KEA OPPOSES

HOUSE BILL 350 & SENATE BILL 110
SCHOLARSHIP TAX CREDIT/VOUCHER BILLS

KEA Supports A Free and Appropriate Public Education as a RIGHT for EVERY Kentucky Child.

School voucher bills award huge tax credits to rich Kentuckians to incentivize their children attending private schools. According to the nonpartisan Legislative Research Commission, this could quickly ramp up to costing the state more than $100 million every year in lost revenue. That revenue is desperately needed to fund public education, including safe schools, and our public employee pensions. The Commonwealth must generate more revenue for our public schools and educators instead of providing more incentives for the wealthy and pushed by out of state special interests.

It is important that all educators and public education supporters come together and speak truth to explain the true impact scholarship tax credits would have on Kentucky’s students.

- **Any reduction** in state general fund tax revenues means **less money** for the state portion of SEEK, which is critical to all students. School safety reforms and other major, fundamental programs of student support are already underfunded, including textbooks, transportation, special education, and more. We cannot afford to reduce state revenues when the needs for adequate education support and pension funding are so critical!
- **KEA opposes** any measure that would create a state income tax credit that reduces a taxpayer’s income taxes in exchange for their contribution to scholarships for students attending private schools.
- **KEA opposes** any measure which will reduce the state’s General Fund revenue at a time we cannot afford any reductions in funding. Estimated costs for implementation of SB 110 in the first year could total as much as $25 million dollars. This at a time when legislative politicization of potential new revenue streams comes at the expense of needed funding to make school districts whole, pension costs remain a necessary investment, and many other debts to pay and investments to make in our kids.
- Reduced enrollment **does not** save districts money. Fixed costs remain with less revenue to meet them.
- The financial impact of scholarship tax credits is identical to the impact of vouchers. These bills are simply a backdoor way to circumvent the law because our state constitution prohibits direct vouchers.
- The state needs every penny of general fund revenue coming in to adequately fund its moral and constitutional obligations to the system of public schools, ensuring safe schools, as well as pensions.
- SB 110 would dissolve the “sunset clause” of past voucher bills and would cost even more money at the expense of school districts, schools, students, and educators.
- The State Tax Expenditure Task Force, made up of legislators and co-chaired by a Republican House member and Senator, met in 2018 and their **number one** recommendation was to let most current tax credits expire & not create new ones!
- **NO TAX CREDIT OR VOUCHER HAS EVER SAVED THE STATE MONEY!**