

Joint Committee on Ways and Means
Education Committee

I OPPOSE SB 437. Establishes a program by which education funds are deposited into individual student education savings accounts for use by parents of qualified children to pay for post-secondary educational courses.

This isn't a K-12 savings account as one might think of a school choice bill. This program is more about making available college courses to excelling high school students requiring full parent involvement. This isn't a school choice and I don't see the necessity when every high school provides a way for students to get advanced courses.

This bill is limited to part-time high school students taking post-secondary courses at an approved entity. Since post-secondary course study is currently not funded in the education budget, the bill will only be a drain on public school funds and increase the cost of education. It may also have the consequence of sucking up the funds that could be used to keep drop-outs in school, which this program won't do.

Local schools will be affected:

1. Section 3 (2) (a) & (b) Low income and disabled qualified students receive 100% of the state distribution even though they maintain part-time attendance at their local school – leaving the local school without funding cutting into other student's allotted funding.
2. Section 3 (2) (c) Other qualified students receive 90% of the state distribution leaving the local school with 10% to provide their portion of the education – again cutting into other student's share.
3. Section 3 (3) conflicts with the above by requiring a prorated portion be distributed between the public school and the students account.
4. Unused fund revert to the General Fund when they were taken from the local school's budgeted amount and should be returned to the local school to make up for their lose.

Post-secondary entity:

- 1 Requires entities to post a bond, increasing their costs for education. The need for a bond is questionable since there is no requirement that a

student complete a course. So on what basis could the state collect on a bond?

- 2 All the many entities that can qualify may lead to abuse of the program. It would be more accountable to start with a core list of solid secondary education entities to prevent a whole new industry from cropping up that may need bonding at the expense of students.
- 3 There are no drop-out refunds except for materials returned.

Students:

1. State Treasurer charges the education savings account 3% for administration, and no mention if the account is credited with interest.
2. Lacks accountability for completion of a course, and no requirement for courses taken.
3. Actual education funds are limited by reduction for administration fees, costs of supplies, transportation costs, tutoring, special education services, and/or national assessments.

Increases responsibility of State Treasurer to qualify students and entities, doing annual audits on accounts, and annually surveying parents.

It seems that the understanding of this bill will raise graduation rates, but I don't see how it will reach the kids that are dropping out or help struggling students get educated in a trade that would keep them in school to graduate. This program takes close parent involvement and many of the students that drop out don't have parent involvement.

This program will attract the wealthy and if you take them out of public school involvement, it will be a disaster to public school education programs. Further, it doesn't provide an alternative to common core for those students that aren't doing well under that method.

There are better ways to provide what this bill does without robbing school funds from areas that help the masses in their education needs.

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