



Testimony to Senate Assessment and Taxation Committee SB 270 – Tax Credit Scholarships 17 March 2015

James Franko, Vice President/Policy Director

Chairman Donovan and Members of the Committee:

Thank you for the opportunity to testify today in support of SB 270. There is no silver bullet in K-12 education, but many states across the country are enacting tax credit scholarship programs, amongst other reforms, to help make an effective education accessible to more students.

This bill sends a strong message that Kansas' education system will place individuals over institutions and strengthens a program enacted last year. Certainly, many kids receive a quality education in Kansas, but the facts also make clear that many do not. Unfortunately, one of the student groups lagging behind their peers are children of low income. This fact is true across districts and the state. There are many reasons why these children underperform their more economically-secure peers, but it should be noted that it is not because they cannot learn. It is simply that too often they have not been given the opportunity.

Much of this bill is technical in nature and, in part, reflects numerous discussions that took place over the past nine months with several private schools, potential Scholarship Granting Organizations, Kansas Department of Revenue, Kansas Department of Education, and other interested stakeholders.

The most substantive portion of the bill removes the "failing schools" requirement as a criteria for student eligibility. The legislature is often reminded about the learning challenges faced by "at-risk" students regardless of where they attend public school. This bill would reflect that reality and understand that an "at-risk" student should be treated the same regardless of where they live. Also, nothing in this bill should be considered an expansion as the \$10,000,000 in available tax credits remains unchanged. The bill simply recognizes that all "at-risk" children should be given the same opportunities under state law.

The National Assessment of Educational Progress demonstrates the difference in achievement for low income children compared to higher income students. This is data from a national exam and looks at all students from a statistically valid and representative sample of Kansas pupils.

| 4th Grade Reading (NAEP) | | | | | | | |
|---------------------------------|------|------|------|------|------|------|--|
| | 2003 | 2005 | 2007 | 2009 | 2011 | 2013 | |
| Not Low Income | | | | | | | |
| % At Or Above Proficient | 42 | 42 | 46 | 47 | 50 | 54 | |
| Low Income Students | | | | | | | |
| % At Or Above Proficient | 18 | 20 | 21 | 22 | 23 | 22 | |
| 4th Grade Math (NAEP) | | | | | | | |
| | 2003 | 2005 | 2007 | 2009 | 2011 | 2013 | |
| Not Low Income | | | | | | | |
| % At Or Above Proficient | 53 | 59 | 63 | 60 | 63 | 63 | |
| Low Income | | | | | | | |
| % At Or Above Proficient | 24 | 30 | 34 | 32 | 33 | 33 | |

It is also worth noting that student achievement on state exams illustrates the same point. Data for selected Kansas school districts are attached to my testimony.

Again, many or even most students across Kansas get a quality education. However, even the lawyers representing Schools for Fair Funding in the on-going *Gannon v. State of Kansas* lawsuit testified that too

many children are being left behind. Some are forced to attend underperforming public schools while others

struggle to find the right fit to suit individual needs. This is not to say that teachers and school administrators are not amongst our most dedicated citizens. It is simply a recognition of fact and experience.

This bill aims to rectify both that statement and the numbers outlined above.

There is a proposed clarification within the bill on a qualified student and their “waiver” of special education services. This proposed clarification would essentially allow for the underlying program to “remain silent” on the issue of special education accommodation. With this change, other relevant federal and state statutes would address the delivery of special education service.

For some, moving to a different school district simply is not an option as money or a career prevents it. They send their kids to school based on a zip code and hope for the best. For many, the zip code-directed district is sufficient but the numbers suggest that it does not work for everyone.

I have also attached to my testimony the executive summary of a report from The Friedman Foundation for Educational choice that “reviews the literature” on the impact of school choice programs around the country. Their review of multiple empirical evidence studies suggests that school choice programs benefit the child taking advantage of that program and the public school system. The gains are modest, but they do exist.

Kansas Policy Institute is a strong supporter of Kansas public schools and wants them to be the best in country. Our public schools, our teachers, and our administrators spend their lives helping young people learn. Those schools will always be the place where the vast majority of Kansas families send their children.

However, the goal is not to have good public schools in and of themselves.

The goal is give every Kansas child the opportunity to succeed. That will mean attending a high-performing public school for most children, but it should also include a different avenue for children where the local public school does not seem to be the right fit.

Expanding the current tax credit scholarship program to allow all “At-Risk” children in the state the same opportunity is but one of the many ways the legislature can go about turning around these troubling trends.

Thank you again for the opportunity to present today. I urge the committee to support the bill and will stand for questions at an appropriate time.

| <u>District Name</u> | <u>Student Demographic Group</u> | <u>Year</u> | | | | | | | |
|------------------------|----------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|
| | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Wichita | Low Income | 28.98 | 29.20 | 31.98 | 33.64 | 32.85 | 37.61 | 37.12 | 36.13 |
| Wichita | Not Low Income | 58.15 | 56.53 | 56.76 | 58.91 | 59.65 | 63.46 | 65.27 | 65.75 |
| Wichita | Difference | 29.17 | 27.33 | 24.77 | 25.28 | 26.80 | 25.85 | 28.15 | 29.62 |
| Winfield | Low Income | 31.14 | 33.40 | 36.83 | 42.56 | 51.22 | 53.70 | 58.17 | 48.58 |
| Winfield | Not Low Income | 49.12 | 52.29 | 54.17 | 58.59 | 66.84 | 66.85 | 71.92 | 68.59 |
| Winfield | Difference | 17.98 | 18.90 | 17.34 | 16.04 | 15.63 | 13.15 | 13.74 | 20.01 |
| Ft. Larned | Low Income | 50.48 | 49.51 | 50.47 | 50.21 | 45.80 | 42.92 | 41.67 | 45.32 |
| Ft. Larned | Not Low Income | 60.52 | 68.29 | 65.52 | 72.33 | 68.56 | 64.19 | 72.94 | 66.20 |
| Ft. Larned | Difference | 10.04 | 18.78 | 15.05 | 22.12 | 22.76 | 21.27 | 31.27 | 20.88 |
| Kansas City | Low Income | 22.26 | 21.78 | 23.82 | 29.49 | 29.53 | 33.36 | 22.61 | 20.33 |
| Kansas City | Not Low Income | 36.48 | 35.22 | 38.69 | 47.57 | 50.13 | 52.20 | 33.88 | 38.98 |
| Kansas City | Difference | 14.22 | 13.44 | 14.87 | 18.09 | 20.60 | 18.84 | 11.28 | 18.65 |
| Shawnee Mission | Low Income | 38.47 | 37.48 | 39.93 | 44.74 | 47.68 | 50.36 | 50.77 | 48.96 |
| Shawnee Mission | Not Low Income | 68.99 | 69.72 | 69.36 | 74.05 | 75.38 | 77.06 | 77.44 | 77.73 |
| Shawnee Mission | Difference | 30.51 | 32.24 | 29.43 | 29.30 | 27.70 | 26.70 | 26.67 | 28.77 |

A Win-Win Solution: The Empirical Evidence on School Choice **The Friedman Foundation for Educational Choice** **April, 2013**

Author(s): Greg Forster, Ph.D.

This report surveys the empirical research on school choice. It provides a thorough overview of what the research has found on five key topics: academic outcomes of choice participants, academic outcomes of public schools, fiscal impact on taxpayers, racial segregation in schools, and civic values and practices. The evidence points clearly in one direction. Opponents frequently claim school choice does not benefit participants, hurts public schools, costs taxpayers, facilitates segregation, and even undermines democracy. However, the empirical evidence consistently shows that choice improves academic outcomes for participants and public schools, saves taxpayer money, moves students into more integrated classrooms, and strengthens the shared civic values and practices essential to American democracy.

These results are not difficult to explain. School choice improves academic outcomes by allowing students to find the schools that best match their needs, and by introducing healthy competition that keeps schools mission-focused. It saves money by eliminating administrative bloat and rewarding good stewardship of resources. It breaks down the barriers of residential segregation, drawing students together from diverse communities. And it strengthens democracy by accommodating diversity, de-politicizing the curriculum, and allowing schools the freedom to sustain the strong institutional cultures that are necessary to cultivate democratic virtues such as honesty, diligence, achievement, responsibility, service to others, civic participation, and respect for the rights of others.

The size of the benefit provided by existing school choice programs is sometimes large, but is usually more modest. This is not surprising because the programs themselves are modest—curtailed by strict limits on the students they can serve, the resources they provide, and the freedom to innovate. Only a universal school choice program, accessible to all students, can deliver the kind of dramatic improvement American schools desperately need in all five of these important areas.

Key findings:

- Twelve empirical studies have examined academic outcomes for school choice participants using random assignment, the “gold standard” of social science. Of these, 11 find that choice improves student outcomes—six that all students benefit and five that some benefit and some are not affected. One study finds no visible impact. No empirical study has found a negative impact.
- Twenty-three empirical studies (including all methods) have examined school choice’s impact on academic outcomes in public schools. Of these, 22 find that choice improves public schools and one finds no visible impact. No empirical study has found that choice harms public schools.
- Six empirical studies have examined school choice’s fiscal impact on taxpayers. All six find that school choice saves money for taxpayers. No empirical study has found a negative fiscal impact.
- Eight empirical studies have examined school choice and racial segregation in schools. Of these, seven find that school choice moves students from more segregated schools into less segregated schools. One finds no net effect on segregation from school choice. No empirical study has found that choice increases racial segregation.
- Seven empirical studies have examined school choice’s impact on civic values and practices such as respect for the rights of others and civic knowledge. Of these, five find that school choice improves civic values and practices. Two find no visible impact from school choice. No empirical study has found that school choice has a negative impact on civic values and practices.