



**The School District  
of Greenville County**  
*Board of Trustees*

March 22, 2011

The Honorable Mike Fair  
South Carolina State Senate  
Post Office Box 14632  
Greenville, South Carolina 29610

Dear Senator Fair:

The Greenville County Board of Trustees urges you to oppose S.414, interestingly titled The Educational Opportunity Act. While our Board welcomes legislation that seeks to truly increase opportunities for students within our public school system, this legislation is merely another tax break championed by a well-funded, out-of-state special interest group. In fact, if passed, this legislation may well decrease opportunities for our students as funding is diverted from the state's General Fund into the pockets of a few.

While there are many reasons why this legislation represents poor public policy, we would like to address the ones we see as most problematic.

**Negative Impact to the State's General Fund**

As we enter the third year in which our state has struggled to provide even basic services for its citizens, it is hard to conceive that the General Assembly would seriously consider legislation which would further reduce state revenue. While we understand that no fiscal impact statement is presently attached to this bill, the price tag for similar bills advocating tax credits for private school tuition and home schools has been estimated at more than \$200 million annually. Since this bill allows for an increasing number of participants each year, there is no way to estimate the cumulative financial impact in years to come.

As school districts across the state lay off teachers, reduce class offerings, discontinue innovative programs and rely on parents to provide basic supplies, it is simply irresponsible to consider legislation which further erodes resources for our public school students and threatens the other core services of our state. While we wholeheartedly support a parent's right to choose a private or home school education for their children, the question is who should pay for this personal choice. As our Governor Nikki Haley said in her inaugural State of the State Address, government was never intended to be all things for all people.

## **A Tax System Plagued With Structural Deficiencies**

On December 1, 2010, the South Carolina Tax Realignment Commission (TRAC), created by the General Assembly, published its final report. This report, which has yet to be acted on by the Legislature states “South Carolina is a low income tax state by almost every measure. But like the State’s sales tax structure, South Carolina’s individual income tax system is growing narrower by the year, meaning that fewer and fewer tax ‘filers’ are actually tax ‘payers’, increasing the overall tax burden on a smaller number of filers.”

Granting yet another income tax credit without considering the implications to all of the taxpayers in our state only exacerbates the problem cited by the Commission. Our Board of Trustees has strongly advocated for Comprehensive Tax Reform. We believe our tax system should be equitable, fair and stable. Passing piecemeal tax legislation like S. 414 does not promote the type of tax system our citizens demand and deserve; rather it contributes to a state tax system which TRAC describes as “plagued with structural deficiencies.”

## **Contradicts Spirit if Not Letter of Constitution**

Our State Constitution clearly addresses the issue of public funds used to fund private educational institutions. In fact, Article XI of the South Carolina Constitution states expressly, “No money shall be paid from public funds nor shall the credit of the State or any of its political subdivisions be used for the direct benefit of any religious or private educational institution.” While S.414 may have been drafted in an attempt to avoid a constitutional challenge, the practical intent is unmistakable- to divert public funds to private educational institutions by means of a tax credit.

As elected officials, each of us takes an oath when we are sworn into office to “preserve, protect and defend the Constitution of this State and of the United States.” We do not take this oath lightly and firmly believe that S.414 violates the spirit if not the letter of the Constitution.

## **The Real Policy Question – How Do We Improve Public Education**

Sadly, while the issues of tax credits for private school tuition and home schools, and private school vouchers have dominated discussions among many political groups over the last several years, little has been done from a state policy perspective to address the more important issues – how we improve public education in our state and provide a quality education for all children.

Public school districts, such as Greenville County, have embraced public school choice by offering magnet programs, International Baccalaureate programs, career centers, a fine arts center, a gifted center, and the state’s only elementary engineering program. These programs have been extremely successful and enjoy strong parental support. They have

been implemented, however, without any additional state funding. In fact, the state has refused to fund bus transportation to students who choose to attend these programs.

If public school districts were provided incentives to offer public school choices, rather than parents being provided incentives to leave the public schools, perhaps the success that we have experienced in Greenville could grow here and spread across the state.

### **Final Question to Consider**

Finally, a tax credit has been described as a financial credit provided by a government entity to reward citizens or businesses for taking a desired action. For years, tax credits have been given to citizens to promote a variety of behaviors including energy savings, home ownership, and job creation. What behavior is it that we are trying to encourage by providing tax credits to people who choose to send their children to private schools or home schools? It is a question worthy of consideration.

Again, we urge you to oppose S. 414. We all know that tax legislation advocated by special interest groups rarely results in good public policy. And we only need to look at the many, many unintended consequences of Act 388 to realize that changes in tax legislation made in isolation, without considering the tax system as a whole creates many problems with no easy solutions.

Thank you for your careful consideration of our request. Should you have any questions, please do not hesitate to call upon me.

Sincerely,

A handwritten signature in black ink that reads "Roger Meek". The signature is written in a cursive style with a large, looping initial "R".

Roger Meek  
Chairman