

Vincent Anch
Catholic Education Foundation
12615 Parallel Pkwy.
Kansas City, KS 66109
vanch@archkck.org
(913) 647-0383

Oral Proponent for HB 2136:
Expansion for the Tax Credit for Low Income Students Scholarship Program

House Education Committee Hearing
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Thank you, Chairwoman Estes and members of the Kansas House Education Committee, for allowing me to testify in favor of HB 2136, the bill addressing changes to the low-income tax credit scholarship program.

On behalf of the Catholic Education Foundation (CEF), a Scholarship Granting Organization (SGO), and the 42 schools we serve in Northeast Kansas, I am writing in support of HB 2136.

The Kansas Tax Credit for Low Income Students Scholarship Program is a powerful tool that helps SGOs support hundreds of children from low income households by providing high quality education in the safest environments. 95% of CEF's tax credit scholarships serve families and schools in the poorest communities in Northeast Kansas.

CEF represents 42 schools in 22 counties covering rural, suburban and urban communities in Northeast Kansas. Last year, CEF provided approximately \$2.6 million in scholarships to families that qualify for federal poverty assistance like the free and reduced lunch program. Over 93% of the students receiving scholarships are ethnic minorities. All are Kansas residents. Every family that receives a tax credit scholarship fully pays all of their state and local taxes. This is not a voucher program.

100% of CEF scholarship students graduated last year or successfully moved up to a higher grade. Since the tax credit scholarship program began over 95% of student scholarship recipients have attended college or advanced technical training programs. These are statistics that are much higher than peer public schools located near CEF schools.

Many families request tax credit scholarships citing the high education standards, family atmospheres and safe environments that Catholic schools provide. Parents are extremely grateful when they receive tax credit scholarships to the point that most get emotional.

According to KSDE it cost \$18,324 last school year to educate one child for one year in a Kansas public school. This school year alone SGOs in Kansas are collectively providing 2,360 students with tax credit scholarships saving tax payers over \$43 million.

The SGOs in Kanas are projected to reach the \$10 million limit during this calendar year. When that happens no more families will benefit from these scholarships.

We are strongly requesting that the state raises the number of tax credits available each year with either an escalator clause that kicks in immediately when 90% of the limit is reached or ideally by raising the limit beginning July 1, 2025 from \$10 million to \$15 million. The current limit makes the Kansas program one of the smallest if not the smallest programs in the country. We also humbly request that the tax credits currently offered at 75% be increased to 100%. This would enable every Kansas SGO to help more low-income families and make the program more competitive especially for the SGOs that operate near the Missouri state line like Kanas City, Atchison, Leavenworth and Pittsburg. Missouri, along with Arizona, offers 100% tax credits and other states offer 85-90% credits. Many Kansas residents that live in Wyandotte, Johnson, Atchison, Leavenworth and Crawford counties work in Missouri and pay taxes in both states. CEF has lost donors and prospective donors to the Missouri program because it offers 100% tax credits and has \$25 million in tax credits available annually. We would like to keep Kansans' donations funding Kansas schools.