

Questions and Answers on HB 21 Special Education Vouchers

- How many children with special needs would qualify for an ESA voucher under HB21?
 - Children can receive an ESA voucher under HB21 if they 1) are eligible to participate in special education programs; or 2) covered by Section 504.
 - In 2014-15, there were 451,606 children with in special education programs in Texas public schools.ⁱ The Texas Education Agency does not track the number of students with Section 504 accommodations, but a national study of U.S. Department of Education data showed that 132,074 students in Texas public schools, or 2.6% of the total student population, had 504 plans in the 2011-12 school year.ⁱⁱ
 - Because there are no income eligibility requirements in the bill, even wealthy families could get an ESA voucher under HB21 to subsidize private school tuition.
- How much would the state pay for ESA vouchers for each eligible student under HB21?
 - Under HB21, the ESA voucher amount would be 90% of the statewide average M&O. Using the statewide average M&O for 2014-15 of \$9022, the voucher amount per student would be \$8300.ⁱⁱⁱ
- What is the average cost of tuition for children with special needs at private schools?
 - \$9,672 for a mainstream school and at least \$15,000 for school that specialize in students with special needs.^{iv}
- How much would a family still owe in tuition for private school, given the difference between the average ESA voucher and the cost of tuition?
 - Between \$1,342 – 6,700
- What is the financial impact of the bill on funding for school districts?
 - Under the terms of HB21, during the first year only that a student opts for a special education voucher, the student would still be counted for purposes of calculating weighted average daily attendance (WADA), and thus the district would not lose funding for that student. Also during the first year only for each student, the district would receive a “payback” equal to 5% of the statewide average M&O, or \$451, per student.
 - However, school districts in Texas would lose funding for all students after the first year who opt for vouchers under HB21. Using just the number of Texas students in special education programs (not including the Section 504 students), CPPP’s analysis showed that, beginning in the second year of operation of the voucher program, Texas school districts stand to lose over \$37.4 million annually if 1% of eligible students opted for vouchers; over \$74.9 million annually if 2% opted for vouchers; and over \$112.4 million annually if 3% opted for vouchers. (See attached table)
- Would a child with special needs receive more or less support from the state if the family opted for the ESA voucher or public school?
 - Less support, because the ESA voucher amount is 90% of the funding of the statewide average M&O, and because special needs students receive additional funding beyond the statewide average M&O when they attend public school.
- What information do we have about whether children with special needs do better in private school versus public school?

- Because private schools are not subject to the same accountability and reporting requirements of public schools, there is limited information available about whether children with special needs fare better or worse than in public schools.

ⁱ TEA data 2014-15.

ⁱⁱ <http://www.advocacyinstitute.org/resources/Overall.504StudentsCRDC2012.pdf>.

ⁱⁱⁱ TEA data 2014-15.

^{iv} See <https://www.privateschoolreview.com/tuition-stats/private-school-cost-by-state>; <https://www.privateschoolreview.com/river-oaks-academy-profile>.

Estimated Annual Loss in Funding to School Districts beginning in Second Year of Operation for HB21 Voucher Program¹

Estimated voucher usage rate		1% Usage		2% Usage		3% Usage	
	Total # SPED students in TX public schools 2014-15	# SPED voucher students	Amount lost to public schools	# SPED voucher students	Amount lost to public schools	# SPED voucher students	Amount lost to public schools
All Texas school districts	451,606	4,516	\$ 40,743,893	9,032	\$ 81,487,787	13,548	\$ 122,231,680
Houston ISD	16,299	163	\$ 1,470,496	326	\$ 2,940,992	489	\$ 4,411,487
Dallas ISD	11,662	117	\$ 1,052,146	233	\$ 2,104,291	350	\$ 3,156,437
Northside ISD	11,602	116	\$ 1,046,732	232	\$ 2,093,465	348	\$ 3,140,197
San Antonio ISD	5,540	55	\$ 499,819	111	\$ 999,638	166	\$ 1,499,456
Pasadena ISD	5,150	52	\$ 464,633	103	\$ 929,266	155	\$ 1,393,899
Amarillo ISD	3,184	32	\$ 287,260	64	\$ 574,521	96	\$ 861,781

¹ To estimate the annual loss in funding to school districts beginning in the second year of operation of HB21, we multiplied the number of special education voucher students within each usage rate (1 percent, 2 percent or 3 percent) by TEA's statewide average 2014-15 M&O per student, which is \$9022. During the first year only that a student opts for a special education voucher, the student would still be counted for purposes of calculating weighted average daily attendance (WADA), and thus the district would not lose funding for that student. Also during the first year only for each student, the district would receive a "payback" equal to 5% of the statewide average M&O, or \$451, per student. Our analysis underestimates the funding loss to school districts from the second year onward because it does not include students covered by Section 504, who are also eligible for HB21 vouchers. A national study of U.S. Department of Education data showed that 132,074 students in Texas public schools, or 2.6% of the total student population, had 504 plans in the 2011-12 school year. See <http://www.advocacyinstitute.org/resources/Overall.504StudentsCRDC2012.pdf>.