

TEN THOUSAND LIFEBOATS:

Improving Students' Educational Futures via Pennsylvania's Scholarship Tax Credit Programs

- In 2001, Pennsylvania became the first state in the nation to enact an education tax credit aimed at corporations. These credits create partnerships between parents, businesses, and scholarship organizations. These partnerships allow funding to follow students, giving children and their families choices in schools that best fit their needs.
- The popular Educational Improvement Tax Credit (EITC) program has provided more than 430,000 scholarships to students from low- and middle-income families across the commonwealth seeking the right school for their child.
- In 2012, the commonwealth added a second program, the Opportunity Scholarship Tax Credit (OSTC), which enables eligible students residing within the boundaries of a low-achieving school to apply for a scholarship to attend another public or nonpublic school.
 - The EITC and OSTC provided 60,618 scholarships to K-12 students in 2012-13—this represents 2.3 times the number of students as enrolled in the Pittsburgh school district. Yet the total amount of tax credits represent only one-seventh (14.5%) what Pittsburgh schools spend.
 - The 2012-13 scholarships represent 43% the number of students enrolled in the Philadelphia school district, but at a cost (tax credits) of only 3.4% of the school districts' budget.
- **During the first 12 years of the EITC program's operation, businesses have contributed nearly \$470 million to fund student scholarships.**
- The EITC program has saved Pennsylvania taxpayers millions of dollars each year.
 - With an average scholarship of approximately \$1,100, the EITC serves students for a small fraction of the \$14,621 that public schools spend per student.
 - If each of the 60,000 students receiving EITC scholarships in 2012-13 failed to receive scholarships in the next school year and were instead placed into a public school, schools would require an additional \$892 million in revenue to handle the additional enrollment.
 - The EITC program represents less than one-fifth of 1 percent of the taxpayer dollars allocated to public schools in the state. For each \$100 taxpayers spend on primary education, only 18 cents is allocated for the EITC.
- Demand for EITC and OSTC scholarships far outweighs what is available from participating Scholarship Organizations across the commonwealth.
- If all EITC and OSTC scholarship students enrolled in a single school district, it would be the second largest school district in Pennsylvania—more than twice as large as Pittsburgh.

TESTIMONY: KAIDEN MYERS (MARPESSA MCNEIL – PARENT)



The scholarship awarded to Kaiden has helped our family tremendously. The first year we decided to put Kaiden in The Westwood School was based on a family decision. We all wanted our Kaiden to be able to have a good shot at life.

My income alone was not enough to cover the entire weekly tuition costs. My parents and other extended family contributed to Kaiden's education. I was not able to get any answers or direction from the School District of Philadelphia for available schools and/or centers that Kaiden would be able to attend. When we received the scholarship for Kaiden there was no doubt that he would be able to go to a school of our choice, not by force.

Kaiden has really excelled academically and socially. Without the K-5 scholarship program, Kaiden would not have been able to return to The Westwood School. As a parent, I am proud to say to others that parents do have options.

Since Kaiden has been afforded the opportunity to be enrolled in The Westwood School he has excelled in language arts and mathematics. He has scored beyond kindergarten level in both subjects. He is also learning about new technology that the school offers, such as smart boards. He is able to be in an environment where the principal knows every child's name and their caretaker's names as well. As a parent I am overjoyed at the way Kaiden is progressing. He is learning how to fit in socially and beginning to be exposed to societal norms. Kaiden is also learning about being responsible as a young boy.