



Testimony before the House Committee on K-12 Education Budget
in opposition to
**House Bill 2465 – Amending the tax credit for low income students scholarship program act to
expand student eligibility**
by
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Ms. Chair, Members of the Committee:

[Game On for Kansas Schools](#) is a nonpartisan grassroots effort among Kansans who share a belief in high-quality public education as a right of all Kansas students. We advocate for Kansas public schools to ensure our teachers, principals, superintendents, and school board members have the resources necessary to deliver quality education to all Kansas students. We inform communities across the state about issues and legislation affecting their students, and our membership extends statewide.

Our concerns regarding this bill are extensive. We opposed the tax credit scholarship bill in 2014, saw it defeated in committee but then bundled into HB 2506 and passed in the final hours of the 2014 session with the Gannon equity remedy. The underlying bill is an ALEC (American Legislative Exchange Council) bill.¹ Sections of Kansas' tax credit scholarship program are identical or nearly identical to the ALEC boilerplate bill. ALEC is not an advocate for Kansas children or schools but is a national group that promotes limited government and free markets. In alignment with these ALEC goals, this bill provides for the diversion of taxpayer funds to private schools. As we have seen in other states, the initial bill was merely the first step, and we are now testifying against the fourth attempt at expansion.

We were told in 2014 that tax credit scholarships are a combination of donor philanthropy and helping poor children escape failing schools, but donating money that is given back is not philanthropy; it's tax avoidance. This isn't even a tax deduction, it's a tax credit, and this bill does nothing to decrease the seventy percent credit. We continue to oppose the diversion of up to \$10 million annually from the State General Fund and oppose this bill which seeks to expand the program beyond the 100 lowest-performing schools in Kansas, and beyond the students eligible for free lunch.

In 2014, we disagreed with the original bill's claim that tax credit scholarships allow poor children to "escape failing schools" and reassert our disagreement today. Our Kansas public schools continue to do more in an effort to help all Kansas children achieve while also serving an increasing number of students living in poverty and with special needs. Our schools are not failing. So called "failing" schools tend to be schools with high numbers of disadvantaged students whose challenges of poverty, food and housing insecurity, homelessness, and trauma cannot be overcome by the schools alone. Even accepting for a moment, the classification of "failing" schools, the fact that this bill specifically seeks to eliminate the requirement that a student attends one of the 100 lowest-performing schools to receive a scholarship undercuts the rationale of the program – to help children "escape" those schools.

Similarly, if the stated purpose of Kansas' tax-credit scholarship program is to serve students "at-risk", then this bill's expansion of eligible students from those who qualify for free lunch to include those who just qualify for reduced-price lunch is problematic. Students who receive reduced-price lunch are not automatically "at-risk". The "at-risk" proxy in Kansas law which triggers funding for at-risk programs is free lunch. This bill expands the tax credit program to students who do not fit the proxy definition of "at-risk" according to Kansas law, and it does not require recipients to provide any additional evidence they are a student at-risk. This seems an inappropriate expansion of the program to allow tax-credit scholarships for students beyond the target population.

Justification for this program and this bill has been largely based on the alleged superiority of private schools. Unfortunately, the voucher/tax credit scholarship experiment has been underway for decades in other cities and states, and research shows that these programs do not lead to improved student performance.² According to a longitudinal study published in 2018 by professors at the University of Virginia, there is no evidence that private schools are better at promoting student success.

"In sum, we find no evidence for policies that would support widespread enrollment in private schools, as a group, as a solution for achievement gaps associated with income or race. In most discussions of

such gaps and educational opportunities, it is assumed that poor children attend poor quality schools, and that their families, given resources and flexibility, could choose among the existing supply of private schools to select and then enroll their children in a school that is more effective and a better match for their student's needs. It is not at all clear that this logic holds in the real world of a limited supply of effective schools (both private and public) and the indication that once one accounts for family background, the existing supply of heterogeneous private schools (from which parents select) does not result in a superior education (even for higher income students).³

There is also substantial research documenting ways in which private schools utilizing vouchers in other states have shown a lack of accountability,⁴ higher attrition rates,⁵ fiscal mismanagement, fraud and a lack of adequate academic services.⁶

Under this bill, a student could use a tax credit scholarship to leave a “high performing” public school and pay tuition at a lower-performing private school. Tax credits should not be used for such purposes. School choice exists in Kansas, but if we have public subsidies at all they should not be expanded to allow their use for inferior educational options. As parents, we also find the overall lack of accountability in this program troubling. If taxpayer dollars are to be distributed to private schools, recipient schools of those funds ought to show they are providing students with a strong education. While the current program requires schools to be accredited, they are not required to be accredited by the State. Thus, they still may not be required to provide everything that public schools are required to provide. They can discriminate and turn away students they find undesirable.

Declining contributions also cause us to question why there is a need to expand this program at all. In addition to the other reasons we state in this testimony, we note that contributions hit a high point in 2017, dropped about \$760,000 in 2018 and appear to have dropped another \$800,000 in 2019 (final data are still pending but we accounted for that in our estimate). These figures do not seem to justify an expansion of the program.

We also oppose state support for segregation of Kansas students based on religious beliefs. Although the scholarship mechanism avoids the direct funding of religious institutions, the fact remains that the vast majority of the private schools that would receive “scholarship” funding are religious. Of the 116 schools signed up to participate in the program, only three have no religious affiliation. The top three Scholarship Granting Organizations (SGOs) are religiously affiliated and account for the placement of 753 of the 798 eligible students in 2019. SGOs can retain up to ten percent of the funding they receive, so they are also being subsidized by this program. Religious schools are free to exist in Kansas, but they should not receive taxpayer funding.

We must explicitly state that tax credit scholarships are essentially a voucher program, with the SGOs placed in the middle in order to avoid the direct funding of religious schools (which has been ruled unconstitutional in other states) and to fly below the radar of public perception as polls have repeatedly demonstrated that people oppose vouchers. We oppose this lack of transparency and end-run around the Kansas Constitution.

It defies logic to tell our public schools they must be efficient and minimize administration and then allow the diversion of public dollars to schools in a separate system, with their own buildings and administrators. Instead of looking at expanding this program, we should be discussing repealing it entirely. We oppose this bill, which subsidizes religious schools with public tax dollars, fails to protect the educational interests of the students using the program and harms the vast majority of Kansas children who rely upon our public schools for their education. We urge you to oppose House Bill 2465.

¹ “The Great Schools Tax Credit Program Act (Scholarship Tax Credits).” *American Legislative Exchange Council*, Introduced 1 Jan. 2005, <http://www.alec.org/model-legislation/the-great-schools-tax-credit-program-act-scholarship-tax-credits/>.

2 Carnoy, Martin. "School Vouchers Are Not a Proven Strategy for Improving Student Achievement: Studies of U.S. and International Voucher Programs Show That the Risks to School Systems Outweigh Insignificant Gains in Test Scores and Limited Gains in Graduation Rates." *Economic Policy Institute*, 28 Feb. 2017, www.epi.org/publication/school-vouchers-are-not-a-proven-strategy-for-improving-student-achievement/.

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³ Pianta, Robert C., and Arya Ansari. "Does Attendance in Private Schools Predict Student Outcomes at Age 15? Evidence From a Longitudinal Study - Robert C. Pianta, Arya Ansari, 2018." *SAGE Journals*, Educational Researcher, Vol. 47 No. 7, Pp. 419-434, 9 July 2018, journals.sagepub.com/stoken/default+domain/XfYmtC25VddcCfbA3xiV/full.

⁴ Borsuk, Alan J. "Scores Show Voucher Schools Need Accountability." *Jsonline.com*, Milwaukee-Wisconsin Journal Sentinel, 1 Dec. 2012, archive.jsonline.com/news/education/scores-show-voucher-schools-need-accountability-t87s06b-181693671.html.

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⁵ "Reports, Reviews Offer Little to Commend Milwaukee Voucher Schools." *National Education Policy Center*, 19 Apr. 2012, nepc.colorado.edu/newsletter/2012/04/review-Milwaukee-Choice-Year-5.

⁶ Carr, Sarah. "Choice Funds Used to Buy 2 Mercedes." *Jsonline.com*, Milwaukee Wisconsin Journal Sentinel, 17 Feb. 2004, archive.jsonline.com/news/education/163337666.html.

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