

Progress

AMERICAN FEDERATION *for* CHILDREN

2016 LEGISLATIVE IMPACT REPORT



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Dear Friends,

I write you once again to provide an update about the *PROGRESS* our *Ed Revolution* continues to make. For the 12th consecutive year, together, we've added at least one new state and one new program to the school choice map—with this year's newest programs and states coming from Maryland and South Dakota.

In total, there are now **50 private school choice programs in 25 states and Washington, D.C.**

Our *PROGRESS* does not come easy. In every state we have a program, the education establishment stops at nothing to deny, curtail or sue to take away a child's right to the quality school of their parents' choice.

In Louisiana, we warned that the governor's budget cuts would result in children losing access to school choice. While our combined efforts successfully defended school choice, we were left dealing with nearly 500 students who had their educational opportunity taken away. But, we didn't give up, and we are fighting for those students, just as we fight for each and every one of the 74 million students nationwide who have a right to a quality education at a school of their parents' choice.

Our work is not done, but as this annual publication will display, our work is making a difference and continues to break down the barriers necessary to allow our education revolution to flourish and improve educational outcomes for all children.

Best wishes,

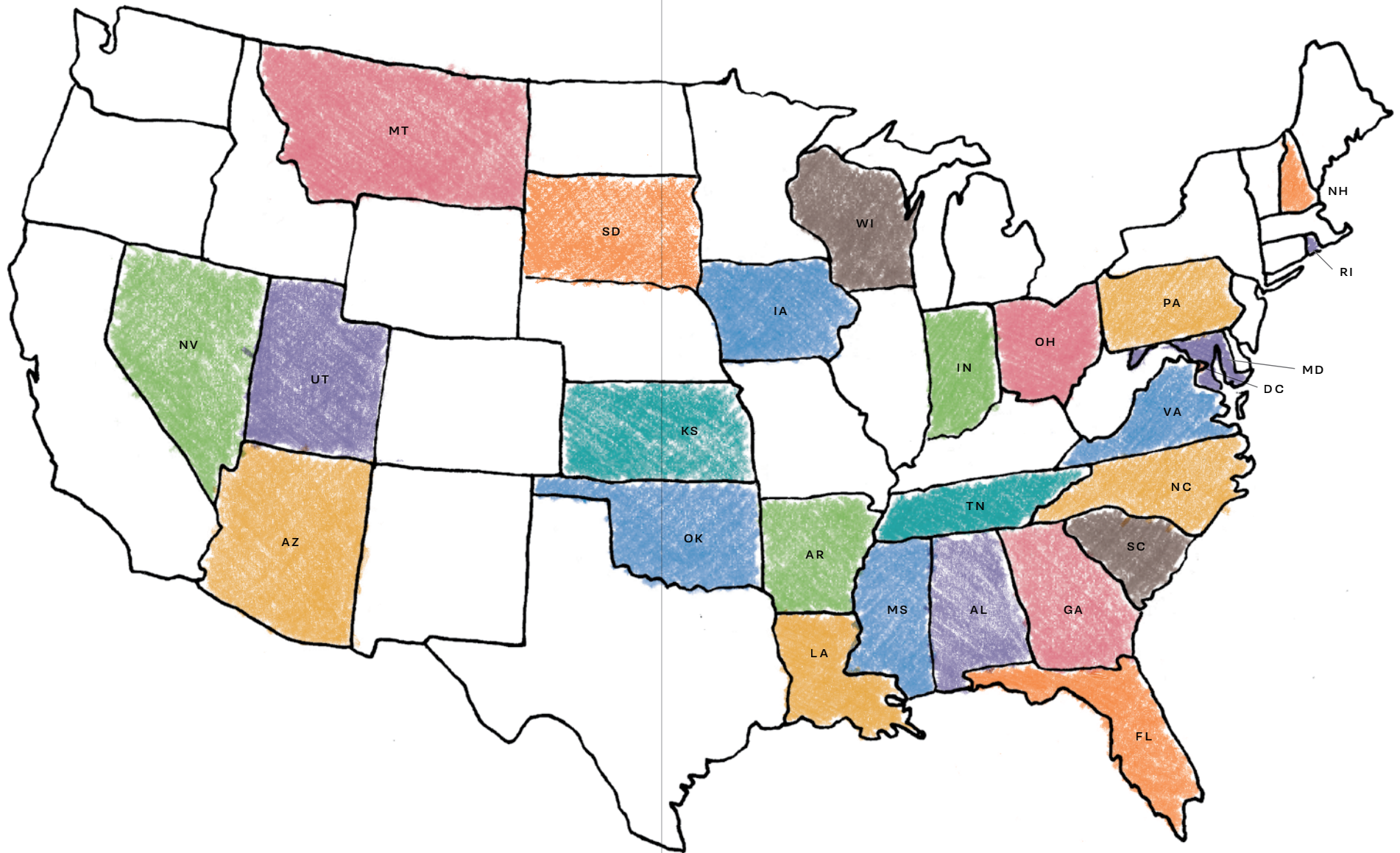


Betsy DeVos, Chairman

AMERICAN FEDERATION FOR CHILDREN

Educational Choice Is Scalable

STATES WITH PUBLICLY FUNDED PRIVATE SCHOOL CHOICE PROGRAMS





Alabama



ALABAMA FAST FACTS

Over
4,000
students, parents
and advocates rallied
at the state capitol
this January.

3,698
students are enrolled
in a private school
choice program in
Alabama.

ALABAMA IN THE HEADLINES



Give Alabama Families More School Choice Options (APRIL 1, 2016)

YELLOWHAMMER

Thousands Rally at Alabama Capitol in Favor of School Choice (JANUARY 27, 2016)

With no specific legislative items on the table during the 2016 legislative session in Alabama, efforts were focused on promoting and developing legislation for an Education Savings Account (ESA) program, the widely popular and newest educational choice option. Rep. Ken Johnson drafted legislation to create a program, and both the speaker of the house and the senate president pro tem supported the legislation. The House Education Committee held a public hearing during which the bill was passed with strong bipartisan support and only one vote against. Unfortunately, the legislative session ended before the legislation could be passed. Efforts are already underway to introduce similar legislation in the 2017 legislative session.

Support for school choice remains strong in Alabama, with over 4,000 students, parents and community leaders attending a rally at the state capitol last January. AFC continues to grow its already strong grassroots advocacy and outreach effort, which will be crucial to passing more robust school choice legislation and enrolling more children in these programs.



ARIZONA FAST FACTS

Arizona's Corporate Tuition Tax Credit
Program 2016 donation cap of

\$62 million

was reached in a matter of hours.

ARIZONA IN THE HEADLINES

azcentral THE ARIZONA REPUBLIC
A GANNETT COMPANY

8 School Bills Arizona Parents Should Know About (FEBRUARY 2, 2016)

Ducey at School Choice Rally at Capitol: "Reject Status Quo" (JANUARY 29, 2016)

azfamily.com

Arizona Offers Lots of School Choice, but Some Families Still Face Challenges
(AUGUST 10, 2016)

AFC's efforts on behalf of families in Arizona resulted in significant improvements to the state's Empowerment Scholarship Account (ESA) program and the defeat of six hostile bills during the 2016 legislative session.

This year, Arizona's ESA program celebrated its five-year anniversary, and the state legislature continued to make improvements to the program with support from both sides of the aisle. Democratic Senator David Bradley and several other Democrats participated with pro-school choice supporters in a pre-session Interim Study Committee to make recommendations for best practices to extend the ESA program to students with disabilities beyond the age of 18 and improve the program for families of special needs children. A bill supporting these recommendations was passed during the 2016 legislative session.

AFC also championed a complex piece of legislation adding several important provisions to the ESA program to create greater accountability, including clarification of eligible specialized services in the program and a mechanism to permanently remove parents who have abused the program. Eligibility for ESAs was expanded to include siblings of students already enrolled in the program and children whose parents are blind or hearing impaired. The legislation clarified eligibility for students enrolled in Arizona Online Instruction and gave tribal authorities the ability to approve tribal residences for eligibility. Finally, the bill created a year-round application process and established reasonable timeframes for the Arizona Department of Education, giving eligible families easier access to the ESA program.

Additionally, the donation cap for Arizona's Corporate Tax Credit program was increased by approximately \$11 million this year to over \$62 million. The cap was maxed out within hours of opening on July 1, 2016, with millions more in requested corporate contributions put on a waiting list by the Department of Revenue.



Arkansas



Since the 2016 legislative session in Arkansas was a fiscal session during which only budget bills are debated, AFC's goal this session was to ensure that the newly created Succeed Scholarship Program, a special needs voucher program, was sufficiently funded. While it came down to the wire, the scholarship program was fully funded for the 2016–17 school year.

In August 2016, AFC collaborated with allies to defend Arkansas' public school choice program passed in 2013 and amended in 2015. The law allows for students to transfer to other public schools outside their specified district lines; however, there have been districts that have denied transfers due to federal desegregation orders. The governor's new appointments to the State Board of Education reversed a local district's decision. The local district then sued the state to deny the transfer. The state is currently weighing their options in the case.

AFC has continued to build relationships with legislative leadership in the state and also laid the groundwork for future expansion of school choice.

ARKANSAS IN THE HEADLINES

NORTHWEST ARKANSAS
Democrat & Gazette

Arkansas Embarks on School Voucher Program (AUGUST 2, 2016)

EDUCATION WEEK

3 Arkansas Private Schools Approved for Voucher Program (AUGUST 2, 2016)



Georgia



GEORGIA FAST FACTS

Over 16,800

students participate in Georgia's two private school choice programs.

Over 50

Georgia counties have adopted school choice as an official platform position.

When asked "Should Georgia empower parents with the right to use the tax dollars allocated for the education of their children, allowing them freedom to choose among public, private, virtual and home schools?"

over 75%

of Republican primary voters indicated their support for the concept.

GEORGIA IN THE HEADLINES

Watchdog.org

Georgia GOP Voters Emphatically Want More School Choice (MAY 27, 2016)

ajc The Atlanta Journal-Constitution

Rapper Ludacris Headlined School Choice Rally at Liberty Plaza (JANUARY 27, 2016)

WSJ Live

Opinion Journal: Georgia's Vote for School Choice (MAY 27, 2016)

Numerous school choice bills were introduced this year, including legislation to create an ESA program for military families, a voucher program for children of military families, a scholarship tax credit program for low-income students and a change to Georgia's existing special needs voucher program to replicate an ESA model. While none of these bills passed, the groundwork has been laid to move school choice legislation in the 2017 legislative session. Gov. Nathan Deal also has plans to rewrite Georgia's antiquated funding formula and pursue reform measures in an omnibus bill during the session.

Throughout the legislative session, AFC focused its efforts on a longer-term strategy to make school choice a key issue for the Republican majority in Georgia. While school choice is a nonpartisan issue, Republicans control two-thirds of the House and Senate and every statewide office. We have worked hard to secure Democratic support, the challenge in Georgia is getting the Republican majority to prioritize passage of robust new school choice legislation. Given this reality, AFC has focused specific attention on activities to bolster Republican support for school choice. We worked with the Georgia GOP to put a nonbinding referendum question on the Republican primary ballot, testing voter support for school choice. Seventy-five percent of Republican primary voters indicated that they support school choice. Furthermore, AFC worked with GOP leaders at the county and district level to adopt school choice as an official platform position in more than 50 counties and even passed a statewide resolution on the floor of the Georgia GOP convention. AFC intends to use these results during the 2017 session to aggressively push school choice legislation.



Indiana



INDIANA FAST FACTS

School choice is popular. Today

8 times

more students are enrolled in the Indiana Choice Scholarship Program than five years ago.

Over 41,000

students are enrolled in two private school choice programs in the state.

Legislators were contacted about school choice over

23,000 times

during the legislative session.

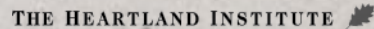
INDIANA IN THE HEADLINES



More Hoosier Students than Ever Using Vouchers (APRIL 15, 2016)



Schools Can Compete for Students in Open-Choice Era (FEBRUARY 13, 2016)



Indiana Parents are Highly Satisfied with School Choice Programs, Survey Finds (AUGUST 8, 2016)



Parents, Choice Both Key to State (AUGUST 17, 2016)

There were a number of education-related bills considered and some improvements made to the Choice Scholarship Program in Indiana's short, non-budget legislative session this year. AFC's in-state partner, Hoosiers for Quality Education (HQE), successfully defended the Choice Scholarship Program against harmful attacks and led the way to achieve a second annual enrollment period beginning in 2017. This will make the program more accessible to families that might need to switch schools at the semester and a great step in making the program even more family friendly.

Another positive change was made in the administration of the Choice Scholarship Program, which included minimizing the number of times a parent must complete an endorsement form, easing the burden on both families and schools to maintain a scholarship throughout the entire year.

The HQE team also executed four successful action alert campaigns to activate their grassroots network in support of school choice friendly legislation. This effort created over 23,000 legislator contacts throughout the legislative session by their network. They also solicited several positive media stories and hosted another great Quality Education Celebration at the start of the session at the Indiana Statehouse. As in past years, the event saw hundreds of education reform supporters turn out to celebrate the success in Indiana and thank legislators for their support.



Louisiana



LOUISIANA FAST FACTS

12,728

applications were submitted
for the 2015-16 school year.

There are
32 districts
with 119
participating schools.

While the Louisiana Scholarship Program is under constant attack, a University of Arkansas study shows that there are **NO FINANCIAL BENEFITS TO ELIMINATING THE PROGRAM** and doing so would actually cost districts money. Potentially only 2 to 7 of the 69 school districts would benefit financially if the program was no longer active. For districts, the average outcome would be a financial loss of

\$1,500

per returning voucher student.

LOUISIANA IN THE HEADLINES

The Times-Picayune

Louisiana 2016 Budget Fight: Winners and Losers
Vouchers were a "winner" for the 2016 legislative session (JUNE 24, 2016)

After the 2015 election of Gov. John Bel Edwards, a strong opponent of charter schools and vouchers, the Louisiana Federation for Children (LFC) faced an uphill battle during the legislative session to support and defend school choice statewide. Fortunately, LFC, along with several school choice coalition partners, was able to defeat several bills threatening both charter schools and the Louisiana Scholarship Program (LSP).

Among these were bills that would have prohibited students entering kindergarten who were not zoned to attend a "D" or "F" rated public school from being eligible to participate in the LSP. After a strong parent showing during a Senate Education Committee, the governor decided not to run any of the bills specifically targeting the program. Additionally, a bill that would have prohibited the Board of Elementary and Secondary Education (BESE) from approving charter schools in "A" or "B" rated school districts was defeated in committee.

In addition to defending against policy attacks to school choice, AFC's Louisiana team worked diligently to ensure that the line item appropriation for the Louisiana Scholarship Program remained in the state budget. We worked through two special sessions and a regular session to secure \$40 million for the Louisiana Scholarship Program. Unfortunately, \$40 million was still not enough money to cover all of the awards given to potential students entering the program for the 2016-17 school year, but it was enough to allow approximately 1,000 new students to enter into the program despite the governor's attempt to kill the scholarship program by attrition. Sadly, 442 students were left on a waitlist after the Louisiana Scholarship Program's funding was cut by \$2 million from the previous year. Efforts remain underway to ensure these students get their scholarships funded.



Maryland



In March, Maryland became the nation's 25th school choice state after passing a voucher program as a part of the state's annual budget. The budget appropriates \$5 million to go toward a scholarship program to send low-income students to the private school of their parents' choice. Scholarships can be as much as the yearly per pupil statewide average. While not a target state, staff closely monitored the legislation and offered advice on implementation to those on the ground.



Mississippi



AFC's legislative efforts in Mississippi's 2016 legislative session were generally successful. The year began with an ambitious plan to expand the current special needs ESA program to a universal ESA. With the support of the governor, lieutenant governor and the education committee chairmen in the State House and Senate, universal eligibility legislation was passed the House Education Committee, but due to budget constraints it failed to pass the Appropriations Committee. While this legislation failed, eligibility for the current program was expanded to allow students who have received an IEP in the past five years to be eligible for the ESA program. This greatly expanded the pool from the current program requirements of students who have received an IEP in only the past 18 months.

A big legislative win this year was the expansion of the charter school law. In Mississippi, students were only allowed to attend a charter school in the district where they lived. This legislative session, a bill was passed allowing students in school districts rated "C," "D" or "F" to cross district lines to attend a charter school. This expanded access to educational options for students in high-need areas where the small size of school districts has made charter school expansion difficult.

Another victory in Mississippi included making the Dyslexia Scholarship permanent law. The program allows students in first through sixth grade diagnosed with dyslexia to receive a voucher equal to the Mississippi Adequate Education Program base student cost. The program was scheduled to sunset on June 30, 2016, but the legislature acted to ensure these students would continue to have access to school choice.



North Carolina



NORTH CAROLINA FAST FACTS

With the passed budget, over

36,000

students will be enrolled in the opportunity scholarship program by the 2027–28 school year.

4,493

students are currently enrolled in the state's school choice programs.

NORTH CAROLINA IN THE HEADLINES

The Charlotte Observer

Expansion of School Choice Program Will Help Poor Students (JULY 23, 2016)

THE ROBESONIAN

School Choice Grows in NC (AUGUST 6, 2016)

This year, our allies in North Carolina, with AFC's strong support, pushed for a major expansion of the North Carolina Opportunity Scholarship Program. Spearheaded by legislative leaders and Parents for Educational Freedom in North Carolina (PEFNC), this ambitious plan included creating a 10-year appropriation to expand the program \$10 million each year, ensuring no child entering the voucher program in kindergarten would ever have to worry about losing their scholarship due to a lack of funding.

AFC and PEFNC worked with the legislature to create a funding mechanism to accomplish this ambitious goal. Ultimately the state budget passed this legislative session will increase funding each year, with \$24.8 million for the 2016–17 school year and \$144.8 million for the 2027–28 school year. The funding increase will allow the program to continue to grow, bringing the total number of scholarships to an estimated 36,000 students for the 2027–28 school year.



Ohio



Ohio has five strong private school choice programs, and this legislative session a bill was passed to make the Autism Scholarship Program even stronger and more accessible to students. Previously, the program did not allow custodians to submit applications for a child, even if they were eligible. A bill passed this session allows legal, permanent or temporary custodians to apply on behalf of a child for the Autism Scholarship program.

AFC's partners, School Choice Ohio, also hosted its second annual Advocacy Day at the state capitol. Students and parents were able to meet directly with legislators, both Republican and Democrat, to discuss the importance of school choice and share how school choice is making a difference in education and communities across the state.

Plans are well underway to advance a robust school choice legislative agenda in 2017.

OHIO FAST FACTS

Currently, there are

40,461

students enrolled in Ohio's
private school choice programs
in the state.

The state's three
non-special-needs program
serve over

33,000

students.



Oklahoma



After a successful legislative session last year with the expansion of charter school authorizers, during the 2016 session AFC focused on protecting the Lindsey Nicole Henry Scholarship Program for students with special needs and passing an ESA program.

In February, the Oklahoma Supreme Court produced a sweeping defense of the Lindsey Nicole Henry Scholarship Program and a clear legal justification for vouchers and ESAs. After the ruling, Gov. Mary Fallin called for the passage of an ESA program in her State of the State speech and during her subsequent statewide media tour.

Unfortunately, the collapse in the price of oil in the spring produced a large drop in expected state revenues. The legislature's attention then immediately shifted toward reducing the automatic cuts to public school funding. AFC is presently focused on electing a strong school choice majority in both legislative chambers and building on the progress made during this legislative session to advance strong school choice legislation in the 2017 legislative session.

OKLAHOMA IN THE HEADLINES

NEWSOK

Researcher: Facts Support Push for Oklahoma School Choice (JUNE 4, 2016)



Oklahoma
Watch

A Week of Gains for School Choice (FEBRUARY 16, 2016)

THE DAILY SIGNAL

How Oklahoma Gov. Mary Fallin Wants to Change the Traditional Public Education Model (MARCH 14, 2016)



South Dakota



While not a target state, our staff provided a considerable amount of data and bill design assistance to the effort to enact a scholarship tax credit program in South Dakota. The state's new \$2 million Partners in Education Tax Credit will provide scholarships to children in families making less than 150 percent of the income guidelines for Free and Reduced Price Lunch (\$67,432 for a family of four). Existing public school students as well as all students entering Kindergarten, first grade or ninth grade are eligible for these scholarships. We are working to help the local coalition get a start on its goal to create a single scholarship granting organization that would serve all students and all schools.



Tennessee



AFC's legislative efforts in Tennessee had mixed results this year. After years of sustained legislative momentum, the Tennessee Choice and Opportunity Scholarship Act received bipartisan support in both chambers of the legislature, as well as a line-item budget allocation and support from Gov. Bill Haslam. The act would have extended eligibility to approximately 300,000 children from low-income families. After a battle of unfriendly amendments in advance of House floor debate, the legislation was unable to attain the necessary consensus to pass. Thirty-five of the 99 members of the State House signed on to support the legislation, and 15 others expressed support in some form. Every one of these supportive legislators are expected to return to the assembly in 2017, with the likely addition of several new supporters. AFC expects the positive momentum generated over the last few years to continue in Tennessee.

Implementation of the Individualized Education Act began this year, which gives K-12 students with special needs an ESA to cover educational expenses. Passed last year, the program went through a rigorous rollout process with a supportive State Department of Education before opening enrollment for January 2017. While this legislation was limited to a short list of federally recognized disabilities, it is projected to expand educational choice and opportunity for nearly 18,000 families in the state of Tennessee.



Wisconsin



AFC's legislative efforts in Wisconsin, the birthplace of school choice, resulted in two notable improvements to school choice programs.

First was addressing a drafting error in the Wisconsin Special Needs Scholarship Program to allow students who were denied admission under the state's Open Enrollment program in the past five years to be eligible for a Wisconsin Special Needs Scholarship.

Second was a provision to prevent school districts from skimming taxpayer dollars. Wisconsin pays for the Wisconsin Parental Choice Program by moving funds from schools to pay for the vouchers, so that the money follows the student. State law allowed public schools to raise property taxes to make up the difference but previously did not prohibit districts from increasing taxes to make more money than was lost from the transferring students. Racine County Unified School District, which took advantage of this loophole the most, placed a full page ad in the *italicize* and blamed vouchers for the tax increase. They were not alone. The Legislative Fiscal Bureau found that public school districts raised \$3.7 million more in property taxes than the funds lost to voucher students. This new law now prohibits these tax increases beyond what funding is lost to students using a voucher.



Washington, D.C.



WASHINGTON D.C. FAST FACTS

Program administrator, Serving Our Children, awarded

234

new scholarships for the 2016–17 school year.

Nearly

7,000

students have been awarded a scholarship since the program began in 2004.

During the 2015-16 school year,

1,244

students were enrolled in the program.

The D.C. OSP has a

90%

graduation rate.

WASHINGTON D.C. IN THE HEADLINES

The Washington Post

D.C.'s Voucher Program Has Worked Well for Students (FEBRUARY 11, 2016)

For D.C., Reauthorizing School Choice Is the Right Choice (MARCH 14, 2016)

POLITICO

House Protects Boehner Legacy with Passage of D.C. School Voucher Bill (APRIL 29, 2016)

AFC worked successfully to pass a reauthorization of the D.C. Opportunity Scholarship Program (OSP) in the House in October 2015, however, the legislation was ultimately not included in the Fiscal Year 2016 Omnibus Budget bill that passed in December 2015. This year, AFC once again worked with congressional supporters to pass an OSP reauthorization bill through the House in April of this year and to include the reauthorization in the Fiscal Year 2017 Financial Services Appropriations bill. At this time Congress is considering how to pass the full Fiscal Year 2017 federal budget, and AFC will be working with House and Senate allies to ensure the OSP reauthorization is in the final product.



Federal Progress

AFC'S FEDERAL STRATEGY

This year, AFC launched a new federal strategy to promote educational choice in Congress, educate lawmakers and staff about the tremendous progress being made in the states, and discuss leveraging federal education dollars to complement the work being done in the states to empower parents.

AFC worked with the House Education and Workforce Committee on a school choice informational hearing in February of this year. The committee heard from AEI's Gerard Robinson; North Carolina State Rep. Rob Bryan, who was instrumental in passing the North Carolina Opportunity Scholarship Program; and Florida scholarship program alumna Denisha Merriweather. We worked with the House Republican Policy Committee on seven well-attended meetings featuring school choice policy experts. In addition, our team has held more than 80 separate meetings with congressional staff. Overall, these efforts have increased the profile of school choice among members, shown the positive impact of educational choice nationwide and laid the groundwork for advancing the kind of educational choice in Congress that will complement work that states have already launched successfully.

Additional Progress in 2016



Kentucky



Working with allies EdChoice KY, tax credit scholarship and education savings account legislation was introduced in the House and Senate. The tax credit legislation created a public school tax credit improvement program, along with a private school choice scholarship tax credit program. The introduced ESA legislation would serve students with special needs. While neither of the bills passed due to budget issues, the governor and state legislature are supportive of school choice, and groundwork has been laid for future progress.



Pennsylvania

The state currently has two scholarship tax credit programs. During this legislative session, although the legislature faced budget issues, the state's two scholarship tax credit programs were fully funded within the 2016 budget, and a \$15 million increase in tax credits for the Educational Improvement Tax Credit program for students from low-income families was included.



“Together, every year we’re improving and creating new programs throughout the country that serve the needs of hundreds of thousands of students. Our education revolution empowers parents, creates innovation in our nation’s antiquated education system and levels the playing field for those impacted by education inequality that too often impacts low-income families. We remain committed to championing educational choice until every child has the opportunity to obtain a quality education of their parents’ choice.”

— Kevin P. Chavous, founding board member of the American Federation for Children





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