



SCHOOL CHOICE Advisor

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Legislature's Finance Committee Rejects Motion To Cut School Choice Program

On a 12-4 bipartisan vote, the Legislature's Joint Finance Committee has rejected a proposal to reduce per pupil financing of the Milwaukee Parental Choice Program (MPCP).

Under existing law, students from low-income Milwaukee families will receive up to \$5,784 per child to attend private schools in 2002-03. On March 6, Senator Russell Decker (D-Schofield) proposed reducing that amount to \$2,000 for elementary and middle school students and \$3,000 for high school students. Four Democratic members of the Joint Finance Committee joined eight Republicans in defeating that proposal.

Rather than save funds, Senator Decker's proposal eventually would **increase** state costs and transfer school aids to the Milwaukee Public Schools. According to the Legislative Fiscal Bureau (LFB), the amount of the cost increase and aid shift would depend on how many choice students transferred to MPS as a result of Senator Decker's recommended funding cutbacks. [Source: *March 6, 2002 LFB analysis of Motion #263 from Senator Decker*].

If 75% of choice students transferred to MPS, the LFB estimates that state costs would rise \$6.8 million and that \$15.4 million in school aid would be transferred to MPS from all other school districts. [Source: *September 27, 2001 LFB memo to Rep. Antonio Riley (D-Milwaukee)*].


The most plausible result of Senator Decker's proposal would be a dramatic reduction in the number of schools and students that participate in the choice program. After Senator Decker made a similar proposal last year (a plan also rejected by the Joint Finance Committee), a survey by Marquette's Institute for the Transformation of Learning showed that 44 private schools would close and another 10 would likely close if the Legislature enacted cuts similar to those recently proposed by Senator Decker. [Source: *Milwaukee Journal Sentinel*, "44 Choice schools say they'd close," June 16, 2001].

Why would curtailing or ending the choice program have an adverse impact on state spending and on state aid to non-MPS districts? Because the state pays 55% of the

per pupil cost of the choice program compared to 83% of the per pupil cost of students who attend MPS. Thus, overall state costs are higher for an MPS student than for a MPCP student. If MPCP students transfer to MPS, overall state spending will rise and MPS will receive a larger share of state school aid.

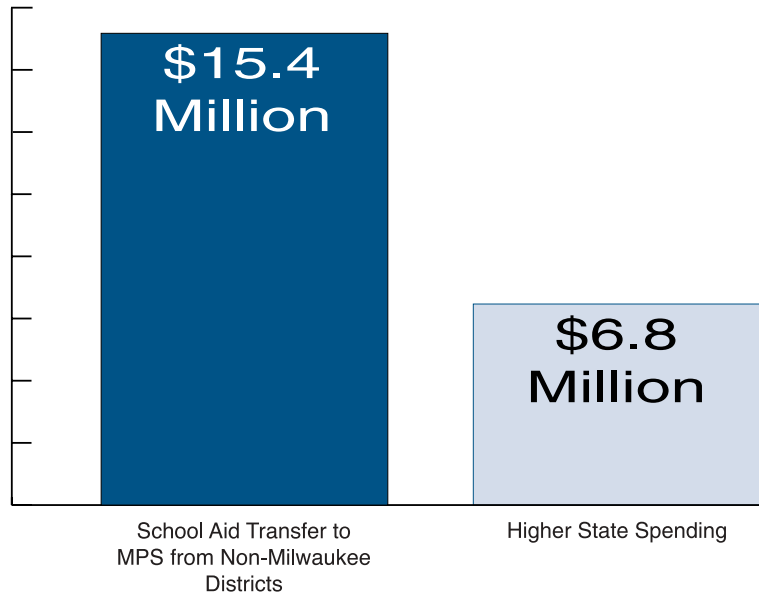
In addition, Decker's proposal would have curtailed a successful education program. The state of Wisconsin hired University of Wisconsin Prof. John Witte to evaluate the MPCP. In his book on the program, Witte observed:

"Choice can be a useful tool to aid families and educators in inner city and poor communities where education has been a struggle for several generations...If programs are devised correctly, they can provide meaningful educational choices to families that now do not have such choices. And it is not trivial that most people in America... already have such choices." [*The Market Approach to Education - An Analysis of America's First Voucher Program*, Princeton University Press, 2000.]

For more information about research involving Milwaukee's school choice program, go to www.SchoolChoiceInfo.org. 



School Choice Facts – *at a Glance*



The Fiscal Impact of Ending School Choice*


The Legislature’s Joint Finance Committee recently defeated a motion to cut funding for the Milwaukee Parental Choice Program by more than 50%. The defeated motion effectively would have ended the choice program and closed dozens of private schools, causing thousands of students to transfer to the Milwaukee Public Schools. Ending the MPCP would increase state spending and transfer millions in school aids to the Milwaukee Public Schools from non-Milwaukee districts. 🎓

*Assumes 75% of choice students transfer to MPS. Source: Legislative Fiscal Bureau, 9/27/01.

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