



House reopens book on releasing public education funding to aid private school students

Bill uses state tax dollars to finance transfers of at-risk or low-income students

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Marais Des Cygnes Valley school board member Caleb McNally said the district would be ruined by a Kansas House bill allowing at-risk or low-income students to enroll in private schools with use of state tax dollars. (Kansas Reflector screen capture from Kansas Legislature YouTube channel)

TOPEKA — Two-term Marais Des Cygnes Valley school board member Caleb McNally put in simple terms potential harm of a Kansas House bill allowing low-income or at-risk students to use state tax dollars earmarked for their public education to finance enrollment at a private school.

McNally said 55% of students in the small eastern Kansas district would be eligible for the proposed school-choice program.

“If 55% of them left — even 25% of them left — it would kill our school district,” he said. “It would disappear. We’d fold up shop.”

Advocates and critics of House Bill 2553 shared their views Tuesday with members of the House K-12 Education Budget Committee. Their attention centered on legislation creating education savings accounts administered by the state treasurer’s office that would funnel state tax dollars to eligible students who leave public schools.

The bill would establish for the 2023-2024 school year a system of financial support for full- or part-time students shifting to accredited or nonaccredited private schools. Under the bill, students choosing to be homeschooled wouldn’t qualify. The initiative would cover a transferring student’s tuition and fees, textbook, transportation, therapy, tutoring or testing costs as well as tuition for online learning programs or college courses.

The bill would mandate the state pay interest to participating families on average daily balances in school-choice accounts, but the cash used to pay private educational expenses would be tax-free.

The Kansas State Department of Education couldn't estimate what portion of the 450,000 students attending K-12 public schools across the state would make use of the Student Empowerment Program. The program would likely redirect millions of dollars annually in education funding to private schools. It could cost millions of dollars for the state to establish and administer. Eventually, the incentive designed to bolster enrollment at private schools would shrink state aid to public education.

During the 2021 legislative session, the Kansas House approved a comparable bill 65-58. It wasn't considered by the Kansas Senate.

School choice champions

Jason Bedrick, director of policy at EdChoice, said the House committee should dismiss a doomsday complaint of school-choice skeptics that such programs significantly harmed public education. EdChoice is a nonprofit based in Indianapolis dedicated to increasing appropriation of tax dollars to families choosing to send children to private or parochial schools rather than to public schools.

"Thirty years ago this may have been a legitimate concern," said Bedrick, a former analyst at the Cato Institute's Center for Educational Freedom. "We now have decades of experience showing that actually the exact opposite phenomenon happens."

There is an urgent need for the Legislature to financially support students eligible for the free- or reduced-lunch program or eligible for at-risk educational services as they transitioned to private schools, said Dave Trabert, of the Kansas Policy Institute.

He said KPI commissioned a survey of 500 registered voters that indicated seven of 10 respondents agreed taxpayer-funded accounts should be available to parents if they were convinced the public school district wasn't meeting academic needs of children.

"Sadly," Trabert said, "intransigence on the part of state and local education officials offers little hope of material improvement without legislative intervention."

A few objections

Democratic state Treasurer Lynn Rogers, who the bill specified as administrator of the private-school choice program, rattled off concerns about details of the bill. He said it would be difficult to launch the program by the proposed Jan. 1 deadline. The state's ABLE Act, which created state savings accounts for people with disabilities, required two years of preparation before the first accounts opened in 2017.

“That program is substantially smaller than the one proposed here in terms of the number of potential accounts and the amount of rulemaking necessary for the program,” he said.

Rogers, who served from 2001 to 2017 on the Wichita school board, said the bill would limit the state treasurer to auditing one private school each year selected at random. He said that restraint would be insufficient to deter fraudulent activity. For contrast, he said, public school districts undergo routine budget, special education and transportation expenditure audits. It’s important to hold schools receiving state tax dollars to the same standards, he said.

“Other states have had substantial issues with improper use of funds,” Rogers said. “In Arizona, audits have found that funds were spent on food, clothes, entertainment products, gift cards, a haunted house, and at a family planning clinic. Arizona has recovered less than 10% of misused funds under their program.”

Michael Poppa, executive director of the Mainstream Coalition, challenged the wisdom of directing tax funding to parochial schools. The Kansas Constitution guarantees a suitable education to children, he said, but the legislation would force taxpayers to foot the bill for children enrolled at private schools that discriminated against children based on religion, sexual orientation, academic standing, behavioral issues and special-education status.

“House Bill 2550 is a transparent attempt to fund private educational institutions with public tax money,” Poppa said. ” Though it is portrayed as a bill for students in need, there are no guarantees that these students will actually benefit. This bill instead allows for a broad cross section of private and religious schools to benefit.”