

# LB753 - THE OPPORTUNITY SCHOLARSHIPS ACT



**Opportunity Scholarships expand school access to many Nebraska families who otherwise can't afford the best education setting for their children.** Opportunity Scholarships empower parents and give hope and opportunity to families without the means to move to a community with great schools or pay for a private education. The Opportunity Scholarships Act, passed by the Nebraska Legislature as LB 753, provides scholarship opportunities for families, especially middle and lower-income families, to attend a private school of their parents' choice. All parents, regardless of their income or zip code, deserve the opportunity to access the right education for their children.

## HOW WILL LB753 WORK?

- Donations will be made to non-profit scholarship granting organizations (SGOs), which then award scholarships to eligible children.

**The program prioritizes students in families at or below the poverty level (\$30,000 for a family four). As the program grows the income eligibility level rises to as much as \$166,500 for a family of four but only after lower income families have been awarded scholarships first.**

**Other priority families include those with students with “exceptional needs”, who have experienced bullying, in foster care, in military families, or have been denied option enrollment by public schools.**

- Donors will receive a dollar-for-dollar credit on their state income taxes for any donation made to scholarship granting organizations (SGOs). Donations are capped at 50% of an individual or business's state tax liability. Donations are also capped at \$100,000 for individuals and businesses and \$1 million for wills and trusts. The tax credits are capped initially at \$25 million and the cap increases to \$100 million in future years.

## WHY SCHOLARSHIP TAX CREDITS?

- Tax credit scholarship programs create new pools of funding so a child can receive scholarships to attend the private school of their parents' choice.
- There are 27 tax credit scholarship programs operating across the country. Research shows school choice programs are positive for student achievement and attainment and save money for state and local governments. Moreover, public schools benefit from the existence of school choice programs. EdChoice reports 26 of 29 studies on the competitive effects of private school choice programs are positive. <https://www.edchoice.org/wp-content/uploads/2023/06/123s-of-School-Choice-WEB.pdf>
- The nation's largest school choice program is a tax credit scholarship program: Florida's Tax Credit Scholarship Program – which served 97,870 students in 2022-23.