HOUSE APPROVES TAX CREDIT FOR EDUCATION SCHOLARSHIP

House Bill 1607: Opponents see it as a backdoor school voucher program.

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CONCORD NH – The House approved a bill establishing a business tax credit that would fund scholarships for students who want to leave or are not in public schools.

Supporters say the program provides opportunities for students whose families’ do not have the means to send them to private schools, but opponents say it is a backdoor school voucher program.

House Bill 1607 was approved Thursday on a 173-127 vote. The Senate approved a similar plan the day before.

Under both plans, businesses would donate to a nonprofit organization that would provide scholarships of up to $2,500 per student. The student’s family would have to be at 300 percent of the federal poverty level or below.

The business would receive 85 percent tax credit against state business taxes.

Students in home schools could receive up to a $750 scholarship.

School districts losing students due to the scholarships would lose $4,100 per student in state education aid.

The program would be limited to $4 million the first year, then $6 million and $8 million the third year.

Supporters said the bill would have no impact on the state budget for this biennium. They also said the program would improve education for all students and allow many more state students to attend private and parochial schools.

Rep. Bill Ohm, R-Nashua, said the program would start small so it doesn’t disrupt local school systems.

“(Public) schools will improve in response to the competition,” Ohm said. “If they fail to become competitive, they will continue to lose students to schools that serve them better.”

But opponents called it an attack on public education and a huge downshift to local property taxpayers.

Rep. Neal Kurk, R-Weare, said while he believes in education competition and school choice, “we need to pay for this and not downshift to local property taxpayers.” Just because one student leaves, school costs do not decrease, he noted.

“We went through ‘you know what’ in the budget to avoid downshifting,” Kurk said. “Now we have a bill that says downshifting is OK if we can get school choice.”
Rep. Christine Hamm, D-Hopkinton, also criticized the bill, saying not only will it increase property taxes, it could well grow to cost the state $100 million in 10 years.

“This remains in fact a shell game; a kick in the teeth to public education and a hand in the pocket of the local taxpayer,” Hamm said.

But the bill’s sponsor, House Majority Leader D. J. Bettencourt, said no parent should be forced to send children to bad schools.

“This bill seeks to infuse more school choice and opportunities for all of our students, while improving the quality of education in New Hampshire and saving taxpayer money,” Bettencourt said. “Good schools should not only be available to the rich; all children should have the opportunity to choose what school they go to.”

He said parents need to be able to find schools that work best for their children.

“We need to continue to seek excellence in education for our children,” he said.

If the program becomes law, New Hampshire would be the eighth state to institute such a program.