

# 5 Things Lawmakers Need to Know about Education Savings Accounts

**1 Parents support ESAs.** Even after hearing the best arguments against ESAs, parents and low-income voters still overwhelmingly support ESAs. A recent poll revealed 75% of parents support state legislation to create ESAs and 71% of parents said they would be interested in exploring the program for their child.<sup>1</sup>



**7 in 10 parents support ESAs**

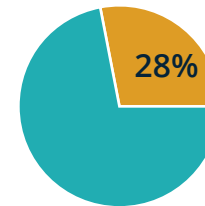
**2 Voters find ESAs convincing.** 73% of voters (across geographic region, party, age, race and income) say the following statement is a convincing reason to support passing an ESA bill in their state:<sup>2</sup>

*“A great education is a ticket to the American Dream. Every child deserves the chance at an education that will prepare them for a good job, a bright future, and a happy life. But for many children, the odds of attending a good school depend entirely on where they live. Education Savings Accounts change that. They allow parents to put their children in a learning environment that gives them a shot at a better, more successful life.”*

**3 Constitutionality of ESAs.** With ESAs, aid is going to parents, not directly to a private or parochial school. Depending on the state, ESAs often stand on firm constitutional ground. ESAs were challenged in Arizona and found constitutional and a lawsuit against ESAs in Florida was dismissed.



**4 ESAs are unique and different.** Unlike vouchers, ESAs are used to buy from a menu of educational services to create a customized learning environment for an individual child. A family can use an ESA to purchase home schooling curriculum, specialized therapies that will help a child succeed in school, or private school tuition with additional tutoring as needed.



More than 1 in 4 ESA families in Arizona are using ESAs to customize a learning environment for their child.<sup>3</sup>

**5 A better brand for parents?** While lawmakers know these accounts as “education savings accounts,” that term makes parents think of money that is saved for college. In a public opinion survey<sup>4</sup>, parents preferred other names that better explain how the accounts can be used.

- Education Options Plan
- Flexible Education Spending Account

<sup>1,2,4</sup> Glover Park Group Survey, February 2016

<sup>3</sup> Jonathan Butcher, Lindsey Burke, *The Education Debit Card II* (Friedman Foundation for Educational Choice, 2016)

# What is an Education Savings Account?

Some states are considering offering a new program for parents when it comes to K-12 education. They are often called Education Savings Accounts, or ESAs. This program is NOT a college savings plan. Rather, if a parent or student decides the public school they are assigned to is not meeting their needs, they can leave their school and instead receive money from the state to pay for alternative education options and expenses. Under this program, parents can spend the funds on private school tuition, individual courses at public schools, tutoring, online learning, textbooks, educational therapies, and other education-related services and products. They can use a combination of these services based on what they think would best meet their child's learning needs.

Through this program, the state estimates the amount it costs to educate that individual student each year in a public school, and deposits a portion of those funds directly into a parent-controlled account. Unused funds can be rolled over from year to year, and in some states can be contributed to a college savings account. To sign up for this program, students would not be able to stay enrolled at the public school they were originally assigned to and parents could only use the funds for educational services approved by the state.

## States with ESAs



### Arizona

- Passed in 2011, administered by DOE
- 4,400 students enrolled in 2016-17 school year
- Students with special needs or from failing schools are eligible, as are adopted children, military children, or children on tribal lands



### Mississippi

- Passed in 2015, administered by DOE
- 425 enrolled in 2016-17 school year (at capacity for funded spots for this year)
- Students with an IEP are eligible



### Florida

- Passed in 2014, administered by an SGO
- 4,000 students enrolled in 2016-17 school year
- Students with state-identified special needs are eligible



### Nevada

- Passed in 2015, administered by state treasurer
- 6,000 applicants for 2016-17 school year
- All students enrolled in a Nevada public school for the prior 100 days are eligible



### Tennessee

- Passed in 2015, administered by DOE
- Taking applications for 2017
- Students with state-identified special needs are eligible

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