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**Capitol View**

***Commentary by J.L. Schmidt***

**Statehouse Correspondent**

**Nebraska Press Association**

**Both Sides Adamant They Are Right in Private School Scholarship Debate**

We should know soon if a group called Support Our Schools Nebraska was successful in gathering enough petition signatures to allow voters to decide the fate of the Opportunity Scholarship Act passed by the Legislature in its tumultuous session.

The tax credit law (LB753) gives tax credits for individuals and entities making donations to scholarship funds intended to help students attend private and faith-based schools. Under the bill, $25 million will be available for credits in 2024, with the same amount available for the next two years.

While the tax break is capped at $25 million a year for three years, it could rise by the tenth year to $100 million, or about 10% of what the state spends today on state aid to public schools. Petition circulators say that public money should be reserved for public schools. They need signatures from 5% of registered voters, roughly 60,000 valid signatures, by the close of business Aug. 30. They said they expect to reach their goal.

Keep Kids First is a group urging Nebraskans not to sign the petition and is pushing people to remove their names if they have already signed. The group argues some people are being misled by petition circulators. Of course, the pro petition people deny it.

RED FLAG: If someone organizes a group to actively oppose petition circulators and even goes so far as to ask people to have their signatures removed, ask yourself what they are trying to hide or otherwise not telling you.

We do know that the bill’s introducer, State Sen. Lou Ann Linehan of Elkhorn, tried to pass similar measures for about five years, putting her at odds with public school educators and other opponents. The state teachers’ union, the Nebraska State Education Association, has

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remained opposed to her proposals from the start, and is the primary group driving the Support Our Schools petition.

A union spokeswoman said the premise pushed by tax credit supporters is wrong. She said taking $25 million a year or more out of state coffers is bad for communities of color and largely helps the wealthy. The spokeswoman said it risks future funding that could be spent on public schools, which 90% of Nebraska students attend.

Supporters of the tax credit say it will give children a choice by allowing them to attend private schools on private donor scholarships. They say that students in poverty are disproportionately affected by achievement gaps across the state and accuse the teachers’ union of fighting against students who need another school option that is the best fit for them.

Opponents note that similar programs in other states have shown the Opportunity Scholarships Act is a first step toward diverting funds from public schools and sending them to private and parochial schools, which don’t have to accept every student**.** Public schools must accept all students. Some argue the law creates a partially funded second school system and continues to create haves and have-nots. Others said communities of color are the most likely to be hurt if state revenue is lost to the tax credit.

RED FLAG: The tax credits are a direct offset of what a taxpayer owes the state of up to 50% of their tax liability. So, anyone claiming the LB753 tax credit can cut in half the amount they owe the state before subtracting what they’ve paid throughout the year in withholdings. That’s money that otherwise would flow into the state’s bank account to spend on other things.

In a survey conducted by a statewide think tank, likely voters were asked to prioritize several proposals for spending state tax dollars on K-12 education. Participants ranked expanding career training and vocational education programs and reducing the teacher shortage as their highest priorities. Conversely, providing tax credits for donations to help parents pay for students to attend private schools ranked lowest.

**RED FLAG:** The very high caps on the maximum amount of credit that can be claimed per taxpayer and provisions in LB753 that unused credits can be carried forward for five years are

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indicative of a program benefitting high-income families, which has been borne out in other states. In Arizona, Louisiana and Virginia, states with taxpayer-funded private school scholarships where data from tax agencies is available, more than 60 percent of all voucher tax credits are flowing to families with annual incomes over $200,000. Nebraska’s median household income is $66,644 and 80 percent of all households have incomes of less than $138,000.

Support Our Schools v. Keep Kids First. Do your homework people. I think this is something voters should decide.

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*J.L. Schmidt has been covering Nebraska government and politics since 1979. He has been a registered Independent for more than 20 years.*