

# Maine Issue Brief

Published by The Maine Heritage Policy Center

No. 19

## Maine's "Town Tuitioning" Program *Milton Friedman's School Choice Ideal?*

July 31, 2007

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Economist Milton Friedman first described his vision for a school voucher program in a 1955 essay titled *The Role of Government in Education*. Arguing that government operation of schools could not be justified in what he called a "predominantly free enterprise society," and convinced that the free market would produce a better educational product, Friedman developed the concept of school vouchers as a way that government could both fund the education of its citizens and create better schools:

*"Governments could require a minimum level of education which they could finance by giving parents vouchers redeemable for a specified maximum sum per child per year if spent on 'approved' educational services. Parents would then be free to spend this sum and any additional sum on purchasing educational services from an 'approved' institution of their own choice...The result of these measures would be a great widening in the educational opportunities open to our children... They would bring a healthy increase in the variety of educational institutions available ...Private initiative and enterprise would quicken the pace of progress in this area as it has in so many others."*[1]

With those sentences, the concept of school vouchers was born. Today, there are various school voucher programs in place around the nation, but none share all the qualities that Friedman felt were critical to the success of such a program. To his way of thinking, a successful voucher system needed to have the following characteristics:

- **Vouchers should be universal, not means-tested.** Early voucher programs in places like Milwaukee were targeted toward low-income students only. In Friedman's view, all children were entitled to school choice, not just some. Further, the more children that participated in a given choice program, the more new schools would open to meet the demand, and the more new choices families would have in selecting a school that best met the needs of their child.[2]
- **Vouchers should be of sufficient monetary value to offer real choice and encourage entrepreneurship.** As supportive as Friedman was of the voucher program in Cleveland, one of the nation's first, he was critical of the low monetary value of that city's vouchers. In his view, providing a school voucher that could buy little did not really provide a choice to those parents who could not afford to supplement the voucher with their own funds. Furthermore, for true educational choice to happen, entrepreneurial educators would have to be able to afford to open competing schools, and only vouchers of sufficient value would be incentive enough to foster the creation of these new school options.[3]
- **Vouchers should be as free as possible from government restrictions.** Simply put, school choice programs would not result in a broad marketplace of educational options if governments over-regulate them. While there is clear value in governments insisting on safety, financial accountability and so forth, too many voucher programs put limits on which schools students may attend, or force schools to adopt state standards, curriculum, and testing regimes. Friedman felt that fewer restrictions would lead to greater innovation and better schools.

In short, school voucher programs should be available to all students, should be structured and funded in such a way as to encourage entrepreneurship and choice options, and should be free enough from the meddling of government bureaucrats that schools of choice are able to be innovative and to develop new and creative ways to meet the needs of every child.

### Maine's Town Tuitioning Program

Long before Milton Friedman first put the concept of school vouchers to paper, students in many Maine towns were already taking advantage of a school choice option very much like what Friedman had in mind. In 1873, the Maine legislature passed the *Free High School Act*, which required towns to either create high schools of their own or pay tuition to send their students to one of the many private town academies. A 1909 change in the law allowed students in "tuitioning" towns to attend a high school of their choice, public or private, paid for by the town. Students could attend religious schools as well, until the Maine Legislature outlawed the public funding of parochial schools in 1981.[4] Today, nearly 14,000 students in over 100 Maine towns take advantage of this program, attending schools of their choice much as Milton Friedman envisioned.[5]

## How well does Maine's Town Tuitioning program rate against the "Friedman ideal" of a school voucher program?

**Universality:** School choice through town tuitioning is only available to families living in a "tuitioning" town. The program is not "means tested" in any way, meaning that students of all abilities and financial backgrounds are eligible, but it does require that the child live in a town that tuitions its students. Under a "Friedman ideal" program, all students would have the choice options now available to students in Maine's tuitioning towns, which would lead to more innovation and better schools for all.

**Voucher value:** The monetary value of Maine's "school vouchers" is set by the state, and is based on the average state-wide per-pupil rate for the year previous. For 2006-2007, that rate is about \$8,400 for in-state private secondary schools, an amount which is seen by voucher supporters as sufficient to cover costs for most families and to encourage the creation of competing schools, though the geographic limits of the program do much to limit choice options.[6,7]

**Government Restrictions:** The most glaring restriction placed on the tuitioning program by the state is its refusal to tuition students to religious schools. Where other states make voucher payments to parochial schools conditional on allowing students to "opt-out" of religious programming, Maine bans funds to

those schools entirely, severely restricting student choice. Furthermore, for private schools in which tuitioned students make up 60 percent of the student body or more, the state requires participation in the Maine Educational Assessment testing program, among other regulations.[8]

### Conclusions

In a 2002 study of Maine's Town Tuitioning system, researchers found that despite the limited number of schoolchildren involved in the program, student choice and competition did have the effect of raising student achievement. They concluded that "tuitioning introduces healthy competitive incentives that improve public schools." [9] Unfortunately, relatively few students are able to take advantage of the choice option provided by tuitioning. For that reason, a 2003 Friedman Foundation study gave Maine's school choice program a grade of "B", citing both its limited availability and its ban on funding for religious schools.[7]

As families across the nation fight for more school choice options, it behooves the people of Maine to look carefully at the town tuitioning program, to assess its successes, and to consider that perhaps the key to improving Maine's schools is to make careful changes to strengthen and expand the venerable program, in order to bring it more fully in line with Milton Friedman's vision of school choice for all.

### Sources

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