

## ESAs: GIVING PARENTS MORE CHOICES AND KIDS EDUCATIONAL ALTERNATIVES

Education is an important issue to Americans as it is the gateway to greater opportunity and prosperity. But a groundswell of support for education reform is culminating in a new perspective. While most of the over 50 million K-12 students in the US are enrolled in traditional public schools, even the best school isn't the right school for all students. Opinions on how to reform education and provide parents with alternatives differ.

The concept of school choice is popular because of the focus on empowering parents to help in improving students' academic careers through educational options. One form of school choice, Education Savings Accounts, or ESAs (also referred to as Education Student Accounts), is gaining in popularity.

ESAs are emerging as the most viable and flexible vehicle for providing parents with the educational options they need to direct their children's education. ESAs encourage greater innovation and more options, and ultimately result in greater parental satisfaction.

Rather than providing public funding to educational institutions, the ESA allows parents to have their children's education funding sent to a savings account, which the parents use to pay for qualified education expenses.

ESAs have been enacted in five states - Arizona, Florida, Mississippi, Nevada, and Tennessee. Nevada enacted the nation's first universal ESA program in 2015 and it launches in January 2016.

### WHAT IS AN EDUCATION SAVINGS ACCOUNT?

ESAs are bank accounts that parents use for education expenses for their children. The accounts function much like Health Savings Accounts. But instead of using the funds for doctors' visits or medication, parents can use the bank account and accompanying debit card for a variety of educational expenses including but not limited to:

- private school tuition;
- textbooks;
- educational therapies such as speech therapy;
- tutoring services;
- curriculum, including books and other materials;
- online classes;
- standardized test fees;
- college savings plans;
- college tuition and fees; and
- public school classes and extracurricular activities.

### QUICK FACTS

- A study by the Friedman Foundation SCHOOLING SATISFACTION looked at the Arizona ESA program instituted in 2011. Of the parents who selected ESAs, the majority of respondents reported being "very satisfied" with the accounts (71 percent); nearly 20 percent of those surveyed reported being "satisfied," and 10 percent said they were "somewhat satisfied." No parent responded as neutral or reported any dissatisfaction with the accounts. In the public education system, 30% were very unsatisfied.

### NOTABLE & QUOTABLE

"Make no mistake about it: Education reform is one of the most crucial social justice issues of our time, and I will spend the rest of my days fighting for my people, most especially those without power themselves."

- **Howard Fuller**, Civil rights activist and education reformer

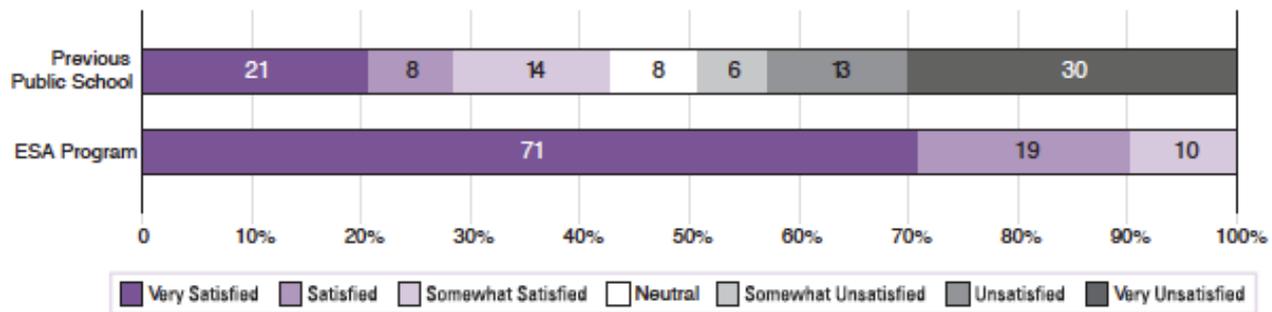
## HOW DO ESA'S DIFFER FROM SCHOOL VOUCHERS?

With a voucher, the state pays a private school upon a parent's selection. With an ESA, the state contracts with parents to provide their children with an education using an educational savings account. Parents control the accounts and determine how and where the funds are spent for pre-determined, qualified educational expenses. Money not used in K-12 education can be applied to college tuition.

## CONCLUSION

Even the best school isn't the right school for every student. ESA parents expressed frustration with the traditional public school and cited issues including the school's inability to deal with challenging gifted and talented students, dealing with student disabilities, students' differing educational levels and learning styles, and others cited bullying.

**FIGURE 11** How satisfied are you with the school or program your child used in the year before enrolling in the EAS program / How satisfied are you with the ESA program overall?



Source:  
<http://www.edchoice.org/wp-content/uploads/2013/10/SCHOOLING-SATISFACTION-Arizona-Parents-Opinions-on-Using-Education-Savings-Accounts-NEW.pdf>

### Endnotes:

For an interactive map on school choice programs in the states, go to the Friedman Foundation:

<http://www.edchoice.org/school-choice/school-choice-in-america/>

How much power do parents have? The Center for Education Reform provides some insight:

<http://parentpowerindex.edreform.com/>

Facts about school choice from the American Federation for Children:

<http://www.federationforchildren.org/ed-choice-101/facts/>

National School Choice Week information and activities can be found here:

<https://schoolchoiceweek.com/>

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