pushing for the school to address the issues, Mishler found himself frustrated with the lackluster response. “They insinuated, ‘Who are you to come here and bother us? You can’t tell us what to do.’” Mishler said. “And they were right. We really can’t.”

Marian and the diocese responded [with a press release](#) about a week later, noting that the school took action but by policy and law could not share confidential information. “Senator Mishler’s post is his opinion, but he leaves out information and makes comments on issues when he does not know the full details,” the release said.

Still, Mishler held up the increase in voucher eligibility levels in the Senate, citing the lack of accountability. He eventually agreed with the House version and supports vouchers even though public schools are far more responsive to state lawmakers.

A three-month investigation by University of Notre Dame students in the [Gallivan Program for Journalism, Ethics, and Democracy](#) traced the dramatic growth of the voucher program in Indiana since it started in 2011, leading to concerns over accountability and cost.

Supporters say vouchers allow parents to choose the best school for their children. But critics question whether the program, which is projected to cost more than \$600 million this year, can be sustained without cutting public school funding or raising taxes.

Although the program was started to help low-income students escape failing schools, legislative changes in 2021 and 2023 made eligibility for the voucher program nearly universal. Many private and religious schools moved quickly to take advantage.

The Diocese of Fort Wayne-South Bend ended discounts for teachers' children and for multiple children at the same school. Because some diocesan schools charged less than the voucher level, the plan also required every school to increase its tuition to the maximum voucher amount of all the districts from which the school drew students. The average voucher grant is \$6,264.

All of these changes allowed the Catholic schools to receive every potential voucher dollar the state offered, along with a plan to use the extra funds to increase teacher salaries. In a 2021 [letter](#) to all pastors with schools in the diocese, Bishop Kevin Rhoades wrote of a "crisis moment," noting that "these changes are crucial to the sustainability and quality of our Catholic Schools."

Voucher supporters believe the competition from private schools helps public schools improve their quality of education. Keri Miksza, chair of the Indiana Coalition for Public Education Monroe County, disagrees.

She said families that can afford private schools now use their extra money for other purposes. As an example, she said she heard of one woman who claimed the savings would allow her family to take a nicer vacation.

Instead, Mizska believes the government should continue to put most — if not all — of its resources into public education because public schools cannot discriminate against any student that comes to the door.

Private schools can't discriminate based on race, religion, gender or ethnicity, but they are not prohibited from discriminating against sexual orientation or identity, nor from discouraging special needs students or using discipline rules to get rid of problem students.

Roncalli High School, located in southeast Indianapolis, is the Catholic school that receives the most scholarship support out of any private school in the state. According to the Indiana Department of Education, Roncalli received nearly \$5.7 million in state voucher funding for more than 800 students.

The school came under fire in 2022 when then-guidance counselor Shelly Fitzgerald was suspended and eventually terminated by the school due to her same-sex marriage. Though Fitzgerald appealed the case, a federal appeals court ruled in favor of the Archdiocese. Roncalli had previously fired a gay counselor in 2018.

### **Vouchers having profound effect, but is that good or bad?**

Philip Downs, a former educator and superintendent of the Southwest Allen County Schools, has analyzed the Indiana voucher program data to track how much money public schools lose as a result. He concluded that picking up the cost of tuition at private schools costs public schools around \$500 per student, for an estimated statewide total of more than \$400 million this year.

Downs said the state agreed to take responsibility for education funding when it overhauled the tax collection system in 2010, but it has not even kept pace with inflation.

"Even though they have plenty of money, they have not valued teachers and their pay, nor the kids," he said. "Now, you're bringing more children to the table, to eat a shrinking pie and give every student in the state a smaller piece by doing that."

State Rep. Robert Behning, R-Indianapolis, a staunch voucher supporter, said the amount the government is spending on vouchers is not hurting the public schools or students in rural areas. He said public schools still received funding increases at levels similar to past years.

"Your voucher and charters happen in urban districts," Behning said. "You do not find this to be a significant impact in your smaller rural districts clearly because there's just not a lot of options in many of those communities."

Jennifer McCormick, a former Republican Superintendent of Public Instruction now running for governor as a Democrat, isn't convinced. She said the voucher program, regardless of location, has forced public school districts to request tax increases.

"My husband's the superintendent at Blue River, which is a small rural school in Henry County," she said. "He's losing hundreds of thousands of dollars and none of his kids take advantage of the program."

"But yet he now has to go back to the taxpayers and say we have to run a referendum. So taxes are continuing to go up," she said. "They are just flowing away from the kids it's supposed to serve."

Rural legislators supporting the voucher program are taking dollars from their students without any option to benefit from private schools far away, Mizska said. Yet many rural voters don't recognize the loss and vote reliably Republican.

C. Todd Cummings, the superintendent of the South Bend Community School Corporation, the state's ninth largest district, said the effects of the voucher program have been immense.

"The threshold of how much a family had to earn was raised, allowing more people who already could afford to send their students to parochial schools to be able to do that. And that took from our general fund," Cummings said. "Our contention was that those folks were already sending their students to private schools, and we're paying for them."

Every student South Bend public schools lose to the voucher system equates to \$6000-7,000, which adds up to more than \$21 million lost over the last five years. Statewide, a 2023 [report](#) advocating against vouchers found the program cost grew nearly 800 percent between 2012 and 2019. In the same period, Indiana decreased per-pupil funding for public education by 1.5 percent while the other 49 states averaged an increase of 10.8 percent, according to Downs analysis.

John Anella, former president and current member of the South Bend School Board, said a cap on property taxes forced the district to hold a referendum for more funding in 2020. But at the current growth rate for vouchers, he said the program will play a large part in the district asking for another referendum in 2028.

"The state has expanded the voucher program to such a high level that it has sped up the drain of students from traditional public schools," Anella said. "The state hasn't made the overall pie much bigger, but has continued to cut the existing pie into many more pieces. As I like to say about Indiana, there is no education policy, just education politics."

### **Vouchers and student achievement**

Research on how vouchers impact student achievement is mixed, but a 2018 study on the Indiana program found that students on vouchers experience an overall achievement loss in their first year attending a private school.

Joe Waddington, a Notre Dame professor and education expert, was one of the lead researchers of the study, along with Mark Berends. Waddington said this decline in achievement may be due to the preparation of private schools.

"A lot of private schools were not prepared for serving a diverse new set of students and a lot of the early kids that came into the voucher program were from different socioeconomic backgrounds," he said.

Studies on the impact of education vouchers have also been completed in other states including Ohio and Louisiana. Both found vouchers had negative impacts on student achievement and test scores with little to no benefits. These reports have also shown that students who make the switch from public to private on vouchers fare worse on state exams when compared to peers who stayed in public schools.

More recent research set out to examine the ways in which Indiana private schools “cream skim” or selectively enroll high achieving and less difficult students. The data led the researchers to a different conclusion.

“We didn’t find evidence consistent with the claim of cream skimming,” Waddington said. “What we did find was evidence related to the idea of push outs.”

The term refers to the way private voucher schools “push out” lower achieving, more costly, and more challenging students. Waddington proposes that while voucher advocates believe private schools are open and welcoming to new students, voucher opponents claim they often discriminate and are less inclined to provide the opportunity for certain students, especially for those with special needs. They may advise parents that there are more services at public schools.

Christopher Lubienski, an education professor at Indiana University and director of the Center for Evaluation and Education Policy, has been studying the voucher program and its growth for years.

“If you go back to look at early promises that were made for vouchers by Mitch Daniels and policymakers, it was very much about helping poor inner city, minority kids,” Lubienski said. “We’ve seen increasingly that this is now being used by white, middle class and affluent families.”

### **Advocate: 'It's not something that's going away'**

When school choice vouchers were first pitched in 2011, several key figures never believed the program would grow into the expansive and costly one that exists today. One of those leaders was Robert Enlow, the CEO of EdChoice, a voucher advocacy group.

“The program is a fact of life now, it’s not something that’s going away,” Enlow said in May. “The growth of the program is super steady, and people are beginning to see that it’s here to stay.”

In the early years of vouchers, Enlow [said](#) the structure of the program would prevent it from ever costing the state of Indiana money. He was wrong.

As money given to school choice in Indiana continues to climb each year, the question of long-term sustainability for the program becomes more pressing.

Because 2023 state tax collections came in higher than projected, there was an extra \$1.5 billion to provide to education. That allowed public schools to continue to get some increase, about 3 percent per year to cover inflation, while the voucher program exploded. By this year, the cost is projected to grow 263 percent over the last five years.

In the last state budget, Republican lawmakers dedicated 36 percent of new education funds to voucher students who make up just 7 percent of all students. That left just 64 percent of new money for public schools that educate 93 percent of Hoosier students.

If the voucher program didn’t consume a disproportionate share of state education money, public schools could have received more funding — or the state could have given the bonus money to other priorities.

But what will happen in the 2025 budget session if money again becomes tight? The most obvious solutions would be to either reduce the amounts provided in the vouchers, or to cut the money given to public schools.

“If they do continue to expand this program, it seems like that means they will have to deprioritize other funding areas or increase taxes,” Lubienski said.

Sen. Mishler proposed another alternative — cutting the eligibility levels of voucher recipients, which he acknowledged was unlikely.

"When they raised that eligibility," Mishler said, "it did shift a lot of money to the voucher program."

So what will happen if there isn't extra money in 2025?

"That would be the question and that's what I don't know," Mishler said. "We just have to see if there's enough money to do that."

Private schools have grown to be increasingly dependent on the voucher system for enrollment, so potential funding cuts could be detrimental to their enrollment. Students attending private schools on vouchers could find it difficult to remain there if their scholarships were diminished or eliminated entirely.

But private schools are not the only schools facing funding jeopardy. McCormick, the former state superintendent now running for governor, believes that if something is not done to curtail the voucher program soon, the public education system will become a relic of a time passed.

"What will happen is they will keep the voucher program going," McCormick said. "They will keep it growing. They will sustain it at the demise of public education."

<https://www.indystar.com/story/news/investigations/2024/09/05/unraveling-fiscal-impact-of-school-vouchers-on-education-in-indiana/75054166007/>