



## NEWS RELEASE

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# **SB 1467 RAISES STATE TAX DOLLARS PER PRIVATE SCHOOL STUDENT FAR ABOVE STATE TAX DOLLARS INVESTED PER PUBLIC SCHOOL STUDENT**

(Phoenix, AZ) – While teachers, students, and parents rally at the capitol, meet with lawmakers, and send petitions and emails asking for a bipartisan financial plan for public schools, lawmakers are poised to send SB 1467 to Governor Ducey this week with an expansion of private school scholarships financed by corporate tax credits.

“Although Senate President Yarbrough calls this bill a technical change, the legislation actually creates unfair and destructive public policy,” said Dana Wolfe Naimark, President and CEO of Children’s Action Alliance. “The bill raises the scholarship amount paid for by corporate tax credits for private school students above the amount the state invests in public school students.”

The bill makes several changes to current law:

- **INCREASES** the maximum corporate tax credit private scholarship faster every year (2% or inflation, whichever is greater). This is higher than the statutory inflation funding for public school students, which is 2% or inflation, whichever is less. Over time, this will grow to hundreds of dollars more for private school students.
- **ESCALATES** the maximum subsidy for students who qualify for the federal free and reduced lunch program to the full amount of private school tuition. Private school tuition can average in the \$12,000 range and go as high as \$25,000 or more, while students with the same family income in the public schools get state funding of \$5,040.
- **ESCALATES** the maximum subsidy for students with disabilities to the full amount of private school tuition. Public schools receive \$22,230 for students with disabilities and they are required to spend whatever the cost is for their education. Private school tuition for schools that focus on educating children with disabilities and special needs can run \$30,000 or more.
- **EXPANDS** private school scholarships to children who were home-schooled and children who moved to Arizona from another state – without them ever attending Arizona public schools.
- **GROWS** the diversion of public dollars to private schools by making it easier for families to move between ESA vouchers and private school tax credit scholarships – raising general fund costs by \$2 million, according to the Joint Legislative Budget Committee.
- **CONTINUES** to grow the corporate private school tax credit maximum cap by 20 percent every year.

Private school tax credits have grown from \$61 million in FY 2008 to \$172 Million in FY 2018. Private school enrollment has remained flat during that time (U.S. Census Bureau, American Factfinder: School Enrollment, 2007-2015; Arizona), so the tax credits are not opening opportunities to large numbers of new students. The evidence shows that the vast majority of funds are paying to subsidize tuition for families who would have chosen private school anyway.

“The lawmakers who vote for this bill will be those who believe private school students deserve a greater state investment than public school students,” said Naimark. “Children’s Action Alliance urges the defeat of this bill and asks lawmakers to focus on fixing the crisis in teachers leaving our public schools.”

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