



H.R. 9462, *the Educational Choice for Children Act of 2024*

Rep. Adrian Smith (R-NE)

Background:

- Education tax incentives – such as credits for donations to K-12 scholarship fund programs – **expand educational freedom and parent choice to families** unable to afford alternative schooling options.
- Based on successful policies at the state level, these programs provide low-income parents with the option to send their children to high-quality private schools through scholarship programs.
- Today, 23 states have implemented K-12 scholarship fund programs to help meet the needs of individual students. To date, such programs have awarded over **\$1.8 billion**, with the average scholarship totaling **\$4,000 per student** targeted toward low-income and minority students.
- Over **365,000 students nationwide** with an **average income of under \$75,000 have received scholarships** under State-run tax credit programs, like the proposal under the *Educational Choice for Children Act of 2024*.
 - For example, the Florida Tax Credit Scholarship program has aided over **100,000 families**, **68%** of whom are African American or Hispanic with an average family income of \$24,000 per year.
 - Last year alone, the Arizona Individual Tax Credit Scholarship program awarded over **23,500 scholarships**, with nearly half going to **families making under \$55,000**.

Issue(s):

- The COVID-19 pandemic exposed major deficiencies in our education system, making clear that parental flexibility and **additional choice and options for children is necessary** to ensure students have the best chance of success.
- Under the control of liberal elites—from Democrat governors to activist school board members—the U.S. school system failed the next generation by shuttering classrooms, masking students, and forcing inappropriate and extreme material in the classroom.
- After years where “virtual learning,” distancing, and masking policies disrupted children’s school days, alarming data make clear that students have suffered academically, mentally, and emotionally.

The Educational Choice for Children Act of 2024:

- Provides individual taxpayers a tax credit for donations/charitable contributions to scholarship granting organizations (SGOs).
- SGOs, as defined, are tax-exempt organizations that provide scholarships to elementary and secondary school students.
- The maximum credit under this legislation is the greater of 10% of adjusted gross income or \$5,000.
- Scholarships awarded under this bill **MUST** go to students in households with incomes at or **below 300%** of the median income level in their area, **providing low-income families with the choice and freedom** to ensure that their children are successful.
- This pilot program would receive an annual allocation of \$5 billion in credits to be distributed on a first-come, first-serve basis during a four-year trial period.