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PA. EXPANDS EDUCATION TAX CREDIT PROGRAM TO THOUSANDS MORE CHILDREN

2006 Targeted School Choice Scholarships Available Nationally Projected at 40 % More than 2005

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PHOENIX— Further increasing the number of school choice scholarships available to our nation's children, the Pennsylvania Legislature early today passed a budget with a \$4 million expansion of the existing Education Tax Credit Program. Two-thirds of which will go towards scholarships that will increase educational opportunities for more than 2,000 Pennsylvania schoolchildren.

This year, more than 93,000 children exercised the power of school choice. In 2006, the number of targeted school choice scholarships available nationally is projected to increase by nearly 40 percent to 130,000. K-12 school choice bills passed 17 legislative houses in 11 states this year. Five states - Arizona, Florida, Ohio, Pennsylvania and Utah – enacted two new school choice programs and expanded five preexisting choice programs, with both new and existing program expansions remaining in serious legislative play in Arizona and Minnesota.

"The bipartisan support for the expansion of the corporate scholarship tax credit demonstrates that states that have the greatest experience with school choice are inclined to expand it, even when faced with competing budget priorities," declared Clint Bolick, president and general counsel of the Alliance for School Choice, the Phoenix-based organization that leads the national effort to support school choice programs to expand opportunities for economically disadvantaged schoolchildren.

Beginning next school year, tax credits will be increased from \$40 to \$44 million, with \$29.3 million dedicated to scholarships and \$14.7 million dedicated to innovative educational programs in public schools. The Legislature also approved reasonable additional reporting requirements to ensure accountability for scholarship, educational improvement, and pre-K scholarship organizations involved with the Educational Improvement Tax Credit program.

This year more than 25,000 children received EITC scholarships in 62 of Pennsylvania's 67 counties. Next year the numbers are projected to reach up to 27,400.

Pennsylvania Gov. Ed Rendell signed the budget today.