



Testimony to House Education Committee HB 2174 – Tax Credit Scholarship Amendments 18 February 2015

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Chairman Highland and members of the committee:

Thank you for the opportunity to testify today in support of the amendments to Corporate Education Tax Credit Scholarship Program Act that are before you today. The changes being proposed today have the broad support of those who testified in support of this program in previous legislative sessions. Further, many of the proposed changes before you are the result of multiple meetings that took place throughout the past seven months. These meetings included with several private schools, potential Scholarship Granting Organizations, Kansas Department of Revenue, Kansas Department of Education, and other interested stakeholders.

I have provided thoughts on some of the changes below;

- Page 1, Line 29;
 - This proposal would clarify that eligibility is available to all children of typical kindergarten age;
- Page 2, Line 4;
 - This clarification would make clear that a single school need not offer every grade of a K-12 education. Instead, that a school could be an “elementary school,” a “high school,” etc.;
- Page 2, Line 27;
 - See reference on Page 1, Line 29;
- Page 2, Line 41 – Page 3, Line 1;
 - 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;
- Financial accountability;
 - Several clarifying statements on Page 3 of the bill deal with the issue of a SGO’s fiscal responsibility and provide of the obligation of the SGO to utilize a surety bond;
- Page 4, Line 23-27;
 - A proposed addition that would reiterate the proceeding requirement that 90% of money raised by the SGO be spent on scholarships;
- Page 4, Line 35-38;
 - Provides for the timely payment of scholarship funds. I might also add that some potential schools and SGOs have discussed the desire for more flexibility in payment. For instance, language stating that payments be made within the first three weeks of a semester may be appropriate. This would allow for the timely payment of funds yet permit flexibility and accommodation of changes common to many academic settings at the beginning of a new academic term;
- Page 5, Line 8-9;
 - Would clarify how funds should be dealt with in the event a child leaves a qualified public school to re-enroll at a public school.

I would also offer simply that the committee may want to consider clarifying language surrounding the eligible schools at the time of a student’s application. Specifically, this may become an issue as it relates to KSDE updating the list of Title I Focus/Priority schools between academic terms. For instance, John Doe is enrolled in an eligible school at the close of an academic year and, otherwise being eligible for the program, applies for and is awarded a scholarship. Then, during the course of the summer, the list of Title I Focus/Priority schools is changed based on the latest data and Mr. Doe’s school is no longer on the Title I

Focus/Priority list. Is Mr. Doe still eligible to participate? Common sense would say yes, and KSDE has suggested this would be the case, but language to this effect should be included in the bill.

I would also reiterate the final paragraph of the Fiscal Note accompanying the bill, "According to the Department of Education and the Department of Revenue, enactment of HB 2174 would have no fiscal effect, as the bill would only make technical changes to the scholarship program."

Thank you again for the opportunity to present today. I would encourage the committee to support the changes included within this bill and will stand for questions at an appropriate time.