



February 2, 2016

Testimony in Support of HB 2457

Chairman Highland, Ranking Member Winn, and members of the Committee:

On behalf of Americans for Prosperity activists across the state, thank you for this opportunity to voice our support for HB 2457. This bill will provide Kansas families with more education options and give more Kansas students the education best suited to their specific needs.

When the Legislature passed the Tax Credit Scholarship Program into law during the 2014 session, it was the first significant expansion of educational options for Kansas students since 1994. Because of the time required for the Kansas Departments of Education and Revenue to develop and implement the program, the program did not begin in earnest until the 2015-16 school year.

As the program continues to develop statewide, HB 2457 will provide greater opportunity for Kansas students and taxpayers to participate. The bill also clarifies and expands some of the limits and controls of the program.

The most notable program change in HB 2457 is the eligibility of any student with a family income below 250% of the Federal Poverty Line, expanded from only at-risk students. This is the same income level used to determine eligibility for Cost Sharing Reduction subsidies under the Affordable Care Act. This change will open program eligibility for students in families between the 185-250% of the FPL. All students from families meeting the income eligibility threshold will be eligible for the scholarship program regardless of neighborhood or assigned school.

Another significant change will be to expand availability of the tax credit to all taxpayers in Kansas, not just corporations, at the 100% rate. The Department of Education estimate of \$12 million in tax credits claimed by FY17 seems very optimistic for a program entering its third year. However, by expanding the pool of contributors, contributor participation rates should substantially increase as the public becomes more familiar with the program.

HB 2457 adds additional controls to the scholarships, including expanding the prohibition on granting scholarships to children to include *unpaid* board members of scholarship granting organizations. This bill also specifically prohibits a tax credit for anyone directing a contribution be for the benefit of a particular student.

The Tax Credit Scholarship Program has already enabled 149 students to choose an educational option best suited to them. HB 2457 will expand the program to open up educational options to hundreds of families across Kansas to find the education environment that meets the student's specific needs.

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