



February 15, 2011

Senate Education Committee Chair
Senator Jeffrey Piccola
Senate Box 203015
Harrisburg, PA 17120-3015

Senate Education Committee Vice Chair
Senator Michael Folmer
Senate Box 203048
Harrisburg, PA 17120-3048

Dear Senators Piccola and Folmer,

Thank you for this opportunity to submit our testimony on SB1, the Opportunity Scholarship and Educational Improvement Tax Credit Act to the Senate Education Committee for the public hearing scheduled for February 16th, 2011. UNITEPA is a Constitutional and principled organization born of the grassroots movement in response to a corrupt, overreaching, non-transparent government. We are dedicated to upholding and preserving the principles and values set forth by America's founding documents and the ideals of our Founding Fathers. This testimony is written on behalf of UNITEPA and the co-sponsoring grassroots organizations, representing thousands of informed Patriotic citizens across the Commonwealth. Through our investigation and looking through a principled lens, we submit to you our findings on SB1.

1. It is our opinion that the SB1 "Voucher Program" will cause a reactionary increase in the cost of non-public schools. SB1 will necessarily cause "bloated and more expensive private education". "State government spends nearly \$2 billion annually on higher education. For the 2010-11 fiscal year, state spending is being maintained with the help of \$249 million in federal stimulus money." That money will run out in June 2011. Funding for grants to students has increased \$55.7 million or 16 percent since 2002-03. Higher education provides empirical evidence of how public subsidies can drive up the cost of education. State legislatures and the federal government have provided increasing subsidies to both public and private universities for decades, despite the dropout rates in Pennsylvania ranking among the worst in the nation. In a 2010 report by the American Institute for Research, Pennsylvania ranked 11th, spending \$232,900,000 on first year drop-outs and 9th in spending \$56,000,000 for Federal Student aid. Universities use the subsidies to spend more on salaries and programs, ultimately increasing university expenses and tuition. Their solution is more subsidies, resulting in a "politically induced college affordability crisis". This crisis is a blueprint for disaster in K-12 education. There is no restraint and no incentive for the non-public schools to leave the 'money on the table.

2. The SB1 "Voucher Program" is vulnerable to lobbyists and special interest groups. "Any system in which the government, rather than the consumer, pays the bills is susceptible to capture by special interests. Just as teachers' unions consistently (and successfully) lobby for higher educational spending to raise teachers' salaries, government-funded vouchers would lead private school organizations to band together and lobby for larger vouchers. Since the school organizations would be organized on this issue, and since parents and other taxpayers are generally not organized, it is likely that vouchers would increase over time. How these increases would compare to the rapid growth we have already witnessed in public school spending is impossible to say. It is worthwhile to note that when consumers are responsible for paying their own way, lobbying is no longer possible: the only way you can lobby your own customer is to offer better services. This is why competitive market prices are generally lower than public (government) costs for similar services." *The result would be greater intrusion into the private sector with the potential to regulate and restrain all participating non-public schools. (Section 2502-B, 2.)* A recent CATO Institute Study revealed that vouchers, not tax credits, impose a substantial and statistically significant additional regulatory burden on participating private schools.

3. We also question the inequality in which the program is structured, the constitutionality of SB1 (Article III, Section 15 -Blaine Amendment) and the inconsistencies within the language of the bill.

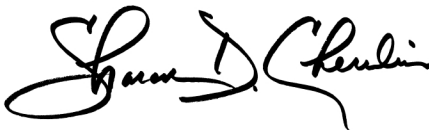
Instead of another entitlement program which would serve as a mechanism for big government, furthering the redistribution of wealth, we support the following:

1. The expansion of the successful EITC Program as described in SB1. The EITC program saved the taxpayers over \$531 million dollars in 2007-2008, benefiting over 44,000 students.
2. Personal income tax credits for contributions to scholarship organizations.
3. Personal income tax credits for educational expenses, offsetting private school tuition and homeschooling expenses. Credits better preserve the autonomy of independent schools, and they extend choice and accountability to all taxpaying citizens of Pennsylvania. Education tax credits reduce the amount a taxpayer owes for each dollar he spends on education expenses, directly affecting their tax liability.
4. Educational Savings Accounts where the state would contribute funds in exchange for parents agreeing not to enroll their child in a public school. Parents would be free to use the account for a wide range of educational services, including alternative school choices and higher education. Furthermore, parents would be able to contribute to their account tax free and withdraw from the account without tax penalties.
5. Interdistrict (public to public) education with specific guidelines as to not limit spacing for incoming residents and addressing the issue of participating vs. non-participating public schools.

We are not debating whether or not our schools are failing, or disputing the fact that unions have increased the cost of education while corrupting the process. The evidence is clear. SB1, if crafted properly has the potential to change how we as parents choose to educate our children. This is a tremendous opportunity to push the envelope and present a constitutional, principled bill for school choice which offers an equal opportunity for all Pennsylvanians. As currently written, however, SB1 is not about school choice. It is a political attempt to disrupt the union strangle hold while promoting an unconstitutional quick fix for failing schools, and enticing the middle class with promises that will never come to fruition. We hope that you find our analysis and suggestions helpful and informative.

The independent grassroots organizations listed on this testimony wholeheartedly support 'school choice' and are looking forward to seeing a sound bill that does not compromise constitutional principles or values. Please note that as a decentralized movement we do not have an appointed leader, nor do we support that premise at this time. However, we will come together on issues such as school choice and voice our concerns collectively. It is our finding that the many of the grassroots groups **do not** support SB1 as currently written, as you will note on the signatures.

Respectfully Submitted,



UNITEPA Lancaster County on behalf of,

Bradford County Tea Party
Chester County Patriots
C.O.P.S. (Citizens Opposed to Political Suppression)
Delaware County Patriots
Fayette Patriots
Independence Hall Tea Party Association
Mifflin County 9-12 Project
Pennsylvania Freedom Allies
Philadelphia Tea Party Patriots - AIM
Philadelphia Tea Party Patriots - Center City

Philadelphia Tea Party Patriots - Lower Bucks
Philadelphia Tea Party Patriots - South Philadelphia
Philadelphia Tea Party Patriots - Eastern Montco
Philadelphia Tea Party Patriots - Northwest Philadelphia
The Loyal Opposition of Philadelphia
The People USA
UNITEPA Pottstown Area Patriots
UNITEPA 912 Patriots of the South Eastern PA Region
UNITEPA 9.12 Reading-Berks
Valley Forge Patriots

*Many other grassroots organization will be submitting support for this testimony under separate cover.

References:

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