

CLUB FOR GROWTH POLICY PROPOSAL

EMERGENCY PARENTAL CHOICE SCHOLARSHIPS

The public school system is failing America's students. Across America, many school districts are notifying students and parents about plans for the upcoming school-year. Unfortunately, many school districts are only offering virtual education and preventing students from obtaining education in the conventional classroom setting. In this unique time of COVID, it is imperative to provide educational financial aid to families who want their children to safely return to school. Expanding school choice as much as possible will strengthen students' education across America and help accommodate a quicker economic recovery.

Recently, both The National Academies of Sciences, Engineering and Medicine and the American Association of Pediatricians recommended that schools reopen in fall 2020. Additionally, polls have found that a significant majority of families prioritize the safe reopening of K-12 schools.

President Trump has championed school choice tax credits during his State of the Union address, in addition to countless other public appearances. This proposal builds upon President Trump's bold idea and considers the current educational environment where millions of students will be on their own unless immediate legislative action is taken.

President Trump has called on Congress to pass the Education Freedom Scholarships and Opportunity Act that would provide federal tax credits for scholarships to private schools and other education services for 1 million students. His plan would allow for \$5 billion in federal tax credits that would provide a dollar-for-dollar match in exchange for contributions to scholarship programs in participating states. Currently, 18 states have tax-credit scholarship programs. Under the Trump administration plan, a taxpayer could receive a tax credit of up to 10 percent of their adjusted gross income in a given year, directing that money toward their children's education instead.

But the coronavirus emergency has created an educational crisis in America. During this COVID19 emergency, Emergency Parental Choice Scholarships must be available to ALL students that are U.S. citizens or legal permanent residents. Emergency Parental Choice Scholarships should be available to all income levels, and cannot be means-tested. After the pandemic is over and the president's emergency designation and guidance from the Centers for Disease Control (CDC) is lifted, the Emergency Parental Choice Scholarships shall convert to President Trump's tax credit proposal.

This program is intended to be deficit neutral, whereas federal funding should come from existing federal dollars that have been appropriated, but not obligated through previous coronavirus legislation and/or existing federal dollars that are intended for public schools that are failing students. The CARES Act included significant funds for state and local governments to allocate to public school systems, but it focused entirely on schools and many of those schools are not fully reopening in fall 2020. Families need *direct relief* so they can afford to safely send their children back to school.

The Emergency Parental Choice Scholarships do not force any student to change schools. It is entirely optional, allowing for students and parents to make decisions on educational needs that are specific to their own situation. This effort is about providing choice to students and families at a time when many school districts are not providing any other options.

Emergency Parental Choice Scholarships will give ALL students access to high quality education, safe schools, help middle-class families offset the costs of private education, and prevent students attending private schools from reverting back to the expensive public sector. Emergency Parental Choice Scholarships will be direct distribution of funds allowing families to obtain the best education for their children.

HOW THEY WORK: All students attending an accredited public district, public charter or private K-12 school, as well as homeschooled children, are eligible. Funds can be used for tuition and other approved educational expenses. Scholarships will be granted to students according to the type of school they attend per following table:

School Type	Scholarship Amount
Private school	\$10,000*
Home school	\$10,000*
Public charter	\$2,500*
Public district	\$1,000

*Includes students who transfer

- The Parental Choice Scholarships program will be administered by Dept. of Education and scholarship granting organizations (SGO's), which shall receive direct funding through Treasury.
- Funds will not be taxable under the Internal Revenue Code of 1986, as amended.
- Funding shall be offset through remaining federal funding from previous Coronavirus legislation and/or a proportionate reduction of Title I funding received by a school district on a per-student basis for children transitioning out of public schools.
- Funds can be administered through one or more service providers such as ClassWallet (www.classwallet.com) or FACTS (www.factsmgt.com)

A school that receives Parental Choice Scholarships funds as payment for tuition, fees or otherwise shall not, solely due to receipt of such funds, (a) be considered an agent of the State or the Federal Government or (b) be required to alter its creed, practices, admissions policy, or curriculum and no agency of a State or the Federal Government shall exercise control or supervision over any school solely due to its receipt of such funds.