



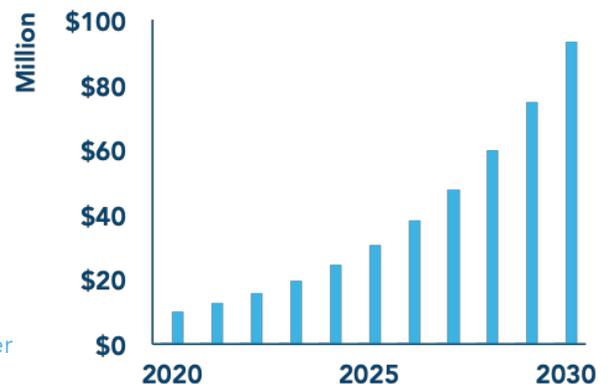
LB 670: The Wrong Choice for Nebraska

What it is:

LB 670 is a tax credit scholarship bill introduced with priority by [Senator Linehan of Elkhorn](#) and cosponsored by Senators [Albrecht](#), [Halloran](#), and [Kolterman](#). It would give a tax credit to individuals and businesses that contribute money to offset the cost of private school tuition for some students. Education policy experts call these scholarships “neovouchers.”

Why we oppose it:

LB 670 is really expensive. The limit on the total amount of tax credits for 2020 is \$10 million and will increase each year thereafter. States with similar legislation have seen these caps (and the resulting losses in state revenue) balloon exponentially. These dollar-for-dollar tax cuts benefit corporations and the wealthy but shift the burden of funding critical programs and services to less affluent taxpayers. Supporters say the state will see a savings, but [this has not been realized](#) in other states. In reality, most students who receive scholarships already attend private schools without state aid, and the number of those who transfer is too nominal to have any actual impact on public schools’ expenses.



LB 670 does not help all children. Despite its stated intent, tax-subsidized scholarships do not promote equal educational opportunities. Unlike public schools, whose doors are open to all, under LB 670, private schools can discriminate against students based on religion, sex, gender, identity, sexual orientation, disability, and other characteristics. LB 670 does little to remove barriers to private education because scholarships may only cover a small percentage of tuition fees, and private schools are also not required to provide transportation or special education services. We do not believe taxpayers’ hard-earned dollars should be used to support educational models that are not required to serve all children.

LB 670 hurts public schools. Contrary to [proponents’ claims](#), the dollars sent to private school scholarships would otherwise be tax dollars for public schools. Nebraska already [ranks 48th in the nation](#) for state support of K-12 education. We need to be investing in our public schools—not diverting dollars to a system we’ve never funded before.

How you can help:

Testify at the hearing on Thursday, March 7, at 1:30 PM in Room 1524 at [the Capitol](#).

Send written testimony to the [Revenue Committee](#) by Wednesday, March 6, at 5:00 PM.



We believe in investing in our state’s public schools,
which serve approximately 9 out of 10 children in Nebraska.

The Research is Clear: Tax Credit Scholarships Don't Work



Arizona: The Arizona Center for Economic Progress has determined the cap on their private school tuition tax credit doubles every four years, and corporations max out their contributions every year. This kind of exponential growth has been devastating to the state's public schools and is unsustainable for the entire state budget. It began at \$10 million in 2007 and is now just under \$90 million. (<https://www.azeconcenter.org/wp-content/uploads/2015/02/corporate-stos.png%5D>)

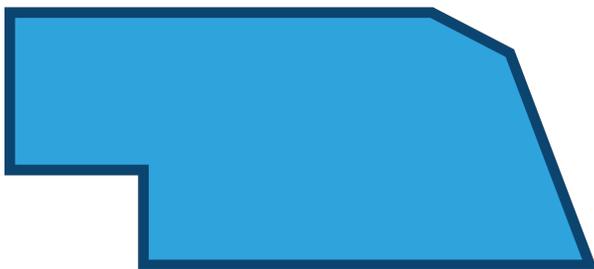
Florida: In 2017, the School Superintendents Association released a report outlining the many various problems with tax credit scholarship programs across the United States. Among many examples, they looked at Florida's program, in which students have seen no meaningful gains in their standardized test scores. In fact, "low-income students who participated only to later return to public schools fared worse" than those who stayed in public schools. (http://www.aasa.org/uploadedFiles/Policy_and_Advocacy/Resources/AASA_ITEP_Voucher_Tax_Shelter.pdf)

Georgia: A 2011 report from the Southern Education Foundation called Georgia's tax credit scholarships "a failed experiment," citing a massive diversion of state revenue, a lack of accountability, and widespread abuse. They found no public purpose, no increase in the number of low-income students attending private schools and no savings for the state. (<https://www.southerneducation.org/getattachment/12d045ec-6960-4715-82fb-26a2b94de61c/Test-Publication-2.aspx>)

Indiana: At least one study determined the impact of the Indiana Choice Scholarship Program included lower academic outcomes for students who used vouchers to attend private school as compared to students who remained in public school. (<https://onlinelibrary.wiley.com/doi/abs/10.1002/pam.22086>) The Indiana Department of Education has also uncovered compliance issues, unpaid teachers, and thousands of public dollars missing due to a lack of public oversight. (<https://www.indystar.com/story/news/education/2017/03/19/how-voucher-dollars-kept-coming-private-school-collapsed/97564538/>)

Louisiana: In 2016, the Louisiana Department of Education released scores for schools participating in the Louisiana Scholarship Program and found if they were ranked as their own school system, they would be the fifth-worst in the state. Not one voucher program earned an A, and 30% received an F. Tulane University researchers said students using private school vouchers only caught up with their public school peers after three years. (https://www.nola.com/education/2017/03/school_voucher_scores_2016.html)

Oklahoma: An investigation by Oklahoma Watch found that just 7 of 80 participating private schools have policies that state they will not discriminate in admissions decisions against children with disabilities. Worse yet, several schools explicitly reserved the right to reject students based on disability. (<http://oklahomawatch.org/2018/01/17/scholarship-schools-exclude-disabled-students-from-discrimination-protections/>)



In the last 50 years, voters across the country have rejected tuition tax credits and vouchers every time and in every state they have been proposed, including Nebraska.

([https://www.au.org/sites/default/files/Voucher Referenda public votes on vouchers.pdf](https://www.au.org/sites/default/files/Voucher%20Referenda%20public%20votes%20on%20vouchers.pdf))

For more studies on tax credit scholarships, please visit:
<https://standforschools.org/learn-more/>