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FREEDOM RISING

## Testimony Before the Virginia House Finance Subcommittee #1 Regarding HB 788

**Tim Benson, Policy Analyst** 

The Heartland Institute

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Chairman McNamara and members of the subcommittee:

Thank you for holding this hearing on HB 788.

My name is Tim Benson, and I am a policy analyst with The Heartland Institute. The Heartland Institute is a 37-year-old independent, national, nonprofit organization whose mission is to discover, develop, and promote free-market solutions to social and economic problems. Heartland is headquartered in Illinois and focuses on providing national, state, and local elected officials with reliable and timely research and analysis on important policy issues.

I am here today to speak in favor of increasing the tax credit value available to donors to the Education Improvement Scholarships Tax Credits Program (EIS) to 75 percent.

\* \* \*

Increasing the credit value will make it easier for scholarship organizations to raise funds for EIS, which to date has helped over 21,000 Virginia children the opportunity to attend a quality school that meets their unique education needs. More funds raised means more Virginia families can make use of this wonderful program.

Do not be frightened by naysayers who declare EIS takes money away from the commonwealth. This is not true. In fact, it saves money. An <u>analysis released a few months ago</u> by EdChoice found EIS has saved Virginia taxpayers between \$77.9 million and \$131.6 million through Fiscal

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Year 2018. This works out to a savings of between \$6,444 and \$10,889 per each student participating in the program. Because of the age of the program, the report notes that the "fiscal effects are likely closer to the upper bound estimate."

<u>Copious empirical research</u><sup>4</sup> on <u>school choice programs</u><sup>5</sup> like EIS makes clear these programs offer families improved access to high-quality schools that meet their children's unique needs and circumstances, and that these programs improve academic performance and attainment and deliver a quality education at lower cost than traditional public schools.

Additionally, these programs benefit public school students and taxpayers by increasing competition, decreasing segregation, and improving civic values and practices.

Research also shows students at private schools are <u>less likely</u> than their public school peers to experience problems such as alcohol abuse, bullying, drug use, fighting, gang activity, racial tension, theft, vandalism, and weapon-based threats. There is also a <u>strong causal link</u> suggesting private school choice programs improve the mental health of participating students.

The program is also broadly popular. A <u>poll conducted</u> by Mason-Dixon Polling & Strategy and released just last week found 68 percent support for the program among Virginians. This includes 71 percent of Republicans, 69 percent of independents, 64 percent of Democrats, 66 percent of white Virginians, and 74 percent of black Virginians. From the Tidewater to the

<sup>&</sup>lt;sup>1</sup> Martin F. Lueken, *Fiscal Effects of School Choice*, EdChoice, November 11, 2021, <a href="https://www.edchoice.org/wp-content/uploads/2021/11/The-Fiscal-Effects-of-School-Choice-WEB-reduced.pdf">https://www.edchoice.org/wp-content/uploads/2021/11/The-Fiscal-Effects-of-School-Choice-WEB-reduced.pdf</a>.

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> EdChoice, *The 123's of School Choice*, April 14, 2021, <a href="https://www.edchoice.org/wp-content/uploads/2021/04/2021-123s-SlideShare\_FINAL.pdf">https://www.edchoice.org/wp-content/uploads/2021/04/2021-123s-SlideShare\_FINAL.pdf</a>.

<sup>&</sup>lt;sup>5</sup> Greg Forster, *A Win-Win Solution: The Empirical Evidence on School Choice*, EdChoice, May 18, 2016, <a href="http://www.edchoice.org/wp-content/uploads/2016/05/A-Win-Win-Solution-The-Empirical-Evidence-on-School-Choice.pdf">http://www.edchoice.org/wp-content/uploads/2016/05/A-Win-Win-Solution-The-Empirical-Evidence-on-School-Choice.pdf</a>.

<sup>&</sup>lt;sup>6</sup> M. Danish Shakeel and Corey A. DeAngelis, "Can private schools improve school climate? Evidence from a nationally representative sample," *Journal of School Choice*, Volume 12, Issue 3, August 8, 2018, <a href="https://www.tandfonline.com/doi/abs/10.1080/15582159.2018.1490383?scroll=top&needAccess=true&journalCode=wjsc20">https://www.tandfonline.com/doi/abs/10.1080/15582159.2018.1490383?scroll=top&needAccess=true&journalCode=wjsc20</a>.

<sup>&</sup>lt;sup>7</sup> Corey A. DeAngelis and Angela K. Dills, *The Effects of School Choice on Mental Health*, October 29, 2018, <a href="https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=3272550">https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=3272550</a>.

<sup>&</sup>lt;sup>8</sup> Mason-Dixon Polling & Strategy, Inc., "January 2022 Virginia Poll," January 28, 2022, <a href="http://www.thomasjeffersoninst.org/files/3/TJIPPI122VirginiaPollResultsEISTC.pdf">http://www.thomasjeffersoninst.org/files/3/TJIPPI122VirginiaPollResultsEISTC.pdf</a>.

<sup>&</sup>lt;sup>9</sup> Ibid.

Piedmont to NoVa to Bristol, there is no region of the Old Dominion that Virginians do not provide this program with at least 64 percent support. <sup>10</sup> You would be hard-pressed to find another program offered by the commonwealth with such widespread support.

The goal of public education in Virginia today and in the years to come should be to allow all parents to choose which schools their children attend, require every school to compete for every student who walks through its doors, and make sure every child has the opportunity to attend a quality school. There has not been a time when providing these opportunities has been more urgent and more needed than right now. Enacting this tax credit increase would be an important, necessary step forward in advancing this goal.

Thank you for your time.

For more information about The Heartland Institute's work, please visit our Web site at <a href="https://www.heartland.org">www.heartland.org</a> or http://news.heartland.org, or contact our Government Relations Department at 312/377-4000 or reach them by email

at governmentrelations@heartland.org.

<sup>&</sup>lt;sup>10</sup> Ibid.