

Education

Principles:

- Curriculum standards should be rigorous, clear and measurable.
- All students should be held to high standards and high expectations.
- Teacher recruitment, education, training and compensation should be focused on attracting and retaining high quality teachers.
- School finance should be on a child basis, not a district basis, so that the money follows the child.
- Education should be personalized to meet students' diverse needs and provide the maximum amount of choice for each to find the educational setting best suited for them.

Recommendations:

- Implement a simpler, student-centered funding model that encourages flexibility.
- Fund public charter schools more equitably.
- Allow schools to move toward competency-based learning.
- Shift away from top-down regulation and micro-management of schools to accountability based on choice and competition.
- Expand the cap on contributions to the tuition tax credit scholarship.
- Implement Education Savings Accounts.

Facts:

In 2004, Georgia adopted the Georgia Performance Standards (GPS) for all subjects and all grade levels. These standards were universally recognized as a great improvement over the state's previous Quality Core Curriculum (QCC) standards, with the Fordham Institute ranking the new standards fifth best in the nation.

Student Achievement

The National Assessment of Educational Progress (NAEP)¹ is one of the best measures of how Georgia's student achievement compares to other states. The accompanying table shows Georgia's overall ranking based on average scale scores. Georgia's overall rankings are not high, but several subgroups perform very well compared to similar subgroups in other states.

	2015 NAEP - Where Georgia Ranks (1 = best)			
	Reading		Math	
	4th Grade	8th Grade	4th Grade	8th Grade
All Students	30	38	41	36
- White	21	24	36	23
- Black	10	19	16	8
- Hispanic	17	15	13	25
- Poor	9	28	40	30
- Not Poor	9	22	26	8

A new study by the Urban Institute adjusted 2013 NAEP scores based on factors such as race, ethnicity, the share of students still learning

English, and poverty. Georgia makes the top 20 in adjusted student achievement and makes the top 10 in adjusted academic growth from 2003-2013. Southern states like Texas (No. 3), Florida (No. 4) and North Carolina (No. 7) outperform Georgia while spending less per student.

¹ <http://nces.ed.gov/nationsreportcard/>

Urban Institute Rankings by 2013 NAEP Achievement and Improvement 2003-2013

	NAEP 2013		2003- 2013
Massachusetts	1	Nevada	1
New Jersey	2	Maryland	2
Texas	3	Hawaii	3
Florida	4	Massachusetts	4
Indiana	5	Tennessee	5
Maryland	6	New Jersey	6
North Carolina	7	Pennsylvania	7
Pennsylvania	8	Arkansas	8
New Hampshire	9	Georgia	9
Ohio	10	Washington	10
Kansas	11	Florida	11
Colorado	12	Texas	12
Washington	13	California	13
Minnesota	14	Rhode Island	14
Vermont	15	Colorado	15
Virginia	16	Vermont	16
New York	17	Ohio	17
Delaware	18	Indiana	18
Georgia	19	New Hampshire	19
Arkansas	20	New Mexico	20
Rhode Island	21	Arizona	21
Illinois	22	Maine	22
Connecticut	23	Kentucky	23
Nebraska	24	Utah	24
Maine	25	Minnesota	25
Wyoming	26	Delaware	26
Louisiana	27	Nebraska	27
Wisconsin	28	Kansas	28
Missouri	29	Wisconsin	29
Kentucky	30	Louisiana	30
Oregon	31	Oregon	31
Montana	32	Alaska	32
Nevada	33	Idaho	33
Oklahoma	34	Connecticut	34
North Dakota	35	Illinois	35
New Mexico	36	Virginia	36
Iowa	37	North Carolina	37
South Carolina	38	Alabama	38
Tennessee	39	Oklahoma	39
Arizona	40	Wyoming	40
South Dakota	41	Mississippi	41
Alaska	42	Missouri	42
Idaho	43	Iowa	43
Michigan	44	Michigan	44
Mississippi	45	New York	45
California	46	North Dakota	46
Utah	47	South Carolina	47
Alabama	48	Montana	48
Hawaii	49	West Virginia	49
West Virginia	50	South Dakota	50

Preschool

More than 80,000 children attend public and private (54 percent attend private programs) pre-K programs at no cost to their parents. The average cost of this lottery-funded program for 2014-15 was \$3,880 per student.² Preschool enrollment in 2014 was above the national average and 13th highest in the nation. The National Institute for Early Education Research ranks Georgia seventh in the nation in terms of access and 23rd in state spending.³

Funding

How does Georgia's funding compare to other states?

Georgia allocates a higher percentage of its state budget to education than most states.

Georgia's K-12 state spending as a percentage of total state spending was the 7th highest in the nation in FY 2015.⁴

Georgia's total education funding ranks 14th highest and its current spending ranks 12th highest when measured as a percentage of personal income. Economists prefer to compare state spending as a percentage of personal income to better adjust for cost-of-living differences.⁵

Georgia's total education spending per pupil (including local funds) exceeds all but one of its neighboring states but ranks 38th nationally. Georgia has more than 1.7 million students, so every \$1,000 of spending equates to \$1.7 billion. The table below compares total spending per student with graduation rates and NAEP rankings adjusted for demographic differences for Georgia and neighboring states.

	Per Pupil Total Spending (FY 2013) ⁶	Graduation Rate (2012) ⁷	Adjusted NAEP Scores (2013) ⁸
South Carolina	\$11,091	75%	38
Georgia	\$10,218	70%	19
Alabama	\$9,824	75%	48
Florida	\$9,403	75%	4
Tennessee	\$9,336	87%	39
North Carolina	\$8,745	80%	7

² Georgia Department of Early Care and Learning, <http://decal.ga.gov/documents/attachments/PreKFactSheet.pdf>

³ The National Institute for Early Education Research, "The State of Preschool 2014," <http://bit.ly/1q1BwNm>

⁴ National Association of State Budget Officers, Table 8, page 19, <http://bit.ly/1I03qvU>

⁵ "Public Education Finances: 2013," U.S. Census Bureau, pages 11-12, <http://www2.census.gov/govs/school/13f33pub.pdf>

⁶ National Center for Education Statistics, Digest of Education Statistics, Table 236.75 (latest data available), https://nces.ed.gov/programs/digest/d15/tables/dt15_236.75.asp?current=yes

⁷ From U.S. Department of Education, <http://eddataexpress.ed.gov>

⁸ "Promises and Pitfalls of Using NAEP Data to Assess the State Role in Student Achievement," Urban Institute, October 2015, <http://urbn.is/1S70yxN>

School Choice Programs in Georgia

Special Needs Scholarship Program

The Georgia Special Needs Scholarship Program allows any student with a disability whose parents are unhappy with their assigned public school to receive a voucher to attend private school.

To qualify, a student must have been enrolled in a Georgia public school for the entire prior school year; preschool programs do not count. The student must also have received special education services under an Individualized Education Plan at any point in that year. The student's parent/guardian must currently live in the state and have been a resident for at least one year. The average scholarship is \$5,396 and 3,811 students participated in 2015.⁹

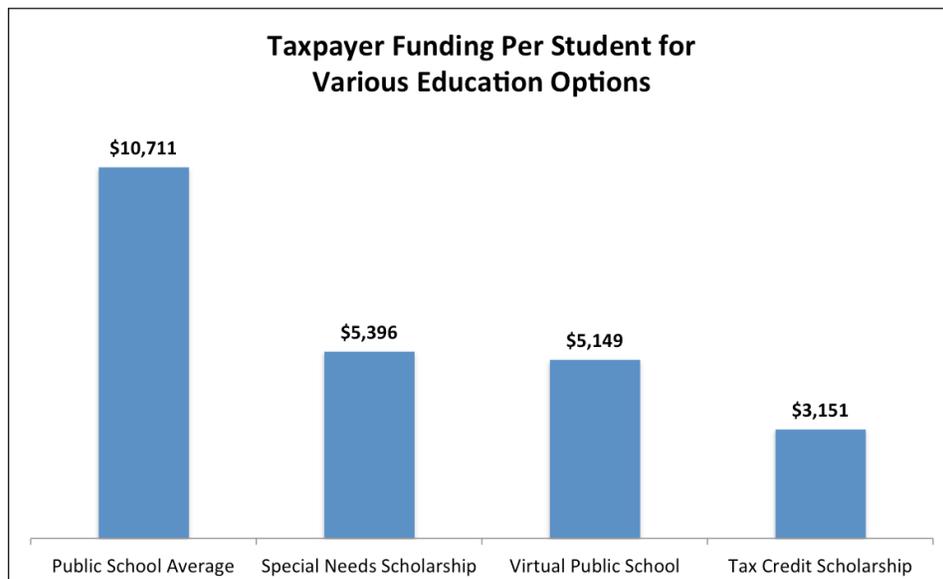
Qualified Education Expense Tax Credit

Georgia provides dollar-for-dollar tax credits for donations to Student Scholarship Organizations (SSOs), nonprofits that provide private school scholarships. Individuals may claim up to \$1,000, and married couples filing jointly may claim up to \$2,500. An individual who is a member of an LLC, a shareholder of an S-Corporation, or a partner in a partnership may claim up to \$10,000 of their tax actually paid as a member, shareholder or partner. Corporate taxpayers may claim up to 75 percent of their total tax liability. The program is capped at \$58 million.

SSOs may determine the amount of each scholarship up to a maximum of the average state and local expenditures per child for public elementary and secondary education in the state. For the 2013-14 school year, scholarships were capped at \$9,046.

All public school students are eligible if they attended a public school for at least six weeks immediately prior to receiving a scholarship, as are students enrolling in prekindergarten, kindergarten or first grade. Eligibility continues until a student graduates, reaches age 20 or returns to public school.

The average scholarship is \$3,151 and 13,428 students participated in 2014.¹⁰



⁹ <http://www.edchoice.org/school-choice/programs/georgia-special-needs-scholarship-program/>

¹⁰ <http://www.edchoice.org/school-choice/programs/georgia-qualified-education-expense-tax-credit/>

What do various options cost taxpayers?

Average public school total revenues per student (2014-2015): \$10,711¹¹

Average Special Needs Scholarship per student (2014-2015): \$5,396¹²

Average State Virtual School total funding per student (2014-2015): \$5,149¹³

Average Tax Credit Scholarship per student (2014): \$3,151¹⁴

School Choice Research

Herbert J. Walberg, a University Scholar at the University of Illinois at Chicago, finds the vast body of research indicates "choice schools" – both charter and private schools – “excel across the board in achievement, parental satisfaction and student social engagement.”¹⁵ He also finds that demand for more options is high in big cities where poor residents and minorities are concentrated. Finally, from a fiscal perspective, while there are exceptions, “the average cost of private schools in the United States is about half the cost of nearby public schools.”

An analysis of existing school choice research conducted by researcher Greg Forster found that school choice helps all students – even those who remain in public schools, says Lindsey Burke, an education fellow at the Heritage Foundation.¹⁶

- Of 12 random assignment studies, 11 demonstrated that school choice improved student outcomes, and none of the studies showed a negative effect on student outcomes.
- Moreover, of the 23 studies that have been conducted analyzing the impact of school choice on the students who remain in traditional public schools, 22 of them found that school choice improves those students' outcomes as well.

Research has found improvements across a number of variables:

- Graduation rates: A study of the D.C. Opportunity Scholarship Program (DCOSP) – which grants scholarships to students in low-income families to attend private schools – found that the graduation rate for DCOSP students increased by 21 percentage points. Likewise, students in the similar Milwaukee Parental Choice Program increased their likelihood of graduating and then enrolling in college by 4-7 percentage points.
- Public school improvements: When states implement choice programs allowing students to attend private schools, what happens to the test scores of students in public schools that are at risk of losing students? A study of Florida's Tax Credit Scholarship Program found that student test scores in those schools improved relative to test scores in the public schools less affected by the scholarship program. Milwaukee's voucher program demonstrated similar results from the increased competition.
- Special needs: Choice programs provide better access to services for students who have special needs. A study of a Florida scholarship program that provides private school vouchers to students with disabilities determined that students who remained in the public system saw statistically significant increases in their test scores, again suggesting that competition pushed the public schools to better serve those students.

¹¹ Georgia Department of Education, total 2012-2013 revenues per student as defined by the annual Report Card: <http://gaosa.org/reportinfo.aspx#pers>

¹² Georgia Department of Education, <http://bit.ly/1Qsa2As>

¹³ Calculated based on Georgia Department of Education data

¹⁴ <http://bit.ly/1qGjZ8n>

¹⁵ “Expanding the Options,” Herbert J. Walberg, Education Next, May 2014, <http://bit.ly/247GtOj>

¹⁶ Lindsey Burke, "The Value of Parental Choice in Education: A Look at the Research," Heritage Foundation, March 18, 2014. <http://herit.ag/1WhcC39>

- Parental satisfaction: Studies repeatedly confirm that parents are very satisfied with school choice programs. For example, more than 70 percent of respondents in Arizona's education savings account program were "very satisfied" with their children's education.

In 2016, Georgia will release an A-F School Grading System for schools, joining 15 other states in grading schools A-F. Student achievement, achievement gap closure and student growth are components that will be included in the grade, with the calculation to be determined by the State Board of Education.

Overview

Background on personalized learning in Georgia

Georgia is a leader in using technology to enhance and personalize education. The Foundation for Excellence in Education and Digital Learning Now ranked Georgia as the sixth best state in the nation in digital learning policy in their 2014 Digital Learning Report Card.¹⁷

Michael Horn, co-founder of the Clayton Christensen Institute, predicts that the “factory model, cookie-cutter approach to learning is fast becoming history in Georgia. The vast array of online resources can help schools, teachers and parents customize education to the child’s learning style, and children will be able to learn and advance at their own pace versus the pace of the class as a whole.”¹⁸

As of the 2014-2015 school year, Georgia has three full-time virtual schools and 11 online course providers¹⁹ offering hundreds of middle and high school classes taught by Georgia-certified teachers. Not every public school has a certified teacher for every class their students might want to take. For example, about half of Georgia’s 450 high schools did not offer Physics in 2012, probably because just 261 certified Physics teachers taught in Georgia’s public schools that year.

In addition to courses, the state provides teachers and students with vetted instructional materials linked to Georgia’s curriculum standards.²⁰ For example, a student struggling to multiply fractions could watch a video from Khan Academy or a student studying geography could watch a video from National Geographic. Teachers are free to incorporate these resources into lesson plans.

For the last three years, the state has funded the Connections for Classrooms competitive grant program, designed to ensure Georgia schools and classrooms have the high-speed broadband access required for digital and blended learning.

Data Privacy

One concern that arises from digital learning is privacy. Fortunately, Georgia passed a law in 2015 that protects student data while responsibly using information to benefit student learning. ExcelinEd CEO Patricia Levesque called the new Act the “most comprehensive student data privacy bill in the country.”

Among other things, the law requires an inventory of the data being collected and why. Unnecessary data currently collected – such as a family’s political affiliation or religion – will be avoided in the future. The law also demands security: Georgia will develop a data security plan for the state data system, and the Department of Education will designate a Chief Privacy Officer. Technology providers working with Georgia schools will also have to develop appropriate security

¹⁷ <http://www.digitalllearningnow.com/report-card/#grade0/GA>

¹⁸ <http://www.georgiapolicy.org/avoid-the-hype-online-learning-transformational-potential/>

¹⁹ <http://www.gadoe.org/Technology-Services/Pages/ClearinghouseProviders.aspx>

²⁰ <http://www.gadoe.org/Technology-Services/SLDS/Pages/Teacher-Resource-Link.aspx>

procedures and will be unable to sell personal information about students or use it for targeted advertising.²¹

Personalized Learning

Today's factory-model education system, which was built to standardize the way we teach, falls short in educating successfully each child for the simple reason that just because two children are the same age, it does not mean they learn at the same pace or should follow the same pathway. Each child has different learning needs at different times.

Customization – or personalization – is needed if we are to help every child reach his or her fullest potential.

Understanding this helps us understand the logic of personalizing learning and moving away from the current system that mandates the amount of time students spend in class, but does not expect each child to master learning.

When students receive one-on-one help from a tutor instead of mass-group instruction, the results are generally far superior. This makes sense, given that tutors can do everything from adjusting if they are going too fast or too slow to rephrasing something a different way or providing a different example or approach to make a topic come to life for a student.

Studies show the power of this kind of personalized learning for maximizing student success. Benjamin Bloom's classic "2 Sigma Problem" study, published in 1984, measured the effects of students learning with a tutor to deliver personal, just-in-time, customized help. The striking finding was that by the end of three weeks, the average student under tutoring was about two standard deviations above the average of the control class. That means that the average tutored student scored higher than 98 percent of the students in the control class. Furthermore, 90 percent of the tutored students attained the level of summative achievement reached by only the highest 20 percent of the students under conventional instructional conditions.

The problem is that having a human tutor for each student is prohibitively expensive; so to educate large numbers of students in the early 1900s, we adopted the factory model of education we have today. The logic behind blended learning is that we can gain the benefits of mass customization – many of the effects of a personal tutor in other words – without the costs.²²

School Choice

Our economy is testament to the success of a free and competitive marketplace that provides consumers with choices and rewards innovation, efficiency and quality. Sadly, as Albert Shanker, former president of the American Federation of Teachers said, our public schools system "operates like a planned economy, a bureaucratic system in which everybody's role is spelled out in advance and there are few incentives for innovation and productivity. It's no surprise that our school system doesn't improve: It more resembles the communist economy than our own market economy."

The higher education system is an example of school choice. Georgians can choose from public, private and religious schools; technical, liberal arts and engineering schools; small, medium and large schools, etc. Taxpayer funding is provided for students at all of these schools, either through direct appropriation or directly to individuals through programs such as HOPE, the GI Bill,

²¹ <http://www.excelined.org/2015/05/13/how-georgia-became-a-national-leader-in-protecting-student-data/>

²² Excerpts from "Stop The False Generalizations About Personalized Learning," Michael Horn, Forbes, May 2014, <http://www.forbes.com/sites/michaelhorn/2014/05/15/stop-the-false-generalizations-about-personalized-learning/>

and Pell Grants. The result is Georgia has some of the best public and private colleges and universities in the country.

Georgia has started down the road of education reform and school choice. For example, charter schools provide parents alternatives for their children's education, children with special needs can now utilize a state scholarship to choose the public or private school that best meets their specialized needs, and tax credit scholarships provide choices for a wide array of Georgia's children. We must continue to support and expand these programs in order to release the powerful incentives of the competitive marketplace that have transformed almost every other facet of our economy.

Charter Schools

Charter schools are public schools, therefore, a successful charter school is a successful public school. Charter schools cannot charge tuition, must accept all students without any entrance requirements and are closed down if they do not meet their student achievement goals. In exchange for this strict accountability, charters are given increased flexibility to manage their school. Start-up charter schools provide parents with choices because they can attend the charter school or, if unsatisfied, they can return to their traditional school.

In 2007, the General Assembly enacted a law that allows entire districts – not just individual schools – to apply for a charter. Districts promise improved student achievement in exchange for freedom from certain state and local rules. In 2008, the Legislature created a new statewide authorizing commission that would have the power to establish new charter schools that would receive the same funding as other charter schools. School systems sued, and in a controversial 4-3 decision, the Georgia Supreme Court ruled that local boards of education have “exclusive” authority over K-12 public education in Georgia. In 2012, the General Assembly voted to allow citizens to decide whether the state can authorize state charter schools originating from local communities. In November of that year, the amendment was approved with 58 percent and a margin of some 625,000 votes.²³

Many charter high schools in Georgia were designed specifically to boost graduation rates. Charter career academies, for example, work in partnership with technical colleges and community colleges to offer a more engaging curriculum and to target students who might otherwise have fallen through the cracks. Currently more than 35 career academies are operating throughout the state.

Fiscal Impact

Leaders of the public school system routinely suggest in legislative and public debates over school choice that when any student leaves a public school to attend a charter school, a virtual school or a private school and taxpayer funds are redirected to the child's new school, then the child's former public school is harmed financially. Their argument is that while a student who leaves the school may reduce variable costs like books, it also means less money to spend on fixed costs, such as facility costs. (Interestingly, administrators, rarely claim that funding for new students is too much since the fixed costs are already paid for.)

This means there is some dollar amount that could follow a child to a charter public school, a virtual school, or a private school that is equal to or less than the variable cost of that student and the removal of those funds would not deprive the former public school or its remaining students.

²³ “African-American Voters Inspired by School Choice,” Georgia Public Policy Foundation, November 2012, http://www.georgiapolicy.org/african-american-voters-inspired-by-school-choice/#ff_s=coXg

A study by Dr. Benjamin Scafidi found that Georgia's average spending per student was \$11,468 in 2008-09. About 35 percent of these costs can be considered fixed costs in the short run. The remaining 65 percent – or \$7,507 per student, are found to be variable costs, which change with student enrollment.

Therefore, a school choice program where less than \$7,507 per student is redirected from a child's former public school to another school of his or her parents' choosing would actually improve the fiscal health of the average public school district. It would also provide more resources for students who remain in public schools.²⁴

Recommendations:

Implement a simpler, student-centered funding model that encourages flexibility.

For more than three decades, Georgia's system of school finance has handcuffed district leaders by dictating how state funds are used. More freedom might finally be in sight for frustrated educators, thanks to the promising recommendations from Gov. Nathan Deal's Education Reform Commission, tasked with overhauling the state's Quality Basic Education (QBE) formula.

Created in 1985, the QBE formula allocates over 90 percent of the state's \$8 billion in K-12 funding. If the goal of QBE's architects was to achieve minimal transparency and flexibility, then it has been a riveting success.

QBE provides resources based on student needs in a complex manner. The bulk of state funds are distributed via an inputs-based formula comprising segmented days, academic programs and staffing ratios. This makes it difficult to determine precisely how education dollars are prioritized and what impact they ultimately have on students.

Additionally, current policies force districts to pay teachers based on the state's narrow pay scale, which only accounts for experience and education. Research indicates that these factors have little to no impact on student outcomes. This fails to reward the state's best teachers for their great work.

Georgia needs a model that ties funding directly to students and allows schools to allocate resources flexibly. The Commission's Funding Formula Committee took a big step in the right direction. It proposed a weighted-student formula to allocate funds based on student characteristics.

In this system, each student is provided with a base amount of funding. Students with additional needs, such as special education and English language learners, would receive additional funding based on transparent weights. Importantly, the Funding Formula Committee recommends providing a weight for low-income students.

The committee also recommended phasing out Georgia's top-down salary schedule for teachers. Districts would be able to determine how teachers are compensated, provided teacher effectiveness is incorporated as a component. This means that local factors, such as subject-area shortages, could be included in pay scales.

Overall, the committee's recommendations should be applauded. There are, however, several ways they could be strengthened.

²⁴ "The Fiscal Effects of School Choice Programs on Public School Districts," Benjamin Scafidi, Ph.D., The Friedman Foundation for Educational Choice, March 2012, <http://bit.ly/1pp1N20>

First, a significant amount of funding in the committee’s proposed system would continue to be allocated outside of the student-based formula. Staffing for district offices would be standardized based on rigid ratios. For example, a district with 4,999 students would receive two additional staff members while a district with 5,000 students would receive four. This method is prescriptive and allocates resources in a “lumpy” manner. More than \$2 billion of funding for Georgia’s teachers would similarly live outside the base formula.

A more effective system would roll these funds into the base per-pupil allotment, as the committee recommends for other resources. Burdensome regulations, such as class size requirements that many districts are still subject to, should also be eliminated. These changes would promote even more transparency, maximize district-level flexibility, and ensure that funding equity is student-based.

Most importantly, the recommendations fail to push the desired changes down to the school level: Once funds reach the districts, there is no guarantee that they will be distributed to schools in an equitable and flexible manner.

A study of education funding in Texas found that inequity among schools was, in fact, greater than among districts. Additionally, most of the nation’s districts provide principals with less than 5 percent discretion over how an individual school’s funds are used. A Reason Foundation analysis found that even a 1 percent increase in autonomy can have a significant impact on student outcomes.

Ideally, Georgia’s proposed system of student-based budgeting would tie funding directly to students. Meanwhile, student-based budgeting at the district level is progress and already done in more than 30 districts in the country.

The Georgia Public Policy Foundation partnered with several organizations to produce a website focused on making student-based funding a reality: <http://upgradeeducationga.org>

Fund charter schools equitably

Charter schools include virtual schools, blended or hybrid schools, career academies, STEM schools, performing arts schools, traditional schools and almost anything else you can imagine.

Unequal funding often hinders Georgia’s public charter schools, which receive 35 percent less funding than traditional district public schools would receive to educate the same students – a difference of as much as \$4,588, according to a study by the University of Arkansas.²⁵

The Commission recognized the need for equitable operating and capital funding for public charter schools, stating that “the state should prioritize the equitable funding of charter schools. These schools are a public school choice for students across the state, and therefore should be funded equitably to ensure the ongoing viability and continued growth of quality student options.”

Charters also struggle to fund facilities. Aside from greater access to unused or under-utilized facilities, predictable charter facility funding would be helpful. The Commission’s report called for “a statewide competitive grant fund for charter facility expenses to more accurately reflect the per-pupil funding for public schools.”

The report noted, “charter schools currently have to utilize a significant percentage of their operating budgets for facility expenses, often upwards of 15 percent of their total operating budget. Very few local districts have included charter schools in their ESPLOST funding, and only

²⁵ “Charter School Funding: Inequity Expands,” University of Arkansas, April 2014, <http://bit.ly/1hen1Fp>

charter schools authorized by the State Charter Schools Commission have access to state capital outlay funding.”

Since charter schools can be closed at any time for failure to meet the requirements of their charter (contract), taxpayers should be wary about building new facilities. Nevertheless, all schools would benefit from annual, per-student facility funding. For charter schools, the funds could be used to underwrite construction, rental of an existing facility, or new classrooms for growing schools. If a school is closed, the funding would stop and taxpayers would not be on the hook for unnecessary facilities.

Finally, it should be easier for successful charter schools to replicate or expand without facing bureaucratic roadblocks.

Allow schools to move toward competency-based learning

Competency-based learning, also known as mastery-based learning or personalized learning, is a system of instruction where students advance to higher levels of learning as soon as they demonstrate mastery of concepts and skills regardless of time, place or pace.²⁶

A traditional, time-based education system advances students based on their age, regardless of what they have learned. This outdated model holds back students who could be excelling more quickly and pushes students forward who are not yet ready, leaving them with gaps of knowledge, skill and understanding that must be filled later.

Students should advance as they master the levels of learning. The pace and style will look different for different students, but the goals of mastering and understanding concepts and allowing students opportunities to “show what they know” in order to advance to more challenging material remains constant.

The Education Reform Commission stated in its final report that competency-based learning “fosters equity by holding all students to a common set of rigorous expectations while providing flexibility in the way credit can be earned, allowing students to progress through content as they demonstrate mastery, regardless of time, pace, or place.”

Shift away from top-down regulation and micro-management of schools to accountability based on choice and competition

A new vision would empower Georgia’s educators to manage schools and parents to choose the school that is best for their child. Government would ensure competition and choice, ensure fair access to financial resources and facilities, inform parents with relevant information and step in to close down persistently failing schools.

In this model, competition and choice ensure accountability for cost and quality. Equitable funding models assure that students have access to high-quality public and private schools. High-performing schools are allowed to easily replicate and expand; persistently failing schools are closed. All public schools are freed from top-down regulations so educators at the school-level can make decisions. With fewer mandatory end-of-year tests, schools adopt competency-based models focused on academic progress where students take shorter tests throughout the year.

²⁶ “Competency-Based Education: Move On When Ready,” Foundation for Excellence in Education, <http://www.excelined.org/wp-content/uploads/CBE-2016-Policy-Summary1.pdf>

Expand the cap on contributions to the tuition tax credit scholarship

What if Georgia had an education program that raises student achievement and student engagement, increases parental involvement and satisfaction, and operates at a third of the cost of current programs? Georgia's tuition tax credit scholarship accomplishes all of these goals.

At an average cost of \$3,151, these scholarships currently benefit 13,428 Georgia students. Demand for contributions is greater than this, but the tax credits are restricted. It only took a few hours to hit the cap of \$58 million in voluntary contributions on January 1 in 2015 and 2016. Hundreds of Georgia students were left waiting in line for an opportunity at a better educational opportunity.

Florida has a model worth considering that allows for a predictable growth in its tuition tax credit scholarship program. When 90 percent of the cap is reached (currently \$447 million), the cap automatically increases by 25 percent for the following year.²⁷ A similar approach in Georgia would greatly expand education opportunity to more children.

Five Reasons To Increase Georgia's Tuition Tax Credit Cap

Student Achievement: Eleven of 12 random assignment studies (the gold standard in research) show school choice improves academic outcomes of participants; no study found a negative impact. Of 23 studies, 22 found school choice improves outcomes at public schools. Source: The Heritage Foundation

Parental Satisfaction: A survey by Georgia's largest student scholarship organization found 98.6 percent of parents "very satisfied" or "satisfied" with their decision to send their children to a private school. Source: Georgia GOAL Scholarship Program

Public School Budget Benefits: The average scholarship (\$3,151) in 2014 was over \$7,250 lower than total revenues per student (\$10,411) in Georgia public schools and more than \$1,200 lower than state revenue per student (\$4,396). More scholarships equals more savings for Georgia taxpayers and/or more funding for public school students. Source: Georgia Public Policy Foundation

Popularity across Party Lines: Majorities of Democrats, Republicans and Libertarians support the program and support raising the cap. Seventy percent of Georgians support the tuition tax credit scholarship program; 62 percent support increasing the cap to \$100 million. Source: Georgia College and State University

Popularity with Taxpayers: The annual limit on contributions – \$58 million – was reached within the first 21 days of 2014 and in one day – January 1 – in 2015 and 2016. (For comparison, Florida's cap is \$447 million.) Source: Georgia Department of Revenue

Create Education Savings Accounts

Education savings accounts are a new concept, pioneered in Arizona and added in Florida, Mississippi, Tennessee and Nevada. The concept encourages innovation and choice in education while creating incentives for better outcomes at lower costs. The Friedman Foundation for Educational Choice describes the program:

²⁷ <http://www.edchoice.org/school-choice/programs/florida-tax-credit-scholarship-program/>

Under such accounts – managed by parents with state supervision to ensure accountability – parents can use their children’s education funding to choose among public and private schools, online education programs, certified private tutors, community colleges, and even universities. Education savings accounts bring Milton Friedman’s original school voucher idea into the 21st century.

Arizona lawmakers were the first to create such a program, called Empowerment Scholarship Accounts (ESAs). Through that program, the state of Arizona deposits 90 percent of the funds for a participating child into an account, which can cover multiple educational services through use-restricted debit cards. Parents can choose to use all of their funds on a single method – like private school tuition – or they can employ a customized strategy using multiple methods (e.g., online programs and community college classes). Critically, parents can save some of the money for future higher education expenses. That feature creates an incentive for parents to judge all K-12 service providers not only on quality but also on cost.

Instead of the typical “use-it-or-lose-it” government grant, unused funds in Education Savings Accounts are allowed to roll over from year to year and accumulate. This would give Georgia families another opportunity to save money for college.

ESAs are also the perfect partner for Georgia’s tuition tax credit scholarships. ESAs provide a fixed amount of funding for each child and tax credit scholarships are flexible. Low-income children could receive a tax credit scholarship on top of the ESA grant to better match their level of need. The stable funding of ESAs would offset the unpredictable funding of tuition tax credit scholarships, providing a funding model that is predictable, yet flexible enough to meet the varying financial needs of different families.

More than two-thirds of Georgians support Education Savings Accounts.²⁸

ESAs would truly empower Georgia’s students and parents and make Georgia a leader in tearing down barriers to economic opportunity.

Appendix:

Comparisons from the Quality Counts 2014 report:²⁹

Early Learning:

	GA	Rank	US
Preschool enrollment (2014)	49%	13	47%
Kindergarten enrollment (2014)	80%	8	78%

Student Achievement Levels:

	GA	Rank	US
4th grade math – Percent proficient on NAEP (2015)	35%	41	39%
8th grade math – Percent proficient on NAEP (2015)	28%	38	32%
4th grade reading – Percent proficient on NAEP (2015)	34%	34	35%
8th grade reading – Percent proficient on NAEP (2015)	30%	38	33%

²⁸ 2014 Georgia Education Survey of 1,000 Georgia adults, more information here: <http://bit.ly/1QNYexk>

²⁹ “Quality Counts 2016,” Education Week, <http://www.edweek.org/media/ew/qc/2016/shr/16shr.ga.h35.pdf>

Student Achievement Gains:

	<u>GA</u>	<u>Rank</u>	<u>US</u>
4th grade math – Scale-score change on NAEP (2003-2015)	+6	29	+6
8th grade math – Scale-score change on NAEP (2003-2015)	+9	10	+5
4th grade reading – Scale-score change on NAEP (2003-2015)	+8	8	+5
8th grade reading – Scale-score change on NAEP (2003-2015)	+5	12	+3

Poverty Gap:

	<u>GA</u>	<u>Rank</u>	<u>US</u>
Reading gap – 4th grade NAEP scale score (2015)	25	23	28
Math gap – 8th grade NAEP scale score (2015)	32	47	28
Reading-gap change – 4th grade NAEP (2003-2015)	-2	14	0
Math-gap change – 8th grade NAEP (2003-2015) (negative value = closing gap)	0	21	-1

Achieving Excellence:

	<u>GA</u>	<u>Rank</u>	<u>US</u>
Math excellence – Percent advanced on 8th grade NAEP (2015)	7%	23	8%
Change in math excellence – Percent advanced on NAEP (2003-2015) High School	+3%	16	+3%

Graduation:

	<u>GA</u>	<u>Rank</u>	<u>US</u>
Graduation rate – Public schools (class of 2012)	70%	49	81%
Change in graduation rate – Public schools (2002-2012)	+9%	16	+8%

Advanced Placement:

	<u>GA</u>	<u>Rank</u>	<u>US</u>
High AP test scores – Scores of 3 or higher per 100 students (2014)	35	10	29
Change in AP Scores – Change in high scores per 100 students (2000-2014)	+27	5	+20

Average teacher salary	\$52,880	23	\$56,065
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