

February 7, 2023

In-Person Testimony to Senate Education Committee

Honorable Chair, Senator Molly Baumgardner

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Room 445-S, State Capitol Building

Opposed to [Senate Bill 83](#) – Expansion of Tax Credit Scholarship Program

Hearing: Tues, February 7, 2023, 1:30 PM Room 144-S

Honorable Chair Baumgardner and Committee Members,

Thank you for the opportunity to provide in-person testimony regarding SB 83 – Expansion of the tax credit scholarship program. Kansas PTA is strongly opposed to this expansion and general use of public funds to subsidize private school systems ([KS PTA Legislative Priority 11](#)). Our opposition to this bill stems from multiple concerns.

First, the proposed changes to the tax credit scholarship program in SB 83 expands eligibility to students who do not even qualify for free or reduced priced lunch program and creates a loophole through which low-income at-risk students can be passed over for students whose educational challenges are less demanding. This proposed change runs contrary to the rationale for the program – to provide an option for at-risk students enrolled in the public schools (as defined by [state statute 72.5132](#)), particularly families living in communities with high rates of poverty.

- **There is plenty of program capacity for at-risk students at present, without expansion.** Over 200,000 students in Kansas are eligible for free lunch and another 36,000 students eligible for reduced priced lunch. The scholarship program currently serves about 1,300 students, meaning at least 234,00 eligible students and families are choosing to remain in their neighborhood public schools, are not aware of the scholarship program, or are not being admitted.
 - Note, the Kansas legislature does not provide public schools with weighted funding for students eligible for reduced price lunch, let alone up to 250% of the poverty level.
 - If new taxpayer dollars are going to be allocated, let's direct these resources to educators who are part of a system compelled to serve every child in the public neighborhood schools in which the students live – regardless.
- **Why raise the program cap from \$10 million to \$20 million, when the program only spent about \$4 million each of the past two years** ([see also KS LPA, April 2022](#))? This leaves current capacity for about \$6 million more in scholarships than is being utilized today.
- **Why increase a tax credit subsidy from 70% to 100%**, when some state legislators argue the state doesn't have enough money to fully fund special education?

- **Why expand eligibility through high school, when there are only 16 accredited private high schools in the entire state?** This undermines major steps by the Kansas legislature to ensure equity regardless of zip code.
- **Why expand the program to students who have never attended public schools?** Families could enroll in lower performing private schools without the benefit of having experienced the opportunities in their neighborhood public school. Families could enroll in schools not committed to meeting their children’s needs, only to be transitioned out and further behind ([Cowen, 2022](#)).
- **Why expand to include children of emergency medical service providers, firefighters, law enforcement, military, and foster care?** Why not just ensure quality neighborhood public schools and access to quality early childhood and childcare before and after school?

Essentially, what was said to be about the students, is changing into a program explicitly about subsidizing the private school system. This new expansion bill appears to be more of an exercise to broaden eligibility for the benefit of the private school systems, than for the at-risk students themselves.

Second, Kansas private schools operate under a different set of rules than public schools and are held to very little oversight regarding use of public funds ([KASB, 2021](#)). For example, private schools:

- may select or pass over students of their choosing;
 - During a recent Committee Hearing Q&A, a private school conferee explained that [The Independent School] does *“not exclude kids based on race, nor their gender identify or expression...”*. When asked whether they had *“excluded students for other reasons?”* The conferee reflected on whether *“we have the resources to provide support for that kid, if the answer is ‘No’, then we wouldn’t necessarily accept that kid... If a kid is one level or two levels below in terms of reading...we are able to provide that service. ... If a kid was four or five grade levels below, we wouldn’t have the resources to be able to provide and close that gap.”* (Jan 25, 2023, Hse K-12 Budget Cmte, [starting about the 1:08 mark](#))
- are not required to offer specific programs or curricula to fulfill state graduation requirements;
- may suspend, expel, or counsel out students for any disciplinary or academic reasons, for any period of time, without due process;
- are not required to identify the need for, or make special accommodations, for students with learning needs due to disabilities, poverty, language or gifted students;
- are not required to provide transportation or food service;
- may charge tuition and fees for attendance and materials;
- are independent institutions with their own governance structures and few public reporting requirements, with limited, if any, oversight on the use of public funds.

Third, this bill is a massive expansion of a program with no impact data. No legislative audit has been conducted on the educational progress and outcomes of the students who have received scholarships to date. We looked for evidence that would warrant expansion, but instead found annual reports, lacking in meaningful oversight ([annual reports](#)). The private school tax credit scholarship program reporting requirements:

- do not inform parents of their average Kansas Assessment scores of the scholarship recipients, particularly in comparison to similar students who did not receive scholarships,
- do not inform parents of their average scholarship student retention rates, graduation rates, college enrollment rates, college persistence rates,
- do not inform parents about how many scholarship students the private schools *transitioned* back to public schools for their failure to help these at-risk youth:

“There is always going to be a time, as they [students] mature up to high school. And if they don’t start passing some classes, they are not going to graduate from our schools. Because we have a higher academic standard. So, we have to transition kids to a different school, just because they are not going to meet the educational requirements. But that is their own choice, because of how they worked in the schools” (<https://youtu.be/cGFuVI5qLjU?t=3355>, Director of Development Catholic Diocese of Wichita, KS House K12 Budget Committee, Jan 2021, 56:00 min mark).

The tax credit scholarship annual reports do provide some insightful contextual information. The vast majority of the private, non-public schools *eligible* to participate in the program are from parochial school systems. In addition, two of the nine private entities managing the scholarship funds are from out of state (CO and VA) and all of whom may take a 10% administration fee. In other words, the tax credit scholarship program is at least double the central administrative costs of Kansas public schools at 5% of total expenditures ([KSDE](#)). And public schools are required to provide substantially more services, with significantly more labor intensive administrative oversight, accountability and transparency reporting requirements.

Fourth, Kansans should take note of the cautionary tales coming out of states with a tax credit scholarship program and other voucher platforms. A growing body of evidence, is identifying problem after problem, in [Florida](#), [North Carolina](#), [Louisiana](#), [Ohio](#), [Indiana](#), as well as [Oklahoma](#), [Arizona](#), [Ohio](#) and [Virginia](#). The Kansas tax credit scholarship program gives choice to private schools, not to parents. With the proposed expansion, students performing at Level 1 on the Kansas Assessments are even less likely to be offered a scholarship. Participating private schools are receiving taxpayer funds, yet are allowed to be selective about who they choose to admit and who they choose to transition out.

The legislature has already adopted a plan to address equity and adequacy – it is Gannon. The restoration of the general education school finance formula under Gannon has been pivotal in restoring critical resources and support for student learning ([KASB, 2022](#)). This plan creates opportunities for all Kansas students. The word PLAN is emphasized because the SOLUTION has been phased in between 2018 thru 2023, meaning: this school year (2022-2023) is the very FIRST year in over a decade that school districts have been allocated the FULL amount of general education funds, accepted as constitutional. Let’s build on this new baseline.

Thank you for your consideration of our opposition to HB 2048 – expansion of the tax credit scholarship program.

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THE PTA POSITION

Kansas PTA is a nonpartisan association that promotes the welfare of children and youth. The PTA does not endorse any candidate or political party. Rather, we advocate for policies and legislation that affect Kansas youth in alignment with our legislative platform and priorities. [PTA mission and purpose](#) have remained the same since our inception over 100 years ago, focused on facilitating every child’s potential and empowering families and communities to advocate for all children.