

Thursday, April 1, 2021

Newsletter

## "TURDUCKEN VOUCHER" BILL INTRODUCED IN FLORIDA



Voucher advocates are excited about a new bill introduced earlier this week in the Florida legislature. The bill would create what its advocates describe as the *Turducken Voucher*.

A traditional roast turducken is a chicken stuffed in a duck and then stuffed in a turkey. For Florida's legislative chefs, the chicken is a traditional voucher, the duck is a neovoucher (which is funded through tax-credited donations), and the turkey is an education-saving-account (ESA) voucher. The legislators then pushed previous limits by squeezing their whole bundle of Turducken fowl goodness into a wild goose: a charter school.

Rep. Ernie Caper, the bill's chief sponsor in the Florida House, acknowledged that "Gooturduchen" doesn't roll off the tongue, so he and his fellow legislators settled on "Turducken Voucher" as the name for their policy delicacy. "We felt it was best to let the wild goose be a surprise," Caper explained.

While the effort of Florida legislators is extraordinary for its daring, they stand on the shoulders of pro-voucher legislators around the U.S. who have been mixing and matching quite a bit this year, combining the expansion of vouchers and charter schools in the same bills and merging elements of, for instance, neovouchers and ESA vouchers. "It's like we're breeding 'Pitthuahuas,'" Caper remarked. "The offspring are something to behold."

The genesis of the Turducken Voucher dates back to a pre-COVID night out drinking among some young attorneys who work at the American Legislative Exchange Council (ALEC) – an organization that cooks up exotic model bills and then spoon-feeds them to conservative

state legislators. As a lark, the lawyers challenged each other to devise the most unwholesome and convoluted voucher law that would take unaccountability and private enrichment to its logical conclusion.h

"That's pretty much what we do in our day job, anyway," said Beth Jesty, one of the drinkers that night.

But the goal at ALEC is to be a bit more guileful. The legislators who use our stuff like to be able to make pronouncements about good governance and what not - so we try not to put the private enrichment stuff front and center.

The game at ALEC continued for several weeks, with the attorneys using their free time to add fun embellishments. When they'd finished, they printed out their model Turducken Voucher bill and gave a framed copy to their boss, Josh Mock, who enjoyed the joke and hung it on his office wall. That was supposed to be the end of the story – until Rep. Caper dropped by to visit his old friend Mock.

"Ernie saw the Turducken Voucher thing on the wall and loved the idea!" explained Mock.

See, at this point in Florida, Ernie's gang really doesn't have to be subtle. The voucher advocates have their friends in the governor's office, both houses of the legislature, the state courts, and the federal courts. So it's the 'in your face' aspect of this bill that really appealed to Ernie.

We asked Jesty to walk us through the approach.

So the money goes from the donor to the School Tuition Organization, which is also a Charter Management Organization. The parents enroll their kids in the charter, which isn't really a charter school at all – it's just a pass-through. The parent gets a voucher in the form of an ESA debit card. And the entrepreneurs who run the charter and STO get to keep part of the donations plus the bit of funding they get from the state through the charter school law. We put a lot in there about ways that the entrepreneurs can make out like bandits – you really ought to see it!

She added that the Turducken Vouchers would be universally available.

We were going to include one of those fun 'eligibility' provisions. You know, the vouchers are available only to families with incomes within 300% of the federal poverty level, as well as any child who attends a Title I school or any child who claims to have been bullied, as well as any child, grandchild, or second cousin of someone who had served in the military – you know the game. It could certainly have worked since I doubt that many people understand that more than half of Florida's children are easily captured just in that first criterion about 300% of the poverty level. Anyway, at the end of the day, we just decided to scrap the pretense and make the Turducken Voucher available to everyone, which is one reason why the charter-school mechanism fits so well.

Back in Florida, Rep. Caper was all smiles. "If we can get this through, I may be the first to

set up some companies and start raking it in." Then, with a wink, he added, "But given the lack of transparency and accountability in this law, you'll all never know if I'm doing it or not."

The following are the specific provisions the ALEC attorneys came up with:

- 1. Any individual or corporations owing taxes to the state can receive a 100% tax credit on the amount owed simply by donating that sum to a "School Tuition Organization" (STO).
- 2. Each STO is a nonprofit corporation that is also set up as a nonprofit education management organization (also known as a Charter Management Organization, or CMO).
- 3. Each STO/CMO (or "STOCMO") is granted at least one charter to run a school under the state's charter school law. But that charter school doesn't exist as an actual school it's just used as a pass-through for funding the voucher.
- 4. Specifically, when the STOCMO receives a tax-credited donation, it bundles that donation with others in order to provide an Empowerment Savings Account (ESA) debit card to parents who enroll in the charter school. Each ESA debit card is in an amount equal to 80% of the public school per-pupil operating revenue. So, if public school students were funded at \$10,000/year, the ESA would be for \$8,000/year.
- 5. The parent can use the ESA for any education-related expense, including private school tuition.
- 6. The STOCMO can retain 10% of the tax-credited donations to use for its salaries and other operating expenses. The remaining 90% is allocated to parents through the ESA.
- 7. The state will also pay each STOCMO 10% of the public school per-pupil operating revenue for each enrolled student.
- 8. In addition, each STOCMO is encouraged to apply for federal grants through the federal Charter Schools Program.
- 9. The law also includes an "Entrepreneurship, Innovation, and Freedom" section that promises to keep STOCMOs' operations free from burdensome regulations. In particular, the section includes the following:
  - a. There shall be no requirements that students funded through ESAs report scores on, or even take, any standardized assessments.
  - b. There shall be no audits or oversight concerning how parents spend the ESA money.
  - c. There shall be no program evaluation to consider the effectiveness of the Turducken Voucher policy.
  - d. There shall be no requirements that private schools receiving ESA funds meet any

standards concerning facilities or teacher qualifications.

- e. No anti-discrimination or civil rights protections, or need to accommodate children's special needs shall be tied to participation by a private school in the Turducken Voucher program.
- f. There shall be no restrictions on exorbitant salaries taken by employees of STOC-MOs.
- g. While STOCMOs themselves must be nonprofit, there shall be no restrictions on the directors and managers of the STOCMOs funneling money directly or indirectly to for-profit companies that they own and operate and that enter into a contract with the STOCMOs. Shell companies, sweep contracts, interlocking directorates, leases beyond market rates, and other forms of creative self-dealing are all very much encouraged.

## NEPC Resources on Vouchers

This newsletter is made possible in part by support provided by the Great Lakes Center for Education Research and Practice: http://www.greatlakescenter.org

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