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## **Voucher plan tied to kindergarten funds**

## Bill could trigger showdown, shut off state services

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PHOENIX - Ignoring a threatened veto, the House voted 31-27 Monday to create a voucher program for 19,500 low-income students to attend private and parochial schools.

The language was attached to a measure that gives Gov. Janet Napolitano the \$38 million she wants to continue and expand state-funded full-day kindergarten programs. The Democratic governor has said any proposal to use state dollars outside the public school system is unacceptable.

But the measure contains more the governor does not like.

It would allow corporations to divert up to \$55 million of income taxes owed to the state, giving it instead to organizations that provide scholarships for students from low- and middle-income families to attend private and sectarian schools.

And it would require schools to get income verification for any student eligible for federal programs that provide free and reduced-price lunch. That status becomes the trigger for whether schools would be eligible for the full-day kindergarten funding.

None of that bothered House Speaker Steve Tully, R-Phoenix. He said Monday's vote is part of a plan to send the governor a budget this week that Republicans who control the House and Senate find acceptable.

Tully said if she vetoes it - as she did an earlier spending plan - it will be her fault if state government shuts down at the end of the fiscal year June 30 because there is no authority to spend money after that date.

Rep. Chuck Gray, R-Mesa, called the vote "the art of compromise." Gray, who opposes full-day kindergarten, said if Napolitano follows through with her veto threat, "none of us get what we want."

Napolitano press aide Jeanine L'Ecuyer said the governor is frustrated by what she sees as unwillingness of the Legislature to deal in good faith. She said Monday's vote linking kindergarten funds to vouchers and tax credits "clearly falls into the category of game playing."

L'Ecuyer said Napolitano has made it clear there are a handful of demands that are not negotiable, including kindergarten funding and \$7 million for a new medical school in Phoenix.

But Tully said the Republicans have gone as far as they are willing, saying the plan now is to adopt a budget the GOP majority wants later this week and adjourn for the session.

He said Republicans will not compromise further unless the governor gives in on some of the things the GOP majority wants, like the tuition tax credits for corporations.

"At some point the governor needs to respect the House and the Senate," Tully said. "Who's guilty of being obstructionist at this point?"

The apparent stalemate comes with less than two months until the new budget year begins July 1. Arizona, unlike the federal government, has no provision for a "continuing resolution" to keep state services operating after that date while negotiations continue.

Tully said Republicans already have given Napolitano much of what she wants, including more staff for Child Protective Services and the ability to spend more money for subsidized child care services.

L'Ecuyer would not speculate on what would happen June 30, saying, "That's a long way off."

Several Republicans who support full-day kindergarten broke with their party Monday and refused to go along with linking it to the other issues.

Rep. Marian McClure, R-Tucson, noted that state funding of vouchers continues only if a student advances from grade to grade. But McClure said there is no state oversight to ensure a youngster actually has learned anything, something she said induces schools to promote them "just so they can keep that money coming in from the state."

But Rep. Andy Biggs, R-Gilbert, said the system would save money for taxpayers because the vouchers are worth only \$3,500, compared with \$3,800 in state aid for elementary school students.

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